

BTS Group Holdings Public Company Limited
and its subsidiaries
Report and consolidated interim financial statements
For the three-month and nine-month periods ended
31 December 2012 and 2011

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of BTS Group Holdings Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of BTS Group Holdings Public Company Limited and its subsidiaries as at 31 December 2012, the related consolidated statements of comprehensive income for the three-month and nine-month periods ended 31 December 2012 and 2011, and the related statements of changes in shareholders' equity, and cash flows for the nine-month periods ended 31 December 2012 and 2011, as well as the condensed notes to the consolidated financial statements, and have also reviewed the separate financial information of BTS Group Holdings Public Company Limited for the same periods. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my reviews.

Scope of review

I conducted my reviews in accordance with Thai Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my reviews, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*.

Emphasis of matter

I draw attention to Notes 10, 11, 12 and 23 to the interim financial statements regarding the Company's compliance with the rehabilitation plan, which the Central Bankruptcy Court ordered the termination on 14 November 2006. However, there are still undue debts and debts pending final court judgment or comptroller's orders and mandatory terms and conditions stipulated in the rehabilitation plan with which the Company needs to comply. My conclusion is not qualified in respect of this matter.

Statement of financial position as at 31 March 2012 for comparative purposes

I have previously audited 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 for the year ended 31 March 2012 in accordance with Thai Standards on Auditing, and expressed an unqualified opinion on those statements, and drew attention to the same nature as those discussed in the preceding paragraph and the adoption of revised and new accounting standards, under my report dated 28 May 2012. The consolidated and separate statements of financial position as at 31 March 2012, as presented herein for comparative purposes, formed an integral part of those financial statements. I have not performed any other audit procedures subsequent to the date of the above report.

Siraporn Ouaanunkun
Certified Public Accountant (Thailand) No.3844

Ernst & Young Office Limited
Bangkok: 13 February 2013

BTS Group Holdings Public Company Limited and its subsidiaries

Statements of financial position

(Unit: Thousand Baht)

	Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>31 December 2012</u>	<u>31 March 2012</u>	<u>31 December 2012</u>	<u>31 March 2012</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents	4	2,516,475	1,333,240	540,346	453,132
Cash received in advance from cardholders	5	65,855	1,142	-	-
Trade and other receivables	6	968,050	1,106,681	361,922	276,157
Unbilled receivable - related party	3, 7	-	-	14,552	284,441
Consumable spare parts - elevated train system	8	94,013	92,956	-	-
Advances to contractors					
Related party	3	-	-	36,886	27,055
Unrelated parties		37,148	13,818	-	-
Short-term loans to related parties	3	-	-	94,500	18,500
Real estate development costs	9	3,737,481	3,349,068	696,780	778,395
Assets awaiting transfer under rehabilitation plan	11	73,013	73,027	68,313	68,327
Investments in subsidiaries awaiting transfer under rehabilitation plan	12	224,342	224,343	197,438	197,438
Accrued income	16	91,406	1,202,548	-	-
Prepaid expenses		88,200	127,991	5,006	7,440
Other current assets		386,283	342,853	38,301	37,075
Total current assets		8,282,266	7,867,667	2,054,044	2,147,960

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)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	Note	31 December 2012	31 March 2012	31 December 2012	31 March 2012
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Non-current assets					
Restricted deposits	11, 26	642,515	323,834	635,639	321,493
Cash deposited as collateral for debt settlement	10	232,658	232,658	232,658	232,658
Loans to related parties	3	-	-	2,864,747	2,931,324
Investments in subsidiaries	13	-	-	42,495,696	42,777,904
Investments in associates	14	9,851	7,033	4,000	4,000
Other long-term investments	15	367,752	148,827	267,752	148,827
Elevated train project costs	16	44,496,221	45,144,218	-	-
Reusable spare parts - elevated train system	8	82,210	81,231	-	-
Spare parts - maintenance contract		292,771	292,771	-	-
Land and projects awaiting development	13	-	1,235,935	-	-
Investment properties	17	2,816,008	3,901,418	1,175,573	1,226,078
Property, plant and equipment	18	6,378,135	6,039,193	209,502	67,877
Leasehold rights	19	83,739	90,025	8,181	10,800
Intangible assets	20	53,920	26,697	659	1,452
Retention receivables					
Related party	3	-	-	93,479	87,754
Unrelated parties		2,145	2,145	2,145	2,145
Goodwill		78,656	78,656	-	-
Deposit and advances for asset acquisitions		515,518	496,939	-	-
Advances to contractors		209	79,586	-	-
Rights of claim from acquisition of debts per rehabilitation plan	11	545,087	741,502	-	-
Other non-current assets		410,100	98,542	14,076	10,200
Total non-current assets		57,007,495	59,021,210	48,004,107	47,822,512
Total assets		65,289,761	66,888,877	50,058,151	49,970,472

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)

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 December 2012	31 March 2012	31 December 2012	31 March 2012
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdraft and short-term loans from financial institutions	21	50,000	1,941,502	50,000	741,502
Trade and other payables	22	1,540,803	1,452,442	154,676	274,949
Advances received from cardholders		64,870	1,102	-	-
Accrued costs of construction					
Related party	3	-	-	6,957	90,415
Unrelated parties		219,535	351,908	5,006	10,768
Short-term loans from related parties	3	-	-	-	98,000
Account payable for purchase of investment in subsidiary					
- related party	3, 13	-	-	2,065,000	-
Current portion of creditors per rehabilitation plan	23	745,356	745,356	745,356	745,356
Current portion of long-term loans	24	-	583,400	-	-
Current portion of long-term debentures	25	2,494,921	2,495,767	-	-
Advance received from employer - related party	3	-	-	6,072	41,745
Liability awaiting final court order	11	80,831	-	80,831	-
Unearned income		422,750	297,884	-	-
Income tax payable		57,485	55,842	-	-
Other current liabilities		424,885	412,806	35,835	27,941
Total current liabilities		6,101,436	8,338,009	3,149,733	2,030,676
Non-current liabilities					
Creditors per rehabilitation plan - net of current portion	23	52,074	52,074	52,074	52,074
Long-term loans - net of current portion	24	2,563,831	2,933,973	-	-
Long-term debentures - net of current portion	25	6,966,096	9,443,811	-	-
Convertible debentures - liability component	26	796,410	8,648,338	796,410	8,648,338
Retention payable					
Related party	3	-	-	54,098	92,392
Unrelated parties		67,211	127,515	5,708	6,093
Provision for long-term employee benefits	27	432,100	400,178	21,636	25,987
Other non-current liabilities		7,165	12,729	-	-
Total non-current liabilities		10,884,887	21,618,618	929,926	8,824,884
Total liabilities		16,986,323	29,956,627	4,079,659	10,855,560

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)

(Unit: Thousand Baht)

	Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>31 December 2012</u>	<u>31 March 2012</u>	<u>31 December 2012</u>	<u>31 March 2012</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity					
Share capital	28				
Registered					
11,986,444,024 ordinary shares of Baht 4 each					
(31 March 2012: 11,970,444,024 ordinary shares of Baht 4 each)		47,945,776	47,881,776	47,945,776	47,881,776
Issued and fully paid					
10,925,320,608 ordinary shares of Baht 4 each					
(31 March 2012: 9,150,123,948 ordinary shares of Baht 4 each)		43,701,283	36,600,496	43,701,283	36,600,496
Share premium	28	1,376,617	350,730	1,376,617	350,730
Share subscriptions received in advance	29	6,282	-	6,282	-
Deficit on business combination under common control		-3,371,978	(3,371,978)	(5,106,133)	(3,371,978)
Surplus on swap of investment in subsidiary under common control		-	-	250,065	175,065
Surplus (deficit) from the changes in the ownership interests in subsidiaries		2,232,442	(123,130)	-	-
Retained earnings					
Appropriated - statutory reserve		1,477,033	1,476,048	376,048	376,048
Retained earnings (Deficit)		(2,800,219)	(3,508,627)	3,975,140	3,615,469
Other components of shareholders' equity		3,879,138	3,866,259	1,399,190	1,369,082
Equity attributable to owners of the Company		46,500,598	35,289,798	45,978,492	39,114,912
Non-controlling interest of the subsidiaries		1,802,840	1,642,452	-	-
Total shareholders' equity		48,303,438	36,932,250	45,978,492	39,114,912
Total liabilities and shareholders' equity		65,289,761	66,888,877	50,058,151	49,970,472
		-	-	-	-

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 three-month periods ended 31 December 2012 and 2011

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2012	2011	2012	2011
Profit or loss:					
Revenues					
Fare box revenues - net		1,258,775	1,075,880	-	-
Service income	30	1,263,139	914,075	24,344	24,057
Revenues from sales of real estate		203,628	65,790	31,688	65,790
Revenues from construction services (reversal)		8,094	-	(86,190)	117,260
Other income					
Management income		-	-	12,490	10,140
Dividend income		-	-	1,010,295	-
Interest income		19,540	9,769	22,737	32,560
Revenue from court-ordered compensation		124	11,479	-	-
Gain from sales of investments in subsidiaries	13	710,674	-	603,532	-
Gain on exchange		3,561	41,400	212	-
Others		24,831	12,745	8,903	2,420
Total revenues		3,492,366	2,131,138	1,628,011	252,227
Expenses					
Cost of fare box		672,722	598,805	-	-
Cost of services		641,462	442,698	18,070	17,794
Cost of sales of real estate		144,390	40,080	19,710	49,020
Cost of construction services (reversal)		5,663	847	(26,467)	101,263
Selling and servicing expenses		79,901	41,305	10,855	8,719
Administrative expenses		446,940	265,001	107,230	52,316
Total expenses		1,991,078	1,388,736	129,398	229,112
Profit before share of income from investments					
in associates, finance cost and corporate income tax		1,501,288	742,402	1,498,613	23,115
Share of income from investments in associates		1,950	371	-	-
Profit before finance cost and corporate income tax		1,503,238	742,773	1,498,613	23,115
Finance cost	31	(231,384)	(357,357)	(63,693)	(149,900)
Profit (loss) before corporate income tax		1,271,854	385,416	1,434,920	(126,785)
Corporate income tax	32	(99,637)	(37,316)	-	-
Profit (loss) for the period		1,172,217	348,100	1,434,920	(126,785)
Other comprehensive income:					
Exchange differences on translation of financial statements					
in foreign currency		1,724	316	-	-
Loss on changes in value of available-for-sale investments		(14,589)	(2,622)	(14,589)	(2,622)
Other comprehensive income for the period		(12,865)	(2,306)	(14,589)	(2,622)
Total comprehensive income for the period		1,159,352	345,794	1,420,331	(129,407)

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

BTS Group Holdings Public Company Limited and its subsidiaries**Statements of comprehensive income (continued)**

For the three-month periods ended 31 December 2012 and 2011

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>		
	<u>Note</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Profit (loss) attributable to:					
Equity holders of the Company		1,088,383	328,764	<u>1,434,920</u>	<u>(126,785)</u>
Non-controlling interests of the subsidiaries		<u>83,834</u>	<u>19,336</u>		
		<u>1,172,217</u>	<u>348,100</u>		
Total comprehensive income attributable to:					
Equity holders of the Company		1,075,518	326,458	<u>1,420,331</u>	<u>(129,407)</u>
Non-controlling interests of the subsidiaries		<u>83,834</u>	<u>19,336</u>		
		<u>1,159,352</u>	<u>345,794</u>		
Earnings per share					
	33				
Basic earnings per share					
Profit (loss) attributable to equity holders of the Company		<u>0.10376</u>	<u>0.03593</u>	<u>0.13679</u>	<u>(0.01386)</u>
Diluted earnings per share					
Profit attributable to equity holders of the Company		<u>0.09588</u>		<u>0.12664</u>	

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

BTS Group Holdings Public Company Limited and its subsidiaries**Statements of comprehensive income****For the nine-month periods ended 31 December 2012 and 2011**

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2012	2011	2012	2011
Profit or loss:					
Revenues					
Fare box revenues - net		3,632,163	3,119,910	-	-
Service income	30	3,458,730	2,414,114	70,996	72,364
Revenues from sales of real estate		297,175	220,576	125,235	220,576
Revenues from construction services (reversal)		9,167	74,360	(42,850)	613,140
Other income					
Management income		-	-	36,370	29,880
Dividend income		1,847	410	1,656,225	1,317,456
Interest income		32,865	31,202	63,738	74,769
Reversal of allowance for diminution in value of civil works awaiting transfer	16	-	705,248	-	-
Revenue from court-ordered compensation	16	7,272	355,677	-	-
Gain from sale of investments in subsidiaries	13	999,711	-	603,532	-
Gain on exchange rate		-	29,528	212	-
Others		54,296	34,513	24,704	6,889
Total revenues		8,493,226	6,985,538	2,538,162	2,335,074
Expenses					
Cost of fare box		1,859,008	1,652,796	-	-
Cost of services		1,681,824	1,153,630	52,550	51,431
Cost of sales of real estate		213,189	145,002	90,974	162,666
Cost of construction services		6,292	85,884	10,961	550,316
Selling and servicing expenses		175,930	134,583	22,370	20,518
Administrative expenses		1,095,525	770,858	246,142	173,933
Loss on exchange rate		8,368	-	-	-
Total expenses		5,040,136	3,942,753	422,997	958,864
Profit before share of loss from investments					
in associates, finance cost and corporate income tax		3,453,090	3,042,785	2,115,165	1,376,210
Share of income (loss) from investments in associates		2,818	(2,121)	-	-
Profit before finance cost and corporate income tax		3,455,908	3,040,664	2,115,165	1,376,210
Finance cost	31	(982,453)	(1,066,357)	(376,016)	(433,559)
Profit before corporate income tax		2,473,455	1,974,307	1,739,149	942,651
Corporate income tax	32	(242,856)	(131,821)	-	-
Profit for the period		2,230,599	1,842,486	1,739,149	942,651
Other comprehensive income:					
Exchange differences on translation of financial statements					
in foreign currency		1,864	1,187	-	-
Revaluation surplus on assets		(19,093)	-	-	-
Gain on changes in value of available-for-sale investments		18,925	3,984	18,925	3,984
Other comprehensive income for the period		1,696	5,171	18,925	3,984
Total comprehensive income for the period		2,232,295	1,847,657	1,758,074	946,635

