

BTS Group Holdings Public Company Limited
and its subsidiaries
Report and consolidated financial statements
31 March 2012

Report of Independent Auditor

To the Shareholders of BTS Group Holdings Public Company Limited

I have audited the accompanying consolidated statement of financial position of BTS Group Holdings Public Company Limited and its subsidiaries as at 31 March 2012, the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and the separate financial statements of BTS Group Holdings Public Company Limited for the same period. These financial statements are the responsibility of the management of the Company and its subsidiaries as to their correctness and the completeness of the presentation. My responsibility is to express an opinion on these financial statements based on my audit. The consolidated financial statements of BTS Group Holdings Public Company Limited and its subsidiaries, and the separate financial statements of BTS Group Holdings Public Company Limited as at 31 March 2011 and for the year then ended were audited by another auditor of our firm who expressed an unqualified opinion on those statements but drew attention to the Company's compliance with the rehabilitation plan, investment in ordinary shares of its subsidiary and adoption of accounting standards before their effective date, under his report dated 27 May 2011.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of BTS Group Holdings Public Company Limited and its subsidiaries, and of BTS Group Holdings Public Company Limited as at 31 March 2012, and the results of their operations and cash flows for the year then ended in accordance with generally accepted accounting principles.

Without qualifying my opinion on the above financial statements, I draw attention to the aforementioned financial statements as follows:

- a) The Company complied with the rehabilitation plan, which the Central Bankruptcy Court ordered termination on 14 November 2006. However, there are still undue debts and debts pending final court judgments or comptroller's orders and mandatory terms, and conditions stipulated in the rehabilitation plan with which the Company needs to continue to comply, as discussed in Notes 14, 15, 16 and 30 to the financial statements.
- b) As discussed in Notes 3 and 5 to the financial statements. During the current year, the Company adopted a number of revised and new accounting standards as issued by the Federation of Accounting Professions, and applied them in the preparation and presentation of its financial statements. The Company has restated the financial statements as at 31 March 2011 and for the year then ended to reflect the changes in accounting policies resulting from the adoption of these new accounting standards.

Siraporn Ouaanunkun
Certified Public Accountant (Thailand) No. 3844

Ernst & Young Office Limited
Bangkok: 28 May 2012

BTS Group Holdings Public Company Limited and its subsidiaries

Statements of financial position

As 31 March 2012 and 2011

(Unit: Baht)

	<u>Note</u>	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2012</u>	<u>2011</u> (Restated)	<u>2012</u>	<u>2011</u> (Restated)
Assets					
Current assets					
Cash and cash equivalents	9	1,333,240,137	1,825,422,104	453,132,248	302,785,329
Trade and other receivables	10	1,106,681,106	608,247,347	276,156,542	169,941,058
Unbilled receivables					
Related party	8	-	-	284,440,564	431,841,105
Unrelated parties		-	31,933,603	-	31,933,603
Total unbilled receivables	11	-	31,933,603	284,440,564	463,774,708
Consumable spare parts	12	92,956,330	33,940,718	-	-
Advances to contractors					
Related party	8	-	-	27,055,252	-
Unrelated parties		13,818,246	-	-	-
Short-term loans to related parties	8	-	-	18,500,000	-
Real estate development costs	13	3,349,068,113	2,855,310,855	778,394,620	951,385,900
Assets awaiting transfer under rehabilitation plan	15	73,026,618	73,924,808	68,326,618	69,224,807
Investments in subsidiaries awaiting transfer under rehabilitation plan	16	224,342,586	224,342,586	197,438,333	197,438,333
Accrued income	20	1,202,547,505	14,294,351	-	-
Prepaid expenses		127,991,280	106,240,739	7,440,020	8,266,555
Other current assets		343,995,422	250,706,948	37,075,374	47,399,203
Total current assets		7,867,667,343	6,024,364,059	2,147,959,571	2,210,215,893

The accompanying notes are an integral part of the financial statements.

BTS Group Holdings Public Company Limited and its subsidiaries

Statements of financial position (continued)

As 31 March 2012 and 2011

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2012	2011 (Restated)	2012	2011 (Restated)
Non-current assets					
Restricted deposits	15,33	323,833,601	323,934,948	321,492,842	321,468,964
Cash deposited as collateral for debt settlement	14	232,657,728	232,657,728	232,657,728	232,657,728
Loans to related parties	8	-	-	2,931,324,091	2,506,090,237
Investments in subsidiaries	17	-	-	42,777,903,572	40,183,814,672
Investments in associates	18	7,033,070	7,193,046	4,000,000	4,000,000
Other long-term investments	19	148,826,514	144,217,494	148,826,514	144,217,494
Elevated rail project costs	20	45,144,217,633	44,443,000,016	-	-
Reusable spare parts - elevated train system	12	81,230,587	52,900,572	-	-
Spare parts - maintenance contract	21	292,771,346	292,771,346	-	-
Land and projects awaiting development	22	2,676,340,050	2,659,720,394	-	-
Investment properties	23	2,461,013,308	2,497,288,592	1,226,078,312	1,284,760,835
Property, plant and equipment	24	6,039,192,913	5,311,361,962	67,877,076	66,443,113
Leasehold rights	25	90,025,135	87,895,975	10,799,626	3,600,000
Intangible assets	26	26,696,704	21,558,864	1,452,161	2,456,055
Retention receivable					
Related party	8	-	-	87,753,520	46,395,167
Unrelated parties		2,145,000	9,299,000	2,145,000	9,299,000
Loans to other companies	27	-	-	-	-
Goodwill		78,656,476	78,656,476	-	-
Advance payment for investment in subsidiary	17	-	250,000,000	-	250,000,000
Advances for asset acquisitions		496,939,338	1,190,218,324	-	-
Advances to contractors					
Related party	8	-	-	-	174,604,479
Unrelated parties		79,586,010	30,958,133	-	160,500
Rights of claim from acquisition of debts per rehabilitation plan	15	741,501,854	-	-	-
Other non-current assets		98,542,150	44,554,180	10,201,257	8,636,097
Total non-current assets		59,021,209,417	57,678,187,050	47,822,511,699	45,238,604,341
Total assets		66,888,876,760	63,702,551,109	49,970,471,270	47,448,820,234

The accompanying notes are an integral part of the financial statements.

BTS Group Holdings Public Company Limited and its subsidiaries

Statements of financial position (continued)

As 31 March 2012 and 2011

(Unit: Baht)

	<u>Note</u>	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2012</u>	<u>2011</u> (Restated)	<u>2012</u>	<u>2011</u> (Restated)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdraft and short-term loans from financial institution	28	1,941,501,854	500,000,000	741,501,854	-
Trade and other payables	29	1,452,442,165	1,170,156,613	274,949,264	317,583,553
Accrued costs of construction					
Related party	8	-	-	90,414,726	299,291,641
Unrelated parties		351,908,026	387,940,390	10,767,640	18,135,231
Short-term loans from related parties	8	-	-	98,000,000	-
Current portion of creditors per rehabilitation plan	30	745,356,001	745,356,001	745,356,001	745,356,001
Current portion of long-term loans	31	583,400,000	151,750,000	-	-
Current portion of long-term debentures	32	2,495,767,044	-	-	-
Advance received from employer - related party	8	-	-	41,745,000	168,300,000
Unearned income		297,883,880	257,760,051	-	-
Income tax payable		55,842,452	32,293,801	-	-
Other current liabilities		413,907,905	416,473,476	27,941,216	108,595,610
Total current liabilities		8,338,009,327	3,661,730,332	2,030,675,701	1,657,262,036
Non-current liabilities					
Creditors per rehabilitation plan - net of current portion	30	52,074,344	52,622,662	52,074,344	52,622,662
Long-term loans - net of current portion	31	2,933,972,800	1,785,272,800	-	-
Long-term debentures - net of current portion	32	9,443,811,417	11,906,557,128	-	-
Convertible debentures - liability component	33	8,648,338,304	8,363,197,866	8,648,338,304	8,363,197,866
Retention payable					
Related party	8	-	-	92,391,777	50,094,863
Unrelated parties		127,514,613	67,414,836	6,092,464	12,394,513
Provision for long-term employee benefits	34	400,178,249	349,753,800	25,986,847	22,789,231
Other non-current liabilities		12,727,283	6,532,720	-	-
Total non-current liabilities		21,618,617,010	22,531,351,812	8,824,883,736	8,501,099,135
Total liabilities		29,956,626,337	26,193,082,144	10,855,559,437	10,158,361,171

The accompanying notes are an integral part of the financial statements.

BTS Group Holdings Public Company Limited and its subsidiaries

Statements of financial position (continued)

As 31 March 2012 and 2011

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2012	2011 (Restated)	2012	2011 (Restated)
Shareholders' equity					
Share capital	35				
Registered					
74,815,275,124 ordinary shares of Baht 0.64 each (2010: 77,219,144,170 ordinary shares of Baht 0.64 each)		<u>47,881,776,079</u>	<u>49,420,252,269</u>	<u>47,881,776,079</u>	<u>49,420,252,269</u>
Issued and fully paid					
57,188,274,676 ordinary shares of Baht 0.64 each (2010: 55,889,275,885 ordinary shares of Baht 0.64 each)		36,600,495,793	35,769,136,566	36,600,495,793	35,769,136,566
Share premium		350,729,674	-	350,729,674	-
Retained earnings					
Appropriated - statutory reserve	38	1,476,047,924	1,303,890,172	376,047,924	203,890,172
Retained earnings (Deficit)		(3,508,626,402)	(2,779,682,676)	3,615,469,179	3,006,883,835
Other components of shareholders's equity		<u>371,151,726</u>	<u>481,724,000</u>	<u>(1,827,830,737)</u>	<u>(1,689,451,510)</u>
Equity attributable to owners of the Company		<u>35,289,798,715</u>	<u>34,775,068,062</u>	<u>39,114,911,833</u>	<u>37,290,459,063</u>
Non-controlling interest of the subsidiaries		<u>1,642,451,708</u>	<u>2,734,400,903</u>	-	-
Total shareholders' equity		<u>36,932,250,423</u>	<u>37,509,468,965</u>	<u>39,114,911,833</u>	<u>37,290,459,063</u>
Total liabilities and shareholders' equity		<u>66,888,876,760</u>	<u>63,702,551,109</u>	<u>49,970,471,270</u>	<u>47,448,820,234</u>
		-	-	-	-

The accompanying notes are an integral part of the financial statements.

Directors

BTS Group Holdings Public Company Limited and its subsidiaries

Statements of comprehensive income

For the years ended 31 March 2012 and 2011

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2012	2011 (Restated)	2012	2011 (Restated)
Revenues					
Fare box revenues - net		4,296,838,956	3,544,826,013	-	-
Service income	39	3,281,174,423	1,940,876,060	109,490,010	91,566,704
Revenues from sales of real estate		325,466,705	144,368,420	325,466,705	144,368,420
Revenues from construction services		72,833,901	261,775,359	730,853,901	1,441,118,706
Other income					
Gain on deposits of assets as guarantee for debt settlement	30	-	708,534,620	-	859,000,000
Management income		-	-	40,020,000	60,983,217
Dividend income	17	409,486	-	4,029,109,814	4,964,882,045
Interest income		39,705,461	28,682,341	87,822,471	17,561,520
Reversal of allowance for diminution in value of civil works awaiting transfer	20	705,248,291	-	-	-
Revenue from court-ordered compensation	20	367,031,292	-	-	-
Gain on exchange		36,928,974	48,062,020	-	-
Gain from receiving the return of advance payment for investment in subsidiary	17	43,999,700	-	43,999,700	-
Others		82,232,794	151,587,934	16,387,976	50,513,782
Total revenues		9,251,869,983	6,828,712,767	5,383,150,577	7,629,994,394
Expenses					
Cost of fare box		2,337,471,987	2,051,156,411	-	-
Cost of services		1,372,276,667	830,785,492	84,533,153	83,777,824
Cost of sales of real estate		226,791,064	215,446,223	234,548,188	215,446,223
Cost of construction services		83,427,473	259,164,149	651,679,612	1,248,831,416
Selling and servicing expenses		177,345,434	249,631,971	38,010,356	27,875,731
Administrative expenses		1,212,032,650	1,033,658,444	343,070,033	220,825,906
Expenses relating to business combination under common control		-	171,404,845	-	171,404,845
Total expenses		5,409,345,275	4,811,247,535	1,351,841,342	1,968,161,945
Profit before share of income from investments in associates, finance cost and corporate income tax					
		3,842,524,708	2,017,465,232	4,031,309,235	5,661,832,449
Share of income (loss) from investments in associates	18	(2,316,967)	1,262,560	-	-
Profit before finance cost and corporate income tax		3,840,207,741	2,018,727,792	4,031,309,235	5,661,832,449
Finance cost	41	(1,431,942,291)	(1,601,917,909)	(588,154,194)	(825,056,461)
Profit before corporate income tax		2,408,265,450	416,809,883	3,443,155,041	4,836,775,988
Corporate income tax	42	(172,641,874)	(106,283,403)	-	-
Profit for the year		2,235,623,576	310,526,480	3,443,155,041	4,836,775,988

The accompanying notes are an integral part of the financial statements.

BTS Group Holdings Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the years ended 31 March 2012 and 2011

(Unit: Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>		
	<u>Note</u>	<u>2012</u>	<u>2011</u> (Restated)	<u>2012</u>	<u>2011</u> (Restated)
Other comprehensive income:					
Exchange differences on translation of financial statements in foreign currency		936,442	(713,281)	-	-
Gain on change in value of available-for-sale investments		4,240,483	1,247,145	4,240,483	1,247,145
Other comprehensive income for the year		<u>5,176,925</u>	<u>533,864</u>	<u>4,240,483</u>	<u>1,247,145</u>
Total comprehensive income for the year		<u>2,240,800,501</u>	<u>311,060,344</u>	<u>3,447,395,524</u>	<u>4,838,023,133</u>
Profit attributable to:					
Equity holders of the Company		2,105,625,990	252,222,825	<u>3,443,155,041</u>	<u>4,836,775,988</u>
Non-controlling interests of the subsidiaries		<u>129,997,586</u>	<u>58,303,655</u>		
		<u>2,235,623,576</u>	<u>310,526,480</u>		
Total comprehensive income attributable to:					
Equity holders of the Company		2,121,033,296	252,756,689	<u>3,447,395,524</u>	<u>4,838,023,133</u>
Non-controlling interests of the subsidiaries		<u>129,997,586</u>	<u>58,303,655</u>		
		<u>2,240,800,501</u>	<u>311,060,344</u>		
Earning per share	43				
Basic earnings per share					
Profit attributable to equity holders of the Company		<u>0.03697</u>	<u>0.00485</u>	<u>0.06045</u>	<u>0.09301</u>
Diluted earnings per share					
Profit attributable to equity holders of the Company			<u>0.00483</u>	<u>0.05873</u>	<u>0.09098</u>

The accompanying notes are an integral part of the financial statements.

BTS Group Holdings Public Company Limited and its subsidiaries

Cash flow statements

For the years ended 31 March 2012 and 2011

(Unit: Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2012</u>	<u>2011</u> (Restated)	<u>2012</u>	<u>2011</u> (Restated)
Cash flows from operating activities				
Profit before tax	2,408,265,450	416,809,883	3,443,155,041	4,836,775,988
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	284,154,337	260,610,950	74,702,109	66,234,157
Spare part and elevated rail project cost amortisation	1,219,242,934	926,620,524	-	-
Share of loss (income) from investments in associates	2,316,967	(1,262,560)	-	-
Allowance for doubtful debts (reversal)	6,414,056	(565,240)	43,162,208	(98,936)
Allowance for loss on diminution in value of assets (reversal)	5,348,211	67,931,686	(32,062,867)	67,931,686
Withholding tax written-off	27,522,580	-	26,809,299	-
Penalty expense	15,476,728	-	13,180	-
Allowance for loss on diminution in value of investments (reversal)	-	(23,862,824)	39,500,000	(23,862,824)
Gain on disposal of property, plant and equipment	(2,325,187)	(1,224,193)	(113,127)	(448,928)
Revenue from sale of rights of claim	-	(2,949,291)	-	(2,949,291)
Expenses relating to business combination under common control	-	171,404,845	-	171,404,845
Gain on debt settlement	(548,318)	(14,832,680)	(548,318)	(14,832,680)
Gain on deposit of assets as guarantee for debt settlement	-	(708,534,620)	-	(859,000,000)
Unrealised loss (gain) on exchange	30,598,530	(81,487,527)	-	-
Provision for long-term employee benefits	55,074,036	49,956,568	3,197,616	2,933,992
Amortisation of deferred debenture issuing costs	33,021,333	32,922,843	-	-
Amortisation of liability component of convertible debentures	297,420,651	48,814,576	297,420,651	48,814,576
Amortisation of letter of credit fee for convertible debentures	151,235,412	27,292,784	151,235,412	27,292,784
Unearned income recognition	-	-	-	(21,783,217)
Reversal of allowance for diminution in value of civil works awaiting transfer	(705,248,291)	-	-	-
Revenue from court-ordered compensation	(367,031,292)	-	-	-
Dividend income	(409,486)	-	(4,029,109,814)	(4,964,882,045)
Share-based payment transaction	7,380,290	-	839,531	-
Gain from receiving the return of advance payment for investment in subsidiary	(43,999,700)	-	(43,999,700)	-
Interest income	(39,705,461)	(28,682,341)	(87,822,471)	(17,561,520)
Interest expenses	983,286,227	1,486,920,684	139,498,130	748,949,072
Profit from operating activities before changes in operating assets and liabilities	4,367,490,007	2,625,884,067	25,876,880	64,917,659

The accompanying notes are an integral part of the financial statements.

BTS Group Holdings Public Company Limited and its subsidiaries

Cash flow statements (continued)

For the years ended 31 March 2012 and 2011

(Unit: Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2012</u>	<u>2011</u> (Restated)	<u>2012</u>	<u>2011</u> (Restated)
Decrease (increase) in operating assets				
Trade and other receivables	(507,524,899)	(56,042,943)	(31,035,513)	(31,801,417)
Unbilled receivables	31,933,603	(315,796)	179,334,144	(400,803,401)
Spare parts - Automatic Fare Collection system	(101,427,849)	(14,344,380)	-	-
Real estate development costs	(458,262,432)	(141,812,175)	172,991,280	14,739,016
Advances to contractors	(62,446,123)	19,076,328	147,709,727	66,095,202
Accrued income	(115,973,570)	-	-	-
Other current assets	(115,636,299)	(136,298,417)	12,439,047	(4,686,096)
Other non-current assets	(48,538,769)	28,022,259	(35,972,606)	(30,392,158)
Increase (decrease) in operating liabilities				
Trade and other payables	(3,610,398)	135,435,363	(51,559,455)	40,627,520
Accrued costs of construction	(36,032,364)	335,802,678	(216,244,506)	263,287,145
Advances received from employers	-	-	(126,555,000)	(111,292,757)
Retention payable	61,926,214	42,711,100	35,994,865	41,180,937
Unearned income	-	-	-	(55,000,000)
Unearned fare box revenues	40,123,829	69,644,559	-	-
Other current liabilities	(5,421,988)	121,865,139	(80,654,392)	68,315,800
Cash from (used in) operating activities	3,046,598,962	3,029,627,782	32,324,471	(74,812,550)
Cash paid for interest expenses	(1,156,831,397)	(1,522,690,302)	(137,173,775)	(726,081,264)
Cash paid for corporate income tax	(208,871,401)	(145,957,430)	(28,097,982)	(26,809,299)
Returning of withholding tax	35,052,696	-	-	-
Cash received for interest income	39,899,202	28,682,341	11,301,804	8,699,396
Net cash from (used in) operating activities	1,755,848,062	1,389,662,391	(121,645,482)	(819,003,717)

The accompanying notes are an integral part of the financial statements.

BTS Group Holdings Public Company Limited and its subsidiaries

Cash flow statements (continued)

For the years ended 31 March 2012 and 2011

(Unit: Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2012</u>	<u>2011</u> (Restated)	<u>2012</u>	<u>2011</u> (Restated)
Cash flows from investing activities				
Decrease in current investments - deposits at financial institution	-	10,139,575	-	-
Decrease (increase) in restricted deposits	101,347	139,946,869	(23,878)	(200,009,364)
Cash received from sale of rights of claim	-	180,514,849	-	180,514,849
Increase in short-term loans to related parties	-	-	(18,500,000)	-
Increase in loans to related parties	-	-	(2,266,567,780)	(34,694,361)
Decrease in loans to related parties	-	482,670	197,333,926	-
Increase in rights of claim from acquisition of debts per rehabilitation	(741,501,854)	-	-	-
Interest income	-	-	197,486	127,341
Cash paid for purchases of investments in subsidiaries	-	(20,655,711,990)	(1,500,000)	(20,655,711,990)
Decrease in investment in subsidiaries	-	20,000,000	-	2,028,246
Cash received from the return of advance payment for investment in subsidiary	293,999,700	-	293,999,700	-
Increase in advance payment for investment in subsidiary	-	(250,000,000)	-	(250,000,000)
Cash paid for purchases of investments in associates	-	(1,251,930)	-	-
Dividend income	-	-	4,028,741,277	1,110,286,540
Cash received from non-controlling interest of subsidiary for investment in a subsidiary	-	20,000,000	-	-
Cash paid for expenses relating to business combination under common control	-	(171,404,845)	-	(171,404,845)
Increase in advances for asset acquisitions	(472,866,820)	(1,103,873,190)	-	-
Increase in elevated rail project costs	(577,648,408)	(1,325,112,315)	-	-
Increase in land and projects awaiting development	(16,619,656)	(34,527,581)	-	-
Cash paid for purchases of property, plant and equipment	(805,004,181)	(1,619,958,881)	(17,091,392)	(29,812,370)
Cash received from sales of property, plant and equipment	9,109,288	5,801,123	113,493	470,690
Cash paid for purchase of investment properties	(27,860,773)	(24,425,326)	(6,927,330)	(99,738,331)
Cash received from sales of investment properties	43,349,731	5,107,028	43,366,655	5,107,028
Cash paid for purchases of intangible assets	(15,352,545)	(4,394,018)	(752,656)	(883,010)
Cash paid for purchases of leasehold rights	(9,274,120)	-	(9,274,120)	-
Net cash from (used in) investing activities	(2,319,568,291)	(24,808,667,962)	2,243,115,381	(20,143,719,577)

The accompanying notes are an integral part of the financial statements.

