

growth over the previous year was as high as 16.3 percent. In terms of trend in sales, it is expected that in the next 2-3 years, sales will grow at an accelerating rate, both in manufacturing for domestic consumption and export, the latter benefiting from trade partners' relaxation of product quality inspection requirements.

The trend of expanding profit was also found, with an average growth of 35.4 percent annually. The estimate growth for the next two year is, however, expected to be at a decelerating rate compared to 2000-2001. The most important negative impact was energy costs which directly affect manufacturing and transport costs. This slowdown trend in profit will cause the net profit on sales ratio to decrease, especially in 2005 where the declining trend in net profit on sales was clearly detected.

Although the food and beverage product manufacture industry, both for domestic demands and export, maintained its important role in the country's economy. The negative factor i.e. oil prices, the bird flu, and droughts will continue to hamper its future growth.

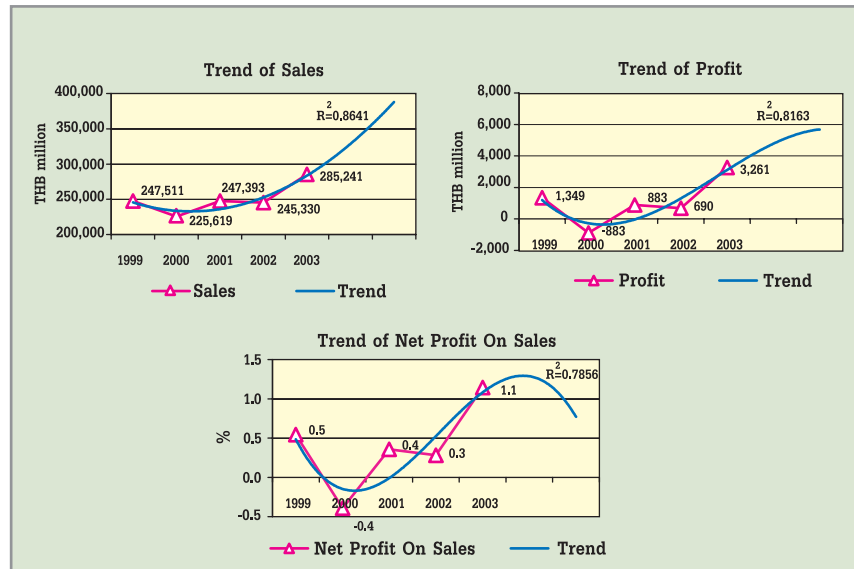
Table 9.14 Food and Beverage Products Manufacturing SMEs Sales, Profit, and Net Profit on Sales

Food and Beverage Products Manufacture	1999	2000	2001	2002	2003
Sales (THB million)	247,511	225,619	247,393	245,330	285,241
Profit (THB million)	1,349	-883	883	690	3,261
Growth of Sales		-8.8%	9.7%	-0.8%	16.3%
Growth of Profit		-165.5%	200.0%	-21.9%	372.6%
Net Profit on Sales	0.5%	-0.4%	0.4%	0.3%	1.1%

Source: Business Online Public Company Limited (BOL)

Compiled by: The Office of Small and Medium Enterprises Promotion

Figure 9.4 Food and Beverage Products Manufacturing SMEs Trends of Sales, Profit, and Net Profit on Sales



Source: Business Online Public Company Limited (BOL)

Compiled by: The Office of Small and Medium Enterprises Promotion

3) Manufacture of Other Transport Equipment

Figure 9.5 showed that this industry played a significant role for the manufacturing sector in terms of profit made. It accounted for 28.7 percent of the sector's profit growth, while contributing to only 1.7 percent of the sector's sales. Its ability in value adding was reflected by the Net Profit On Sales of 2.6 percent, reasonably close to the sector's 2.2 percent average.

Closer examinations revealed that this industry consisted of manufacture of motorcycles which accounted for 66.8 percent of its sales; building and repairing of ships and boats accounted for 15.1 percent, manufacture of other transport equipment which was not classified elsewhere accounted for 17.3 percent, and building and repairing of pleasure and sporting boats accounted for 0.8 percent of the industry's sales.

According to the industry's past records of sales and profit between 1999 and 2003, its sales continued to expand by an annual average of 22.4 percent. In the next two years, it is predicted that the growth rate will accelerate, driven by the industry's most important part, the motorcycle manufacture, which rapidly expands in both production and export. The demand for Thai motorcycles rose sharply in international markets i.e. the ASEAN, the US, and European markets, while domestic demand expanded slowly.

The trend of increase in profit between 1999 and 2001 came to a slowdown between 2002 and 2003. However, the average annual profit growth for these four years period was 37.0 percent. It is predicted that profit in other transport equipment manufacture industry will begin to pickup, according to the increasing trend and accelerating rate of expansion since 2003, in line with the trend of net profit on sales which continued to climb during 2004-2005 (Table 9.15 and Figure 9.5).