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

BTS Group Holdings Public Company Limited and its subsidiaries**Statements of comprehensive income (continued)**

For the nine-month periods ended 31 December 2012 and 2011

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Profit attributable to:					
Equity holders of the Company		2,088,871	1,746,684	<u>1,739,149</u>	<u>942,651</u>
Non-controlling interests of the subsidiaries		<u>141,728</u>	<u>95,802</u>		
		<u>2,230,599</u>	<u>1,842,486</u>		
Total comprehensive income attributable to:					
Equity holders of the Company		2,090,567	1,751,855	<u>1,758,074</u>	<u>946,635</u>
Non-controlling interests of the subsidiaries		<u>141,728</u>	<u>95,802</u>		
		<u>2,232,295</u>	<u>1,847,657</u>		
Earnings per share					
	33				
Basic earnings per share					
Profit attributable to equity holders of the Company		<u>0.21653</u>	<u>0.19194</u>	<u>0.18208</u>	<u>0.10359</u>
Diluted earnings per share					
Profit attributable to equity holders of the Company		<u>0.20320</u>		<u>0.17218</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 nine-month periods ended 31 December 2012 and 2011**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Cash flows from operating activities				
Profit before tax	2,473,455	1,974,307	1,739,149	942,651
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	282,761	213,435	52,293	56,061
Spare parts and elevated project costs amortisation	1,010,870	880,362	-	-
Unrealised loss on exchange	8,145	33,825	-	-
Share of loss (income) from investments in associates	(2,818)	2,121	-	-
Amortisation of deferred debenture issuing costs	21,439	24,757	-	-
Provision for long-term employee benefits	44,580	40,964	2,579	2,398
Amortisation of liability component of convertible debentures	161,544	222,330	161,544	222,330
Amortisation of letter of credit fee for convertible debentures	113,203	113,501	113,203	113,501
Allowance for loss on diminution in value of assets	-	14,411	-	-
Allowance for doubtful account	1,393	-	47,933	-
Reversal of revenues from construction services	-	-	42,850	-
Reversal of allowance for diminution in value of civil works awaiting transfer	-	(705,248)	-	-
Revenue from court-ordered compensation	(7,272)	(355,677)	-	-
Gain from sale of investments in subsidiaries	(999,711)	-	(603,532)	-
Dividend income	(1,847)	(410)	(1,656,225)	(1,317,456)
Share-based payment transaction	7,799	4,428	1,593	504
Interest income	(32,865)	(31,202)	(63,738)	(74,769)
Interest expenses	686,267	705,769	101,269	97,728
Profit (loss) from operating activities before changes in operating assets and liabilities	3,766,943	3,137,673	(61,082)	42,948

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 nine-month periods ended 31 December 2012 and 2011

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Decrease (increase) in operating assets				
Cash received in advance from cardholders	(64,713)	-	-	-
Trade and other receivables	140,353	(404,243)	(44,685)	51,806
Unbilled receivables	-	8,208	227,038	160,339
Spare parts - Automatic Fare Collection system	(4,065)	(97,485)	-	-
Real estate development costs	(332,641)	(389,140)	81,615	103,947
Advances to contractors	56,048	(59,945)	(9,830)	104,901
Accrued income	1,118,414	(159,339)	-	-
Other current assets	60,197	(34,265)	10,035	22,899
Other non-current assets	(312,384)	(5,801)	(7,908)	(41,966)
Increase (decrease) in operating liabilities				
Trade and other payables	(13,234)	(80,210)	(139,509)	(123,424)
Advances received from cardholders	63,768	-	-	-
Accrued costs of construction	(132,373)	32,322	(89,219)	(145,976)
Advances received from employers	-	-	(35,673)	(108,570)
Retention payable	(59,890)	75,149	(38,678)	35,845
Unearned income	124,867	(15,889)	-	-
Provision for long-term employee benefits	(12,658)	-	(6,930)	-
Other current liabilities	6,637	44,757	7,890	(77,686)
Cash from (used in) operating activities	4,405,269	2,051,792	(106,936)	25,063
Cash paid for interest expenses	(803,144)	(664,040)	(92,622)	(66,661)
Cash paid for corporate income tax	(333,718)	(115,239)	(8,826)	(24,961)
Cash received for corporate income tax	26,497	9,431	-	-
Cash received for interest income	26,369	10,111	5,748	5,610
Net cash from (used in) operating activities	3,321,273	1,292,055	(202,636)	(60,949)

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 nine-month periods ended 31 December 2012 and 2011

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Cash flows from investing activities				
Decrease (increase) in restricted deposits	(318,681)	54	(314,146)	(80)
Decrease in short-term loans to related parties	-	-	(76,000)	(11,197)
Increase in loans to related parties	-	-	(17,551)	(955,168)
Decrease (increase) in rights of claim from acquisition of debts per rehabilitation plan	196,415	(741,502)	-	-
Interest income	-	18,217	12,027	52
Dividend received	1,847	-	1,656,225	1,317,088
Cash paid for purchase of investment in subsidiary (Note 13)	(461,947)	-	(461,947)	(1,500)
Cash received from sales of investments in subsidiaries (Note 13)	5,428,103	-	1,791,942	-
Cash received from the issuance of the additional ordinary shares of the subsidiary (Note 13)	882,125	-	-	-
Cash paid for purchases of other long-term investments	(200,000)	-	(100,000)	-
Increase in elevated rail project costs	(217,796)	(360,021)	-	-
Increase in deposit and advances for asset acquisitions	(39,239)	(467,506)	-	-
Cash paid for purchases of investment properties	(15,514)	(40,762)	(21)	(1,248)
Cash received from sales of investment properties	10,540	5,674	10,540	5,667
Cash paid for purchases of property, plant and equipment	(593,760)	(790,414)	(137,299)	(14,530)
Cash received from sales of property, plant and equipment	5,915	1,643	91	-
Cash paid for purchases of intangible assets	(12,169)	(14,549)	(14)	(714)
Cash paid for purchases of leasehold rights	-	(9,274)	-	(9,274)
Net cash from (used in) investing activities	4,665,839	(2,398,440)	2,363,847	329,096
Cash flows from financing activities				
Increase (decrease) in short-term loan from financial institutions	(1,891,502)	441,502	(691,502)	741,502
Increase (decrease) in long-term loans	(953,542)	1,554,200	-	-
Increase (decrease) in short-term loans from related parties	-	-	(98,000)	98,000
Increase in liability awaiting final court order	80,831	-	80,831	-
Dividend paid	(1,371,608)	(1,286,684)	(1,371,608)	(1,286,684)
Cash paid for long-term debentures	(2,500,000)	-	-	-
Dividend paid of a subsidiary to non-controlling interest of subsidiaries	(176,204)	(54,598)	-	-
Increase in advances received for shares subscriptions	6,282	-	6,282	-
Net cash from (used in) financing activities	(6,805,743)	654,420	(2,073,997)	(447,182)
Increase in translation adjustment	1,866	1,188	-	-
Net increase (decrease) in cash and cash equivalents	1,183,235	(450,777)	87,214	(179,035)
Cash and cash equivalents at beginning of the period	1,333,240	1,825,422	453,132	302,785
Cash and cash equivalents at end of the period	2,516,475	1,374,645	540,346	123,750
	-	-	-	-