BTS Group Holdings Public Company Limited and its subsidiaries

Cash flow statements (continued)

For the years ended 31 March 2012 and 2011

(Unit: Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2012</u>	<u>2011</u> (Restated)	<u>2012</u>	<u>2011</u> (Restated)
Cash flows from financing activities				
Decrease in cash deposited as collateral for debt settlement	-	14,832,680	-	14,832,680
Increase in short-term loans from financial institution	1,741,501,854	-	741,501,854	-
Cash paid for short-term loans from financial institution	(300,000,000)	(500,000,000)	-	(500,000,000)
Increase in short-term loans from related parties	-	-	98,000,000	-
Cash paid for short-term loans from related parties	-	-	-	(65,558,598)
Increase in long-term loans	1,732,100,000	22,541,398,490	-	20,753,711,990
Cash paid for long-term loans	(151,750,000)	(20,760,911,990)	-	(20,753,711,990)
Cash received from issuance of convertible debentures	-	10,000,000,000	-	10,000,000,000
Cash paid for letter of credit fee for convertible debentures	(163,515,625)	(150,937,500)	(163,515,625)	(150,937,500)
Cash paid for costs relating to issue of convertible debentures	-	(183,525,039)	-	(183,525,039)
Cash received from issuance of ordinary shares	-	12,837,537,433	-	12,837,537,433
Dividend paid	(2,647,109,209)	(717,576,618)	(2,647,109,209)	(717,576,618)
Dividend paid of a subsidiary to non-controlling interest of subsidiary	(140,625,200)	(305,301,317)	-	-
Cash received from sale of company's shares held by subsidiaries	-	24,414,638	-	-
Cash paid for creditors per rehabilitation plan	-	(32,539,206)	-	(32,810,109)
Net cash from (used in) financing activities	70,601,820	22,767,391,571	(1,971,122,980)	21,201,962,249
Increase (decrease) in translation adjustment	936,442	(713,281)	-	-
Net increase (decrease) in cash and cash equivalents	(492,181,967)	(652,327,281)	150,346,919	239,238,955
Cash and cash equivalents at beginning of the year	1,825,422,104	2,477,749,385	302,785,329	63,546,374
Cash and cash equivalents at end of the year	1,333,240,137	1,825,422,104	453,132,248	302,785,329
	-	-	-	-

The accompanying notes are an integral part of the financial statements.

BTS Group Holdings Public Company Limited and its subsidiaries

Cash flow statements (continued)

For the years ended 31 March 2012 and 2011

(Unit: Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2012</u>	<u>2011</u> (Restated)	<u>2012</u>	<u>2011</u> (Restated)
Supplemental cash flow information				
Non-cash transactions				
Issuance of ordinary shares to acquire BTSC's ordinary shares	1,182,088,901	19,378,813,429	1,182,088,901	19,378,813,429
Issuance of BTSC's ordinary shares to settle				
account payable from subsidiaries' acquisition	-	500,000,000	-	-
Deposit assets awaiting transfer under rehabilitation plan				
as guarantee for debt settlement	-	150,465,380	-	-
Transfer property, plant and equipment to land and projects				
awaiting development	-	388,596,370	-	-
Transfer investment properties to property, plant and equipment	-	50,510,000	-	-
Transfer advances for asset acquisitions to elevated project costs	1,133,489,174	613,923,395	-	-
Transfer advances for asset acquisitions to property, plant				
and equipment	-	38,338,785	-	-
Transfer elevated rail project costs to property, plant and equipment	-	41,720,005	-	-
Increase in elevated rail project costs - not yet paid	137,996,178	-	-	-
Payable of acquisition of property, plant and equipment - not yet paid	95,559,803	-	-	12,032,178
Settle creditor per rehabilitation plan with cash deposited				
as collateral for debt settlement	-	48,151,965	-	48,151,965
Record settlement of investments in subsidiaries with loan				
to related parties	-	-	1,600,000,000	-
Decrease in par value of ordinary shares to offset share discounts				
and deficit	-	20,120,139,319	-	20,120,139,319
Record settlement of inter-company loans with dividend received	-	-	-	2,396,263,275
Record settlement of investments in subsidiaries				
with dividend received	-	-	-	1,458,332,230
Swap investment in subsidiary under common control	-	-	-	1,613,661,108
Surplus on swap of investment in subsidiary under common control	-	-	-	325,065,107

The accompanying notes are an integral part of the financial statements.

BTS Group Holdings Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity

For the years ended 31 March 2012 and 2011

(Unit: Baht)

Consolidated financial statements																				
Equity attributable to owners of the Company																				
	Ordinary shares		Other components of equity						Share premium	Total other components of equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total equity							
	Issued and paid-up share capital	to be issued for business combination under common control	Retained earnings (deficit)		Other comprehensive income			Convertible debentures - equity component						Surplus on business combination under common control	on sales of company's subsidiaries	Company's shares held by subsidiaries	Total other components of equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total equity
			Appropriated	Unappropriated	Translation adjustment	Revaluation surplus on assets	on changes in value of investments													
Balance as at 31 March 2010 - as previously reported	7,614,391,803	(735,085,235)	-	(3,929,809,823)	(134,060,738)	2,038,770,040	(382,580)	-	-	2,685,013	-	(15,888,956)	1,891,122,779	4,840,619,524	14,970,455	4,855,589,979				
Cumulative effect of surplus on business combination under common control	-	-	19,378,813,429	1,100,000,000	(1,206,249,080)	-	581,033,901	-	(3,371,978,137)	-	-	-	(2,790,944,236)	16,481,620,113	2,483,345,963	18,964,966,076				
Cumulative effect of change in accounting policy for employee benefits (Note 5)	-	-	-	(297,744,570)	-	-	-	-	-	-	-	-	-	(297,744,570)	(16,913,543)	(314,658,113)				
Balance as at 31 March 2010 - as restated	7,614,391,803	(735,085,235)	19,378,813,429	1,100,000,000	(5,433,803,473)	(134,060,738)	2,619,803,941	(382,580)	(3,371,978,137)	2,685,013	-	(15,888,956)	(899,821,457)	21,024,495,067	2,481,402,875	23,505,897,942				
Issued ordinary shares of the subsidiary to settle account payable from subsidiaries' acquisition	-	-	-	-	-	-	-	-	-	-	-	-	-	-	500,000,000	500,000,000				
Disposal of investment in subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	-	20,000,000	20,000,000				
Issuance additional ordinary shares of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	-	20,000,000	20,000,000				
Disposal of company's shares held by subsidiaries	-	-	-	-	-	-	-	-	-	-	8,525,682	15,888,956	24,414,638	24,414,638	-	24,414,638				
Issuance of ordinary shares (Note 35)	48,274,884,082	(16,058,533,220)	(19,378,813,429)	-	-	-	-	-	-	-	-	-	-	12,837,537,433	-	12,837,537,433				
Decrease in par value of ordinary shares (Note 35)	(20,120,139,319)	16,793,618,455	-	3,326,520,864	-	-	-	-	-	-	-	-	-	-	-	-				
Convertible debentures - equity component (Note 33)	-	-	-	-	-	-	-	1,356,596,955	-	-	-	-	1,356,596,955	1,356,596,955	-	1,356,596,955				
Dividend paid (Note 44)	-	-	-	(720,732,720)	-	-	-	-	-	-	-	-	-	(720,732,720)	-	(720,732,720)				
Dividend paid of subsidiaries to non-controlling interest of subsidiaries (restated)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(345,305,627)	(345,305,627)				
Retained earnings transferred to statutory reserve	-	-	203,890,172	(203,890,172)	-	-	-	-	-	-	-	-	-	-	-	-				
Total comprehensive income for the year (restated)	-	-	-	252,222,825	(713,281)	-	1,247,145	-	-	-	-	-	533,864	252,756,689	58,303,655	311,060,344				
Balance as at 31 March 2011	35,769,136,566	-	-	1,303,890,172	(2,779,682,676)	(134,774,019)	2,619,803,941	864,565	1,356,596,955	(3,371,978,137)	2,685,013	8,525,682	-	481,724,000	34,775,068,062	2,734,400,903	37,509,468,965			

The accompanying notes are an integral part of the financial statements.

BTS Group Holdings Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity (continued)

For the years ended 31 March 2012 and 2011

(Unit: Baht)

Consolidated financial statements																	
Equity attributable to owners of the Company																	
Other components of equity																	
	Issued and paid-up share capital	Share premium	Retained earnings (deficit)		Other comprehensive income			Convertible debentures - equity component	Surplus on business combination under common control	Excess of investment in subsidiary arising as a result of additional purchase of investment in the subsidiary at a price higher than the net book value of the subsidiary at the acquisition date	Capital reserve on consolidation	Share premium on sales of company's shares held by subsidiaries	Capital reserve for share-based payment transaction	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total Equity attributable to shareholders'
			Appropriated	Unappropriated	Translation adjustment	Revaluation surplus on assets	Revaluation surplus on changes in value of investments										
Balance as at 31 March 2011 - as previously reported	35,769,136,566	-	1,303,890,172	(2,794,553,262)	(134,774,019)	2,619,803,941	864,565	1,356,596,955	(3,371,978,137)	-	2,685,013	8,525,682	-	481,724,000	34,760,197,476	3,099,025,271	37,859,222,747
Adjustment of dividend paid of a subsidiaries to non-controlling interest of subsidiaries	-	-	-	345,305,627	-	-	-	-	-	-	-	-	-	-	345,305,627	(345,305,627)	-
	35,769,136,566	-	1,303,890,172	(2,449,247,635)	(134,774,019)	2,619,803,941	864,565	1,356,596,955	(3,371,978,137)	-	2,685,013	8,525,682	-	481,724,000	35,105,503,103	2,753,719,644	37,859,222,747
Cumulative effect of change in accounting policy for employee benefits (Note 5)	-	-	-	(330,435,059)	-	-	-	-	-	-	-	-	-	-	(330,435,059)	(19,318,741)	(349,753,800)
Balance as at 31 March 2011 - as restated	35,769,136,566	-	1,303,890,172	(2,779,682,694)	(134,774,019)	2,619,803,941	864,565	1,356,596,955	(3,371,978,137)	-	2,685,013	8,525,682	-	481,724,000	34,775,068,044	2,734,400,903	37,509,468,947
Issuance of ordinary shares for acquisition of subsidiary (Note 17)	831,359,227	350,729,674	-	-	-	-	-	-	(123,129,489)	-	-	-	-	(123,129,489)	1,058,959,412	(1,058,959,412)	-
Dividend paid (Note 44)	-	-	-	(2,662,411,946)	-	-	-	-	-	-	-	-	-	-	(2,662,411,946)	-	(2,662,411,946)
Dividend paid of subsidiaries to non-controlling interest of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(162,987,369)	(162,987,369)
Share-based payment transaction (Note 36)	-	-	-	-	-	-	-	-	-	-	-	-	7,380,290	7,380,290	7,380,290	-	7,380,290
Retained earnings transferred to statutory reserve	-	-	172,157,752	(172,157,752)	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	2,105,625,990	936,442	-	4,240,483	-	-	-	-	-	-	5,176,925	2,110,802,915	129,997,586	2,240,800,501
Balance as at 31 March 2012	36,600,495,793	350,729,674	1,476,047,924	(3,508,626,402)	(133,837,577)	2,619,803,941	5,105,048	1,356,596,955	(3,371,978,137)	(123,129,489)	2,685,013	8,525,682	7,380,290	371,151,726	35,289,798,715	1,642,451,708	36,932,250,423

The accompanying notes are an integral part of the financial statements.

BTS Group Holdings Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity (continued)

For the years ended 31 March 2012 and 2011

(Unit: Baht)

	Separate financial statements											
	Ordinary shares to be issued for business combination					Other components of equity						
						Other comprehensive income		Revaluation surplus (deficit) on changes in value of investments	Convertible debentures - equity component	Surplus on transactions under common control	Surplus on business combination under common control	Total other components of shareholders' equity
	Retained earnings (deficit)	Revaluation surplus on assets										
Issued and paid-up share capital	Share discount	under common control	Appropriated	Unappropriated	Revaluation surplus on assets	of investments	equity component	common control	common control	equity	equity	
Balance as at 31 March 2010 - as previously reported	7,614,391,803	(735,085,235)	-	-	(4,211,934,885)	2,019,676,772	(382,580)	-	-	-	2,019,294,192	4,686,665,875
Cumulative effect of surplus on business combination under common control	-	-	19,378,813,429	-	-	-	-	-	-	(3,371,978,137)	(3,371,978,137)	16,006,835,292
Cumulative effect of change in accounting policy for employee benefits (Note 5)	-	-	-	-	(19,855,240)	-	-	-	-	-	-	(19,855,240)
Cumulative effect of change in accounting policy for investment properties (Note 5)	-	-	-	-	-	(2,019,676,772)	-	-	-	-	(2,019,676,772)	(2,019,676,772)
Balance as at 31 March 2010 - as restated	7,614,391,803	(735,085,235)	19,378,813,429	-	(4,231,790,125)	-	(382,580)	-	-	(3,371,978,137)	(3,372,360,717)	18,653,969,155
Issuance of ordinary shares (Note 35)	48,274,884,082	(16,058,533,220)	(19,378,813,429)	-	-	-	-	-	-	-	-	12,837,537,433
Decrease in par value of ordinary shares (Note 35)	(20,120,139,319)	16,793,618,455	-	-	3,326,520,864	-	-	-	-	-	-	-
Convertible debentures - equity component (Note 33)	-	-	-	-	-	-	-	1,356,596,955	-	-	1,356,596,955	1,356,596,955
Surplus on swap of investment in subsidiary under common control (Note 17)	-	-	-	-	-	-	-	-	325,065,107	-	325,065,107	325,065,107
Dividend paid (Note 44)	-	-	-	-	(720,732,720)	-	-	-	-	-	-	(720,732,720)
Retained earnings transferred to statutory reserve	-	-	-	203,890,172	(203,890,172)	-	-	-	-	-	-	-
Total comprehensive income for the year (restated)	-	-	-	-	4,836,775,988	-	1,247,145	-	-	-	1,247,145	4,838,023,133
Balance as at 31 March 2011	35,769,136,566	-	-	203,890,172	3,006,883,835	-	864,565	1,356,596,955	325,065,107	(3,371,978,137)	(1,689,451,510)	37,290,459,063

The accompanying notes are an integral part of the financial statements.

BTS Group Holdings Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity (continued)

For the years ended 31 March 2012 and 2011

(Unit: Baht)

	Separate financial statements												
					Other components of equity								Total shareholders' equity
					Other comprehensive income				Surplus on business combination under common control	Capital reserve for share-based payment transaction	Total other components of shareholders' equity		
	Issued and paid-up share capital	Share premium	Retained earnings		Revaluation surplus on assets	Revaluation surplus on changes in value of investments	Convertible debentures - equity component	Surplus on transactions under common control					
Appropriated			Unappropriated										
Balance as at 31 March 2011 - as previously reported	35,769,136,566	-	203,890,172	3,029,673,067	2,019,676,772	864,565	1,356,596,955	325,065,107	(3,371,978,137)	-	330,225,262	39,332,925,067	
Cumulative effect of change in accounting policy for employee benefits (Note 5)	-	-	-	(22,789,231)	-	-	-	-	-	-	-	(22,789,231)	
Cumulative effect of change in accounting policy for investment properties (Note 5)	-	-	-	-	(2,019,676,772)	-	-	-	-	-	(2,019,676,772)	(2,019,676,772)	
Balance as at 31 March 2011 - as restated	35,769,136,566	-	203,890,172	3,006,883,836	-	864,565	1,356,596,955	325,065,107	(3,371,978,137)	-	(1,689,451,510)	37,290,459,064	
Issuance of ordinary shares for acquisition of subsidiary (Note 17)	831,359,227	350,729,674	-	-	-	-	-	-	-	-	-	1,182,088,901	
Deficit on debt settlement by ordinary shares of subsidiaries (Note 17)	-	-	-	-	-	-	-	(150,000,000)	-	-	(150,000,000)	(150,000,000)	
Dividend paid (Note 44)	-	-	-	(2,662,411,946)	-	-	-	-	-	-	-	(2,662,411,946)	
Share-based payment transaction (Note 36)	-	-	-	-	-	-	-	-	-	7,380,290	7,380,290	7,380,290	
Retained earnings transferred to statutory reserve	-	-	172,157,752	(172,157,752)	-	-	-	-	-	-	-	-	
Total comprehensive income for the year	-	-	-	3,443,155,041	-	4,240,483	-	-	-	-	4,240,483	3,447,395,524	
Balance as at 31 March 2012	36,600,495,793	350,729,674	376,047,924	3,615,469,179	-	5,105,048	1,356,596,955	175,065,107	(3,371,978,137)	7,380,290	(1,827,830,737)	39,114,911,833	

The accompanying notes are an integral part of financial statements.

BTS Group Holdings Public Company Limited and its subsidiaries
Notes to consolidated financial statements
For the years ended 31 March 2012 and 2011

1. General information

BTS Group Holdings Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its major shareholder is the group of Keeree Kanjanapas. The group is principally engaged in the mass transit business, property business, media business and service business. The registered office of the Company is at 21 Soi Choei Phuang, Viphavadi-Rangsit Road, Jompol, Jatujak, Bangkok.

2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with accounting standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 28 September 2011, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2. Basis of consolidation

- a) The consolidated financial statements include the financial statements of BTS Group Holdings Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding as at 31 March	
			<u>2012</u>	<u>2011</u> (Restated)
<u>Subsidiaries directly owned by the Company</u>				
Bangkok Mass Transit System Public Co., Ltd. (“BTSC”)	Elevated mass rapid transit system service	Thailand	96.44	93.50
Dnal Co., Ltd.	Office rental	Thailand	100	100
Muangthong Assets Co., Ltd.	Hotel	Thailand	100	100
PrannaKiri Assets Co., Ltd.	Property development	Thailand	100	100
Yong Su Co., Ltd.	Ceased operation	Thailand	100	100
Tanayong Food and Beverage Co., Ltd.	Property development	Thailand	100	100
Thana City Golf & Sports Club Co., Ltd.		Thailand	100	100
Siam Paging and Communication Co., Ltd.	Property development	Thailand	100	100
Sampaopetch Co., Ltd.	Property development	Thailand	100	100
Tanayong Property Management Co., Ltd.	Building management	Thailand	100	100
Tanayong International Ltd.	Ceased operation	Cayman Island	100	100
HHT Construction Co., Ltd. (formerly known as “Hip Hing Construction (Thailand) Co., Ltd.”)	Construction services	Thailand	51	51
Tanayong Hong Kong Ltd.	Securities investment	Hong Kong	100	100
Carrot Rewards Co., Ltd. (formerly known as “Bangkok Smartcard Technology Co., Ltd.”)	Technology support services relating to e-money system	Thailand	100	100
Nuvo Line Agency Co., Ltd.	Property development	Thailand	80	80
BTS Assets Co., Ltd.	Hotel and property development	Thailand	100	100
BTS Land Co., Ltd.	Property development	Thailand	100	100
Kampoo Property Co., Ltd.	Property development	Thailand	100	-
Kamkoong Property Co., Ltd.	Property development	Thailand	100	-
<u>Subsidiaries indirectly owned by the Company</u>				
Held by Bangkok Mass Transit System Public Co., Ltd.				
Bangkok Smartcard System Co., Ltd.	Provides e-money and common ticketing system services	Thailand	90	90
VGI Global Media Co., Ltd.	Provides advertising services on the BTS skytrain, and at stations and leading retail stores	Thailand	100	100
Kamala Beach Resort & Hotel Management Co., Ltd.	Property development	Thailand	100	100

Company's name	Nature of business	Country of incorporation	Percentage of shareholding as at 31 March	
			<u>2012</u>	<u>2011</u> (Restated)
Held by VGI Global Media Co., Ltd.				
VGI Advertising Media Co., Ltd.	Management of advertising in leading retail stores	Thailand	100	100
VGI Multi-Tech International Co., Ltd.	Rental of advertising equipment	Thailand	100	100
999 Media Co., Ltd.	Production of radio advertisements at point of purchase in leading retail stores	Thailand	100	100
888 Media Co., Ltd.	Management of advertising in leading retail stores	Thailand	100	100
Point Of View (POV) Media Group Co., Ltd.	Management of advertising in office building lifts	Thailand	100	100
VGI Advertising China Co., Ltd.	Management of radio advertisements at points of purchase	China	100	100
Held by BTS Assets Co., Ltd.				
Kampoo Property Co., Ltd.	Property development	Thailand	-	100
Kamkoong Property Co., Ltd.	Property development	Thailand	-	100

- b) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- c) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- d) The assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of "Exchange differences on translation of financial statements in foreign currency" in the statements of changes in shareholders' equity.
- e) Material balances and transactions between the Company and its subsidiary companies have been eliminated from the consolidated financial statements.
- f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

- g) On 4 May 2010, the Company acquired ordinary shares of BTSC and its subsidiaries for a consideration of Baht 40,034.5 million. This acquisition was considered to be a business combination under common control. Therefore, the Company assumed BTSC and its subsidiaries, acquired in May 2010, had been subsidiaries of the Company since they were established. In this regards, the difference between the cost of this business combination under common control and the net book value of equity of BTSC and its subsidiaries (income and loss items recognised directly to the shareholders' equity) of Baht 3,372.0 million was recorded as "Surplus on business combination under common control" and separately presented in shareholders' equity in the statement of financial position. The cumulative effect of the adjustments of surplus on business combination under common control has been presented under the heading of "Cumulative effect of surplus on business combination under common control" in the statement of changes in shareholders' equity. Therefore, the consolidated statement of comprehensive income for the year ended 31 March 2011 included the operating results of BTSC and its subsidiaries as from 1 April 2010, ignoring the actual date of the business combination under common control (the date of acquiring the shares of the subsidiaries).
- h) On 16 June 2010, a meeting of the Company's Board of Directors passed a resolution to approve the establishment of a subsidiary, Carrot Rewards Company Limited, to engage in the provision of technology support services. Such company has a registered share capital of Baht 2,000,000 (20,000 ordinary shares with a par value of Baht 100 each) and the Company held a 100% interest. The consolidated comprehensive income statement for the year ended 31 March 2011 included the operating results of Carrot Rewards Company Limited as from 6 July 2010 (the incorporation date).
- i) On 6 August 2010, VGI Global Media Company Limited paid approximately Baht 29 million as an investment in ordinary shares of VGI Advertising China Company Limited, established in the People's Republic of China for engaging in managing and providing of advertising services in that country. The subsidiary held 100% of the fully and paid-up shares capital of VGI Advertising China Company Limited. The consolidated comprehensive income statement for the year ended 31 March 2011 included the operating results of the subsidiary as from 7 August 2010 (the incorporation date).
- j) On 11 February 2011, a meeting of the Company's Board of Directors passed a resolution to approve the purchase of 7,999,998 ordinary shares of BTS Assets Company Limited, representing a 100% shareholding, for a consideration of Baht 1,424.1 million from BTSC, the existing major shareholder.