Table 9.15 Other Transport Equipment Manufacturing SMEs Sales, Profit, and Net Profit on Sales

Other Transport Equipment Manufacture	1999	2000	2001	2002	2003
Sales (THB million)	8,776	9,244	10,436	12,391	16,632
Profit (THB million)	-915	-248	1,157	12	438
Growth of Sales		5.3%	12.9%	18.7%	34.2%
Growth of Profit		72.9%	566.5%	-99.0%	3,550.0%
Net Profit on Sales	-10.4%	-2.7%	11.1%	0.1%	2.6%

Source: Business Online Public Company Limited (BOL)

Compiled by: The Office of Small and Medium Enterprises Promotion

Figure 9.5 Other Motor Vehicles Manufacturing Trends of SMEs Sales, Profit, and Net Profit on Sales



Source: Business Online Public Company Limited (BOL)

Compiled by: The Office of Small and Medium Enterprises Promotion

4) Manufacture of motor vehicles, trailers, and semi-trailers

This industry did not hold a significant share in the manufacturing sector's growth of sales and profit, but its ability in value adding was spectacular. It boosted a net profit on sales of 7.1 percent, the highest in the entire manufacturing sector. Nevertheless, the industry, comprising manufacture of parts and accessories for motor vehicles and their engines, manufacture of bodies (coachwork) for motor vehicles, manufacture of trailers and semi-trailers, and manufacture of motor vehicles and their engines, are mostly larger enterprises. The LE dominated the industry, leaving the SMEs the role of suppliers manufacturing parts and accessories for assembly plants. The motor vehicles, trailers, and semi-trailers manufacturing SMEs sales amounted THB 60.69 billion in 2003, of which THB 50.43 billion, or

equivalent to 83.1 percent, belonged to the parts and accessories for motor vehicles and their engines manufacture.

Records of sales and profits between 1999 and 2003 showed that the industry's sales grew steadily at the average growth of 36.4 percent annually. The trend was expected to continue due to a surge in manufacturing of OEM passenger car parts and accessories for export purpose owing to production of new car models being launched during late 2004-2005. Thailand's important markets include Japan, Malaysia, the US, and Indonesia.

Moreover, manufacturing for domestic assembly lines is also likely to join the same trend with a rush to meet orders made during the 2 motor shows in late 2004 and early 2005.

The manufacture of motor vehicles, trailers, and semi-trailers was the industry with the greatest net profit on sales ratio. However, their profit started to show a slowdown trend since 2001, despite the average profit growth of almost 200.0 percent during 1999-2003. The decrease in profit growth rate which began in 2003 seemed to level out during 2004-2005. This slowdown caused the net profit on sales to start to contract in 2001; its downward trend was expected to continue to the future.

Even though the industry was the manufacturing sector's best performer in terms of net profit on sales, its slowing trend should signal the entrepreneurs to immediately improve efficiency in operating their organizations. Since the trends found in the industry were positive, its declining profit could point to their own management problems (Table 9.16 and Figure 9.6).

Table 9.16 Mother Vehicles, Trailers, and Semi-trailers Manufacturing SMEs Sales, Profit, and Net Profit on Sales

Motor Vehicles, Trailers, and Semi-trailers Manufacture	1999	2000	2001	2002	2003
Sales (THB million)	20,550	29,163	32,313	38,974	50,430
Profit (THB million)	465	2,296	2,223	4,037	4,171
Growth of Sales		41.9%	10.8%	20.6%	29.4%
Growth of Profit		393.8%	-3.2%	81.6%	3.3%
Net Profit on Sales	2.3%	7.9%	6.9%	10.4%	8.3%

Source: Business Online Public Company Limited (BOL)

Compiled by: The Office of Small and Medium Enterprises Promotion

Figure 9.6 Mother Vehicles, Trailers, and Semi-trailers Manufacturing SMEs Trends of Sales, Profit, and Net Profit on Sales



Source: Business Online Public Company Limited (BOL)

