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KHON KAEN SUGAR INDUSTRY PUBLIC CO., LTD  
503 K.S.L. TOWER, 9th FLOOR, SRIAYUDHYA ROAD,  
RAJATHEVI, BANGKOK 10400

14 September 2015

SUBJECT        EXPLANATION FOR THE DECREASE IN REVENUE OF OVER 20 PERCENT FOR THE THIRD QUARTER  
                    OF YEAR 2015 COMPARED TO THE SAME PERIOD OF THE PREVIOUS YEAR

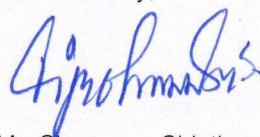
ATTENTION     PRESIDENT, THE STOCK EXCHANGE OF THAILAND

Khon Kaen Sugar Industry Public Company Limited and its subsidiaries ("KSL") would like to report our financial performance of the third quarter year 2015 (May 2015 – July 2015). The Company recorded a net profit of THB 228 million this year compared to the net profit of THB 358 million in the previous year, representing a decrease of 36%. The main reasons for the decrease in our performance were due to;

1. The decrease in World sugar price. The average raw sugar price in NYBOT market (NY#11) was 11 cent/lb in the third quarter of 2015, compared to the same period of last year (2014) at 16 cent/lb or more, representing a decrease of 31%. The main reasons for the decrease in sugar price were due to Brazilian Real currency depreciation that makes them gain competitive advantage (Brazil is the largest sugar exporter). The Brazilian Real was depreciated 37% during 3 November 2014 to 31 July 2015 which can be expected that the sugar mills in Brazil will use sugarcane to produce more sugar instead of producing ethanol for domestic consumption and induce speculator sell-off sugar in the future market. The world sugar price, dropped dramatically, has the impact on the sugar business performance.
2. The Renewable energy business, comprised of Power and Ethanol business, in overall, performance decrease compare to the previous year as follow;
  - Power business performance decrease due to increase in bagasse cost, average selling price per unit decrease from 3,589 THB/MW-hr to 3,247 THB/MW-hr and increasing fixed cost (e.g. Depreciation) from the new power plant at Nampong.
  - Ethanol business performance decrease due to decrease in sales volume from 23.55 million liters to 22.38 million liters. Ethanol cost per unit also increase since increasing molasses cost and waste water management cost.

Overall, based on 9 months performance, the Company recorded a net profit of THB 1,088 million this year compared to the net profit of THB 1,413 million in the previous year, representing a decrease of 23%. However, in term of EBITDA in 9 months period, the Company recorded EBITDA of THB 2,990 million, closed to THB 3,164 million last year.

Yours faithfully,



Mr. Chamroon Chinthammit

President and Chief Executive Officer

Khon Kaen Sugar Industry Public Company Limited