- k) On 11 February 2011, a meeting of the Company's Board of Directors passed a resolution to approve the purchase of 99,997 ordinary shares of BTS Land Company Limited, representing a 100% shareholding, for a consideration of Baht 10.0 million from BTSC, the existing major shareholder.
- l) On 11 February 2011, a meeting of the Company's Board of Directors passed a resolution to approve the swap of 85,899,998 shares of Kamala Beach Resort & Hotel Management Company Limited, representing all of the Company's 100% stake in that company, for 16,007,998 shares of Nuvo Line Agency Company Limited, representing all of BTSC's 80% stake in that company, and an additional cash payment amounting to Baht 24.2 million.

Moreover, the Company purchased 4,002,000 shares for a consideration of Baht 250 million in Nuvo Line Agency Company Limited, equal to a 20% shareholding, from a company, Pacific Harbor Advisors Pte. Ltd., and granted a one-year option to the seller to buy back these shares. That company has now exercised the option to buy back these shares at the option price. Therefore, the Company's percentage shareholding in Nuvo Line Agency Company Limited remains at 80%.

- m) On 6 June 2011, the Company offered an additional 1,289,987,791 ordinary shares with a par value of Baht 0.64 each to BTSC's existing shareholders, excluding the Company, and received 472,827,433 ordinary shares of BTSC at a value of Baht 2.50 each in payment, resulting in an increase in the Company's shareholding in BTSC from 93.50% to 96.44%.
 - n) On 15 February 2012, the Company received ordinary shares of Kampoo Property Company Limited valued at Baht 1,150 million and Kamkoong Property Company Limited valued at Baht 450 million, to settle debt of BTS Assets Company Limited amounting to Baht 1,600 million. As a result, the Company's shareholding in these two companies is 100%.
- 2.3 The separate financial statements, which present investments in subsidiaries and associates under the cost method, have been prepared solely for the benefit of the public.

3. Adoption of new accounting standards during the year

During the current year, the Company adopted a number of revised and new accounting standards, issued by the Federation of Accounting Professions, as listed below.

Accounting standards:

TAS 1 (revised 2009)	Presentation of Financial Statements
TAS 2 (revised 2009)	Inventories
TAS 7 (revised 2009)	Statement of Cash Flows
TAS 8 (revised 2009)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2009)	Events after the Reporting Period
TAS 11 (revised 2009)	Construction Contracts
TAS 16 (revised 2009)	Property, Plant and Equipment
TAS 17 (revised 2009)	Leases
TAS 18 (revised 2009)	Revenue
TAS 19	Employee Benefits
TAS 23 (revised 2009)	Borrowing Costs
TAS 24 (revised 2009)	Related Party Disclosures
TAS 26	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2009)	Consolidated and Separate Financial Statements
TAS 28 (revised 2009)	Investments in Associates
TAS 29	Financial Reporting in Hyperinflationary Economies
TAS 31 (revised 2009)	Interests in Joint Ventures
TAS 33 (revised 2009)	Earnings per Share
TAS 34 (revised 2009)	Interim Financial Reporting
TAS 36 (revised 2009)	Impairment of Assets
TAS 37 (revised 2009)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2009)	Intangible Assets
TAS 40 (revised 2009)	Investment Property

Financial reporting standards:

TFRS 2	Share-Based Payment
TFRS 3 (revised 2009)	Business Combinations
TFRS 5 (revised 2009)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6	Exploration for and Evaluation of Mineral Resources

Financial Reporting Standard Interpretations:

TFRIC 15 Agreements for the Construction of Real Estate

Accounting Standard Interpretations:

SIC 31 Revenue-Barter Transactions Involving Advertising Services

These accounting standards do not have any significant impact on the financial statements, except for the following accounting standards.

TAS 19 Employee Benefits

This accounting standard requires employee benefits to be recognised as expense in the period in which the service is performed by the employee. In particular, an entity has to evaluate and make a provision for post-employment benefits using actuarial techniques. The Company and its subsidiaries previously accounted for such employee benefits when they were incurred.

The Company and its subsidiaries have changed this accounting policy in the current year and recognise the liability in the transition period retrospectively as though the Company and its subsidiaries initially recorded these employee benefit expenses. The change has the effect of decreasing the profit of the Company and its subsidiaries for the year ended 31 March 2012 by Baht 55.1 million, or Baht 0.00097 per share (Separate financial statements: decreasing profit by Baht 3.2 million, or Baht 0.00006 per share). The cumulative effect of the changes in the accounting policy has been presented in Note 5 to the financial statements.

TAS 40 (revised 2009) Investment Property

This accounting standard requires entities to choose to recognise investment property either under the cost model (with disclosure of fair value in the notes to financial statements) or the fair value model, whereby changes in fair value are to be recognised in profit or loss. Investment property was previously recognised under the caption of property, plant and equipment, and land and projects awaiting development, which are measured using the cost model. In adopting the new accounting policy, the Company and its subsidiaries separately present investment property and measure it using the cost model. The cumulative effect of the changes in the accounting policy has been presented in Note 5 to the financial statements.

4. **New accounting standards issued during the years not yet effective**

The Federation of Accounting Professions issued the following new/revised accounting standards that are effective for fiscal years beginning on or after 1 January 2013.

Accounting standards:

TAS 12	Income Taxes
TAS 20 (revised 2009)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2009)	The Effects of Changes in Foreign Exchange Rates

Financial reporting standards:

TFRS 8	Operating Segments
--------	--------------------

Accounting Standard Interpretations:

SIC 10	Government Assistance - No Specific Relation to Operating Activities
SIC 21	Income Taxes - Recovery of Revalued Non-Depreciable Assets
SIC 25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders

The Company's management believes that these accounting standards will not have any significant impact on the financial statements for the year when they are initially applied, except for the following accounting standard.

TAS 12 Income Taxes

This accounting standard requires an entity to identify temporary differences, which are differences between the carrying amount of an asset or liability in the accounting records and its tax base, and to recognize deferred tax assets and liabilities under the stipulated guidelines.

At present, the management is evaluating the impact on the financial statements in the year when this standard is adopted.

5. Cumulative effect of changes in accounting policies due to the adoption of new accounting standards

During the current year, the Company made the changes to its significant accounting policies described in Note 3 to the financial statements, as a result of the adoption of revised and new accounting standards. The cumulative effect of the changes in the accounting policies has been separately presented in the statements of changes in shareholders' equity.

The amounts of adjustments affecting the financial statements as at 31 March 2012 and 2011 and for the years ended 31 March 2012 and 2011 are summarised below.

	(Unit: Thousand Baht)	
	31 March 2012	
	Consolidated financial statements	Separate financial statements
Statements of financial position		
Increase in investment properties	2,471,243	1,226,078
Decrease in land and projects awaiting development	(2,262,423)	(726,026)
Decrease in property, plant and equipment	(12,300)	(2,323,209)
Decrease in condominiums and fixtures for lease	(196,520)	(196,520)
Increase in provision for long-term employee benefits	400,178	25,987
Decrease in non-controlling interests of the subsidiaries	(23,081)	-
Decrease in unappropriated retained earnings	(377,097)	(25,987)
Decrease in revaluation surplus on assets	-	(2,019,677)

	(Unit: Thousand Baht)	
	31 March 2011	
	Consolidated financial statements	Separate financial statements
Statements of financial position		
Increase in investment properties	2,497,289	1,284,761
Decrease in land and projects awaiting development	(2,274,741)	(736,909)
Decrease in property, plant and equipment	(12,300)	(2,357,281)
Decrease in condominiums and fixtures for lease	(210,248)	(210,248)
Increase in provision for long-term employee benefits	349,754	22,789
Decrease in non-controlling interests of the subsidiaries	(19,319)	-
Decrease in unappropriated retained earnings	(330,435)	(22,789)
Decrease in revaluation surplus on assets	-	(2,019,677)

(Unit: Thousand Baht)

For the year ended

31 March 2012

	Consolidated financial statements	Separate financial statements
Comprehensive income statements		
Increase in employee expenses	55,074	3,198
Decrease in profit attributable to equity holders of the Company	(51,312)	(3,198)
Decrease in non-controlling interests of the subsidiaries	(3,762)	-
Decrease in basic earnings per share (Baht)	(0.00090)	(0.00006)
Decrease in diluted earnings per share (Baht)	-	(0.00005)

(Unit: Thousand Baht)

For the year ended

31 March 2011

	Consolidated financial statements	Separate financial statements
Comprehensive income statements		
Increase in employee expenses	35,096	2,934
Decrease in profit attributable to equity holders of the Company	(31,987)	(2,934)
Decrease in non-controlling interests of the subsidiaries	(3,149)	-
Decrease in basic earnings per share (Baht)	(0.00062)	(0.00006)
Decrease in diluted earnings per share (Baht)	(0.00061)	(0.00005)

6. Significant accounting policies

6.1 Revenue recognition

Fare box revenues

Fare box revenues are recognised when services have been rendered. Fare box revenues are valued at ticket price after deducting discounts on fare. Prepaid value in passengers' stored value ticket is recorded as unearned revenues in the current liabilities.

Service income

Advertising income

Advertising income is recognised when services have been rendered taking into account the stage of completion, charged is in accordance with service areas, service rate charged per area, and service period as stipulated in the contract.

Revenue from provision of operating services

Income from providing of operating services is recognised when services have been rendered and represent the invoiced value (excluding value added tax) of services rendered after deducting discounts and service charges. Service rate charged is in accordance with rates as stipulated in the contracts.

Revenue from provision of spaces

Space rental income is income from renting of the advertising spaces and the spaces for retails. Space rental income is recognised on an accrual basis in accordance with the contracts. Rental rate charged is in accordance with rental areas, rental rate charged per area, and rental period as stipulated in the contract.

Other service income

Service revenue is recognised when services have been rendered taking into account the stage of completion, excluding value added tax.

Revenues from utility services are recognised when services have been rendered and represent the invoiced value (excluding value added tax) of services rendered after deducting discounts and service charges reference to the term of the contract.

Rental income in conjunction with apartments and condominiums is recognised as revenue on an accrual basis.

Revenues from hotel operations, mainly consisting of room and restaurant revenues, are recognised when services have been rendered and represent the invoiced value (excluding value added tax) of goods supplied and services rendered after deducting discounts and service charges.

Revenues from sales of real estate

Revenues from sales of land, land and houses and condominium units are recognised in full when ownership is transferred to the buyers.

Revenues from construction services

Revenues from construction are recognised on a percentage of completion basis based on the assessment of the Company's engineers. The recognised revenue which is not yet due per the contracts has been presented under the caption of "Unbilled receivables" in the statement of financial position.

Other income

Management income is recognised when services have been rendered, with reference to the term of the contract, excluding value added tax.

Interest income is recognised on an accrual basis based on the effective interest rate.

Dividends are recognised when the right to receive the payment is established.

6.2 Expenses

Cost of sales of real estate

Cost of sales of real estate, which is determined by attributing the total anticipated real estate development costs after recognition of the costs incurred to date to the units already sold on the basis of salable area, is recognised as costs in the statement of comprehensive income.

Cost of construction services

Cost of construction is recognised in accordance with the percentage of work completed based on total estimated costs. Provision for anticipated losses on construction projects is made in the accounts in full when the possibility of loss is ascertained. Differences between the estimated costs and the actual costs are recognised as current assets or current liabilities in the statement of financial position.

Expenses

Cost of sales and services and other expenses is recognised on an accrual basis.

6.3 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

6.4 Trade accounts receivable

Trade accounts receivable are stated at net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

6.5 Real estate development costs

Real estate development costs are valued at the lower of cost and net realisable value.

Real estate development costs consist of the costs of land, land development, project management fees, design, construction and related interest.

6.6 Investments

- a) Investments in available-for-sale securities are stated at fair value. Changes in the fair value of these securities are recorded as a separate item in shareholders' equity, and will be recorded as gains or losses in profit or loss when the securities are sold.
- b) Investments in debt securities, both due within one year and expected to be held to maturity, are recorded at amortised cost. The premium/discount on debt securities is amortised/accreted by the effective rate method with the amortised/accreted amount presented as an adjustment to the interest income.
- c) Investments in non-marketable equity securities, which the Company classifies as other investments, are stated at cost net of allowance for loss on diminution in value (if any).
- d) Investments in associates are accounted for in the consolidated financial statements using the equity method.
- e) Investments in subsidiaries and associates are accounted for in the separate financial statements using the cost method.

The fair value of marketable securities is based on the latest bid price of the last working day of the year. The fair value of unit trusts is determined from their net asset value.

The weighted average method is used for computation of the cost of investments.

In the event the Company reclassifies investments from one type to another, such investments will be readjusted to their fair value as at the reclassification date. The difference between the carrying amount of the investments and the fair value on the date of reclassification are recorded in profit or loss or recorded as surplus (deficit) from changes in the value of investments in shareholders' equity, depending on the type of investment that is reclassified.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

6.7 Elevated rail project costs and Unit of Throughput Amortisation Method (Unit of production)

Elevated rail project costs are stated at cost less any accumulated amortisation and any impairment losses (if any). The subsidiary has capitalised all expenditures and other related expenses as an asset (elevated rail project costs) and amortised as costs of fare box and administrative expenses over the concession period.

Elevated rail project costs include management and consulting fees, design costs, civil works, electrical and mechanical works and rolling stock purchased during the concession period, interest and other financing expenses, including exchange gains and losses incurred before commencement of operations.

Amortisation of elevated rail project costs is calculated by reference to their costs on the Unit of Throughput Amortisation Method as the following formula:-

$$\text{Annual amortisation} = \text{Net elevated rail project costs} \times \text{Percentage of passengers for the year}$$

Net elevated rail project costs are elevated rail project costs less accumulated amortisation.

$$\text{Percentage of passengers for the year} = \frac{\text{Current year's actual passengers}}{(\text{Current year's actual passengers} + \text{Projected passengers during the remaining concession period})}$$

6.8 Spare parts and amortisation

Spare parts - Automatic Fare Collection system are consisted as follows:

- a) Consumable spare parts are valued at the lower of cost (weighted average method) and net realisable value and are charged to costs of fare box whenever actually consumed.
- b) Reusable spare parts are stated at cost less accumulated amortisation. Amortisation of reusable spare parts is calculated by reference to their costs on the unit of production basis as it is used in elevated rail project costs. The subsidiary amortises them as costs of fare box over the concession period.

Spare parts - awaiting transfer, presented as a part of elevated rail project costs, are stated at cost less accumulated amortisation. Amortisation of spare parts-awaiting transfer is calculated by reference to their costs on the unit of production basis, as it is used in elevated rail project costs. The subsidiary amortises them as costs of fare box over the concession period.

Spare parts - maintenance contract are stated at cost as defined in the maintenance contract. The subsidiary recognises them as costs of fare box whenever actually consumed, after the contract expires.

6.9 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Golf course and construction	5 - 30 years
Buildings for rent	20 years
Condominiums for rent	period of lease

Depreciation of the investment properties is included in determining income.

No depreciation is provided on land awaiting sales.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

6.10 Property, plant and equipment and depreciation

Land is stated at revalued amount and buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Land is initially recorded at cost on the acquisition date, and subsequently revalued by an independent professional appraiser to its fair values. Revaluation is made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the end of reporting period.

Differences arising from the revaluation are dealt with in the financial statements as follows:

- When an asset's carrying amount is increased as a result of a revaluation of the Company's assets, the increase is credited directly to equity under the heading of "Revaluation surplus on assets". However, a revaluation increase will be recognised as income to the extent that it reverses a revaluation decrease of the same asset previously recognised as an expense.

- When an asset's carrying amount is decreased as a result of a revaluation of the Company's assets, the decrease is recognised as an expense in profit or loss. However, a revaluation decrease is to be charged directly against the related "Revaluation surplus on assets" to the extent that the decrease does not exceed the amount held in the "Revaluation surplus on assets" in respect of those same assets. Any excess amount is to be recognised as an expense in the statements of comprehensive income.

Depreciation of plant and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Buildings and improvements	5 - 20 years
Leasehold improvement	At the lower of lease period or 5 years
Golf course development costs	5 - 30 years
Furniture and office equipment	3 - 5 years
Machinery and equipment	3 - 10 years
Motor vehicles	5 years

Depreciation is included in determining income.

No depreciation is provided on land and construction in progress.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

6.11 Leasehold rights and amortisation

Leasehold rights are stated at cost less accumulated amortisation and allowance for loss on impairment of assets (if any). Amortisation of leasehold rights is calculated by reference to their cost on a straight-line basis over the leasehold period.

Amortisation is included in determining income.

6.12 Intangible assets

Intangible assets acquired through business combination are initially recognised at their fair value on the date of business acquisition while intangible assets acquired in other cases are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

Intangible asset with finite useful life of the Company is computer software with estimated useful life of 3 years.

No amortisation is provided on intangible assets under development.

6.13 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Company estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognized in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

6.14 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

6.15 Impairment of assets

At the end of each reporting period, the Company performs impairment reviews in respect of the property, plant and equipment whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Company estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

6.16 Convertible debentures

Convertible debentures are classified into liability and equity components and these are presented separately in the statements of financial position. In separately presenting such components, the Company determines the liability component by discounting the stream of future payments of principal, interest and fee charged at the prevailing market rate, while the carrying amount of the equity component is determined by deducting the liability component from the total face value of the convertible debentures and amortising the difference over the life of the debentures.

6.17 Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

6.18 Company's shares held by subsidiaries

Company's shares held by its subsidiaries are stated at cost and presented as a deduction in shareholders' equity.

6.19 Equity-settled share-based payment transactions

The Company recognises the share-based payment transactions at the date on which the options are granted, based on the fair value of the share options. They are recorded as expenses over the expected life of the share options, and a capital reserve for share-based payment transactions is presented in shareholders' equity.

Estimating fair value for share-based payment transactions requires determination relating to appropriate assumptions, including the expected life of the share options, share price volatility and dividend yield.

6.20 Long-term leases

Leases of property, plant or equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to profit or loss over the lease period.

Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease term.

6.21 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of the Company's operations.

6.22 Foreign currencies

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

6.23 Interest Rate Swap agreements

The subsidiary will recognise the net amount of interest to be received from or paid to the counterparty under the interest rate swap contracts as income or expenses on an accrual basis.

Interest rate risk and financial instruments management policy are discussed in Note 48.1 to the financial statements.

6.24 Gains from troubled debt restructuring

The Company adopts an accounting policy related to troubled debt restructuring whereby in case of transfer of assets to settle debts which the excess of the debt extinguished by the creditors over the fair value of the assets transferred is recognised as a gain from debt restructuring and the difference between the fair value and the net book value of the assets transferred is treated as a gain (loss) from transfer of assets.

When the debt restructuring involves a waiver of debts, a portion of the waived debts that exceeds the aggregate amount of interest expenses to be incurred over the term of the new agreement is recognised as a gain from debt restructuring.

6.25 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plans

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company's contributions are recognised as expenses when incurred.

Defined benefit plans

The Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised as income or expenses when the net cumulative unrecognised actuarial gains and losses at the end of the previous reporting period exceed 10% of the defined benefit obligation at that date. These gains or losses are recognised over the expected average remaining working lives of the employees participating in the plan.

For the first-time adoption of TAS 19 Employee Benefits, the Company elected to recognise the transitional liability, which exceeds the liability that would have been recognised at the same date under the previous accounting policy, retrospectively as though the Company initially recorded these employee benefit expenses.

6.26 Income tax

Income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

7. Significant accounting judgments and estimates

The preparation of financial statements in conformity with generally accepted accounting principles at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures and actual results could differ from these estimates. Significant judgments and estimates are as follows:

Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgment regarding whether significant risk and rewards of ownership of the leased asset have been transferred, taking into consideration terms and conditions of the arrangement.

Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgment and estimates based upon, among other things, past collection history, ageing profile of outstanding debts and the prevailing economic condition.

Fair value of financial instruments

In determining the fair value of financial instruments that are not actively traded and for which quoted market prices are not readily available, the management exercise judgment, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of liquidity, correlation and long-term volatility of financial instruments.

Impairment of equity investments

The Company treats available-for-sale investments and other investments as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires judgment of the management.

Property, plant and equipment and depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the Company’s and its subsidiaries’ plant and equipment and to review estimated useful lives and residual values when there are any changes.

The Company measures land, buildings and improvements and golf course development costs at revalued amounts in the consolidated financial statements. Such amounts are determined by the independent valuer using the market approach for land and the depreciated replacement cost for buildings and improvements and golf course development costs. The valuation involves certain assumptions and estimates.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying amount. This requires judgments regarding forecast of future revenues and expenses relating to the assets subject to the review.

Real estate development cost estimation

In recognising revenue from real estate sales, the Company needs to estimate all project development costs, including land costs, land improvement costs, design costs, construction costs, and borrowing costs for construction. The management estimates these costs based on their business experience and revisits the estimation on a periodical basis or when the actual costs incurred significantly vary from the estimation.

Estimated construction costs

The Company estimates cost of construction based on details of the construction work, taking into account the volume and value of construction materials to be used in the project, labour costs and overhead costs to be incurred to completion of service, including forecast for any changes. Estimates are reviewed regularly or whenever actual costs differ significantly from the figures used in the original estimates.

Goodwill and intangible assets

The initial recognition and measurement of goodwill and other intangible assets, and subsequent impairment testing, require management of the Company to make judgment, based on regulations, information and assumption to determine the fair value of identifiable assets, liabilities and contingent liabilities at the acquisition date, and make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Accrued expenses

In determining a provision for the Company's operation, the management needs to make judgment and estimates, based upon regulations, and information relating to the scope of works and benefits received by the Company, recording expenses as of the statement of financial position date. The management of the Company believes that the actual expenses will be closed to their estimation as recorded.

Equity-settled share-based payment transactions

Estimating fair value for share-based payment transactions requires determination relating to appropriate assumptions, including the expected life of the share options, share price volatility and dividend yield.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

Litigation

The Company and its subsidiaries have contingent liabilities as a result of litigation. The Company's and its subsidiaries' management have used judgment to assess of the results of the litigation and believe that no loss will result. Therefore no contingent liabilities are recorded as at the end of reporting period.