Compiled by: The Office of Small and Medium Enterprises Promotion

9.2.2 Trends among SMEs in Services Sector

Table 9.17 Services SMEs Net Profit on Sales

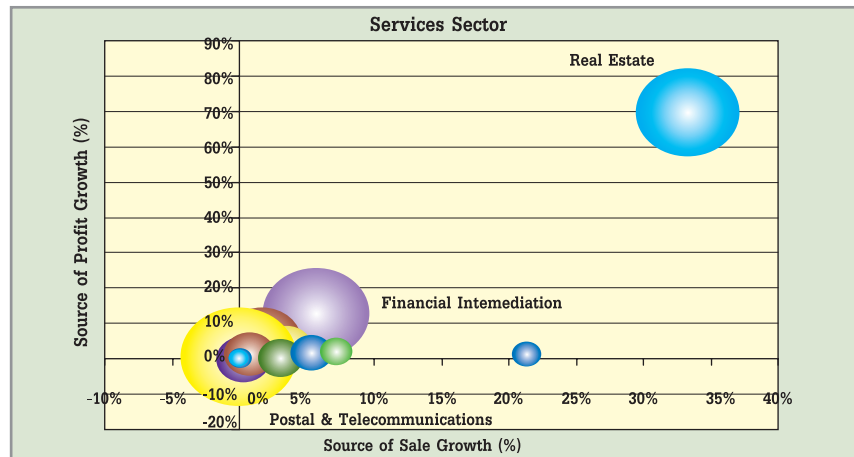
Service Industries	Sales				Profit				Net Profit on Sales
	Value (THB million)	Contribution to Total Sales	Growth compared to 2002	Source of Growth	Value (THB million)	Contribution to Total profit	Growth compared to 2002	Source of Growth	
Post & telecommunications	983	0.1%	1.0%	0.0%	381	0.5%	266%	0.5%	38.8%
Financial intermediation ex. insurance	35,287	4.1%	54.0%	5.8%	11,455	15.0%	240%	12.8%	32.5%
Real estate activities	131,617	15.2%	84.0%	33.6%	39,569	51.8%	381%	70.0%	30.1%
Water transport	21,803	2.5%	26.0%	1.7%	3,881	5.1%	266%	4.8%	17.8%
Renting of machinery and equipment without operator	13,745	1.6%	8.5%	0.4%	1,228	1.6%	-58.6%	-0.3%	8.9%
Computer and related activities	23,511	2.7%	50.1%	3.6%	1,872	2.5%	362.6%	3.2%	8.0%
Sewage and refuse disposal, sanitation	10,115	1.2%	26.1%	0.8%	803	1.1%	358.9%	1.3%	7.9%
Education	4,169	0.5%	13.9%	0.2%	322	0.4%	178.9%	0.3%	7.7%
Recreational, cultural and sporting activities	53,040	6.1%	19.2%	3.1%	3,347	4.4%	-4.3%	-0.1%	6.3%
Air transport	9,650	1.1%	75.1%	2.2%	537	0.7%	458.0%	1.1%	5.6%
Supporting and auxiliary transport activities; activities of travel agencies	73,236	8.5%	24.4%	5.4%	3,704	4.8%	97.4%	1.7%	5.1%
Health and social work	16,053	1.9%	21.3%	1.0%	576	0.8%	178.3%	0.5%	3.6%
Activities auxiliary to financial intermediation	86,446	10.0%	27.9%	7.3%	3,043	4.0%	149.0%	2.1%	3.5%
Other business activities	154,978	17.9%	45.7%	21.5%	4,526	5.9%	63.7%	1.3%	2.9%
Activities of private households as employers of domestic staff	1,182	0.1%	23.5%	0.1%	21	0.0%	231.3%	0.0%	1.8%
Other service activities	16,529	1.9%	29.4%	1.5%	291	0.4%	24.9%	0.0%	1.8%
Research and development	1,414	0.2%	2.5%	0.0%	19	0.0%	-29.6%	0.0%	1.3%
Land transport; transport via pipeline	89,634	10.4%	19.0%	5.2%	1,067	1.4%	-66.7%	-0.3%	1.2%
(Not specified?) (Undifferentiated service-producing activities?)	76,463	8.9%	20.5%	4.8%	764	1.0%	344.1%	1.2%	1.0%
Hotels and restaurants	43,885	5.1%	13.3%	1.8%	-1,013	-1.3%	13.0%	-0.1%	-2.3%
Total	863,740	100.0%	585%	100.0%	76,393	100.0%	3,453.83%	100.0%	183.4%

Source: Business Online Public Company Limited (BOL)

Compiled by: The Office of Small and Medium Enterprises Promotion

Note: 'Source of Growth' represents the proportion of each industry's growth in the entire manufacturing sector's growth. This was achieved by multiplying the particular industry's growth with contribution to its own sales, using the result from each industry to calculate its proportion in the sector's overall growth.

Figure 9.7 Position Plot of Services SMEs



Source: Business Online Public Company Limited (BOL)

Compiled by: The Office of Small and Medium Enterprises Promotion

Figure 9.7 demonstrates roles of services SMEs in different industries toward the sector's sales and profit. The X axis represents the growth of sales, while the Y axis represents the growth of profit. The spheres' size represents the net profit on sales ratio, which reflects the SMEs ability to generate added value.

Some interesting industries in the services sector include:

1) Real estate services

Real estate was one of the most important industries in the services sector, both in terms of sales and profit. The real estate SMEs sales amounted THB 131.62 billion in 2003, or equivalent to 15.2 percent of the sector's overall sales. Their profit amounted to THB 39.57 billion, or 52.6 percent of the sector's profit. Their contribution to sales growth was at 33.3 percent, while contribution to profit growth was as high as 69.7 percent. The real estate industry also had 30.1 percent net profit on sales, extremely high compared to the sector's average of 8.7 percent.

The industry comprises activities of real estate agents and brokers which accounted for 78.0 percent of the SMEs' sales, and the intermediation in buying, selling and renting of real estate.

Records of sales and profit between 1999-2003 showed that sales of real estate services registered a steady growth, an average of 20.9 percent annually since 1999. In 2003 in particular, the industry's sale amounted THB 131.62 billion, owing to the government's financial policy aiming at stimulating purchase power for real estate, including credit and tax deduction/exemption. It is expected that the upward trend in real estate services will continue due to its robust growth in sales in line with the private sector's investment in housing, commercial, and industrial construction to meet domestic demands.