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

(Unaudited but reviewed)

BTS Group Holdings Public Company Limited and its subsidiaries

Cash flow statements (continued)

For the nine-month periods ended 31 December 2012 and 2011

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Supplemental cash flow information				
Non-cash transactions				
Conversion of debentures to ordinary shares	8,126,675	-	8,126,675	-
Transfer real estate development costs to land and projects				
awaiting development	-	94,168	-	-
Issuance of ordinary shares to acquire BTSC's ordinary shares	-	1,182,089	-	1,182,089
Transfer advances for asset acquisitions to elevated rail project costs	13,707	1,124,734	-	-
Payable from acquisition of investment in a subsidiary	-	-	2,065,000	-
Increase (decrease) in liability from property, plant and equipment				
acquisition - net	(14,001)	-	12,307	-
Increase (decrease) in liability from intangible asset acquisition - net	2,234	-	-	-

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

(Unaudited but reviewed)

BTS Group Holdings Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity

For the nine-month periods ended 31 December 2012 and 2011

(Unit: Thousand Baht)

Consolidated financial statements																			
Equity attributable to the Company shareholders																			Other components of equity
Issued and paid-up share capital	Share premium	Share subscription: received in advance	Deficit on business combination under common control	Surplus (deficit) from the changes in the ownership interests in subsidiaries	Retained earnings		Other comprehensive income			Share premium			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		
					Unappropriated	(deficit)	Translation adjustment	Revaluation surplus on assets	Revaluation surplus on value of investments	Convertible - debentures equity component	Surplus on debenture conversion	on sales of company's subsidiaries							
																		Appropriated	on consolidation
Balance as at 31 March 2011	35,769,137	-	-	(3,371,978)	-	1,303,890	(2,779,682)	(134,774)	2,619,804	865	1,356,597	-	2,685	8,526	3,853,703	34,775,070	2,734,400	37,509,470	
Issuance of ordinary shares for acquisition of subsidiary	831,359	350,730	-	(123,130)	-	-	-	-	-	-	-	-	-	-	-	1,058,959	(1,058,959)	-	
Dividend paid (Note 34)	-	-	-	-	-	(1,294,332)	-	-	-	-	-	-	-	-	-	-	(1,294,332)	(1,294,332)	
Dividend paid of subsidiaries to non-controlling interest of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(62,892)	
Share-based payment transaction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,428	4,428	4,428	4,428	
Total comprehensive income for the period	-	-	-	-	-	1,746,684	1,187	-	3,984	-	-	-	-	-	5,171	1,751,855	95,802	1,847,657	
Balance as at 31 December 2011	36,600,496	350,730	-	(3,371,978)	(123,130)	1,303,890	(2,327,330)	(133,587)	2,619,804	4,849	1,356,597	-	2,685	8,526	4,428	3,863,302	36,295,980	1,708,351	38,004,331
Balance as at 31 March 2012	36,600,496	350,730	-	(3,371,978)	(123,130)	1,476,048	(3,508,627)	(133,838)	2,619,804	5,105	1,356,597	-	2,685	8,526	7,380	3,866,259	35,289,798	1,642,452	36,932,250
Debenture conversion to ordinary shares (Note 28)	7,100,787	1,025,887	-	-	-	-	-	-	-	-	-	-	-	-	-	8,126,674	-	8,126,674	
Surplus on debenture conversion (Note 26)	-	-	-	-	-	-	-	-	-	(1,233,282)	1,233,282	-	-	-	-	-	-	-	
Share subscriptions received in advance (Note 29)	-	-	6,282	-	-	-	-	-	-	-	-	-	-	-	-	6,282	-	6,282	
Dividend paid (Note 34)	-	-	-	-	-	(1,379,478)	-	-	-	-	-	-	-	-	-	(1,379,478)	-	(1,379,478)	
Dividend paid of subsidiaries to non-controlling interest of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(176,204)	
Purchase of investment in subsidiary (Note 13)	-	-	-	-	(163,347)	-	-	-	-	-	-	-	-	-	-	(163,347)	(298,600)	(461,947)	
Sale of investment in subsidiary (Note 13)	-	-	-	-	1,782,590	-	-	-	-	-	-	-	-	-	-	1,782,590	347,668	2,130,258	
Issuance of ordinary shares of subsidiary (Note 13)	-	-	-	-	736,329	-	-	-	-	-	-	-	-	-	-	736,329	145,796	882,125	
Retained earnings transferred to statutory reserve	-	-	-	-	985	(985)	-	-	-	-	-	-	-	-	-	-	-	-	
Share-based payment transaction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11,183	11,183	11,183	11,183	
Total comprehensive income for the period	-	-	-	-	-	2,088,871	1,864	(19,093)	18,925	-	-	-	-	-	1,696	2,090,567	141,728	2,232,295	
Balance as at 31 December 2012	43,701,283	1,376,617	6,282	(3,371,978)	2,232,442	1,477,033	(2,800,219)	(131,974)	2,600,711	24,030	123,315	1,233,282	2,685	8,526	18,563	3,879,138	46,500,598	1,802,840	48,303,438

The accompanying notes are an integral part of financial statements.