8. Related party transactions

During the years, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

(Unit: Million Baht)

	For the years ended 31 March				Transfer Pricing Policy
	Consolidated		Separate		
	financial statements		financial statements		
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	
	(Restated)		(Restated)		
<u>Transactions with subsidiaries</u>					
(Eliminated from the consolidated financial statements)					
Interest income	-	-	141	82	At cost of funds
Management income	-	-	40	61	Contract price
Revenues from construction services	-	-	658	1,179	Contract price
Cost of construction services	-	-	549	990	Contract price
Rental income	-	-	41	25	Contract price
Cost of construction of fixed assets	-	-	2	74	Contract price
Cost of construction of condominium	-	-	50	106	Contract price
Dividend income	-	-	4,029	4,965	Approved by the meeting of Board of Directors
Interest expenses	-	-	2	1	Contract price
Management fee	-	-	14	8	Contract price
Utility expenses	-	-	-	3	Contract price
Rental expenses	-	-	-	1	Contract price
<u>Transactions with associates</u>					
Interest income	1	8	1	8	At cost of funds
Cost of construction of fixed assets	2	5	-	-	Contract price
Management fee	26	24	17	16	Contract price
<u>Transactions with related parties</u>					
Cost of construction services	19	14	-	-	Contract price
Rental expenses	-	4	-	-	Contract price
Acquisition of ordinary shares of BTSC	-	-	-	40,035	Contract price
Administrative expenses	2	2	-	-	Contract price

As at 31 March 2012 and 2011, the balances of the accounts between the Company and those related companies are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
		(Restated)		(Restated)
<u>Trade and other receivables - related parties (Note 10)</u>				
Trade receivables - subsidiary companies	-	-	157,433	125,356
Trade receivables - associated companies	32	-	-	-
Other receivable - subsidiary companies	-	-	31	-
Other receivable - associated company	4,387	-	-	-
Accrued interest income - subsidiary companies	-	-	87,852	13,855
Total trade and other receivables - related parties	<u>4,419</u>	<u>-</u>	<u>245,316</u>	<u>139,211</u>
<u>Unbilled receivable - related party</u>				
Subsidiary company	-	-	284,441	431,841
Total unbilled receivable - related party	<u>-</u>	<u>-</u>	<u>284,441</u>	<u>431,841</u>
<u>Advance to contractor - related party</u>				
Subsidiary company	-	-	27,055	174,604
Total advance to contractor - related party	<u>-</u>	<u>-</u>	<u>27,055</u>	<u>174,604</u>
<u>Retention receivable - related party</u>				
Subsidiary company	-	-	87,754	46,395
Total retention receivable - related party	<u>-</u>	<u>-</u>	<u>87,754</u>	<u>46,395</u>
<u>Trade and other payables - related parties (Note 29)</u>				
Trade payables - subsidiary companies	-	-	81,278	139,746
Trade payables - associated companies	66	319	-	-
Other payables - subsidiary companies	-	-	17,626	2,174
Other payables - associated companies	356	120	-	-
Accrued interest expenses - subsidiary companies	-	-	2,200	-
Total trade and other payables - related parties	<u>422</u>	<u>439</u>	<u>101,104</u>	<u>141,920</u>
<u>Accrued cost of construction - related party</u>				
Subsidiary company	-	-	90,415	299,292
Total accrued cost of construction - related party	<u>-</u>	<u>-</u>	<u>90,415</u>	<u>299,292</u>
<u>Advance received from employer - related party</u>				
Subsidiary company	-	-	41,745	168,300
Total advance received from employer - related party	<u>-</u>	<u>-</u>	<u>41,745</u>	<u>168,300</u>
<u>Retention payable - related party</u>				
Subsidiary company	-	-	92,392	50,095
Total retention payable - related party	<u>-</u>	<u>-</u>	<u>92,392</u>	<u>50,095</u>

Loans to related parties and loans from related parties

As at 31 March 2012 and 2011, the balance of loans between the Company and those related companies and the movement are as follows:

		(Unit: Thousand Baht)			
		Separate financial statements			
Short-term loans to related parties	Related by	Balance as at 31 March 2011	Increase during the year	Decrease during the year	Balance as at 31 March 2012
		(Restated)			
Carrot Rewards Co. Ltd.	Subsidiary company	-	18,500	-	18,500
E.G.V. Co., Ltd.	Related company	4,018	-	-	4,018
		4,018	18,500	-	22,518
Less: Allowance for doubtful debts		(4,018)	-	-	(4,018)
Total		-	18,500	-	18,500

		(Unit: Thousand Baht)			
		Separate financial statements			
Long-term loans to related parties	Related by	Balance as at 31 March 2011	Increase during the year	Decrease during the year	Balance as at 31 March 2012
		(Restated)			
Tanayong Food and Beverage Co., Ltd.	Subsidiary company	36,606	741,502	-	778,108
Muangthong Assets Co., Ltd.	Subsidiary company	41,000	3,000	-	44,000
Tanayong International Ltd.	Subsidiary company	432,315	1,170	(40)	433,445
Tanayong Hong Kong Limited	Subsidiary company	1,205	66	-	1,271
Nuvo Line Agency Co., Ltd.	Subsidiary company	305,234	-	(197,234)	108,000
Bangkok Mass Transit System Public Co., Ltd.	Subsidiary company	-	990,000	-	990,000
Siam Paging and Communication Co., Ltd.	Subsidiary company	32,600	-	-	32,600
Sampaopetch Co., Ltd.	Subsidiary company	897,296	-	-	897,296
Kampoo Property Co., Ltd.	Subsidiary company	-	37,033	-	37,033
Kamkoong Property Co., Ltd.	Subsidiary company	-	148,768	-	148,768
BTS Asset Co., Ltd.	Subsidiary company	2,019,100	502,000	(1,755,901)	765,199
BTS Land Co., Ltd.	Subsidiary company	71,929	-	-	71,929
		3,837,285	2,423,539	(1,953,175)	4,307,649
Less: Allowance for doubtful debts		(1,331,195)	(45,190)	60	(1,376,325)
Total		2,506,090	2,378,349	(1,953,115)	2,931,324

		(Unit: Thousand Baht)			
		Separate financial statements			
Short-term loans from related parties	Related by	Balance as at 31 March 2011	Increase during the year	Decrease during the year	Balance as at 31 March 2012
		(Restated)			
Dnal Co., Ltd.	Subsidiary company	-	40,000	-	40,000
PrannaKiri Assets Co., Ltd.	Subsidiary company	-	58,000	-	58,000
Total		-	98,000	-	98,000

Directors and management's benefits

During the year ended 31 March 2012 and 2011, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
		(Restated)		(Restated)
Short-term employee benefits	176	133	53	42
Post-employment benefits	16	15	2	2
Termination benefit	1	1	-	-
Share-based payment	1	-	1	-
Total	<u>194</u>	<u>149</u>	<u>56</u>	<u>44</u>

Guarantee obligation with related party

The Company has an outstanding guarantee obligation with its related party, as described in Note 45.7 a) to the financial statements.

In accordance with the resolution of Meeting No. 1/2011 of the Company's Board of Directors, held on 11 February 2011, the Company purchased and swapped shares in order to acquire three subsidiaries (BTS Asset Co., Ltd., BTS Land Co., Ltd. and Nuvo Line Agency Co., Ltd.) from BTSC, as discussed in Note 17 to the financial statements. The agreements stipulate that there is to be novation of the inter-company loans among group companies, for which all three subsidiaries are borrowers (BTS Assets Co., Ltd with Baht 2,019 million, BTS Land Co., Ltd. with Baht 72 million and Nuvo Line Agency Co., Ltd. with Baht 305 million), with the lender changing from BTSC to the Company.

On 15 February 2012, the Company received ordinary shares of Kampoo Property Co., Ltd. valued at Baht 1,150 million and ordinary shares of Kamkoong Property Co., Ltd. valued at Baht 450 million, to settle debt of BTS Assets Co., Ltd. amounting to Baht 1,600 million. As a result, the Company's shareholding in these two companies is 100%. In addition, there is novation of the inter-company loans among group companies, for which all two subsidiaries are borrowers (Kampoo Property Co., Ltd. with Baht 24 million and Kamkoong Property Co., Ltd. with Baht 132 million), with the lender changing from BTS Assts Co., Ltd. to the Company.

9. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2012</u>	<u>2011</u> (Restated)	<u>2012</u>	<u>2011</u> (Restated)
Cash	39,356	19,746	135	155
Current deposits and saving deposits	454,222	729,329	22,979	152,626
Fixed deposits with maturity date due not more than 3 months	23	621	4	4
Bills of exchange	274,647	350,694	100,014	-
BOT bonds with maturity date due not more than 3 months	564,992	629,839	330,000	150,000
Government bonds	-	95,193	-	-
Total	1,333,240	1,825,422	453,132	302,785

10. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2012</u>	<u>2011</u> (Restated)	<u>2012</u>	<u>2011</u> (Restated)
<u>Trade accounts receivable</u>				
Total value of contracts signed	12,331,145	11,761,831	10,669,844	10,506,285
Percentage of total project sale value	69.72	66.18	73.58	72.46
Installments due	10,776,536	10,398,368	10,636,010	10,326,923
Less: Cash received	(10,776,536)	(10,398,368)	(10,636,010)	(10,326,923)
Trade accounts receivable - real estate	-	-	-	-
Trade accounts receivable - construction	-	-	156,781	122,877
Trade accounts receivable - management and consulting	-	-	652	2,479
Trade accounts receivable - hotel, rental and services, net	9,262	4,824	-	-
Trade accounts receivable - mass transit system	578,248	217,885	-	-
Trade accounts receivable - advertising	479,889	349,225	-	-
Total trade accounts receivable	1,067,399	571,934	157,433	125,356

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2012</u>	<u>2011</u> (Restated)	<u>2012</u>	<u>2011</u> (Restated)
<u>Trade accounts receivable</u>				
<u>Other receivables</u>				
Advances	1,761	1,577	-	-
Interest receivable - related parties	-	-	87,852	13,855
Interest receivable	368	174	-	-
Retention receivable	10,371	8,267	10,371	8,267
Other receivables - related parties	4,387	-	31	-
Other receivables	22,395	26,295	20,470	22,463
Total other receivables - net	39,282	36,313	118,724	44,585
Trade and other receivables - net	1,106,681	608,247	276,157	169,941

The outstanding balances of trade receivables are aged, based on due date, as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2012</u>	<u>2011</u> (Restated)	<u>2012</u>	<u>2011</u> (Restated)
<u>Trade receivables - related parties</u>				
Not yet due	27	-	-	122,877
Past due				
Up to 3 months	5	-	103,933	2,479
3 - 6 months	-	-	53,500	-
Total trade receivables - related parties	32	-	157,433	125,356
<u>Trade receivables - unrelated parties</u>				
Not yet due	578,150	304,790	-	-
Past due				
Up to 3 months	280,126	171,362	-	-
3 - 6 months	158,099	53,418	-	-
6 - 12 months	6,395	31,759	-	-
Over 12 months	43,329	8,990	-	-
Total	1,066,099	570,319	-	-
Posted date cheques	18,161	8,933	-	-
Less: Allowance for doubtful debts	(16,893)	(7,318)	-	-
Total trade receivables - unrelated parties, net	1,067,367	571,934	157,433	125,356
Total trade receivables - net	1,067,399	571,934	157,433	125,356

11. Unbilled receivables (construction contracts)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2012</u>	<u>2011</u> (Restated)	<u>2012</u>	<u>2011</u> (Restated)
<u>Unbilled receivables</u>				
Project value as per contracts	<u>1,521,065</u>	<u>1,521,065</u>	<u>3,721,065</u>	<u>3,721,065</u>
Accumulated amounts recognised as				
revenue on percentage of completion basis	1,521,065	1,447,446	3,675,086	2,943,446
Less: Value of total billed	<u>(1,521,065)</u>	<u>(1,415,512)</u>	<u>(3,390,645)</u>	<u>(2,479,671)</u>
Unbilled receivables	<u>-</u>	<u>31,934</u>	<u>284,441</u>	<u>463,775</u>

12. Spare parts - Automatic Fare Collection system

As at the statement of financial position date, the balances of spare parts - Automatic Fare Collection system were comprised as follows:

(Unit: Thousand Baht)

	Consolidated	
	financial statements	
	<u>2012</u>	<u>2011</u> (Restated)
Consumable spare parts	<u>92,956</u>	<u>33,941</u>
Reusable spare parts	91,999	60,962
Less: Accumulated amortisation on reusable spare parts	<u>(10,768)</u>	<u>(8,062)</u>
Reusable spare parts - net	<u>81,231</u>	<u>52,900</u>

A subsidiary (BTSC) consumed and charged of consumable spare parts and also recorded an amortisation of spare parts - Automatic Fare Collection system for the year ended 31 March 2012, amounting to Baht 14 million (2011: Baht 14 million), as a part of cost of fare box in the statements of comprehensive income.

13. Real estate development costs

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
		(Restated)		(Restated)
Land	421,320	421,320	421,320	421,320
Townhouses	14,793	25,244	14,793	25,244
Condominiums	377,923	425,707	377,923	425,708
Construction in progress	<u>2,570,673</u>	<u>2,092,208</u>	<u>-</u>	<u>188,282</u>
	3,384,709	2,964,479	814,036	1,060,554
Less: Reduce cost to net realisable value	<u>(35,641)</u>	<u>(109,168)</u>	<u>(35,641)</u>	<u>(109,168)</u>
Real estate development costs - net	<u><u>3,349,068</u></u>	<u><u>2,855,311</u></u>	<u><u>778,395</u></u>	<u><u>951,386</u></u>

As at 31 March 2012, land with construction thereon of the Company and its subsidiary (Nuvo Line Agency Co., Ltd.) amounting to approximately Baht 2,731 million (Separate financial statement: Nil) (2011: Baht 2,025 million (Separate financial statements: Baht 25 million)) had been mortgaged as collateral for credit facilities from a financial institution as discussed in Notes 28 and 31 to the financial statements.

During the year ended 31 March 2012, a subsidiary (Nuvo Line Agency Company Limited) included borrowing costs of Baht 35 million as cost of "Real estate development costs" (2011: Baht 14 million). Interest is charged at rate of 2.750% - 6.125% per annum (2011: 2.750% - 5.625% per annum).

14. Cash deposited as collateral for debt settlement

As at 31 March 2012, the Company had the outstanding balances of cash deposited with the Central Bankruptcy Court as guarantees of settlement of unsecured and secured creditors, amounting to Baht 192.0 million and Baht 40.7 million, respectively (2011: Baht 192.0 million and Baht 40.7 million, respectively), due to the debts pending final court judgment or comptroller's orders. Such amounts of cash deposited are still lower than the maximum amount of debt that may arise on a proportional basis of unsecured and secured creditors by Baht 95.6 million and Baht 416.5 million, respectively. The Company is obliged to pay or transfer assets to settle such debts as stipulated in the rehabilitation plan. However, the Company completely recorded such debts in its accounts and the secured creditors are provided guarantees by the mortgage of the Company's assets in full.

15. Assets awaiting transfer under rehabilitation plan

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
		(Restated)		(Restated)
Real estate development costs - net	33,015	33,015	28,315	28,315
Land and projects awaiting development - net	39,921	39,921	39,921	39,921
Property, plant and equipment - net	91	989	91	989
Total	<u>73,027</u>	<u>73,925</u>	<u>68,327</u>	<u>69,225</u>

The Company held an open auction of five assets awaiting transfer under the rehabilitation plan and on 14 May 2009, a company successfully bid to purchase the assets at a price of Baht 1,200 million (appraisal value of Baht 3,089 million). The Company was to transfer ownerships of the assets to this company within 29 July 2009, or the date set by order of the Central Bankruptcy Court. The successful bidder had made payment amounting to Baht 120 million to the Company as a guarantee and the Company recorded this transaction under the heading of "Restricted deposits" in the statement of financial position. The Company signed an agreement to purchase and to sell the assets on 10 July 2009.

On 1 July 2009, the Company entered into an agreement to acquire the rights to purchase certain auctioned assets (4 items), at a price of Baht 800 million, from such company. The Company paid an advance amounting to Baht 40 million to such company in accordance with a memorandum between the Company and such company. On 29 September 2010, the Company amended the agreement to acquire the rights to purchase certain of the assets that were auctioned to that company, so that from covering assets valued at Baht 800 million (4 items) it covered assets valued at Baht 500 million (3 items). The Company received the return of guarantee money amounting to Baht 15 million from that company.

The Company and the purchaser are in the process of complying with the terms and conditions stipulated in the agreements. However, a creditor of the Company submitted a petition to cancel the auction to the Central Bankruptcy Court. The Central Bankruptcy Court dismissed the petition and the creditor appealed the decision. However, the Supreme Court has also dismissed the petition.

In addition, the Company deposited two assets awaiting transfer under the rehabilitation plan (not included in the agreement to acquire the rights to purchase auctioned assets) with the Central Bankruptcy Court as collateral for debt settlement. The Company therefore recorded the Baht 708.5 million (Separate financial statements: Baht 859.0 million) difference between the value of the assets, amounting to Baht 150.5 million (Separate financial statements: Nil), and the balances of the relevant creditors per rehabilitation plan, amounting to Baht 859.0 million (Separate financial statements: Baht 859.0 million) as “Gain on deposit of assets as guarantee for debt settlement”, presenting it as a separate item in the statement of comprehensive income for the year ended 31 March 2011.

However, on 11 November 2011, a meeting of the Company’s Board of Directors passed a resolution to approve and/or ratify a subsidiary executing a contract to purchase rights of claim from a group of creditors for a total consideration not exceeding Baht 1,200 million. The purchase of these claims relates to an open auction of assets awaiting transfer (5 items) by the Company under its rehabilitation plan, at which a company successfully bid to purchase the assets at a price of Baht 1,200 million as detailed above. The Company and the subsidiary are in the process of complying with the terms and conditions stipulated in the agreement between them. Moreover, the subsidiary entered into agreements with creditors to acquire rights of claim and other rights in accordance with the Company’s rehabilitation plan. As at 31 March 2012, the subsidiary has made payment of approximately Baht 741.5 million for these rights and the subsidiary recorded this transaction under the heading of “Rights of claim from acquisition of debts per rehabilitation plan” in the statement of financial position.

16. Investments in subsidiaries awaiting transfer under rehabilitation plan

The remaining balance consists of 72 million ordinary shares of BTSC which will be transferred to the creditors per rehabilitation. However, these shares are not yet transferred to the creditors since some of the Company’s debts are pending final court judgment.

17. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

(Unit: Thousand Baht)

Company's name	Paid-up capital		Percentage owned by the Company		Cost		Dividend income	
	2012	2011 (Restated)	2012	2011 (Restated)	2012	2011 (Restated)	2012	2011 (Restated)
Bangkok Mass Transit System Public Co., Ltd.	16,067,134	16,067,134	96.44	93.50	41,216,615	40,034,526	4,013,247	4,964,882
Dnal Co., Ltd.	50,000	50,000	100	100	680,609	680,609	-	-
Muangthong Assets Co., Ltd.	125,000	125,000	100	100	503,695	503,695	-	-
PrannaKiri Assets Co., Ltd.	311,000	311,000	100	100	310,010	310,010	-	-
Yong Su Co., Ltd.	234,000	234,000	100	100	236,570	236,570	-	-
Tanayong Food and Beverage Co., Ltd.	1,000	1,000	100	100	1,000	1,000	-	-
Thana City Golf & Sports Club Co., Ltd.	20,000	20,000	100	100	77,472	77,472	-	-
Siam Paging and Communication Co., Ltd.	5,000	5,000	100	100	5,000	5,000	-	-
Sampaopetch Co., Ltd.	1,000	1,000	100	100	1,000	1,000	-	-
Tanayong Property Management Co., Ltd.	1,000	1,000	100	100	1,000	1,000	-	-
Tanayong International Ltd.	25	25	100	100	25	25	-	-
HHT Construction Co., Ltd.	25,000	25,000	51	51	12,750	12,750	15,453	-
Tanayong Hong Kong Limited	42	42	100	100	42	42	-	-
Carrot Rewards Co. Ltd.	2,000	500	100	100	2,000	500	-	-
BTS Assets Co., Ltd.	800,000	800,000	100	100	1,424,078	1,424,078	-	-
BTS Land Co., Ltd.	10,000	10,000	100	100	10,000	10,000	-	-
Nuvo Line Agency Co., Ltd.	2,001,000	2,001,000	80	80	1,637,915	1,637,915	-	-
Kampoo Property Co., Ltd.	1,075,000	-	100	-	1,075,000	-	-	-
Kamkoong Property Co., Ltd.	375,000	-	100	-	375,000	-	-	-
Total					47,569,781	44,936,192		
Less: Surplus on business combination under common control					(3,371,978)	(3,371,978)		
					44,197,803	41,564,214		
Less: Provision for loss on diminution in value					(1,419,899)	(1,380,399)		
Net					42,777,904	40,183,815		

Bangkok Mass Transit System Public Co., Ltd. (“BTSC”)

On 4 May 2010, the Company acquired ordinary shares of BTSC and its subsidiaries for a consideration of Baht 40,034.5 million, as detailed below.

- a) Acquired 6,656,535,992 ordinary shares of BTSC at a price of Baht 2.665 each, as detailed below.
 - 1) Acquired 5,748,127,269 ordinary shares of BTSC from Siam Capital Developments (Hong Kong) Limited (“Siam Capital”), paying Baht 7,903,674,995.13 in cash and issuing 10,777,738,629 ordinary shares of the Company with a par value of Baht 1 each to Siam Capital and an exchange value of Baht 0.688 per share.
 - 2) Acquired 508,408,723 ordinary shares of BTSC from Keen Leader Investments Limited (“Keen Leader”), paying Baht 699,061,994.56 in cash and issuing 953,266,355 ordinary shares of the Company with a par value of Baht 1 each to Keen Leader and an exchange value of Baht 0.688 per share.
 - 3) Acquired 400,000,000 ordinary shares of BTSC from Mr. Keeree Kanjanapas (“Keeree”), paying Baht 550,000,000 in cash and issuing 750,000,000 ordinary shares of the Company with a par value of Baht 1 each to Keeree and an exchange value of Baht 0.688 per share.
- b) Acquired and transferred the entire business of Siam Rail Transport and Infrastructure Company Limited (“Siam Rail”), which holds 8,365,800,000 ordinary shares of BTSC. The Company is to pay Baht 11,502,975,000 in cash and to issue 15,685,875,000 ordinary shares of the Company with a par value of Baht 1 each to the shareholders of Siam Rail and an exchange value of Baht 0.688 per share.

As a result of this acquisition of ordinary shares and transfer of entire business, the Company held 15,022,335,992 ordinary shares of BTSC, equal to 94.60% of its issued and paid up capital. In this regards, the difference between the cost of this business combination under common control and the net book value of equity of BTSC (income and loss items recognised directly to the shareholders’ equity) of Baht 3,372.0 million was recorded as “Surplus on business combination under common control” and separately presented in shareholders’ equity in the statements of financial position.

On the acquisition date of BTSC and its subsidiaries, net book values of assets and liabilities were summarised below.