On the profit side, though the industry registered a loss between 1999-2002, it was able to recover in 2003. The current trend in profit continues to improve or the enterprises' loss is on a decline. The industry's average profit growth is 40.9 percent annually, and a continuing strong growth is anticipated.

The outlook of net profit on sales is also improving. After remaining negative during 1999-2002, its recovery was so remarkable that, in 2003, it registered a 30.1 percent net profit on sales, the third highest in the entire services sector. In conclusion, the industry remained sluggish since the 1997 financial crisis, but signs of recovery began to show throughout the last five years. At present, it is growing vigorously. However, it should be noted whether this development is spurred by a genuine demand for housing or a real estate speculation which was widely spread prior to the financial crisis (Table 9.18 and Figure 9.8).

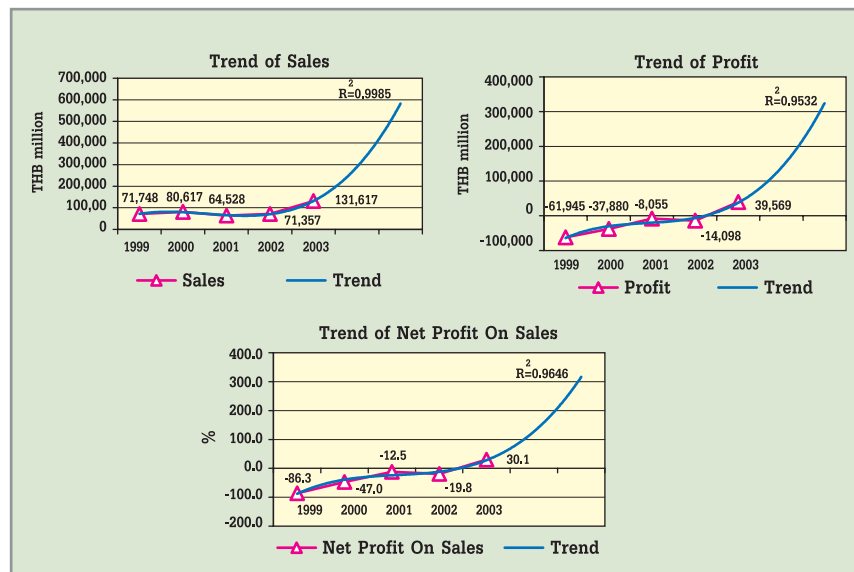
Table 9.18 Real Estate Services SMEs Sales, Profit, and Net Profit on Sales Real Estate Services

Real Estate Services	1999	2000	2001	2002	2003
Sales (THB million)	71,748	80,617	64,528	71,357	131,617
Profit (THB million)	-61,945	-37,880	-8,055	-14,098	39,569
Growth of Sales		12.4%	-20.0%	10.6%	4,440.7%
Growth of Profit		38.8%	78.7%	-75.0%	380.7%
Net Profit on Sales	-86.3%	-47.0%	-12.5%	-19.8%	30.1%

Source: Business Online Public Company Limited (BOL)

Compiled by: The Office of Small and Medium Enterprises Promotion

Figure 9.8 Real Estate Services SMEs Trends of Sales, Profit, and Net Profit on Sales



Source: Business Online Public Company Limited (BOL)

Compiled by: The Office of Small and Medium Enterprises Promotion

2) Financial intermediation

The financial intermediation industry's performance was by no means spectacular in terms of sales, but its profit was crucial to the services sector's overall profit growth. This proved the industry's ability to generate exceptionally high profit, accounting for 12.7 percent of the sector's profit growth, second only to the real estate services industry. Its net profit on sales was also high at 32.5 percent, the second highest figure in the services sector.

The industry comprises security dealing activities, pawnshops, and credit financiers. In 2003, the financial intermediation SMEs' sales, according to their financial statement, amounted THB 35.28 billion, 82.5 percent of which was from security dealing activities.

The financial intermediation industry's sales experienced a contraction during 1999-2001, before it started to recover in 2002. Since then it grew at the average rate of 15.9 percent annually, with a trend of continuing acceleration. As for the turnover, in 1999 the SMEs in this industry registered a loss, eventually their situation improved between 2000 and 2003 until they were able to make profit. However, their profit growth rate was decelerating, reflecting a decline in the SMEs' turnover. This consequently created an impact on their net profit on sales, causing its trend curve to resemble a bell, with its peak between 2002-2003. The curve began to descend since then, and it is expected that the financial intermediation industry's net profit on sales will remain at a modest level such as the 32.5 percent presently registered, and that it will continue to decline in future.

According to this trend, it can be added that the security dealing activities' sales or value of services were based on the amount of securities, funds, and bonds being exchanged in the capital market. These companies' profitability depends on their average broker's fees deducted from average operational costs.

The study on “Security Dealing Activities: Their Survival and the Government’s Policy” by the Office of Securities and Exchange Commission pointed out that the structure of security dealing agencies’ costs consists of, for the most part, fixed costs. It accounted for 68 percent of their overall costs, while the average broker’s fee is 0.3803 percent. The fees differ according to size of enterprise. Small and medium enterprises require a broker’s fee of 0.42 and 0.41 percent, respectively, while large enterprises charge 0.33 percent for their fees.