(Unaudited but reviewed)

BTS Group Holdings Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity (continued)

For the nine-month periods ended 31 December 2012 and 2011

(Unit: Thousand Baht)

	Separate financial statements													
	Other components of equity												Total shareholders' equity	
	Other comprehensive income							Revaluation surplus on changes in value of investments	Convertible debentures - equity component	Surplus on debenture conversion	Capital reserve for share-based payment transaction	Total other components of shareholders' equity		
	Issued and paid-up share capital	Share premium	Share subscriptions received in advance	Deficit on business combination under common control	Surplus on swap of investment in subsidiary under common control	Retained earnings								
Appropriated						Unappropriated								
Balance as at 31 March 2011	35,769,137	-	-	(3,371,978)	325,065	203,890	3,006,884	865	1,356,597	-	-	-	1,357,462	37,290,460
Issuance of ordinary shares for acquisition of subsidiary	831,359	350,730	-	-	-	-	-	-	-	-	-	-	-	1,182,089
Dividend paid (Note 34)	-	-	-	-	-	-	(1,294,332)	-	-	-	-	-	-	(1,294,332)
Share-based payment transaction	-	-	-	-	-	-	-	-	-	-	4,428	-	4,428	4,428
Total comprehensive income for the period	-	-	-	-	-	-	942,651	3,984	-	-	-	-	3,984	946,635
Balance as at 31 December 2011	36,600,496	350,730	-	(3,371,978)	325,065	203,890	2,655,203	4,849	1,356,597	-	4,428	-	1,365,874	38,129,280
Balance as at 31 March 2012	36,600,496	350,730	-	(3,371,978)	175,065	376,048	3,615,469	5,105	1,356,597	-	7,380	-	1,369,082	39,114,912
Debt conversion to ordinary shares (Note 28)	7,100,787	1,025,887	-	-	-	-	-	-	-	-	-	-	-	8,126,674
Surplus on debt conversion (Note 26)	-	-	-	-	-	-	-	-	(1,233,282)	1,233,282	-	-	-	-
Share subscriptions received in advance (Note 29)	-	-	6,282	-	-	-	-	-	-	-	-	-	-	6,282
Dividend paid (Note 34)	-	-	-	-	-	-	(1,379,478)	-	-	-	-	-	-	(1,379,478)
Share-based payment transaction	-	-	-	-	-	-	-	-	-	-	11,183	-	11,183	11,183
Purchase of investment in subsidiary (Note 13)	-	-	-	(1,734,155)	-	-	-	-	-	-	-	-	-	(1,734,155)
Sale of investment in subsidiary (Note 13)	-	-	-	-	75,000	-	-	-	-	-	-	-	-	75,000
Total comprehensive income for the period	-	-	-	-	-	-	1,739,149	18,925	-	-	-	-	18,925	1,758,074
Balance as at 31 December 2012	43,701,283	1,376,617	6,282	(5,106,133)	250,065	376,048	3,975,140	24,030	123,315	1,233,282	18,563	-	1,399,190	45,978,492

The accompanying notes are an integral part of financial statements.

BTS Group Holdings Public Company Limited and its subsidiaries

Notes to consolidated interim financial statements

For the three-month and nine-month periods ended 31 December 2012 and 2011

1. General information

1.1 Corporate 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.

1.2 Basis for preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (revised 2009) "Interim Financial Reporting", with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in shareholders' equity and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

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

1.3 Basis of consolidation

These consolidated financial statements included the financial statements of BTS Group Holdings Public Company Limited and its subsidiaries and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 March 2012. There have been changes in the composition of the Group as detailed below.

- a) On 12 September 2012, Bangkok Mass Transit System Public Company Limited (“BTSC”) sold all investments in Kamala Beach Resort & Hotel Management Company Limited to a company, as detailed in Note 13 to the interim financial statements. The Company has excluded the financial statements of Kamala Beach Resort & Hotel Management Company Limited from the consolidated financial statements since 12 September 2012.
- b) The Executive Committee Meeting of the Company held on 18 October 2012 had a resolution to approve the purchase of 163,088,137 ordinary shares with a par value of Baht 1 each of BTSC from a company, at a price of Baht 2.8325 each, resulting in the Company’s shareholding in BTSC increasing from 96.44% to 97.46%. The Company entered in the sale and purchase agreement with that company on 19 October 2012.
- c) The Executive Committee Meeting of the Company held on 18 October 2012 had a resolution to approve the sale of all ordinary shares of Kampoo Property Company Limited to a company, at a price of Baht 1,810 million. The Company entered in the sale and purchase agreement with that company on 30 October 2012, and has excluded the financial statements of Kampoo Property Company Limited from the consolidated financial statements since that date.
- d) In October 2012, BTSC sold investments in VGI Global Media Public Company Limited and VGI Global Media Public Company Limited issued the additional ordinary shares, as discussed in Note 13 to the interim financial statements, resulting in the Group’s shareholding in VGI Global Media Public Company Limited decreasing from 100% to 69.37%.
- e) On 29 November 2012, the Central Bankruptcy Court had a receiving order of Sampaopetch Company Limited, resulting in the Company’s loss of control in this company as detailed in Note 13 to the interim financial statements. The Company has excluded the financial statements of Sampaopetch Company Limited from the consolidated financial statements since 29 November 2012.

1.4 Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 March 2012.

2. New accounting standards not yet effective

During the period, the Federation of Accounting Professions issued the financial reporting standard TFRS 8: Operating Segments, which is effective for fiscal years beginning on or after 1 January 2013.

The Company's management believes that this financial reporting standard will not have any significant impact on the financial statements when it is initially applied.

In addition, the Federation of Accounting Professions has issued Notification No. 30/2555 - 34/2555, published in the Royal Gazette on 17 January 2013, mandating the use of accounting treatment guidance and accounting standard interpretations as follows.

	<u>Effective date</u>
Accounting Treatment Guidance for Transfers of Financial Assets	1 January 2013
Accounting Standard Interpretations:	
SIC 29 Service Concession Arrangements: Disclosures	1 January 2014
Financial Reporting Standard Interpretations:	
TFRIC 4 Determining whether an Arrangement contains a Lease	1 January 2014
TFRIC 12 Service Concession Arrangements	1 January 2014
TFRIC 13 Customer Loyalty Programmes	1 January 2014

The management of the Company is evaluating the first-year impact to the financial statements of the accounting treatment guidance and accounting standard interpretations and has yet to reach a conclusion.