(Unit: Thousand Baht)

Assets

Cash and cash equivalents	2,285,174
Current investments - deposits at financial institution	120,000
Trade accounts receivable - net	505,193
Spare parts - Automatic Fare Collection system - net	86,250
Real estate development costs	1,860,879
Other current assets	145,566
Restricted deposits	338,549
Elevated rail project costs - net	43,375,608
Spare parts - maintenance contract	292,771
Land and projects awaiting development	2,120,887
Property, plant and equipment - net	1,542,699
Intangible assets - net	23,313
Goodwill	78,656
Advances to contractors	726,197
Other non-current assets	69,367

Liabilities

Trade accounts payable	(321,406)
Other payable	(9,949)
Unearned income	(202,243)
Accrued interest	(135,000)
Accrued expenses	(345,988)
Retentions payable	(147,707)
Account payable from subsidiaries' acquisition	(500,000)
Other current liabilities	(190,388)
Long-term loan from a financial institution	(692,626)
Long-term debentures	(11,876,728)
Other non-current liabilities	(392)
Net assets	39,148,682
Less: Non-controlling interest of subsidiary	(2,486,135)
Total	36,662,547
Add: Surplus on business combination under common control	3,371,978
Purchase price	40,034,525
Less: Issuance of ordinary shares for acquisition of subsidiary	(19,378,813)
Cash payment for purchase of investment in subsidiary	20,655,712

On 28 June 2010, the Extraordinary General Meeting No.1/2010 of BTSC's shareholders approved to register a decrease in its share capital with the Ministry of Commerce as from Baht 21,036,516,393 (21,036,516,393 ordinary shares of Baht 1 each) to Baht 20,867,133,653 (20,867,133,653 ordinary shares of Baht 1 each), decreased by Baht 169,382,740 (169,382,740 ordinary shares of Baht 1 each). Therefore, as at 31 March 2011, BTSC had the registered share capital of Baht 20,867,133,653 (20,867,133,653 ordinary shares of Baht 1 each).

On 28 June 2010, BTSC issued Baht 500 million of ordinary shares (187,617,260 ordinary shares with a value of Baht 2.665 each) to settle the account payable from the acquisition of the subsidiaries (VGI Global Media Company Limited), resulting in a reduction of the Company's shareholding in BTSC to 93.50%.

On 28 July 2010, the Annual General Meeting of BTSC's shareholders passed a resolution to pay a dividend of Baht 650.7 million (the Company's share is Baht 608.4 million) from operating results for the year ended 31 March 2010. BTSC paid the dividend on 18 August 2010.

Subsequently, on 24 February 2011, the Board of Director's Meeting of BTSC passed a resolution to pay a dividend of Baht 4,659.5 million (the Company's share is Baht 4,356.5 million) from operating results for the nine-month period ended 31 December 2010. BTSC paid the dividend on 25 February 2011.

On 6 June 2011, the Company offered an additional 1,289,987,791 ordinary shares with a par value of Baht 0.64 each to BTSC's existing shareholders, excluding the Company, and received 472,827,433 ordinary shares of BTSC at a value of Baht 2.50 each in payment, resulting in an increase in the Company's shareholding in BTSC from 93.50% to 96.44%. The excess of the acquisition price over the attributable net book value of this subsidiary at the acquisition date, amounting to Baht 123.1 million, was therefore recorded in other components of equity under the caption of "Excess on investment in subsidiary arising as a result of additional purchase of investment in the subsidiary at a price higher than the net book value of the subsidiary at the acquisition date".

On 12 July 2011, the Annual General Meeting of BTSC's shareholders passed a resolution to pay dividends of Baht 6,009.1 million (at a rate of Baht 0.374 per share) in respect of the BTSC's past operating results and approved the setting aside of retained earnings of Baht 708.9 million to the statutory reserve. BTSC already paid a part of that dividend in the form of an interim dividend amounting to approximately Baht 4,659.5 million (at a rate of Baht 0.29 per share), which was approved by the meeting of Board of Directors of BTSC held on 7 February 2011. Therefore, BTSC had a remaining dividend of Baht 1,349.6 million (the Company's share is Baht 1,301.6 million) (at a rate of Baht 0.084 per share) and paid the dividend on 25 July 2011.

On 5 January 2012, the meeting of Board of Director of BTSC passed a resolution to pay interim dividend of Baht 1,687 million (the Company's share is Baht 1,626.9 million) (at a rate of Baht 0.105 per share) from operating results of BTSC for the six-month period ended 30 September 2011. BTSC paid the dividend on 31 January 2012.

On 6 March 2012, the meeting of Board of Director of BTSC passed a resolution to pay interim dividend of Baht 1,124.7 million (the Company's share is Baht 1,084.7 million) (at a rate of Baht 0.07 per share) from operating results of BTSC for the nine-month period ended 31 December 2011. BTSC paid the dividend on 26 March 2012.

Some of BTSC's ordinary shares have been pledged with a financial institution as collateral for letters of credit facility for the convertible debentures issued by the Company and short-term loan.

HHT Construction Company Limited ("HHT") (formerly known as "Hip Hing Construction (Thailand) Company Limited")

On 30 November 2011, Hip Hing construction (Thailand) Company Limited registered a change of its name to "HHT Construction Company Limited".

On 27 January 2011, Meeting No.1/2011 of the Company's Board of Directors passed a resolution to decrease the registered share capital of HHT from Baht 100 million (1 million ordinary shares with a par value of Baht 100 each) to Baht 25 million (1 million ordinary shares with a par value of Baht 25 each) by eliminating registered but unpaid shares.

On 29 July 2011, the Annual General Meeting of HHT's shareholders passed a resolution to pay dividend of Baht 30.3 million (the Company's share is Baht 15.5 million) from its operating results for the year ended 31 March 2011, and to approve the transfer of Baht 1.5 million of retained earnings to the statutory reserve when the dividend payment is made.

The Extraordinary General Meeting of HHT's shareholders held on 15 August 2011 passed the following resolutions:

- a) Approved the change of the par value of the ordinary shares from Baht 10 per share (registered share capital of Baht 100 million divided into 10 million ordinary shares with a par value of Baht 10 each) to Baht 5 per share (registered share capital of Baht 100 million divided into 20 million ordinary shares with a par value of Baht 5 each).

- b) Approved the reduction of the registered capital by Baht 75 million by cancelling 15 million ordinary shares with a par value of Baht 5 each, resulting in a remaining registered share capital of Baht 25 million divided into 5 million ordinary shares with a par value of Baht 5 each).

HHT registered the corresponding change and decrease in its registered share capital with the Ministry of Commerce on 25 August 2011 and 30 September 2011, respectively.

Carrot Rewards Company Limited (formerly known as “Bangkok Smartcard Technology Company Limited”)

On 11 May 2011, Bangkok Smartcard Technology Company Limited registered a change of its name to “Carrot Rewards Company Limited”.

On 13 June 2011, a subsidiary called up the remaining uncalled portion of its share capital of Baht 1.5 million (20,000 ordinary shares with a value of Baht 75 each).

Nuvo Line Agency Company Limited (“Nuvo Line”)

In accordance with the resolution of Meeting No. 1/2011 of the Company’s Board of Directors on 11 February 2011, the Company swapped 85,899,998 shares of Kamala Beach Resort & Hotel Management Company Limited, representing all of the Company’s 100% stake in that company, for 16,007,998 shares of Nuvo Line, representing all of BTSC’s 80% stake in that company, and an additional cash payment amounting to Baht 24.2 million. Moreover, there was novation of loans between the companies, with loans to Nuvo Line for which BTSC is the existing lender novating to the Company, as the new lender.

As a result of the swap of ordinary shares, the Company recognised surplus on swap of investment in subsidiary under common control amounting to Baht 325.1 million (the difference between the book value of the investment in Kamala amounting to Baht 1,288.6 million together with cash payment amounting to Baht 24.2 million and the value of investment in Nuvo Line amounting to Baht 1,637.9 million), presenting it in the other components of equity in the separate financial statements as at 31 March 2011.

In accordance with the resolution of Meeting No.1/2011 of the Company's Board of Directors held on 11 February 2011, the Company purchased 4,002,000 shares of a subsidiary, Nuvo Line, equal to a 20% shareholding, from another shareholder, Pacific Harbor Advisors Pte. Ltd., for a consideration of Baht 250 million. The terms granted a one-year option to the seller to buy back these shares at the option price, and the Company decided not to record the transaction as investment in subsidiary until that option matured. As at 31 March 2011, the Company recorded the investment as advance payment for investment in subsidiary and separately presented it in the statements of financial position. That company has now exercised the option to buy back these shares at the option price and the Company recorded the gain from receiving the return of the advance payment made for investment in this subsidiary, amounting to Baht 44.0 million, as a separately item in the statements of comprehensive income. The Company's shareholding in Nuvo Line remains at 80%.

BTS Assets Company Limited ("BTS Assets")

In accordance with the resolution of Meeting No. 1/2011 of the Company's Board of Directors, held on 11 February 2011, the Company purchased 7,999,998 ordinary shares of BTS Assets, representing a 100% shareholding, for a consideration of Baht 1,424 million from BTSC, the existing major shareholder. There was novation of the inter-company loans between the companies, with the lender of BTS Assets, as the borrower, changing from BTSC to the Company.

BTS Land Company Limited ("BTS Land")

In accordance with the resolution of Meeting No. 1/2011 of the Company's Board of Directors, held on 11 February 2011, the Company purchased 99,997 ordinary shares of BTS Land, representing a 100% shareholding, for a consideration of Baht 10 million from BTSC, the exiting major shareholder. There was novation of the intercompany loans between the companies, with the lender of BTS Land, as the borrower, changing from BTSC to the Company.

Kampoo Property Company Limited and Kamkoong Property Company Limited

On 15 February 2012, the Company received ordinary shares of Kampoo Property Co., Ltd. valued at Baht 1,150 million and ordinary shares of Kamkoong Property Co., Ltd. valued at Baht 450 million, to settle debt of BTS Assets Co., Ltd. amounting to Baht 1,600 million. As a result, the Company's shareholding in these two companies is 100%. In addition, there is novation of the inter-company loans among group companies, for which all two subsidiaries are borrowers (Kampoo Property Company Limited with Baht 24 million and Kamkoong Property Company Limited with Baht 132 million), with the lender changing from BTS Assts Company Limited to the Company.

As a result of the above debt settlement, the Company recognised deficit on debt settlement by ordinary shares of subsidiaries under common control amounting to Baht 150 million, presenting it in the other components of equity in the separate financial statements.

Subsidiaries indirectly owned by the Company

Kamala Beach Resort & Hotel Management Company Limited (“Kamala”)

In accordance with the resolution of Meeting No. 1/2011 of the Company’s Board of Directors on 11 February 2011, the Company swapped 85,899,998 shares of Kamala, representing all of the Company’s 100% stake in that company, for 16,007,998 shares of Nuvo Line, representing all of BTSC’s 80% stake in that company, and an additional cash payment amounting to Baht 24.2 million.

As a result of the swap of ordinary shares, the Company recognised surplus on swap of investment in subsidiary under common control amounting to Baht 325.1 million (the difference between the book value of the investment in Kamala amounting to Baht 1,288.6 million together with cash payment amounting to Baht 24.2 million and the value of investment in Nuvo Line amounting to Baht 1,637.9 million), presenting it in the other components of equity in the separate financial statements as at 31 March 2011.

VGI Advertising China Company Limited (“VGI China”)

On 5 October 2011, a meeting No. 3/2011 of the subsidiary’s Board of Directors (VGI Global Media Company Limited) passed a resolution to increase the registered share capital of VGI Advertising China Company Limited in amount of USD 1.1 million, increasing from USD 0.9 million to USD 2.0 million within 2 years.

18. Investments in associates

18.1 Details of associates

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Consolidated financial statements					
			Shareholding percentage		Cost		Carrying amounts based on equity method	
			<u>2012</u>	<u>2011</u> (Restated)	<u>2012</u>	<u>2011</u> (Restated)	<u>2012</u>	<u>2011</u> (Restated)
Saraburi Property Co., Ltd.	Property development	Thai	-	30	-	7,500	-	-
Absolute Hotel Services Co., Ltd.	Hotel management	Thai	50	50	4,000	4,000	7,033	7,193
Absolute Hotel Services Hong Kong Ltd.	Hotel management	Hong Kong	50	50	3,049	1,252	-	-
Total					7,049	12,752	7,033	7,193

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Separate financial statements							
			Shareholding percentage		Cost		Provision for impairment of investments		Carrying amounts based on cost method - net	
			<u>2012</u>	<u>2011</u> (Restated)	<u>2012</u>	<u>2011</u> (Restated)	<u>2012</u>	<u>2011</u> (Restated)	<u>2012</u>	<u>2011</u> (Restated)
Saraburi Property Co., Ltd.	Property development	Thai	-	30	-	7,500	-	(7,500)	-	-
Absolute Hotel Services Co., Ltd.	Hotel management	Thai	50	50	4,000	4,000	-	-	4,000	4,000
Total					4,000	11,500	-	(7,500)	4,000	4,000

18.2 Share of income (loss)

During the year, the Company has recognised its share of income (loss) from investments in associates in the consolidated financial statements as follows:

Company's name	(Unit: Thousand Baht)	
	Consolidated financial statements	
	Share of income (loss) from investments in associates for the years ended 31 March	
	<u>2012</u>	<u>2011</u> (Restated)
Absolute Hotel Services Co., Ltd.	(160)	2,515
Absolute Hotel Services Hong Kong Ltd.	<u>(2,157)</u>	<u>(1,252)</u>
Total	<u>(2,317)</u>	<u>1,263</u>

18.3 Summarised financial information of associates

Financial information of the associates is summarised below.

Company's name	(Unit: Million Baht)									
	Issued and paid-up capital (including share premium) as at 31 March		Total assets as at 31 March		Total liabilities as at 31 March		Total revenues for the years ended 31 March		Profit (loss) for the years ended 31 March	
	<u>2012</u>	<u>2011</u> (Restated)	<u>2012</u>	<u>2011</u> (Restated)	<u>2012</u>	<u>2011</u> (Restated)	<u>2012</u>	<u>2011</u> (Restated)	<u>2012</u>	<u>2011</u> (Restated)
Saraburi Property Co., Ltd.	-	25	-	-	-	501	-	-	-	(8)
Absolute Hotel Services Co., Ltd.	8	8	23	21	9	8	35	33	2	4

The Company did not receive the financial statements of Absolute Hotel Services Hong Kong Ltd. as at 31 March 2012 and 2011, and for the year then ended. However, the investment in this company is not significant to the Company's consolidated financial statements and the Company has already recognised share of loss from investment in this company until the value of the investment under the equity method reached zero and believes that there will be no obligations, whether legal or constructive, to make any payments on behalf of this company.

18.4 Investment in associate with capital deficit

The Company recognised share of loss from investment in two associates, as listed below, until the value of the investment under equity method reached zero. Subsequent loss incurred by this associate has not been recognised in the Company's accounts since the Company has no obligations, whether legal or constructive, to make any payments on behalf of this associate. The amount of such unrecognised share of loss is set out below.

Company's name	(Unit: Million Baht)	
	Unrecognised share of loss	
	Share of loss for the year ended 31 March 2012	Cumulative share of loss up to 31 March 2012
Saraburi Property Company Limited	-	-
Absolute Hotel Services Hong Kong Ltd.	2	3

On 1 April 2011, Absolute Hotel Services Hong Kong Ltd. registered the additional uncalled portion of its share capital of HKD 1.1 million (1.1 million ordinary shares with a value of HKD 1 each).

On 12 November 2010, a meeting of the Company's Board of Directors passed a resolution to approve the filing of a bankruptcy suit against Saraburi Property Company Limited. The Company submitted the plaint to the Central Bankruptcy Court on 8 April 2011. On 29 June 2011, the Central Bankruptcy Court issued an absolute receivership order.

19. Other long-term investments

(Unit: Thousand Baht)

	Consolidated and separate financial statements			
	2012		2011 (Restated)	
	Percentage of		Percentage of	
	shareholding	Amount	shareholding	Amount
	(%)		(%)	
<u>Investments in available-for-sale securities</u>				
Grand Canal Land Plc.	0.28	24,283	0.33	23,914
Bangkok Land Plc.	0.01	855	0.01	855
Total		25,138		24,769
Add: Revaluation		5,105		864
		30,243		25,633
<u>Other investments</u>				
Chanthaburi Country Club Co., Ltd.	0.17	2,000	0.17	2,000
Community and Estate Management Co., Ltd.	15.00	3,000	15.00	3,000
Changkhan Way Co., Ltd.	15.15	117,375	15.15	117,375
Total		122,375		122,375
Less: Provision for loss on diminution in value		(3,791)		(3,791)
		118,584		118,584
Total other long - term investments - net		148,827		144,217

On 9 December 2010, a Meeting of the Company's Executive Board of Directors passed a resolution to approve the swapping of 205,714 shares held in Belle Development Co., Ltd., for which full provision for loss on diminution in value of investment had been made, for 3,408,975 shares of Grand Canal Land Plc., of which the fair value as at the date of the share swap was Baht 116 per share. The Company then recorded gain on reversal of provision for loss on diminution in value of investment amounting to Baht 23.9 million in the statement of comprehensive income for the year ended 31 March 2011.

20. Elevated rail project costs

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	<u>2012</u>	<u>2011</u>
		(Restated)
Rights to use of civil works transferred to authorities	20,565,830	20,564,332
Electrical works and machinery		
- Rolling stock	10,952,667	8,855,368
- Other machinery and equipment	16,879,540	15,125,448
Other project costs	5,453,532	5,453,532
Spare parts - awaiting transfer (Note 21)	132,428	132,428
Total	<u>53,983,997</u>	<u>50,131,108</u>
Less: Accumulated amortisation on project costs	(9,564,964)	(8,359,804)
Allowance for diminution in value of project costs	<u>(1,146,982)</u>	<u>(1,146,982)</u>
Net elevated project costs	<u>43,272,051</u>	<u>40,624,322</u>
Cost of civil works awaiting transfer	-	705,248
Less: Allowance for diminution in value of civil works awaiting transfer	-	<u>(705,248)</u>
Cost of civil works awaiting transfer - net	-	-
Work under construction	<u>1,872,167</u>	<u>3,818,678</u>
Total elevated project costs - net	<u><u>45,144,218</u></u>	<u><u>44,443,000</u></u>

BTSC recorded an amortisation of project costs for the year ended 31 March 2012, amounting to Baht 1,181 million as a part of cost of fare box, Baht 19 million as a part of cost of services, and the remaining of Baht 5 million was included in administrative expenses (2011: Baht 910 million as a part of cost of fare box and Baht 3 million included in administrative expenses).

On 2 December 2010, BTSC entered into a loan agreement with a local financial institution in order to fund for the acquisition of 35 elevated train carriages, for use in BTSC's operations. These elevated train carriages will be ready for use within approximately four years. BTSC, therefore, capitalised interests, incurred in relation to the loan for the years ended 31 March 2012, of approximately Baht 57 million (2011: Baht 15 million) as part of the costs of the elevated train carriages, presented under the heading of elevated project cost account.

On 31 March 2011, BTSC has reappointed the independent appraiser to appraise the fair market value of the project costs. Fair market value under the report dated 11 April 2011 was closed to BTSC's net book value as at 31 March 2011. Subsequently, on 31 March 2012, the management of BTSC has appraised the fair market value of the project costs that the fair market value was closed to BTSC's net book value as at 31 March 2012.

The independent appraiser appraised the fair value of the electrical works and machinery based on the consummation of a sale as of the appraisal date (the cost approach) and the value of rights to use of civil works which already transferred to the authorities based on the capitalisation of the net income expected to be generated by the property (the income approach) with reference to estimated revenues and expenses throughout the remaining concession period.

Cost of civil works awaiting transfer

In 2002, BTSC invested an additional Baht 705 million for the construction of the maintenance dock base. BTSC will be compensated for the investment by the land developer to whom the government agency which owns the land grants the right to develop the area above the maintenance dock. BTSC therefore recorded the above costs as a cost of civil works awaiting transfer, which is a part of the project costs. However, there has been no progress with bidding for the project to construct the extension and the outcome of the government agency's scheme to develop the land above the maintenance dock remains unclear. For conservative purposes, BTSC has recorded an allowance for diminution in the value of civil works awaiting transfer in full in the statements of comprehensive income for the year ended 31 March 2007.

Subsequently, on 15 September 2011, BTSC received an announcement of the verdict of the Supreme Administrative Court regarding BTSC's plaint seeking compensation. The court ordered the government agency owning the land to compensate BTSC for all costs of civil works awaiting transfer plus interest at the rate of 7.5% per annum within 60 days from the date on which the case is final. However, as of 31 March 2012, BTSC has not received such compensation and interest from the government agency. In these circumstances, BTSC calculated the compensation to be received from the government agency from the date the announcement of the verdict was received to 31 March 2012 to be approximately Baht 1,072 million, and recorded this in the part of "Accrued income". In addition, BTSC recorded the reversal of allowance for diminution in value of civil works awaiting transfer approximately of Baht 705 million, presenting it as a separate item in the statements of comprehensive income for the year ended 31 March 2012. BTSC calculated the accrued interest as ordered by the court and separately presented under the heading of "Revenue form court-ordered compensation" in the statements of comprehensive income for the year ended 31 March 2012, in amounts of approximately Baht 367 million.

21. Spare parts - maintenance contract

On 30 December 2004, BTSC entered into a ten-year maintenance contract for spare parts of an elevated mass transit system with a contractor. Under the contract, BTSC has spare parts - maintenance contract valued at Baht 425 million which the contractor is responsible for sourcing spare parts to replace at no cost, and maintain stocks at a constant level to sufficient for one year's commercial operations. This value of spare parts is to be maintained over the contract period and at the end of the contract, the contractor will transfer all such spare parts, amounted to Baht 425 million, which is equal to those sourced in the first year, to the custody of BTSC.

In accordance with the elevated mass transit system concession made with the BMA, BTSC has an obligation to transfer a number of spare parts sufficient for two years' commercial operations (the concession does not identify a specific value for these spare parts) to BMA when the concession expires, at no cost. Therefore, BTSC estimated the spare parts' value to be Baht 132 million, using the actual numbers consumed for two years (2006 to 2007) by BTSC's contractor and classified such spare parts as Spare parts - awaiting transfer, which is presented as a part of project costs as discussed in Note 20 to the financial statements.

22. Land and projects awaiting development

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
		(Restated)		(Restated)
Land and projects awaiting development	2,699,300	2,682,680	-	-
Less: Allowance for impairment	(22,960)	(22,960)	-	-
Net	<u>2,676,340</u>	<u>2,659,720</u>	<u>-</u>	<u>-</u>

A subsidiary (BTS Assets Co., Ltd.) has mortgaged certain plots of land and projects awaiting development thereon with net book value as at 31 March 2012 of Baht 918 million (2011: Baht 916 million) as collateral for credit facilities from a financial institution as discussed in Note 28 to the financial statements.