However, regarding the enterprises’ profitability, it was found that small enterprises had an average profit of 0.03 percent, while the medium and large enterprises had 0.16 and 0.12 percent, respectively. Meanwhile, their costs against the exchanged securities value were 0.39, 0.25, and 0.22 percent, respectively, for small, medium, and large enterprises.

This led to a conclusion that the contraction of profit experienced by the security dealing SMEs was possibly caused by economies of scale which dictated high management costs, low average profit, and higher costs per exchange unit. The SMEs in this industry also have a narrow customer base; thus their profitability is furthered limited (Table 9.19 and Figure 9.9).

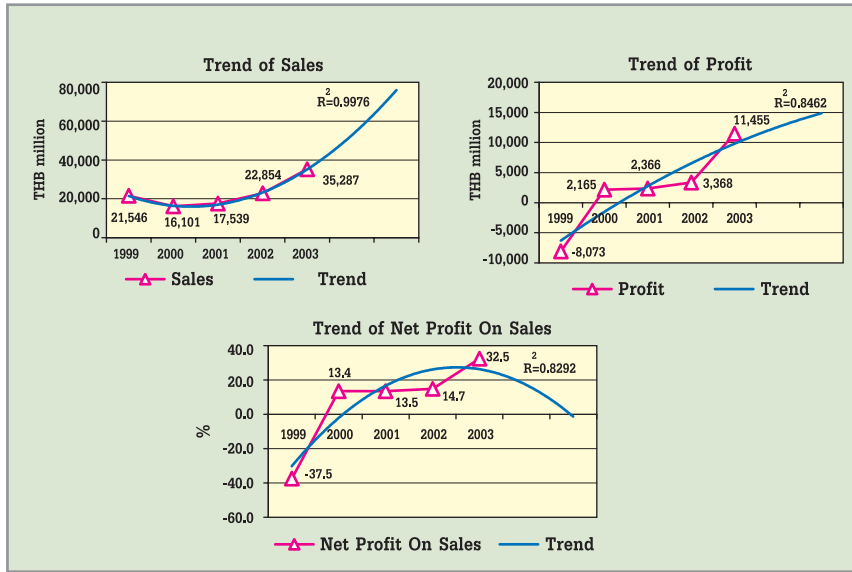
Table 9.19 Financial Intermediation Services SMEs Sales, Profit, and Net Profit on Sales

Financial Intermediation Services	1999	2000	2001	2002	2003
Sales (THB million)	21,546	16,101	17,539	22,854	35,287
Profit (THB million)	-8,073	2,165	2,366	3,368	11,455
Growth of Sales		-25.3%	8.9%	30.3%	54.4%
Growth of Profit		126.8%	9.3%	42.3%	240.1%
Net Profit on Sales	-37.5%	13.4%	13.5%	14.7%	32.5%

Source: Business Online Public Company Limited (BOL)

Compiled by: The Office of Small and Medium Enterprises Promotion

Figure 9.9 Financial Intermediation Services SMEs Trends of Sales, Profit, and Net Profit on Sales



Source: Business Online Public Company Limited (BOL)

Compiled by: The Office of Small and Medium Enterprises Promotion

3) Land transport

This industry's sales, according to their financial statement, amounted THB 89.63 billion. It comprised transport of passengers, which accounted for 25.4 percent of total sales, and transport of goods, which accounted for the remaining 74.6 percent. Land transport services contributed to 5.2 percent of the sales growth, while its contribution on profit growth caused the service sector a negative impact. Nonetheless, land transport industry held a significant role in the economy, especially in transport of goods between cities. One of the main objectives in analyzing trends in this industry was to determine its situation since it was directly affected by the increasing energy costs throughout this past year.

Sales of land transport services continued to increase at an average annual rate of 21.9 percent. This continuing growth reflects the fact that land transport is convenient, speedy, and offers reasonable prices compared to air or water transport, either the intercity transport of passengers or goods and parcels. Consequently, the demands for land transport will continue to grow.

Despite this fact, the profit made by this service tended to decrease since 2002. This downward trend is likely to prolong owing to the oil price crisis where new highs kept being hit. In early 2005, the government decided to lift its control on price of diesel, the main fuel used in transport. This caused a serious impact on transport services operators' costs. When the diesel prices rise, the transport costs will immediately follow, effectively curbing net profit on sales.

However, land transport, either of goods or passengers, provides the general public with an important service. Decisions made in order to help the transport service operators i.e. increase in fee or loading weight could create pressure on the economy since the operators will pass on all the costs to the consumers (Table 9.20 and Figure 9.10).

Land transportation services continue to register a growth but with falling profits since 2002. It is expected that this trend will persist due to the oil price crisis and the lift of government control on diesel price, the major fuel in transportation. Impacts from these negative factors will inevitably increase operating costs.