3. Related party transactions

During the periods, 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 three-month periods ended 31 December				Pricing policy
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	
<u>Transactions with subsidiaries</u>					
(Eliminated from the consolidated financial statements)					
Interest income	-	-	17	43	At cost of funds
Management income	-	-	12	10	Contract price
Revenues from construction services (reversal)	-	-	(86)	117	Contract price
Rental income	-	-	10	9	Contract price
Utility income	-	-	1	-	Contract price
Dividend income	-	-	1,010	-	Approved by the meeting of Board of Directors
Cost of construction services (reversal)	-	-	(24)	97	Contract price
Cost of construction of fixed assets	-	-	35	-	Contract price
Cost of construction of condominium	-	-	-	3	Contract price
Rental expenses	-	-	1	-	Contract price
Management fee	-	-	3	2	Contract price
Interest expenses	-	-	29	-	At cost of funds
Purchase of investment in subsidiary (Note 13)	-	-	2,065	-	Contract price
<u>Transactions with associates</u>					
Management fee	9	7	4	4	Contract price
<u>Transactions with related parties</u>					
Cost of construction services	7	5	-	-	Contract price

(Unaudited but reviewed)

(Unit: Million Baht)

	For the nine-month periods ended 31 December				Pricing policy
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	
<u>Transactions with subsidiaries</u>					
(Eliminated from the consolidated financial statements)					
Interest income	-	-	52	100	At cost of funds
Management income	-	-	36	30	Contract price
Revenues from construction services (reversal)	-	-	(43)	539	Contract price
Rental income	-	-	29	30	Contract price
Utility income	-	-	2	-	Contract price
Dividend income	-	-	1,654	1,317	Approved by the meeting of Board of Directors
Cost of construction services	-	-	11	449	Contract price
Cost of construction of fixed assets	-	-	133	2	Contract price
Cost of construction of condominium	-	-	-	43	Contract price
Rental expenses	-	-	4	-	Contract price
Management fee	-	-	10	10	Contract price
Interest expenses	-	-	31	1	Contract price
Purchase of investment in subsidiary (Note 13)	-	-	2,065	-	Contract price
<u>Transactions with associates</u>					
Interest income	-	1	-	1	At cost of funds
Management fee	24	18	13	12	Contract price
Cost of construction of fixed assets	-	2	-	-	Contract price
<u>Transactions with related parties</u>					
Dividend income	2	-	2	-	Approved by the meeting of Board of Directors
Cost of construction services	18	14	-	-	Contract price
Administration expenses	-	1	-	-	Contract price

(Unaudited but reviewed)

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 December 2012	31 March 2012	31 December 2012	31 March 2012
			(Audited)	
	(Audited)		(Audited)	
<u>Trade and other receivables - related parties (Note 6)</u>				
Trade receivables - subsidiary companies	-	-	204,761	157,433
Trade receivable - associated company	-	32	-	-
Trade receivable - related party	596	-	-	-
Other receivables - subsidiary companies	-	-	2,490	31
Other receivable - associated company	-	4,387	-	-
Accrued interest income - subsidiary companies	-	-	127,211	87,852
Total trade and other receivables - related parties	<u>596</u>	<u>4,419</u>	<u>334,462</u>	<u>245,316</u>
<u>Unbilled receivable - related party</u>				
Subsidiary company	-	-	14,552	284,441
Total unbilled receivable - related party	<u>-</u>	<u>-</u>	<u>14,552</u>	<u>284,441</u>
<u>Advance to contractor - related party</u>				
Subsidiary company	-	-	36,886	27,055
Total advance to contractor - related party	<u>-</u>	<u>-</u>	<u>36,886</u>	<u>27,055</u>
<u>Retention receivable - related party</u>				
Subsidiary company	-	-	93,479	87,754
Total retention receivable - related party	<u>-</u>	<u>-</u>	<u>93,479</u>	<u>87,754</u>
<u>Trade and other payables - related parties (Note 22)</u>				
Trade payables - subsidiary companies	-	-	-	81,278
Trade payable - related company	677	66	-	-
Other payables - subsidiary companies	-	-	21,610	17,626
Other payables - related companies	1,534	356	-	-
Accrued interest expenses - subsidiary companies	-	-	28,995	2,200
Accrued expenses - subsidiary company	-	-	872	-
Total trade and other payables - related parties	<u>2,211</u>	<u>422</u>	<u>51,477</u>	<u>101,104</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 December	31 March	31 December	31 March
	2012	2012	2012	2012
		(Audited)		(Audited)
<u>Accrued cost of construction - related party</u>				
Subsidiary company	-	-	6,957	90,415
Total accrued cost of construction - related party	-	-	6,957	90,415
<u>Account payable for purchase of investment in subsidiary - related party (Note 13)</u>				
Subsidiary company	-	-	2,065,000	-
Total account payable for purchase of investment in subsidiary - related party	-	-	2,065,000	-
<u>Advance received from employer - related party</u>				
Subsidiary company	-	-	6,072	41,745
Total advance received from employer - related party	-	-	6,072	41,745
<u>Retention payable - related party</u>				
Subsidiary company	-	-	54,098	92,392
Total retention payable - related party	-	-	54,098	92,392

Loans to related parties and loans from related parties

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

(Unit: Thousand Baht)

Short-term loans to related parties	Related by	Separate financial statements			
		Balance as at	Increase	Decrease	Balance as at
		31 March 2012	during the period	during the period	31 December 2012
Carrot Rewards Co., Ltd.	Subsidiary company	18,500	76,000	-	94,500
E.G.V. Co., Ltd.	Related company	4,018	-	-	4,018
		22,518	76,000	-	98,518
Less: Allowance for doubtful debts		(4,018)	-	-	(4,018)
Total		18,500	76,000	-	94,500

(Unaudited but reviewed)

(Unit: Thousand Baht)

		Consolidated financial statements			
Long-term loans to related parties	Related by	Balance as at 31 March 2012	Increase during the period	Decrease during the period	Balance as at 31 December 2012
Hwa Kay Thai (Thailand) Co., Ltd.	Related company	24,500	-	-	24,500
Less: Allowance for doubtful debts		(24,500)	-	-	(24,500)
Total		-	-	-	-

(Unit: Thousand Baht)

		Separate financial statements			
Long-term loans to related parties	Related by	Balance as at 31 March 2012	Increase during the period	Decrease during the period	Balance as at 31 December 2012
Yongsu Co., Ltd.	Subsidiary company	-	6,220	(550)	5,670
Tanayong Food and Beverage Co., Ltd.	Subsidiary company	778,108	74,629	(271,044)	581,693
Muangthong Assets Co., Ltd.	Subsidiary company	44,000	43,700	(3,000)	84,700
Tanayong International Ltd.	Subsidiary company	433,445	60	(436)	433,069
Tanayong Hong Kong Limited	Subsidiary company	1,271	838	-	2,109
Nuvo Line Agency Co., Ltd.	Subsidiary company	108,000	-	-	108,000
Bangkok Mass Transit System Public Co., Ltd.	Subsidiary company	990,000	820,000	(1,810,000)	-
Siam Paging and Communication Co., Ltd.	Subsidiary company	32,600	50	-	32,650
Sampaopetch Co., Ltd.	Subsidiary company	897,296	60	-	897,356
Kampoo Property Co., Ltd.	Subsidiary company	37,033	183	(37,216)	-
Kamkoong Property Co., Ltd.	Subsidiary company	148,768	400	(68)	149,100
BTS Asset Co., Ltd.	Subsidiary company	765,199	1,164,801	(19,500)	1,910,500
BTS Land Co., Ltd.	Subsidiary company	71,929	-	-	71,929
Thana City Golf & Sports Club Co., Ltd.	Subsidiary company	-	10,400	-	10,400
		4,307,649	2,121,341	(2,141,814)	4,287,176
Less: Allowance for doubtful debts		(1,376,325)	(50,090)	3,986	(1,422,429)
Total		2,931,324	2,071,251	(2,137,828)	2,864,747