23. Investment properties

The net book value of investment properties as at 31 March 2012 and 2011 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements			
	Land awaiting sales	Buildings and condominiums for rent	Total	Land awaiting sales	Buildings and condominiums for rent	Golf course and construction	Total
	31 March 2012						
Cost	2,854,715	387,200	3,241,915	1,316,163	361,472	1,341,725	3,019,360
<u>Less</u> Accumulated depreciation	-	(96,604)	(96,604)	-	(95,903)	(829,662)	(925,565)
<u>Less</u> Allowance for impairment	(605,019)	(79,279)	(684,298)	(577,838)	(69,049)	(220,830)	(867,717)
Net book value	<u>2,249,696</u>	<u>211,317</u>	<u>2,461,013</u>	<u>738,325</u>	<u>196,520</u>	<u>291,233</u>	<u>1,226,078</u>
31 March 2011							
Cost	2,896,155	360,074	3,256,229	1,359,110	359,287	1,336,316	3,054,713
<u>Less</u> Accumulated depreciation	-	(79,991)	(79,991)	-	(79,990)	(790,182)	(870,172)
<u>Less</u> Allowance for impairment	(609,900)	(69,049)	(678,949)	(609,901)	(69,049)	(220,830)	(899,780)
Net book value	<u>2,286,255</u>	<u>211,034</u>	<u>2,497,289</u>	<u>749,209</u>	<u>210,248</u>	<u>325,304</u>	<u>1,284,761</u>

A reconciliation of the net book value of investment properties for the years 2012 and 2011 is presented below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
		(Restated)		(Restated)
Net book value at beginning of year	2,497,289	2,538,686	1,284,761	1,236,208
Acquisition of assets	27,861	24,425	6,927	99,738
Disposals - net book value	(42,175)	(57,906)	(42,191)	(7,397)
Depreciation charged	(16,614)	(16,214)	(55,482)	(52,086)
Decrease (increase) in allowance for impairment	(5,348)	8,298	32,063	8,298
Net book value at end of year	<u>2,461,013</u>	<u>2,497,289</u>	<u>1,226,078</u>	<u>1,284,761</u>

The fair value of the investment properties as at 31 March 2012 stated below:

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Land awaiting sales	2,671,434	936,036
Buildings and condominiums for rent	230,498	215,000
Golf course and construction	-	1,504,331

The fair values of the above investment properties have been determined based on valuations performed by an accredited independent valuer. The basis of the appraisal was as follows:

- Land awaiting sales has been determined based on market prices.
- Buildings and condominiums for rent have been determined using the income approach and depreciated replacement cost approach
- Golf course and construction have been determined using the depreciated replacement cost approach.

The main assumptions used in the valuation are yield rate, inflation rate, long-term vacancy rate and long-term growth in real rental rates.

The Company and its subsidiary (BTS Assets Company Limited) have pledged investment properties amounting to approximately Baht 155 million (2011: Baht 141 million) (Separate financial statements: Baht 291 million (2011: Baht 325 million)) as collateral against credit and guarantee facilities received from a financial institution as discussed in Notes 28, 31 and 45.7 b) to the financial statements.

24. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements							Total
	Land (revalued)	Buildings and improvements	Golf course development costs	Machinery and equipment	Furniture and office equipment	Motor vehicles	Construction in progress	
Cost								
1 April 2010 - restated	619,976	676,278	583,798	378,993	688,515	127,994	457,347	3,532,901
Additions	6	135,923	10,084	6,246	66,992	137,778	1,262,930	1,619,959
Capitalised interest	-	-	-	-	-	-	22,059	22,059
Disposals	-	(2,026)	-	(11,234)	(54,776)	(5,737)	-	(73,773)
Transfer in (out)	-	10,343	8,794	72,265	495	-	(91,897)	-
Transfer in (out) from other assets	(338,086)	-	-	41,720	-	38,339	-	(258,027)
31 March 2011 - restated	281,896	820,518	602,676	487,990	701,226	298,374	1,650,439	4,843,119
Additions	-	6,008	6,560	2,559	51,925	2,924	830,588	900,564
Capitalised interest	-	-	-	-	-	-	83,334	83,334
Disposals	-	(557)	-	(853)	(22,817)	(6,611)	(5,176)	(36,014)
Transfer in (out)	-	175	800	20,870	94	-	(21,939)	-
31 March 2012	281,896	826,144	610,036	510,566	730,430	294,687	2,537,244	5,791,003
Accumulated depreciation								
1 April 2010 - restated	-	516,071	308,061	170,773	549,897	108,755	-	1,653,557
Depreciation for the year	-	35,065	9,043	93,682	50,949	38,536	-	227,275
Depreciation on disposals	-	(2,026)	-	(7,417)	(54,622)	(5,130)	-	(69,195)
31 March 2011 - restated	-	549,110	317,104	257,038	546,224	142,161	-	1,811,637
Depreciation for the year	-	42,054	9,951	96,908	57,682	42,688	-	249,283
Depreciation on disposals	-	(89)	-	(579)	(22,657)	(5,905)	-	(29,230)
31 March 2012	-	591,075	327,055	353,367	581,249	178,944	-	2,031,690

(Unit: Thousand Baht)

Consolidated financial statements

	Land (revalued)	Buildings and improvements	Golf course development costs	Machinery and equipment	Furniture and office equipment	Motor vehicles	Construction in progress	Total
Revaluation surplus								
1 April 2010 - restated	2,600,711	-	-	-	-	-	-	2,600,711
31 March 2011 - restated	2,600,711	-	-	-	-	-	-	2,600,711
31 March 2012	2,600,711	-	-	-	-	-	-	2,600,711
Allowance for impairment								
1 April 2010 - restated	100,000	12,405	208,426	-	-	-	-	320,831
31 March 2011 - restated	100,000	12,405	208,426	-	-	-	-	320,831
31 March 2012	100,000	12,405	208,426	-	-	-	-	320,831
Net book value								
31 March 2011 - restated	2,782,607	259,003	77,146	230,952	155,004	156,213	1,650,437	5,311,362
31 March 2012	2,782,607	222,664	74,555	157,199	149,181	115,743	2,537,244	6,039,193
Depreciation for the years								
2011 - restated (Baht 102 million included in administrative expenses and the balance in other costs)								227,275
2011 (Baht 113 million included in administrative expenses and the balance in other costs)								249,283

(Unit: Thousand Baht)

	Separate financial statements					Total
	Buildings and improvements	Golf course development costs	Furniture and office equipment	Motor vehicles	Construction in progress	
Cost						
1 April 2010 - restated	36,576	34,104	96,431	72,780	16,125	256,016
Additions	9,219	8,959	14,780	-	8,887	41,845
Transfer in (out)	-	8,794	334	-	(9,128)	-
Disposals	-	-	(38,092)	(1,448)	-	(39,540)
31 March 2011 - restated	45,795	51,857	73,453	71,332	15,884	258,321
Additions	-	1,596	2,177	-	13,318	17,091
Transfer in (out)	-	800	33	-	(833)	-
Disposals	(451)	-	(16,110)	(347)	(581)	(17,489)
31 March 2012	45,344	54,253	59,553	70,985	27,788	257,923
Accumulated depreciation						
1 April 2010 - restated	25,489	34,034	89,241	72,082	-	220,846
Depreciation for the year	2,772	3,515	3,949	313	-	10,549
Depreciation on disposals	-	-	(38,069)	(1,448)	-	(39,517)
31 March 2011 - restated	28,261	37,549	55,121	70,947	-	191,878
Depreciation for the year	4,104	3,875	6,243	269	-	14,491
Depreciation on disposals	-	-	(15,975)	(348)	-	(16,323)
31 March 2012	32,365	41,424	45,389	70,868	-	190,046
Net book value						
31 March 2011 - restated	17,534	14,308	18,332	385	15,884	66,443
31 March 2012	12,979	12,829	14,164	117	27,788	67,877
Depreciation for the years						
2011 - restated (Baht 9 million included in administrative expenses and the balance in cost of services)						10,549
2012 (Baht 13 million included in administrative expenses and the balance in cost of services)						14,491

The Company and a subsidiary (BTS Assets Co., Ltd.) have mortgaged land and construction thereon with net book value as at 31 March 2012 of Baht 5,356 million (2011: Baht 4,616 million) as collateral for credit and guarantee facilities from a financial institution, as discussed in Note 28, 31 and 45.7 b) to the financial statements.

As at 31 March 2012, the subsidiary (BTSC) had motor vehicles and equipment under finance lease agreements with net book values amounting to Baht 1 million (2011: Baht 3 million).

As at 31 March 2012, certain assets have been fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation and allowance for impairment loss) of those assets amounted to approximately Baht 1,198 million (2011: Baht 1,127 million) (Separate financial statements: Baht 152 million (2011: Baht 164 million)).

During the year ended 31 March 2012, the subsidiaries included borrowing costs of Baht 83 million as cost of "Property, plant and equipment" (2011: Baht 22 million). Interest is charged at rate of 5.625% - 6.125% per annum (2011: 4.875% - 5.625% per annum).

The Company now has plans for development of the golf course and structures, whereby a subsidiary leases the golf course and structures in order to manage them in accordance with the plans. Therefore, the Company has reclassified costs of the golf course and structures, totaling Baht 291 million (after reversed revaluation surplus on assets amounting to Baht 2,020 million), which were recorded under the captions of land, buildings and improvements and golf course development costs, as investment properties. The Company has also reclassified related items as at 31 March 2011, in order to be consistent with the current year's classifications.

25. Leasehold rights

	(Unit: Thousand Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Cost		
1 April 2010 - restated	110,278	12,000
31 March 2011 - restated	110,278	12,000
Addition	9,274	9,274
31 March 2012	119,552	21,274
Accumulated amortisation		
1 April 2010 - restated	16,923	8,000
Amortisation for the year	5,459	400
31 March 2011 - restated	22,382	8,400
Amortisation for the year	7,145	2,074
31 March 2012	29,527	10,474
Net book value		
31 March 2011 - restated	87,896	3,600
31 March 2012	90,025	10,800
Amortisation for the years as included in administrative expenses		
2011 - restated	5,459	400
2012	7,145	2,074

26. Intangible assets

(Unit: Thousand Baht)

	Consolidated financial statements		
	Intangible assets		Total
	Computer software	under development	
Costs			
1 April 2010 - restated	79,161	1,633	80,794
Addition	4,394	-	4,394
Transfer in (out)	1,633	(1,663)	-
Disposal	(1,000)	-	(1,000)
31 March 2011 - restated	84,188	-	84,188
Addition	12,439	2,914	15,353
31 March 2012	96,627	2,914	99,541
Accumulated amortisation			
1 April 2010 - restated	52,789	-	52,789
Amortisation for the year	10,491	-	10,491
Amortisation on disposals	(651)	-	(651)
31 March 2011 - restated	62,629	-	62,629
Amortisation for the year	10,215	-	10,215
31 March 2012	72,844	-	72,844
Net book value			
31 March 2011 - restated	21,559	-	21,559
31 March 2012	23,783	2,914	26,697
Amortisation for the years included in administrative expenses			
2011 - restated			10,491
2012			10,215

(Unit: Thousand Baht)

Separate
financial statements

Computer software

Costs

1 April 2010 - restated	5,875
Addition	883
31 March 2011 - restated	6,758
Addition	753
31 March 2012	7,511

Accumulated amortisation

1 April 2010 - restated	2,273
Amortisation for the year	2,029
31 March 2011 - restated	4,302
Amortisation for the year	1,757
31 March 2012	6,059

Net book value

31 March 2011 - restated	2,456
31 March 2012	1,452

Amortisation for the years included in the administrative expenses

2011 - restated	2,029
2012	1,757

27. Loans to other companies

(Unit: Thousand Baht)

Consolidated and separate
financial statements

Company's name	financial statements	
	2012	2011 (Restated)
Chula Land Development Co., Ltd. ⁽¹⁾	-	1,200,490
Rachada Inter Development Co., Ltd. ⁽¹⁾	-	813,207
Total	-	2,013,697
Less: Allowance for doubtful debts	-	(2,013,697)
Net	-	-

⁽¹⁾ These companies were reclassified from related companies to other companies since the Company considered it had no relationship with these companies for a period of time.

On 20 July 2011 and 29 August 2011, the Central Bankruptcy Court issued an absolute receivership orders for Rachada Inter Development Co., Ltd. and Chula Land Development Co., Ltd., respectively. The Company therefore wrote off such loans from its account.

28. Bank overdraft and short-term loans from financial institution

Details of the bank overdraft and short-term loans from financial institution are as follows:

The Company

A facility of Baht 1,200 million is subject to interest at a rate tied to the Minimum Loan Rate (MLR) and is secured by the Company's bank account and some of BTSC's ordinary shares. As at 31 March 2012, the outstanding balance of short-term loans was Baht 742 million (2011: Nil).

BTS Assets Company Limited

A facility of Baht 15 million is subject to interest at a rate tied to the Minimum Overdraft Rate (MOR) and is secured by the mortgage of a plot of property plant and equipment of the subsidiary as discussed in Note 24 to the financial statements. As at 31 March 2012, there is no outstanding balance of this bank overdraft (2011: Nil).

A facility of Baht 500 million is subject to interest at a rate tied to the Minimum Loan Rate (MLR) and is secured by the mortgage of land and projects awaiting development and investment properties of the subsidiary as discussed in Notes 22 and 23 to the financial statements. As at 31 March 2012, the outstanding balance of short-term loans was Baht 200 million (2011: Baht 500 million).

Nuvo Line Agency Company Limited

A facility of Baht 25 million is subject to interest at a rate tied to the Minimum Overdraft Rate (MOR) and is secured by the mortgage of a plot of land with construction included in real estate development cost of the subsidiary as discussed in Note 13 to the financial statements. As at 31 March 2012, there is no outstanding balance of this bank overdraft (2011: Nil).

BTSC

A facility of Baht 1,000 million is subject to interest at a rate of 4.05 to 4.10% per annum and is not collateralized. As at 31 March 2012, the outstanding balance of short-term loans was Baht 1,000 million (2011: Nil).

29. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2012</u>	<u>2011</u> (Restated)	<u>2012</u>	<u>2011</u> (Restated)
Trade payables - related parties	66	319	81,278	139,746
Trade payables	208,635	267,161	144	422
Other payables - related parties	356	120	17,626	2,174
Other payables	144,796	124,341	3,595	2,114
Accrued interest expenses - related parties	-	-	2,200	-
Accrued interest expenses	107,438	104,384	21,957	21,833
Retention payable	197,446	162,768	9,381	5,194
Deposit payable	95,000	95,000	95,000	95,000
Accrued expenses	617,880	416,064	25,309	47,945
Dividend payable	80,825	-	18,459	3,156
Total trade and other payables	<u>1,452,442</u>	<u>1,170,157</u>	<u>274,949</u>	<u>317,584</u>

30. Creditors per rehabilitation plan

Creditors per rehabilitation plan are detailed as follows:

(Unit: Thousand Baht)

	Consolidated and separate	
	financial statements	
	<u>2012</u>	<u>2011</u> (Restated)
Creditors per rehabilitation plan	797,430	797,979
Less: Current portion	(745,356)	(745,356)
Creditors per rehabilitation plan - net of current portion	<u>52,074</u>	<u>52,623</u>

The outstanding balances as at 31 March 2012 and 2011 are detailed as follows:

(Unit: Thousand Baht)

	Consolidated and separate financial statements		
	2012		
	Debts pending final judgment	Undue debts/ Installment debts	Total
Secured creditors/Unsecured creditors for which other parties' assets are placed as security	457,159	-	457,159
Unsecured creditors	283,538	56,733	340,271
Total	740,697	56,733	797,430
Less: Current portion	(696,551)	(48,805)	(745,356)
Net	<u>44,146</u>	<u>7,928</u>	<u>52,074</u>

(Unit: Thousand Baht)

	Consolidated and separate financial statements		
	2011		
	Debts pending final judgment	Undue debts/ Installment debts	Total
Secured creditors/Unsecured creditors for which other parties' assets are placed as security	457,159	-	457,159
Unsecured creditors	283,538	57,282	340,820
Total	740,697	57,282	797,979
Less: Current portion	(696,551)	(48,805)	(745,356)
Net	44,146	8,477	52,623

As discussed in Note 15 to the financial statements, the Company deposited two assets awaiting transfer under the rehabilitation plan (not included in the agreement to acquire the rights to purchase auctioned assets) with the Central Bankruptcy Court as collateral for debt settlement. The Company therefore recorded the Baht 708.5 million (Separate financial statements: Baht 859.0 million) difference between the value of the assets, amounting to Baht 150.5 million (Separate financial statements: Nil), and the balances of the relevant creditors per rehabilitation plan, amounting to Baht 859.0 million (Separate financial statements: Baht 859.0 million) as "Gain on deposit of assets as guarantee for debt settlement", presenting it as a separate item in the statement of comprehensive income for the year ended 31 March 2011.

The Company has been unable to transfer the Company's 245,825,783 ordinary shares temporarily registered in the name of a subsidiary, part of which are deposited with the Central Bankruptcy Court as guarantee of debt settlement, to creditors since there are still undue debts and debts pending final court judgment or comptroller's orders. As a result, the number of shares allocated to each creditor is still uncertain as the debt ratio might be altered to accord with final court judgment or comptroller's orders. However, the creditors will still receive total numbers of ordinary shares as stipulated in the rehabilitation plan and the Company adjusted issuance of ordinary shares for debt settlement to settle the Company's debts during the year ended 31 March 2007.

31. Long-term loans

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2012	2011	2012	2011
		(Restated)		(Restated)
Long-term loans	3,517,373	1,937,023	-	-
Less: Current portion	(583,400)	(151,750)	-	-
Long-term loans - net of current portion	<u>2,933,973</u>	<u>1,785,273</u>	<u>-</u>	<u>-</u>

Details of the long-term loans are as follows:

The Company

A facility of Baht 150 million is subject to interest at a rate tied to the Minimum Loan Rate (MLR) and is secured by the mortgage of a plot of the Company's investment properties thereon, as discussed in Note 23 to the financial statements. Interest is to be paid monthly and principal is to be repaid within 120 months from the drawdown date. As at 31 March 2012, the Company has not drawn down such loan.

BTSC

A facility of Baht 2,300 million is subject to interest at a rate tied to the Minimum Loan Rate (MLR) and is not collateralised. It is to be repaid principal in installments every 3 months as from March 2012 to December 2015. As at 31 March 2012, the outstanding balance of this loan was approximately Baht 886.3 million.

BTS Assets Company Limited

A facility of Baht 1,800 million is subject to interest at a rate tied to the Minimum Loan Rate (MLR) and is secured by the mortgage of the subsidiary's land and construction as discussed in Note 24 to the financial statements. It is to be repaid principal in installments every 3 months as from March 2014 to December 2017. As at 31 March 2012, the outstanding balance of this loan was approximately Baht 1,609.3 million.

Muangthong Assets Company Limited

A facility of Baht 65 million is subject to interest at a rate tied to the Minimum Loan Rate (MLR) and is secured by the Company. Repayment of principal is to be made in 84 installments of at least Baht 600,000 each, with the first installment due in August 2009 and full settlement to be made within July 2016. As at 31 March 2012, the outstanding balance of this loan was approximately Baht 45.0 million.

Nuvo Line Agency Company Limited

A facility of Baht 2,400 million, to construct the building and parking area of a real estate development project, is subject to interest at a rate tied to the Minimum Loan Rate (MLR) and is secured by the mortgage of the subsidiary's land and construction included in real estate development cost, as discussed in Note 13 to the financial statements. Interest is to be paid monthly and principal is to be repaid within 36 months from the drawdown date. As at 31 March 2012, the outstanding balance of this loan was approximately Baht 876.8 million.

A facility of Baht 900 million, to construct the building of a real estate development project, is subject to interest at a rate tied to the Minimum Loan Rate (MLR), is secured by the mortgage of the subsidiary's land and construction included in real estate development cost, as discussed in Note 13 to the financial statements. Interest is to be paid monthly and principal is to be repaid within 30 months from the drawdown date. As at 31 March 2012, the subsidiary has not drawn down such loan.

Bangkok Smartcard System company Limited

A facility of Baht 300 million is subject to interest at a rate tied to the Minimum Loan Rate (MLR). The principal is to be repaid in monthly installments, from November 2014 to October 2021. As at 31 March 2012, the outstanding balances of this loan was approximately Baht 100.0 million.

Loan agreements contain covenants specified in the agreement pertaining to, among other things; the maintenance of a certain debt service coverage ratio, the incurrence of additional indebtedness, and the maintenance of direct shareholding by BTSC in the subsidiary of not less than 55% of its issued share capital or not less than 25% of its registered share capital in the case that the subsidiary has the other investor who has specific qualification as stipulated on the contract.

As at 31 March 2012, the long-term credit facilities of the Company and its subsidiaries which have not been drawn down amounted to Baht 4,233.9 million.

32. Long-term debentures

On 21 August 2009, BTSC issued and offered 12 million units of unsubordinated and unsecured debentures (“the debentures”), with a par value of Baht 1,000 each, total value of Baht 12,000 million to the public. In addition, for the issuance of the debentures, BTSC incurred the issuing costs approximately amounting to Baht 146 million deducting from the debenture’s value. The issuing costs will be amortised to increase the debentures’ valuation gradually throughout the period of the debentures.

As at the statement of financial position date, details of the debentures were as follows:

(Unit: Thousand Baht)

	<u>Maturity date</u>	<u>Interest rate</u> p.a. %	<u>Consolidated financial statements</u>	
			<u>2012</u>	<u>2011</u> (Restated)
Tranche 1	21 August 2012	4.75	2,500,000	2,500,000
Tranche 2	21 August 2013	5.25	2,500,000	2,500,000
Tranche 3	21 August 2014	5.75	4,000,000	4,000,000
Tranche 4	21 August 2015	6.25	1,500,000	1,500,000
Tranche 5	21 August 2016	6.75	1,500,000	1,500,000
Total			12,000,000	12,000,000
Less: the issuing costs			(60,422)	(93,443)
Total long-term debentures			11,939,578	11,906,557
Less: Current portion of long-term debentures			(2,495,767)	-
Long-term debentures - net of current portion			9,443,811	11,906,557

The debenture agreement includes certain restrictive covenants pertaining to, among other things, limitations on creation of indebtedness, compliance with the concession agreement, and the maintenance of financial ratios.

A subsidiary (BTSC) has interest rate risk associated with the long-term debentures carrying fixed interest rates, therefore, BTSC has used financial instrument to manage this risk by entering into an interest rate swap agreement to swap fixed interest rate to floating interest rate only for the debentures - Tranche 3, amounting to Baht 3,000 million. The amount of interest expenses depends on the interest rate and conditions stipulated in the agreement with a maximum rate of interest payment at 8.85% per annum. The agreement has scheduled for interest settlement every six months and the last settlement will be in February 2013. As at 31 March 2012, the fair value of the debentures contracted under the agreement was Baht 3,091 million.