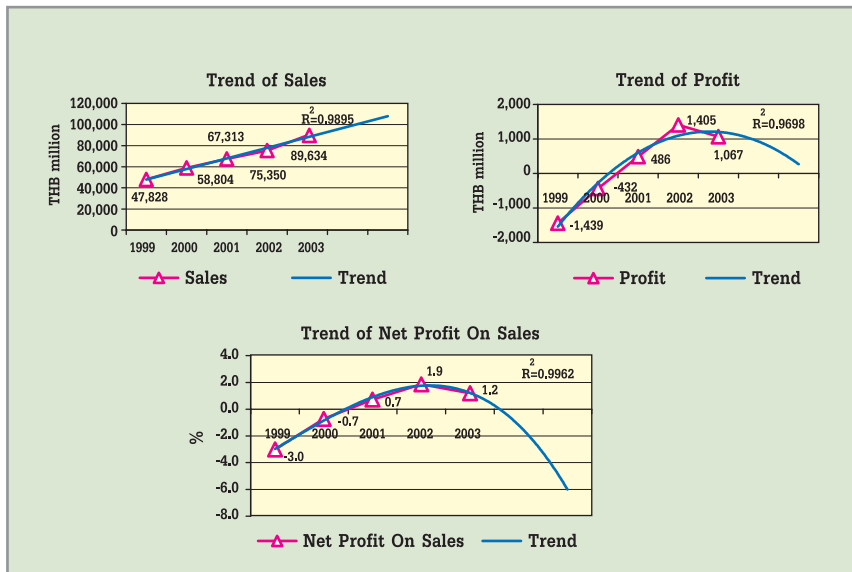
Table 9.20 Land Transport Services SMEs Sales, Profit, and Net Profit on Sales

Land Transport Services	1999	2000	2001	2002	2003
Sales (THB million)	47,828	58,804	67,313	75,350	89,634
Profit (THB million)	-1,439	-432	486	1,405	1,067
Growth of Sales		22.9%	14.5%	11.9%	19.0%
Growth of Profit		70.0%	212.5%	189.1%	-24.1%
Net Profit on Sales	-3.0%	-0.7%	0.7%	1.9%	1.2%

Source: Business Online Public Company Limited (BOL)

Compiled by: The Office of Small and Medium Enterprises Promotion

Figure 9.10 Land Transport Services SMEs Trends of Sales, Profit, and Net Profit on Sales



Source: Business Online Public Company Limited (BOL)

Compiled by: The Office of Small and Medium Enterprises Promotion

9.2.3 Trend among SMEs in Trade Sector

Table 9.21 Trade SMEs Net Profit on Sales in 2003

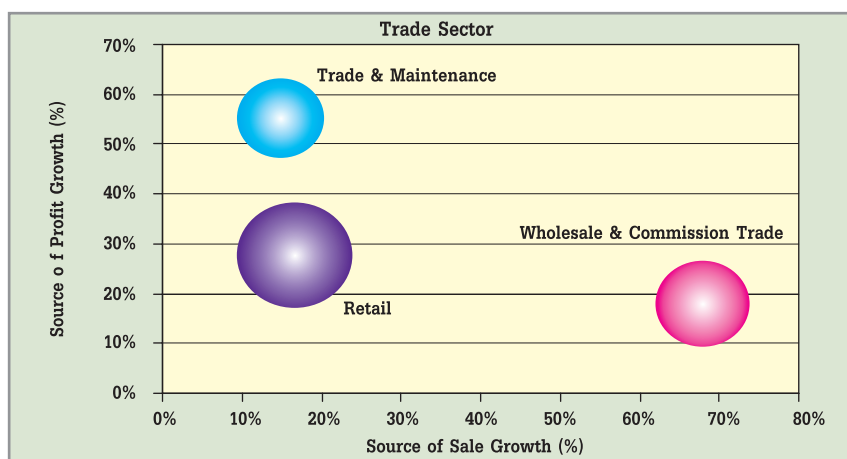
Trade industries	Sales				Profit				Net Profit on Sales
	Value (THB million)	Contribution to Total Sales	Growth compared to 2002	Source of Growth	Value (THB million)	Contribution to Total profit	Growth compared to 2002	Source of Growth	
Wholesale trade & commission trade	1,966,827	61.5%	30.8%	68.1%	25,633	58.5%	59.3%	17.6%	1.3%
Retail trade	624,228	19.5%	24.0%	16.9%	11,626	26.5%	204.0%	27.5%	1.9%
Sale, maintenance and repair of motorvehicles and motorcycles; retail sale of automotive fuel	609,328	19.0%	22.0%	15.1%	6,595	15.0%	719%	54.9%	1.1%
Total	3,200,383	100.0%	77%	100.0%	43,854	100.0%	982.28%	100.0%	4.2%

Source: Business Online Public Company Limited (BOL)

Compiled by: The Office of Small and Medium Enterprises Promotion

Note: 'Source of Growth' represents the proportion of each industry's growth in the entire manufacturing sector's growth. This was achieved by multiplying the particular industry's growth with contribution to its own sales, using the result from each industry to calculate its proportion in the sector's overall growth.

Figure 9.11 Position Plot of Trade SMEs



Source: Business Online Public Company Limited (BOL)

Compiled by: The Office of Small and Medium Enterprises Promotion

Figure 9.11 illustrates roles of trade SMEs in different industries toward the sector's sales and profit. The X axis represents the growth of sales, while the Y axis represents the growth of profit. The spheres' size represents the net profit on sales ratio, which reflects the SMEs ability to generate added value.