(Unit: Thousand Baht)

		Separate financial statements			
Short-term loans from related parties	Related by	Balance as at 31 March 2012	Increase during the period	Decrease during the period	Balance as at 31 December 2012
Dnal Co., Ltd.	Subsidiary company	40,000	-	(40,000)	-
PrannaKiri Assets Co., Ltd.	Subsidiary company	58,000	-	(58,000)	-
HHT Construction Co., Ltd.	Subsidiary company	-	111,100	(111,100)	-
Tanayong Property Management Co., Ltd.	Subsidiary company	-	8,000	(8,000)	-
Total		98,000	119,100	(217,100)	-

(Unaudited but reviewed)

Directors' and managements' benefits

During the three-month and nine-month periods ended 31 December 2012 and 2011, the Company and its subsidiaries had employee benefit expenses payable to their directors and managements as below.

(Unit: Million Baht)

	For the three-month periods ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Short-term employee benefits	57	34	13	12
Post-employment benefits	5	5	1	1
Share-based payment	2	1	1	-
Total	<u>64</u>	<u>40</u>	<u>15</u>	<u>13</u>

(Unit: Million Baht)

	For the nine-month periods ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Short-term employee benefits	167	120	49	42
Post-employment benefits	22	14	9	2
Share-based payment	4	1	1	-
Total	<u>193</u>	<u>135</u>	<u>59</u>	<u>44</u>

(Unaudited but reviewed)

4. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 December	31 March	31 December	31 March
	2012	2012	2012	2012
		(Audited)		(Audited)
Cash	64,007	39,356	129	135
Current deposits and saving deposits	495,583	454,222	20,016	22,979
Fixed deposits with maturity date due				
not more than 3 months	23	23	4	4
Certificates of deposit	720,148	-	-	-
Bills of exchange	1,207,748	274,647	520,197	100,014
BOT bonds with maturity date due				
not more than 3 months	28,966	564,992	-	330,000
Total	2,516,475	1,333,240	540,346	453,132

The Company is waiting for submission of the outstanding balance of Baht 81 million to the creditor per rehabilitation plan of the Company when the court has the final judgment as described in Note 11 to the interim financial statements.

5. Cash received in advance from cardholders

In order to comply with the Notification of the Bank of Thailand applicable to electronic card businesses, the subsidiary (Bangkok Smartcard System Co., Ltd.) has to deposit cash received in advance from cardholders with a financial institution in an amount not less than the outstanding balance of the advance receipts at the end of each day. These funds cannot be used for any purposes other than making payment to goods or service providers on behalf of the cardholder. As at 31 December 2012, the balance of cash received in advance from cardholders was Baht 66 million (31 March 2012: Baht 1 million).

6. Trade and other receivables

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 December 2012	31 March 2012	31 December 2012	31 March 2012
	(Audited)		(Audited)	
<u>Trade receivables - related parties</u>				
Not yet due	322	27	-	-
Past due				
Up to 3 months	274	5	-	103,933
3 - 6 months	-	-	204,761	53,500
6 - 12 months	-	-	-	-
Total trade receivables - related parties	596	32	204,761	157,433
<u>Trade receivables - unrelated parties</u>				
Not yet due	522,545	578,150	-	-
Past due				
Up to 3 months	319,894	280,126	-	-
3 - 6 months	26,783	158,099	-	-
6 - 12 months	26,972	6,395	-	-
Over 12 months	14,640	43,329	-	-
Total	910,834	1,066,099	-	-
Posted date cheques	24,385	18,161	-	-
Less: Allowance for doubtful debts	(16,646)	(16,893)	-	-
Total trade receivables - unrelated parties, net	918,573	1,067,367	-	-
Total trade receivables - net	919,169	1,067,399	204,761	157,433
<u>Other receivables</u>				
Advances	20,146	1,761	1,001	-
Interest receivables - related parties	-	-	127,211	87,852
Interest receivable	3,829	368	3,115	-
Retention receivable	7,702	10,371	7,702	10,371
Other receivables - related parties	-	4,387	2,490	31
Other receivables	17,204	22,395	15,642	20,470
Total other receivables - net	48,881	39,282	157,161	118,724
Trade and other receivables - net	968,050	1,106,681	361,922	276,157

7. Unbilled receivable (Construction contracts)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 December	31 March	31 December	31 March
	2012	2012	2012	2012
		(Audited)		(Audited)
<u>Unbilled receivable</u>				
Project value as per contracts	-	1,521,065	2,111,170	3,721,065
Accumulated amounts recognised as				
revenue on percentage of completion basis	-	1,521,065	2,111,170	3,675,086
Less: Value of total billed	-	(1,521,065)	(2,096,618)	(3,390,645)
Unbilled receivable	-	-	14,552	284,441

8. Spare parts - elevated train system

As at the date of the statement of financial position, the balances of spare parts - elevated train system were comprised as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 December	31 March	31 December	31 March
	2012	2012	2012	2012
		(Audited)		(Audited)
Consumable spare parts	94,013	92,956	-	-
Reusable spare parts	94,564	91,999	-	-
Less: Accumulated amortisation on reusable				
spare parts	(12,354)	(10,768)	-	-
Reusable spare parts - net	82,210	81,231	-	-

For the three-month and nine-month periods ended 31 December 2012, BTSC consumed and charged of consumable spare parts and also recorded an amortisation of reusable spare parts totally amounting to Baht 3 million and Baht 9 million, respectively. BTSC recorded by Baht 3 million and Baht 8 million, respectively as a part of costs of fare box and the remaining of Baht 0.2 million and Baht 1 million, respectively was included as costs of services in the comprehensive income statements (2011: Baht 2 million and Baht 7 million, respectively as a part of costs of fare box).

(Unaudited but reviewed)

9. Real estate development costs

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 December	31 March	31 December	31 March
	2012	2012	2012	2012
		(Audited)		(Audited)
Land and construction development	3,763,501	802,146	722,800	814,036
Land and construction under development	-	2,582,563	-	-
Total	3,763,501	3,384,709	722,800	814,036
Less: Reduce cost to net realisable value	(26,020)	(35,641)	(26,020)	(35,641)
Real estate development costs - net	<u>3,737,481</u>	<u>3,349,068</u>	<u>696,780</u>	<u>778,395</u>

Movements of the reduce cost to net realisable value during the nine-month period ended 31 December 2012 are summarised below.

(Unit: Thousand Baht)

	Consolidated and separate
	financial statements
Balance as at 1 April 2012	35,641
Less: Decrease cost to net realisable value	(9,621)
Balance as at 31 December 2012	<u>26,020</u>

As at 31 December 2012, land with construction thereon of a subsidiary (Nuvo Line Agency Co., Ltd.) amounting to approximately Baht 3,215 million (31 March 2012: Baht 2,731 million) had been mortgaged as collateral for credit facilities from a financial institution as discussed in Notes 21 and 24 to the interim financial statements.