33. Convertible debentures

	(Unit: Thousand Baht)	
	Consolidated and separate financial statements	
	<u>2012</u>	<u>2011</u> (Restated)
Convertible debentures	10,000,000	10,000,000
Less: Transaction costs	(205,375)	(205,375)
Convertible debentures - equity component	(1,356,597)	(1,356,597)
Prepaid Letter of credit facility fee	(135,925)	(123,645)
Add: Amortisation of liability component of convertible debentures	<u>346,235</u>	<u>48,815</u>
Convertible debentures - liability component	<u>8,648,338</u>	<u>8,363,198</u>

The Company issued the convertible debentures as follows:

- Value : Baht 10,000 million to be redeemed in US dollars, using a stipulated exchange rate of Baht 30.604 per USD 1
- Term : 5 years
- Maturity date : 25 January 2016
- Interest : 1.0% per annum for the first 2 years and no interest for next 3 years
- Call/Put options : Called in full after 25 January 2014 and puttable on 25 January 2013
- Conversion price : Baht 0.85 per share
- Collateral : Letter of credit facility issued by a local bank with fee charge at 1.5% per annum within 25 months and no fee charge for the remaining periods
- Allocation method : Full offering to be made to overseas investors

As stipulated in the letter of credit facility agreement with a local bank, the Company must open a bank account as a guarantee of interest payment on the convertible debentures. The Company recorded this transaction under the heading of "Restricted deposits" in the statement of financial position.

The letter of credit facility agreement is secured by some of BTSC's ordinary shares as discussed in Note 17 to the financial statements.

The letter of credit facility agreement contains covenants that, among other things, require the Company to maintain certain debt to equity and debt service coverage ratios (calculated from the separate financial statements), and require BTSC to pay dividends at least twice a year.

The Company adjusted the conversion price of the convertible debentures from Baht 0.91 per share to Baht 0.88 per share, effective from 5 July 2011. Subsequently, the Company adjusted the conversion price to 0.85 per share, effective from 31 January 2012 onwards. This is in line with the terms and conditions of the convertible debentures in cases when a dividend is paid.

34. Provision for long-term employee benefits

Provision for long-term employee benefits as at 31 March 2012 and 2011, which is compensations on employees' retirement, was as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2012</u>	<u>2011</u> (Restated)	<u>2012</u>	<u>2011</u> (Restated)
Balance at beginning of year	349,754	314,658	22,789	19,855
Current service cost	40,509	37,053	2,241	2,100
Interest cost	14,565	12,904	957	834
Benefits paid during the year	(4,650)	(14,861)	-	-
Balance at end of year	<u>400,178</u>	<u>349,754</u>	<u>25,987</u>	<u>22,789</u>

Long-term employee benefit expenses included in the profit or loss for the year ended 31 March 2012 amounted to Baht 55.1 million (2011: Baht 50.0 million) (Separate financial statement: Baht 3.2 million (2011: Baht 2.9 million)).

Principal actuarial assumptions at the valuation date were as follows:

	Consolidated and separate financial statements	
	<u>2012</u> (% per annum)	<u>2011</u> (% per annum)
Discount rate	3.7 - 4.2	4.2
Future salary increase rate	3 - 5	5

Amounts of defined benefit obligation for the current and previous two years are as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Year 2012	400,178	25,987
Year 2011	349,754	22,789
Year 2010	314,658	19,855

35. Share capital / Share premium

On 29 April 2010, the Extraordinary General Meeting No. 1/2010 of the Company's shareholders passed the following significant resolutions:

- a) Reduce the registered share capital from Baht 7,704,149,999 (7,704,149,999 ordinary shares with a par value of Baht 1 each) to Baht 7,614,391,803 (7,614,391,803 ordinary shares with a par value of Baht 1 each) by canceling unissued shares of the Company.
- b) Increase the registered share capital from Baht 7,614,391,803 (7,614,391,803 ordinary shares with a par value of Baht 1 each) to Baht 65,142,190,902 (65,142,190,902 ordinary shares with a par value of Baht 1 each) by issuing 57,527,799,099 ordinary shares with a par value of Baht 1 each to be reserved for the acquisition of the ordinary shares of BTSC, and to offer new ordinary shares to the Company's existing shareholders.

- c) Allocate up to 57,527,799,099 ordinary shares of the Company with a par value of Baht 1 each as detailed below.
- 1) Up to 28,166,879,984 ordinary shares with a par value of Baht 1 each are to be allocated to companies and an individual in accordance with the purchases of ordinary shares of BTSC.
 - 2) After the acquisition of BTSC and the issue of new ordinary shares discussed in 1), the Company is to allocate up to 25,558,051,278 ordinary shares with a par value of Baht 1 each as detailed below.
 - 2.1) Up to 20,446,441,022 ordinary shares with a par value of Baht 1 each are to be offered to the Company's existing shareholders in proportion to their shareholdings (Right Offering), at a rate of 4 new shares for every 7 existing shares, at a price of Baht 0.63 per share. If shares remain after the offer, the Company is to allocate them to shareholders subscribing to purchase more than their allocation, until all shares have been sold or there are not further subscriptions by the existing shareholders. Remaining shares are then to be allocated to institutional investors or to the underwriter of the Company's share issue, who are not connected parties or persons, at a price of Baht 0.63 per share.

The Company is able to offer the 20,150,704,709 additional ordinary shares. The Company allocated the 19,032,004,098 additional ordinary shares, leaving 1,118,700,611 shares unallocated.
 - 2.2) Up to 5,111,610,256 ordinary shares of the Company with a par value of Baht 1 each are to be reserved for the exercise of warrants issued and offered to the Company's existing shareholders and institutional investors or underwriter of the Company who are not connected parties or persons at an exercise price of Baht 0.70 each.
- d) Allocate up to 3,802,867,837 of the Company's ordinary shares with a par value of Baht 1 each to BTSC's existing shareholders, excluding the Company, at a price of not less than Baht 0.60 each.

On 29 July 2010, the Annual General Meeting No. 1/2010 of the Company's shareholders passed a resolution to approve an amendment to the offer price of the 1,118,700,611 additional ordinary shares that are still unallocated from Baht 0.60 - 0.70 per share to not less than Baht 0.80 per share.

On 4 August 2010, the Company issued Baht 882,320,000 of ordinary shares (1,076,000,000 ordinary shares at a value of Baht 0.82 each) to institutional investors and the underwriter of the shares, leaving 42,700,611 shares.

On 3 September 2010, Meeting No. 8/2010 and on 1 October 2010, Meeting No. 9/2010 of the Company's Board of Directors and on 16 November 2010, the Extraordinary General Meeting No. 2/2010 of the Company's shareholders passed the following significant resolutions:

- a) Change the number of ordinary shares to be reserved for the exercise of warrants from up to 5,111,610,256 ordinary shares with a par value of Baht 1 each (as discussed in 2.2)) to up to 5,027,000,448 ordinary shares with a par value of Baht 1 each, since the Company has now clearly stipulated the number of warrants to purchase the Company's additional ordinary shares.
- b) Cancel the allocation of up to 4,225,914,569 of the Company's ordinary shares and reduce the registered share capital from Baht 65,142,190,902 (65,142,190,902 ordinary shares with a par value of Baht 1 each) to Baht 60,916,276,333 (60,916,276,333 ordinary shares with a par value of Baht 1 each) by canceling unissued shares, as detailed below.
 - 1) The 84,609,808 ordinary shares remaining from the shares reserved for the exercise of the warrants in a).
 - 2) The 338,436,924 ordinary shares unallocated to the Company's shareholders.
 - 3) Up to 3,802,867,837 ordinary shares to be allocated to BTSC's existing shareholders, excluding the Company, at a price of not less than Baht 0.60 per share.

The Company registered the corresponding decrease in its registered share capital with the Ministry of Commerce on 17 November 2010.

- c) Increase the registered share capital from Baht 60,916,276,333 (60,916,276,333 ordinary shares with a par value of Baht 1 each) to Baht 77,219,144,170 (77,219,144,170 ordinary shares with a par value of Baht 1 each) by issuing 16,302,867,837 ordinary shares with a par value of Baht 1 each to be allocated as detailed below.
 - 1) Up to 12,500,000,000 of the Company's ordinary shares with a par value of Baht 1 each to be reserved for conversion to the convertible debentures discussed in Note 33 to the financial statements.
 - 2) Up to 3,802,867,837 of the Company's ordinary shares to be allocated to BTSC's existing shareholders, excluding the Company, at a price of not less than Baht 0.80.

The Company registered the corresponding increase in its registered share capital with the Ministry of Commerce on 18 November 2010.

- d) Reduce the registered share capital from Baht 77,219,144,170 (77,219,144,170 ordinary shares with a par value of Baht 1 each) to Baht 49,420,252,268.80 (77,219,144,170 ordinary shares with a par value of Baht 0.64 each), through a reduction in the par value of the Company's ordinary shares from Baht 1 to Baht 0.64, while paid up share capital will decrease from Baht 55,889,275,885 (55,889,275,885 ordinary shares of Baht 1 each) to Baht 35,769,136,566.40 (55,889,275,885 ordinary shares of Baht 0.64 each), in order to offset deficit and share discount.
- e) Change the par value of the Company's ordinary shares from Baht 1 to Baht 0.64 per share, in accordance with resolutions as discussed above.

As at 31 March 2011, the Company's issued and fully paid share capital has increased from Baht 7,614,391,803 (7,614,391,803 ordinary shares with a par value of Baht 1 each) to Baht 35,769,136,566 (55,889,275,885 ordinary shares with a par value of Baht 0.64 each) as detailed below.

- a) The Company issued Baht 28,166,879,984 of ordinary share (28,166,879,984 ordinary shares with a par value of Baht 1 each) to acquire ordinary shares of BTSC. Respective share discount amounted to Baht 8,788,066,555.
- b) The Company issued Baht 19,032,004,098 of ordinary shares (19,032,004,098 ordinary shares with a par value of Baht 1 each) to be allocated ordinary shares to the Company's existing shareholders in proportion to their shareholdings (Right Offering). Respective share discount amounted to Baht 7,064,731,189.
- c) The Company issued Baht 882,320,000 of ordinary shares (1,076,000,000 ordinary shares at a value of Baht 0.82 each) to be allocated to institutional investors and the underwriter of the shares. Respective share discount amounted to Baht 205,735,476.
- d) The Company reduced its registered and paid up share capital by changing the par value of the Company's ordinary shares from Baht 1 to Baht 0.64 per share, in order to offset deficit and share discount.

The Company registered the corresponding increases in its paid-up capital with the Ministry of Commerce on 4 May 2010, 14 June 2010 and 4 August 2010, respectively. In addition, the Company registered the corresponding decreases in its registered and paid up capital with the Ministry of Commerce on 26 January 2011.

Subsequently, the Annual General Meeting of the Company's shareholders held on 26 July 2011 passed the following resolutions:

- a) Approved the reduction of the registered share capital from Baht 49,420,252,268.80 (77,219,144,170 ordinary shares with a par value of Baht 0.64 each) to Baht 47,817,776,079.36 (74,715,275,124 ordinary shares with a par value of Baht 0.64 each) by canceling the 2,503,869,046 unissued shares with a par value of Baht 0.64 each remaining from the offering to BTSC's existing shareholders, excluding the Company, as discussed in Note 17 to the financial statements.
- b) Approved an increase in the registered share capital from Baht 47,817,776,079.36 (74,715,275,124 ordinary shares with a par value of Baht 0.64 each) to Baht 47,881,776,079.36 (74,815,275,124 ordinary shares with a par value of Baht 0.64 each) by issuing 100 million ordinary shares with a par value of Baht 0.64 each to reserve for the exercise of the warrants to purchase new ordinary shares of the Company issued to the employees of the Company and its subsidiaries (BTS-WA) as discussed in Note 36 to the financial statements.

The Company registered the corresponding decrease and increase in its paid-up capital with the Ministry of Commerce on 28 July 2011 and 29 July 2011, respectively.

As at 31 March 2012, the Company's issued and fully paid share capital has increased from Baht 35,769,136,566.40 (55,889,275,885 ordinary shares with a par value of Baht 0.64 each) to Baht 36,600,495,792.64 (57,188,274,676 ordinary shares with a par value of Baht 0.64 each) as a result of the issuance of Baht 831,359,226.24 of ordinary shares (1,298,987,791 ordinary shares with a par value of Baht 0.64 each) to BTSC's existing shareholders, as discussed in Note 17 to the financial statements, resulting in a share premium of Baht 350,729,673.57.

The Company registered the corresponding increase in its paid-up capital with the Ministry of Commerce on 6 June 2011.

36. Warrants

Warrants to purchase new ordinary shares of the Company issued to the Company's existing shareholders (BTS-W2)

On 29 April 2010, the Extraordinary General Meeting No. 1/2010 of the Company's shareholders passed a resolution to issue the warrants to purchase new ordinary shares of the Company issued to the Company's existing shareholders (BTS-W2) in a ratio of 1 warrant for every 4 existing ordinary shares, without specifying the offer price. Details are as follows:

Date of grant	23 November 2010
Number granted (Units)	5,027,000,448
Contractual lives	3 years from the issue date
Exercisable	Last business day of each quarter, after completion of a 2-year period from the issue date
Exercise price per 1 ordinary share (Baht)	0.70
Exercise ratio (warrant to ordinary share)	1:1

Warrants to purchase new ordinary shares of the Company issued to the employees of the Company and its subsidiaries (BTS-WA)

On 26 July 2011, the Annual General Meeting of the Company's shareholders passed a resolution to approve the issue of registered and non-transferable warrants to purchase new ordinary shares of the Company issued to the employees of the Company and its subsidiaries (BTS-WA), at no cost. Details of the warrants are below.

Date of grant	18 August 2011
Number granted (Units)	87,470,000
Contractual lives	5 years from the issue date
Exercisable	Last business day of each quarter, after completion of a 2-year period from the issue date
Exercise price per 1 ordinary share (Baht)	0.70
Exercise ratio (warrant to ordinary shares)	1:1

The estimated fair value of each warrant granted is Baht 0.27. This was calculated by applying the Black-Scholes-Merton formula. The model inputs were the share price at price determination date of Baht 0.68, exercise price of Baht 0.70, expected volatility of 60%, expected dividend yield of 3%, contractual life of five years, and a risk-free interest rate of 3.48%.

37. Revaluation surplus on assets

The revaluation surplus on assets can neither be offset against deficit nor used for dividend payment.

38. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5% of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered capital. The statutory reserve is not available for dividend distribution.

39. Service income

Details of service income are as follows:

(Unit: Thousand Baht)

For the years ended 31 March

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
		(Restated)		(Restated)
Advertising income	1,620,692	1,069,698	-	-
Revenue from provision of operating services	880,108	316,007	-	-
Revenue from provision of spaces	221,329	184,626	-	-
Other service income	559,045	370,545	109,490	91,567
Total	<u>3,281,174</u>	<u>1,940,876</u>	<u>109,490</u>	<u>91,567</u>

40. Expenses by nature

Significant expenses by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
		(Restated)		(Restated)
Salaries, wages and other employee benefits	1,254,228	987,872	86,414	82,731
Subcontractor costs	83,004	258,124	631,853	1,247,548
Design and construction cost	603	1,038	11,047	1,284
Consultation, project management and professional fee	149,138	348,491	39,731	243,156
Depreciation and amortisation	284,154	260,611	74,702	66,234
Withholding tax written-off	27,523	220	26,809	-
Premise tax and other taxes	80,470	72,611	28,207	23,040
Expenses relating to business combination under common control	-	171,405	-	171,405
Allowance for loss on diminution in value of assets	37,411	76,230	-	76,230
Allowance for loss on diminution in value of investments	-	-	39,500	-
Rental expenses from operating lease agreements	39,861	43,789	22,676	22,452
Repair and maintenance expenses	510,121	515,169	6,526	5,847
Utility expenses	320,103	245,856	12,217	14,029
Penalty charge	15,477	-	13	-
Advertising and promotional expenses	109,548	35,423	14,038	11,437
Subcontractor expenses for train operating service	31,092	56,781	-	-
Concession fee	454,346	191,963	-	-
Costs of advertising services	70,637	53,645	-	-
Real estate development during the year	685,053	289,989	61,557	126,218
Change in real estate development costs	(493,757)	(165,194)	172,991	12,998
Finance cost	1,550,771	1,638,398	588,154	825,056

41. Finance cost

Details of finance cost are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2012</u>	<u>2011</u> (Restated)	<u>2012</u>	<u>2011</u> (Restated)
Interest expenses and other fees	950,265	1,492,887	139,498	748,948
Amortisation of deferred debenture issuing costs	33,021	32,923	-	-
Amortisation of liability component of convertible debentures	297,421	48,815	297,421	48,815
Amortisation of letter of credit fee for convertible debentures	151,235	27,293	151,235	27,293
Total	<u>1,431,942</u>	<u>1,601,918</u>	<u>588,154</u>	<u>825,056</u>

42. Corporate income tax

The Company and its subsidiary (BTSC) had no corporate income tax payable for the years ended 31 March 2012 and 2011 since its tax loss brought forward exceeds its profit for the years.

43. Earnings per share

Consolidated financial statements

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year, net of the number of the Company's shares held by subsidiaries.

Diluted earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year, net of the number of the Company's shares held by subsidiaries, plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that such conversion took place either at the beginning of the period or on the date the potential ordinary shares were issued.

Separate financial statements

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

Diluted earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that such conversion took place either at the beginning of the period or on the date the potential ordinary shares were issued.

Details of calculation of earnings per share for the years ended 31 March 2012 and 2011 are as below.

(Unit: Thousand Baht)

	Consolidated financial statements					
	Profit		Weighted average number of ordinary shares		Earnings per share	
	2012	2011	2012	2011	2012	2011
	Thousand Baht	Thousand Baht (Restated)	Thousand shares	Thousand shares (Restated)	Baht	Baht (Restated)
Basic earnings per share						
Profit attributable to equity holders of the Company	2,105,626	252,223	56,954,029	51,994,306	0.03697	0.00485
Effect of dilutive potential ordinary shares						
Warrants 5,027,000,448 units (2011: 5,027,000,448 units)	-	-		278,273		
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	2,105,626	252,223		52,272,579		0.00483

(Unit: Thousand Baht)

	Separate financial statements					
	Profit		Weighted average number of ordinary shares		Earnings per share	
	2012	2011	2012	2011	2012	2011
	Thousand Baht	Thousand Baht (Restated)	Thousand shares	Thousand shares (Restated)	Baht	Baht (Restated)
Basic earnings per share						
Profit attributable to equity holders of the Company	3,443,155	4,836,776	56,954,029	52,001,620	0.06045	0.09301
Effect of dilutive potential ordinary shares						
Warrants 5,027,000,448 units (2011: 5,207,000,448 units)	-	-	-	278,273		
Convertible debentures	567,053	97,940	11,327,762	1,956,947		
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	4,010,208	4,934,716	68,281,791	54,236,840	0.05873	0.09098

The conversion to ordinary shares of warrants representing rights to purchase ordinary shares of the Company (BTS-W2) would increase earnings per share for the year ended 31 March 2012 in the consolidated and separate financial statements and the exercise prices (including fair value of services yet to be rendered per warrant) of the warrants to purchase the ordinary shares of the Company issued to the employees of the Company and its subsidiaries (BTS-WA) are higher than the average market price of the Company's shares for the year ended 31 March 2012. Therefore, the Company has not assumed conversion of the warrants in the calculation of diluted earnings per share.

In addition, convertible debentures would increase earnings per share for the years ended 31 March 2012 and 2011 in the consolidated financial statements. Therefore, the Company has not assumed conversion of convertible debentures in the calculation of diluted earnings per share.

44. Dividends

		(Unit: Million Baht)	
	<u>Approved by</u>	<u>Total dividends</u>	<u>Dividend per share</u>
Interim dividend for 2011	Meeting of the Company's Board of Directors as at 25 February 2011	720.7	Baht 0.01290
Total dividend for 2011		<u>720.7</u>	
Dividend for 2011	Meeting of the Company's shareholders as at 26 July 2011	1,294.3	Baht 0.02264
Interim dividend for 2012	Meeting of the Company's Board of Directors as at 13 January 2012	1,368.1	Baht 0.02393
Total dividend for 2012		<u>2,662.4</u>	

45. Commitments and contingent liabilities

As at 31 March 2012, the Company and its subsidiaries had commitments as follows:

45.1 Capital commitments

- a) The Company had outstanding commitments of approximately Baht 608 million in respect of the construction contracts of low-cost residential housing projects of which the Company had already entered into agreements with contractors.
- b) The Company and its subsidiaries (HHT Construction Company Limited, Muangthong Assets Company Limited, Nuvo Line Agency Company Limited, Kampoo Property Company Limited and Kamkoong Property Company Limited) had outstanding commitments of approximately Baht 760 million in respect of agreements of consultation, design and construction projects.
- c) The Company had outstanding commitments of approximately Baht 13 million in respect of a construction project with its subsidiaries (HHT Construction Company Limited and Carrot Rewards Company Limited).
- d) The Company had outstanding commitments approximately Baht 1 million in respect of renovation and development of golf course.
- e) The Company entered into agreements with the Ministry of Finance to lease land for building construction, which the Company must completed in no more than 3 years. During the construction, the Company is to pay rental of Baht 0.1 million per month for land usage, and after handing over the building, the Company is committed to pay an annual rental for 30 years. The rental charge is Baht 0.8 million per year and will be increased by 15% every 5 years of the lease period.
- f) A subsidiary (HHT Construction Company Limited) had outstanding commitments not exceeding HKD 4 million in respect of an agreement of project consultation with a related company.
- g) A subsidiary (BTSC) had capital commitments of Baht 43 million in respect of a change and improvement of signaling system for elevated train operation.
- h) A subsidiary (BTSC) had capital commitments of EUR 16 million, USD 2 million and Baht 55 million in respect of an acquisition of 35 elevated train carriages for extension of the existing carriages of the subsidiary and their transportation fees.
- i) A subsidiary (BTSC) had capital commitments of EUR 1 million and Baht 3 million in respect of radio upgrade project for the signaling system for elevated train operation.

- j) A subsidiary (BTSC) entered into a contract for acquisition of 5 four-car elevated trains (4 cars per each) with an unrelated foreign company for providing services in the mass transit system - Silom expansion stations (Wongwian Yai - Bang Wa). Under the contract, the Company has committed to pay approximately amounting to EUR 4 million, RMB 110 million and Baht 28 million.
- k) A subsidiary (BTS Assets Company Limited) has capital commitments of AUD 1 million in respect of the acquisition of spareparts for Automotic Farebox system.
- l) A subsidiary (BTS Assets Company Limited) had an outstanding commitment of Baht 16 million relating to the purchase and installment of hotel equipment.
- m) A subsidiary (BTS Assets Company Limited) had an outstanding commitment of Baht 15 million relating to building design services for the hotel, which is currently in the process of preparing for construction.
- n) A subsidiary (Bangkok Smartcard System Company Limited) had outstanding commitments of SGD 1 million and RMB 6 million relating to development costs for common ticketing system.
- o) A subsidiary (Bangkok Smartcard System Company Limited) entered into a contract for development of the Central Clearing House relating to its common ticketing system with a company. Under the contract, the subsidiary has committed to pay a service fee in the future approximately amounting to Baht 43 million.
- p) A subsidiary (Carrot Rewards Company Limited) entered into a contract for implementation and management of the common ticketing system with a company. Under the contract, the subsidiary is committed to pay a service fee in the future and comply with certain conditions as specified in the agreement.