Some interesting industries in the trade sector include:

1) Retail trade

Retail accounted for 16.9 percent of the sector's sales growth while accounting for 27.5 percent of its profit. The industry's most important aspect was its performance in profit generating, with net profit on sales of 1.9 percent. Retail trade comprises retail sale of building materials and gardening equipment, health and personal hygiene product stores, food and beverages stores, electronic equipment and appliances stores, clothing and accessories stores, and furniture and article and equipment stores.

The retail trade industry maintained a steady trend of sales and profit growth; its average growth of sales and profit was 21.9 and 52.0 percent, respectively. The industry's curve of sales, profit, and net profit on sales led to a projection that retail trade will grow continuously and rapidly in future (Table 9.22 and Figure 9.12).

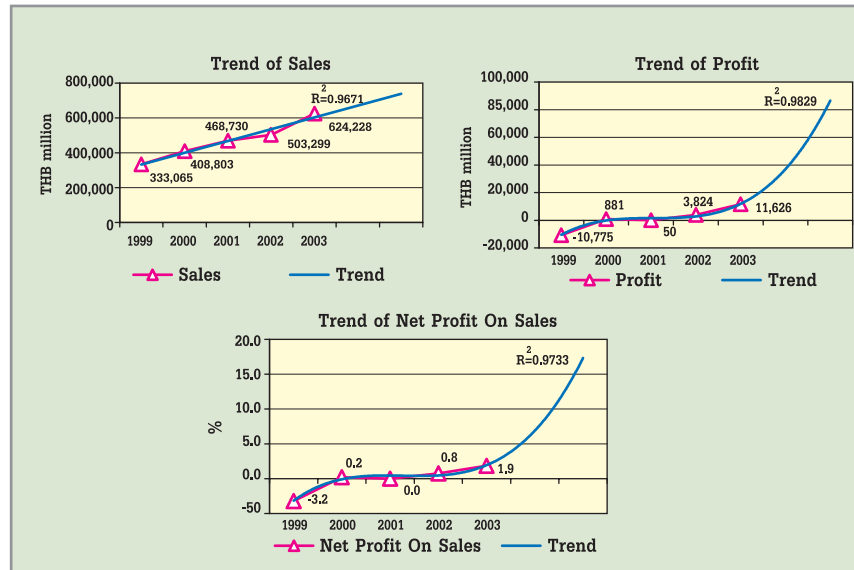
Table 9.22 Retail Trade SMEs Sales, Profit, and Net Profit on Sales

Retail trade	1999	2000	2001	2002	2003
Sales (THB million)	333,065	408,803	468,730	503,299	624,228
Profit (THB million)	-10,775	881	50	3,824	11,626
Growth of Sales		22.7%	14.7%	7.4%	24.0%
Growth of Profit		108.2%	-94.3%	7,548.0%	204.0%
Net Profit on Sales	-3.2%	0.2%	0.0%	0.8%	1.9%

Source: Business Online Public Company Limited (BOL)

Compiled by: The Office of Small and Medium Enterprises Promotion

Figure 9.12 Retail Trade SMEs Trends of Sales, Profit, and Net Profit on Sales



Source: Business Online Public Company Limited (BOL)

Compiled by: The Office of Small and Medium Enterprises Promotion

2) Wholesale trade and commission trade

Wholesale and commission trade was the industry which contributed the most to growth of sales at 68.1 percent, while accounting to 17.5 percent of growth of profit. Its ability to generate profit, or net profit on sales, was at 1.3 percent. The industry comprises wholesale of permanent goods i.e. vehicles, their parts and accessories, electronic goods, professional and commercial instruments and equipment, machinery, equipment and supplies. It also comprises wholesale of temporary goods i.e. paper and paper products, petroleum and its products, pharmaceutical and medical goods, and clothing.

The wholesale trade and commission trade industry performed well since 1999, with an average growth of sales and profit at 18.8 and 112.6 percent, respectively. A trend of robust growth in sales, profit, and net profit on sales was inevitably detected (Table 9.23 and Figure 9.13).

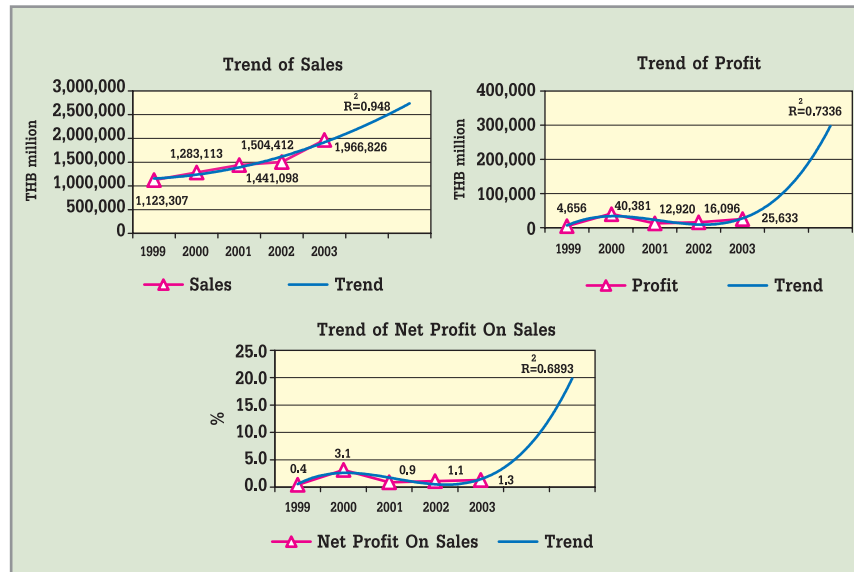
Table 9.23 Wholesale Trade and Commission Trade SMEs Sales, Profit, and Net Profit on Sales

Wholesale & commission trade	1999	2000	2001	2002	2003
Sales (THB million)	1,123,307	1,283,113	1,441,098	1,504,412	1,966,826
Profit (THB million)	4,656	40,381	12,920	16,096	25,633
Growth of Sales		14.2%	12.3%	4.4%	30.7%
Growth of Profit		767.3%	-68.0%	24.6%	59.3%
Net Profit on Sales	0.4%	3.1%	0.9%	1.1%	1.3%

Source: Business Online Public Company Limited (BOL)

Compiled by: The Office of Small and Medium Enterprises Promotion

Figure 9.13 Wholesale Trade and Commission Trade SMEs Trends of Sales, Profit, and Net Profit on Sales



Source: Business Online Public Company Limited (BOL)

Compiled by: The Office of Small and Medium Enterprises Promotion

3) Sale, maintenance and repair of motor vehicles and motorcycles; retail sale of automotive fuel

Sale, maintenance and repair of motor vehicles and motorcycles and retail sale of automotive fuel were categorized within the trade sector since it comprised maintenance services and sale of parts and spare parts, as well as retail sale of automotive fuel. Its contribution to growth of sales was at 15.1 percent, while its contribution to growth of profit was as high as 54.9 percent. The industry's net profit on sales was 1.1 percent.

Its trends in sales and profit were similar to wholesale and retail trade, with continuing growth on both. The industry was able to register an average growth of

sales and profit at 33.0 and 64.8 percent, respectively. However, its prospect of net profit on sales differ from wholesale and retail trade in that it was growing at a decelerating rate, and was expected to reach its peak and begin to decline during 2004-2005 (Table 9.24 and Figure 9.14).

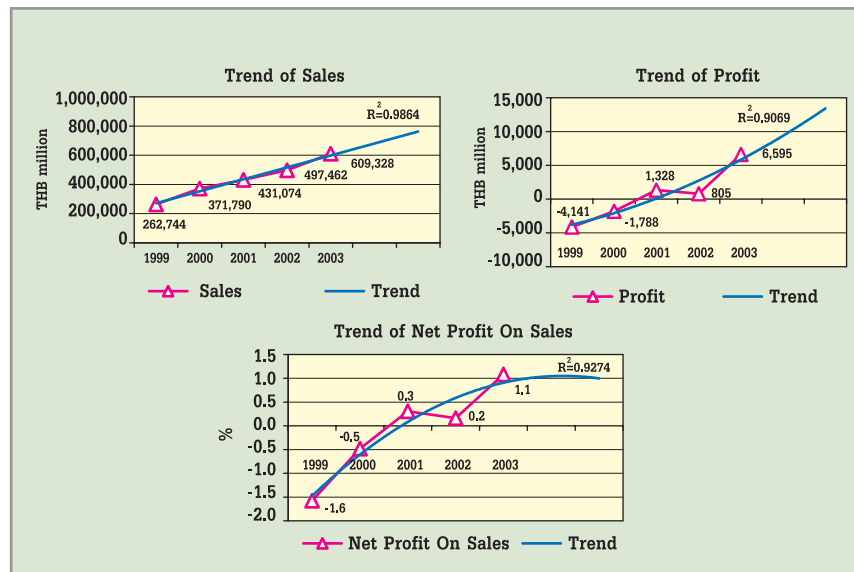
**Table 9.24 Sale, Maintenance, and Repair of Motor Vehicles and
Motorcycle SMEs Sales, Profit, and Net Profit on Sales**

Sale, maintenance etc.	1999	2000	2001	2002	2003
Sales (THB million)	262,744	371,790	431,074	497,462	609,328
Profit (THB million)	-4,141	-1,788	1,328	805	6,595
Growth of Sales		41.5%	15.9%	15.4%	22.5%
Growth of Profit		56.8%	174.3%	-39.4%	719.3%
Net Profit on Sales	-1.6%	-0.5%	0.3%	0.2%	1.1%

Source: Business Online Public Company Limited (BOL)

Compiled by: The Office of Small and Medium Enterprises Promotion

**Figure 9.14 Sale, Maintenance, Motor Vehicles and Motorcycle
Maintenance SMEs Trends of Sales, Profit, and Net Profit
on Sales**



Source: Business Online Public Company Limited (BOL)

Compiled by: The Office of Small and Medium Enterprises Promotion