45.2 Operating lease commitments

- a) The Company entered into leasehold agreements for the period of 30 years, as from 1 July 1997 and 1 December 1997. The monthly rental charges are Baht 200,000 and Baht 500,000, respectively and will be increased by 5% each year of the lease period.
- b) A subsidiary (Muangthong Assets Company Limited) had an outstanding commitment of approximately Baht 5 million in respect of a 16-year land and building lease agreement.

45.3 Commitments under maintenance contract

On 30 December 2004, a subsidiary (BTSC) entered into a 10-year maintenance contract with a contractor. Under the contract, the subsidiary has capital commitments in respect of the cost of maintenance and spare supply service fees in relation to the project over a period of 10 years. The amount to be paid for the first year is approximately Baht 195.7 million and EUR 1.7 million, and in the future years, the amount to be paid will be adjusted upwards with reference to the consumer price index. During the year ended 31 March 2012, the subsidiary paid the cost of maintenance and spare supply service fees amounting to Baht 201 million and EUR 2 million.

45.4 Service commitments

- a) In 2008, the Company entered into a service agreement with an associate (Absolute Hotel Services Company Limited), which is to furnish the Company and its subsidiary with consultation and hotel business management-related services. Under the conditions of the agreement, the Company is to pay service fees of Baht 1.4 million per month. The fees for the year ended 31 March 2012 amounted to approximately Baht 16 million.
- b) In 2010, the Company entered into a management agreement with a subsidiary (Tanayong Property Management Company Limited), which is to furnish the Company with systems management services. Under the conditions of the agreement, the Company is to pay service fees at the rate specified in the agreement. During the year ended 31 March 2012, the Company paid management fee amounted to Baht 11 million.
- c) In 2008, a subsidiary (BTS Assets Company Limited) entered into a hotel management agreement with an oversea company in which it committed to pay fees based on hotel operating revenues at certain percentage and comply with certain conditions as specified in the agreements. The agreement is for a period of 15 years and the hotel is currently in the construction process.
- d) In 2009, a subsidiary (BTS Assets Company Limited) entered into a hotel management agreement with an oversea company in which it committed to pay fees based on hotel operating revenues at certain percentage and comply with certain conditions as specified in the agreements. The agreement is for a period of 20 years with an option to renew for a further 10 years. The hotel is currently in the construction process.

- e) In 2010, a subsidiary (BTSC) entered into a contract to be an operator and a provider of buses for the Bus Rapid Transit (BRT) project - Chong Nonsi to Sa-pan Krung Thep Line (Chong Nonsi - Ratchaphruek) for 7 years with The Krungthep Thanakom Company Limited. As at 31 March 2012, the subsidiary had commitments relating to its operations in the project of Baht 161 million.
- f) The subsidiaries (Muangthong Assets Company Limited and BTS Assets Co., Ltd.) entered into service agreements with an associate (Absolute Hotel Services Company Limited), which is to furnish the subsidiary with royalty and hotel business management - related services. The subsidiary is to pay service fees at a rate as stipulated in the agreements. The fees for the year ended 31 March 2012 amounted to approximately Baht 9 million.
- g) The subsidiaries has committed to pay fees of USD 3 million, HKD 2 million, RMB 1 million and Baht 198 million relating to other rental and service.

45.5 Commitments under the concessions

The subsidiaries had outstanding commitments under the concession agreement with respect to the managing and providing advertising services in department stores, and other related concession agreements. Concession fees payable within 1 year under these agreements amount to approximately Baht 564 million and RMB 1 million, while approximately Baht 1,198 million and RMB 12 million is payable in between 1 and 5 years.

45.6 Other commitments

- a) The Company had outstanding commitments with its subsidiary (BTS Land Co., Ltd.) in respect of the royalty fee of the project. The Company is to pay at a rate as specified in the agreement when the ownership of each unit is transferred.
- b) The Company had outstanding commitments with its subsidiary (BTSC) in respect of the train ticket for project. The Company is to pay at a rate as specified in the agreement when the ownership of each unit is transferred.

45.7 Guarantees

- a) The Company has guaranteed a bank credit facility of its subsidiary (Muangthong Assets Company Limited) amounting to Baht 65 million.
- b) There were bank guarantees of Baht 118 million issued by a bank on behalf of the Company to the National Housing Authority for the low-cost residential housing projects and Baht 17 million issued by a bank on behalf of the Company, for construction of a building on state-owned land.

- c) A subsidiary (BTSC) had an outstanding bank guarantees of Baht 38 million to the BMA in respect of certain performance bonds as required under the concession agreement, of Baht 25 million to the Metropolitan Electricity Authority to guarantee electricity use, of Baht 200 million to Mass Rapid Transit Authority of Thailand in respect of bidding and of Baht 239 million as required in the subsidiary's operations issued by a bank on behalf of the subsidiary.
- d) The Company and its subsidiary (BTSC) had Letters of Credit facilities from a local commercial bank of Baht 10,063 million in respect of collateral for the convertible debentures issued by the Company and EUR 13 million in respect of elevated train's acquisition for the subsidiary's operation.

45.8 Litigations

As at 31 March 2012, the litigations involving the Company and its subsidiaries are as detailed below.

- a) The Company and two subsidiaries (Yong Su Company Limited and Dnal Company Limited), as mortgagors of the assets placed as security for the Company's bonds, were sued by a local bank, for payment of the secured bonds, together with interest charges and other related expenses, totaling approximately Baht 4,251 million. The Court of First Instance ordered the two subsidiaries to make payment of such amount. The two subsidiaries appealed the decision and the Appeals Court found in accordance with the Court of First Instance. However, the bank has submitted settlement claims under the Company's rehabilitation plan and the Company held an open auction of such assets in order to make payment to the bank, as discussed in Note 15 to the financial statements. Therefore, the subsidiaries have not set aside provision for the contingent liability in their accounts.
- b) A subsidiary (Sampaopetch Company Limited) has been sued, together with the Company and its subsidiary's directors, by a creditor claiming land costs of approximately Baht 437 million because of the breach of a condition of a contract to purchase and to sell the land. The Court of First Instance ordered a subsidiary to make payment amounting to Baht 38 million and interest. Currently, the case is in the process of being appealed by the subsidiary and the subsidiary believes that it will suffer no significant loss as a result of this litigation.
- c) A subsidiary (Muangthong Assets Company Limited) has been sued by an individual for payment for loss of property amounting to approximately Baht 6 million. Currently, the lawsuit is being in the court of appeals process. However, the subsidiary believes that it will suffer no significant loss as a result of this litigation.

- d) On 11 February 2002, a subsidiary (BTSC) was sued for damages as the second defendant in a tort case, whereby a company alleged that the subsidiary's contractor caused damage to a section of underground fuel pipeline in the area of a train station and claimed compensation of approximately Baht 108 million. At present, the case is under consideration of the courts. However, the subsidiary has not recorded any allowance for the damage in its accounts since the subsidiary believes that, as an employer, it is, in any case, not liable to third parties for damages caused by its contractor, and that the case will therefore have no significant impact on the subsidiary.

45.9 Contingent liabilities

As at 31 March 2012, a subsidiary (BTSC) had interest rate swap agreement with a financial institution as detailed below. The amount of interest expenses depends on the interest rate and conditions stipulated in the agreement with a maximum rate of interest payment of 8.85% per annum. The agreement has scheduled for interest settlement every six months and the last settlement will be in February 2013.

Principal amount	Interest revenue rate in the agreement	Interest expense rate in the agreement	Fair value as at 31 March 2012
Baht 3,000 million	Fixed rate of 5.75% per annum	Floating rates of 0 to 8.85% per annum set with reference to DB Pulse Index plus strike rate stipulated in agreement	Baht 3,091 million

46. Segment information

The Company's and its subsidiaries' financial information of elevated mass transit system business, service business, real estate business and construction service business in the consolidated financial statements for the years ended 31 March 2012 and 2011 are as follows:

(Unit: Million Baht)

	For the years ended 31 March											
	Elevated mass transit system business		Service business		Real estate business		Construction service business		Elimination		Total	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
Revenues from external customers	4,297	3,545	3,281	1,941	325	144	73	262	-	-	7,976	5,892
Inter-segment revenues	-	-	625	488	-	-	1,260	2,367	(1,885)	(2,855)	-	-
Total revenues	<u>4,297</u>	<u>3,545</u>	<u>3,906</u>	<u>2,429</u>	<u>325</u>	<u>144</u>	<u>1,333</u>	<u>2,629</u>	<u>(1,885)</u>	<u>(2,855)</u>	<u>7,976</u>	<u>5,892</u>
Segment operating profit (loss)	1,959	1,494	1,909	1,110	99	(71)	(10)	2			3,957	2,535
Unallocated profit and expenses:												
Gain on deposit of assets as guarantee for debt settlement											-	709
Interest income											40	29
Reversal of allowance for diminution in value of civil works awaiting transfer											705	-
Revenue from court-ordered compensation											367	-
Gain on exchange											37	48
Gain from receiving the return of the advance for purchase of investment in subsidiary											44	-
Other income											82	151
Selling and servicing expenses											(177)	(250)
Administrative expenses											(1,212)	(1,034)
Expenses relating to business combination under common control											-	(171)
Share of income (loss) from investments in associates											(2)	1
Finance cost											(1,432)	(1,602)
Corporate income tax											(173)	(106)
Profit for the year											2,236	310
Profit attributable to non-controlling interests of subsidiaries											(130)	(58)
Profit attributable to equity holders of the Company											<u>2,106</u>	<u>252</u>

The Company's and its subsidiaries' assets of elevated mass transit system, business and services business, real estate business, and construction service business in the consolidated financial statements as at 31 March 2012 and 2011 are as follows:

(Unit: Million Baht)

	Elevated mass transit				Construction service				Total	
	system business		Services business		Real estate business		business			
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Trade and other receivables	3	2	1,065	569	28	29	11	9	1,107	609
Real estate development costs	-	-	-	-	3,349	2,855	-	-	3,349	2,855
Elevated project costs	45,144	44,443	-	-	-	-	-	-	45,144	44,443
Spare parts - elevated train system	174	87	-	-	-	-	-	-	174	87
Spare parts - maintenance contract	293	293	-	-	-	-	-	-	293	293
Land and projects awaiting development	-	-	-	-	2,676	2,660	-	-	2,676	2,660
Investment properties	-	-	-	-	2,461	2,497	-	-	2,461	2,497
Property, plant and equipment	-	-	501	534	5,536	4,775	2	3	6,039	5,312
Leasehold right	-	-	-	-	90	88	-	-	90	88
Intangible assets	-	-	24	18	1	3	1	-	26	21
Goodwill	-	-	79	79	-	-	-	-	79	79
Advance for asset acquisitions	491	1,190	-	-	6	-	-	-	497	1,190
Advances to contractors	-	-	-	-	79	31	-	-	79	31
Unallocated assets									4,875	3,538
Total assets									66,889	63,703

47. Provident fund

The Company, its subsidiaries and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company and its subsidiaries contributed to the fund monthly at the rate of 5% of basic salary. The fund, which is managed by BBL Asset Management Co., Ltd., will be paid to employees upon termination in accordance with the fund rules. During the year ended 31 March 2012, the Company and its subsidiaries contributed to the fund Baht 32.5 million (2011: Baht 25.5 million) (Separate financial statements: Baht 1.7 million (2011: Baht 0.6 million)).

48. Financial instruments

48.1 Financial risk management

The Company's and its subsidiaries' financial instruments, as defined under Thai Accounting Standard No. 107 "Financial Instruments: Disclosure and Presentations", principally consist of the following:

<u>Financial assets</u>	<u>Financial liabilities</u>
- Cash and cash equivalents	- Bank overdraft and short-term loans from financial institution
- Trade and other receivables	- Trade and other payables
- Short-term loans to related parties	- Short-term loans from related parties
- Restricted deposits	- Deposit payable
- Cash deposited as collateral for debt settlement	- Advance received from employer
- Long-term loans to related parties	- Retention payable
- Retention receivable	- Creditors per rehabilitation plan
- Advance payment for investment in subsidiary	- Long-term loans
- Advances for asset acquisitions	- Long-term debentures
- Advances to contractors	- Convertible debentures

The financial risks associated with these financial instruments and how they are managed are described as follows:

Credit risk

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade and other receivables and loans. The Company and its subsidiaries manage the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses. In addition, the Company and its subsidiaries do not have high concentration of credit risk since they have a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade and other receivables and loans as stated in the statement of financial position.

Interest rate risk

The Company's and its subsidiaries' exposure to interest rate risk relates primarily to their cash at bank, bank overdrafts, loans, debentures and convertible debentures. However, since most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal. However, BTSC has interest rate risk associated with the long-term debentures carrying fixed interest rates, as discussed in Note 32 to the financial statements, and has used financial instrument to manage this risk by entering into an interest rate swap agreement to swap fixed interest rates for floating interest rates as stipulated in the agreement on debentures totaling Baht 3,000 million, out of the tranche of 4 million units with a par value of Baht 1,000 each, total value of Baht 4,000 million a five-year term, and a coupon rate of 5.75% per annum that mature on 21 August 2014.

Significant financial assets and liabilities as at 31 March 2012 classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the re-priced date if this occurs before the maturity date.

(Unit: Million Baht)

	Consolidated financial statements						Interest rate (% p.a.)
	Fixed interest rates			Floating interest rate	Non- interest bearing	Total	
	Within 1 year	1-5 years	Over 5 years				
Financial assets							
Cash and cash equivalents	839.6	-	-	454.3	39.3	1,333.2	0.10 - 3.20
Trade and other receivables	-	-	-	-	1,106.7	1,106.7	-
Restricted deposits	0.2	200.0	-	3.6	120.0	323.8	0.75 - 2.05
Cash deposited as collateral for debt settlement	-	-	-	-	232.7	232.7	-
Retention receivable	-	-	-	-	2.1	2.1	-
Advances for asset acquisitions	-	-	-	-	496.9	496.9	-
Advances to contractors	-	-	-	-	93.4	93.4	-
	<u>839.8</u>	<u>200.0</u>	<u>-</u>	<u>457.9</u>	<u>2,091.1</u>	<u>3,588.8</u>	
Financial liabilities							
Bank overdraft and short-term loans from financial institution	1,000.0	-	-	941.5	-	1,941.5	MLR and 4.05 - 4.10
Trade and other payables	-	-	-	-	1,452.4	1,452.4	-
Retention payable	-	-	-	-	127.5	127.5	-
Creditors per rehabilitation plan	-	-	-	-	797.4	797.4	-
Long-term loans	-	-	-	3,517.4	-	3,517.4	MLR
Long-term debentures	2,495.8	9,443.8	-	-	-	11,939.6	4.75 - 6.75
Convertible debentures	-	8,648.3	-	-	-	8,648.3	4.26
	<u>3,495.8</u>	<u>18,092.1</u>	<u>-</u>	<u>4,458.9</u>	<u>2,377.3</u>	<u>28,424.1</u>	

(Unit: Million Baht)

Separate financial statements							
Fixed interest rates						Total	Interest rate (% p.a.)
Within 1 year	1-5 years	Over 5 years	Floating interest rate	Non- interest bearing			
Financial assets							
Cash and cash equivalents	430.0	-	-	23.1	-	453.1	0.375 - 2.96
Trade and other receivables	-	-	-	-	276.2	276.2	-
Short-term loans to related parties	18.5	-	-	-	-	18.5	3.375 - 3.50
Restricted deposits	-	200.0	-	1.5	120.0	321.5	0.75 - 2.00
Cash deposited as collateral for debt settlement	-	-	-	-	232.7	232.7	-
Long-term loans to related parties	-	-	-	2,931.3	-	2,931.3	3.375
Retention receivable	-	-	-	-	89.9	89.9	-
Advances to contractors	-	-	-	-	27.1	27.1	-
	<u>448.5</u>	<u>200.0</u>	<u>-</u>	<u>2,955.9</u>	<u>745.9</u>	<u>4,350.3</u>	
Financial liabilities							
Bank overdraft and short-term loans from financial institution	-	-	-	741.5	-	741.5	MLR
Trade and other payables	-	-	-	-	274.9	274.9	-
Short-term loans from related parties	40.0	-	-	58.0	-	98.0	3.00 - 3.375
Advances received from employers	-	-	-	-	41.7	41.7	-
Retention payable	-	-	-	-	98.5	98.5	-
Creditors per rehabilitation plan	-	-	-	-	797.4	797.4	-
Convertible debentures	-	8,648.3	-	-	-	8,648.3	4.26
	<u>40.0</u>	<u>8,648.3</u>	<u>-</u>	<u>799.5</u>	<u>1,212.5</u>	<u>10,700.3</u>	

Foreign currency risk

The Company's and subsidiaries' exposure to foreign currency risk arises mainly from cash at bank trading transactions, purchase transactions of spare parts and equipment for the project, advances paid to contractors, trade and other payables, and retentions payable, that are denominated in foreign currencies. The Company and its subsidiaries do not use any derivatives to manage its foreign currency risk.

As at 31 March 2012 and 2011 date, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Consolidated financial statements					
Foreign currency	2012		2011		Average exchange rate as at 31 March 2012 (Baht per 1 foreign currency unit)
	Financial assets (Million)	Financial liabilities (Million)	Financial assets (Million)	Financial liabilities (Million)	
USD	-	-	3	-	30.8431
EUR	11	1	25	1	41.1741
SGD	-	2	-	4	24.5461
RMB	3	3	-	2	4.9039

Separate financial statements					
Foreign currency	2012		2011		Average exchange rate as at 31 March 2012 (Baht per 1 foreign currency unit)
	Financial assets (Million)	Financial liabilities (Million)	Financial assets (Million)	Financial liabilities (Million)	
USD	-	-	1	-	30.8431

48.2 Fair value of financial instruments

Since the majority of the Company's and its subsidiaries' financial assets and liabilities are short-term or have interest rates close to the market rates, the fair values of these financial assets and liabilities are not expected to differ materially from the amounts presented in the statements of financial position.

A fair value is the amount for which an asset can be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction, the fair value is determined by reference to the market price of the financial instrument or by using an appropriate valuation technique, depending on the nature of the instrument.

49. Capital management

The primary objective of the Company's capital management is to ensure that it has an appropriate financial structure and preserves the ability to continue its business as a going concern.

According to the statement of financial position as at 31 March 2012, the Group's debt-to-equity ratio was 0.85:1 (2011: 0.75:1) and the Company's was 0.28:1 (2011: 0.27:1).

50. Subsequent events

Significant subsequent events are detailed below.

50.1 In May 2012, six holders of the convertible bonds exercised their rights to convert Baht 20,000,000 of bonds at the prevailing conversion price of Baht 0.85 per share. Such convertible bonds were thus converted to 64,705,877 ordinary shares of the Company with a par value of Baht 0.64 per share. The paid-up capital of the Company has increased to Baht 36,641,907,553.92, divided into 57,252,980,553 issued shares with a par value of Baht 0.64 per share, and the Company registered this increase with the Ministry of Commerce on 10 and 18 May 2012.

50.2 As discussed in Note 15 to the financial statements, in April and May 2012, the subsidiary (Tanayong Food and Beverage Co., Ltd.) additionally entered into a agreements with a creditor to acquire rights of claim and other rights in accordance with the Company's rehabilitation plan, whereby the subsidiary made payment of approximately Baht 75 million for these rights.

50.3 On 28 March 2012, the meeting of Board of Directors of the subsidiary (Bangkok Smartcard System Co., Ltd.) No.3/2012 approved the subsidiary to register an increase in 30 branches with the Ministry of Commerce. The subsidiary registered the increase with the Ministry of Commerce on 3 April 2012.

50.4 On 30 March 2012, the Extraordinary General Meeting of the subsidiary's shareholders (VGI Global Media Co., Ltd.) No. 2/2012 approved the subsidiary to;

- a) change of the subsidiary's status to a public company limited,
- b) change in the par value of the ordinary shares from Baht 10 each to Baht 1 each. As a result, the subsidiary's registered and paid-up share capital of Baht 100 million comprises 100 million ordinary shares of Baht 1 each.
- c) increase of the subsidiary's registered share capital from Baht 100 million (100 million ordinary shares of Baht 1 each) to Baht 400 million (400 million ordinary shares of Baht 1 each).

The subsidiary registered the change of its status, the change in the par value of its shares and the increase of its registered share capital with the Ministry of Commerce on 2 April 2012.

50.5 On 2 April 2012, the subsidiary (BTSC) entered into a long-term loan agreement with a local commercial bank for total credit facility of Baht 1,165 million, for acquisition of 5 elevated trains. The loan has no collateral and carries interest at the Minimum Loan Rate (MLR) minus a certain spread stipulated in the agreement.

Loan agreement contains covenants specified in the agreement pertaining to, among other things; maintenance of a certain debt service coverage ratio, and the incurrance of additional indebtedness.

50.6 On 3 May 2012, the subsidiary (BTSC) and The Krungthep Thanakom Co., Ltd. entered into the operation and maintenance contract of a mass transit system in Bangkok for 4 lines. The contract period is 30 years, starting 8 May 2012 to 2 May 2042. The new contract will be replaced the existing operation and maintenance contracts which the subsidiary has licensed at the present. The total price of the contract for 30 years is not exceeding of Baht 187,000 million (VAT inclusive). The aforementioned contract does not amend or revise the existing concession contract.

51. Reclassification

To comply with the Notification of the Department of Business Development relating to the financial statement presentation as described in Note 2 to the financial statements and as the result of the adoption of revised and new accounting standards as described in Note 3 to the financial statements, certain amounts in the financial statements for the year ended 31 March 2011 have been reclassified to conform to the current year's classification, without any effect to the previously reported profit or shareholders' equity.

The reclassifications as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	As	As previously	As	As previously
	reclassified	reported	reclassified	reported
Service income	1,940,876	-	91,567	-
Revenues from sales of real estate	144,368	146,922	144,368	146,922
Service income from train operating management	-	316,007	-	-
Rental and advertising services	-	1,369,950	-	-
Rental and service income	-	254,920	-	91,567
Gain on debt settlement	-	14,833	-	14,833
Gain on exchange rate	48,062	-	-	-
Revenue from sale of rights of claim	-	2,949	-	2,949
Other income	151,588	181,248	50,514	32,112
Cost of services	830,785	-	83,778	-
Cost of sales of real estate	215,446	217,784	215,446	217,783
Cost of train operating management	-	167,105	-	-
Cost of rental and advertising services	-	487,701	-	-
Cost of rentals and services	-	179,187	-	82,976
Selling and servicing expenses	249,632	242,839	27,876	21,083
Administrative expenses	1,033,658	873,123	220,826	183,394
Management benefit expenses	-	128,622	-	41,690

52. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 28 May 2012.