During the nine-month period ended 31 December 2012, a subsidiary (Nuvo Line Agency Co., Ltd) included borrowing costs of Baht 56 million as cost of "Real estate development costs". Interest is charged at a rate of 3.250 to 6.125% per annum.

10. Cash deposited as collateral for debt settlement

As at 31 December 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 (31 March 2012: 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.

11. Assets awaiting transfer under rehabilitation plan

	Consolidated		(Unit: Thousand Baht) Separate	
	financial statements		financial statements	
	31 December 2012	31 March 2012	31 December 2012	31 March 2012
		(Audited)		(Audited)
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	77	91	77	91
Total	73,013	73,027	68,313	68,327

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 has 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.

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 purchaser 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 rehabilitation plan. The subsidiary has made payment of approximately Baht 816.1 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.

Subsequently, on 19 June 2012, a meeting of creditors passed a resolution by majority vote to add debt repayment options, whereby the transfer of and/or redemption from mortgage and payment for secured assets can be done separately (5 items), with the transfer of and/or redemption of mortgaged collateral of item No.5 (Yongsu apartment) to be processed first, at a price of Baht 400 million.

Therefore, the Company submitted a request for the return of the cash deposit amounting to Baht 40 million placed with the Bankruptcy Court, to use in partial payment of item No.5 (Yongsu apartment), and transferred ownership to a company as stipulated by the buyer on 16 October 2012. Most of the cash received from the buyer was transferred to the creditors per the rehabilitation plan, while some of approximately Baht 81 million was reserved to be transferred to entitled creditors per the order of the Central Bankruptcy Court as discussed in Note 4 to the interim financial statements. The Company recorded this transaction under the heading of "Liability awaiting final court order" in the statement of financial position.

A subsidiary, as a creditor to which rights of claim over debts and other rights under the rehabilitation plan had been transferred, received settlement of debt totaling Baht 271 million, leaving a balance of "Rights of claim from acquisition of debts per rehabilitation plan" in the statement of financial position of Baht 545 million as at 31 December 2012 (31 March 2012: Baht 742 million).

In addition, on 15 October 2012, another subsidiary entered into an agreement to acquire rights to purchase certain auctioned assets (item No.4) from the company that had lodged the successful bid for those assets, at a price of Baht 300 million. The subsidiary paid Baht 45 million to that company in accordance with an agreement between the Company and that company. The subsidiary recorded this transaction as a part of the heading of "Deposit and advances for asset acquisitions" in the statement of financial position.

12. Investments in subsidiary 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 plan. However, these shares are not yet transferred to the creditors since some of the Company's debts are pending final court judgment.

(Unaudited but reviewed)

13. Investments in subsidiaries

(Unit: Thousand Baht)

Company's name	Paid-up capital		Percentage owned by the Company		Cost	
	31 December	31 March	31 December	31 March	31 December	31 March
	2012	2012	2012	2012	2012	2012
		(Audited)		(Audited)		(Audited)
Bangkok Mass Transit System Public Co., Ltd.	16,067,134	16,067,134	97.46	96.44	41,678,562	41,216,615
VGI Global Media Public Co., Ltd. (held by Bangkok Mass Transit System Public Company Limited 51%)	300,000	-	19.67	-	2,065,000	-
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
Tanayong Hong Kong Limited	42	42	100	100	42	42
Carrot Rewards Co., Ltd.	2,000	2,000	100	100	2,000	2,000
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	375,000	100	100	375,000	375,000
Total					49,021,728	47,569,781
Less: Deficit on business combination under common control					(5,106,133)	(3,371,978)
					43,915,595	44,197,803
Less: Provision for loss on diminution in value					(1,419,899)	(1,419,899)
Net					42,495,696	42,777,904

Bangkok Mass Transit System Public Company Limited (“BTSC”)

On 3 May 2012, BTSC and The Krungthep Thanakom Co., Ltd. entered into the operation and maintenance contract of a mass transit system in Bangkok. The contract period is 30 years, starting 8 May 2012 to 2 May 2042. 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.

On 12 July 2012, the Annual General Meeting of BTSC’s shareholders passed resolutions to pay a dividend of Baht 3,454 million (at a rate of Baht 0.215 per share) in respect of BTSC’s past operating results. BTSC has paid an interim dividend totaling approximately Baht 2,811 million (at a rate of Baht 0.175 per share), as approved by a meeting of Board of Directors held on 6 March 2012 and 5 January 2012. The outstanding dividend of Baht 643 million (the Company’s share is Baht 620 million) (at a rate of Baht 0.04 per share) was paid to the shareholders on 30 July 2012.

The Executive Committee Meeting of the Company held on 18 October 2012 had a resolution to approve the purchase of 163,088,137 ordinary shares with a par value of Baht 1 each of BTSC from a company, at a price of Baht 2.8325 each, resulting in the Company’s shareholding in BTSC increasing from 96.44% to 97.46%. The Company entered in the sale and purchase agreement with that company on 19 October 2012.

The purchase transaction of investment in the subsidiary was detailed below.

	(Unit: Thousand Baht)
Purchase price	461,947
Less: Non-controlling interests of subsidiary adjusted	<u>(298,600)</u>
Deficit from the changes in the ownership interests in subsidiary	<u><u>163,347</u></u>

In this regards, changes in the Company’s ownership interest in a subsidiary do not result in a loss of control. Therefore, the Company recorded deficit from the changes in the ownership interests in a subsidiary in the shareholders’ equity in the consolidated statements of financial position.

On 2 November 2012, the meeting of BTSC’s Board of Directors No. 11/2012 passed a resolution to pay an interim dividend of Baht 964 million (The Company’s dividend is Baht 940 million) (at a rate of Baht 0.06 per share) in respect of BTSC’s past operating results to the shareholders. BTSC has paid the interim dividend to the shareholders on 16 November 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.

HHT Construction Company Limited (“HHT”)

On 31 July 2012, the Annual General Meeting of HHT’s shareholders passed a resolution to pay dividend of Baht 48 million (the Company’s share is Baht 24 million) from its operating results for the year ended 31 March 2012.

Kampoo Property Company Limited (“Kampoo”)

The Executive Committee Meeting of the Company held on 18 October 2012 had a resolution to approve the sale of all of ordinary shares of Kampoo Property Company Limited to a company, at a price of Baht 1,810 million. The Company entered in the sale and purchase agreement with that company on 30 October 2012. The Company had selling expenses relating to the sale of investment in the subsidiary approximately amounting to Baht 57 million.

The sale of the investment in Kampoo was considered to be the sale of a discontinued operation of Kampoo but the results of discontinued operation of Kampoo are insignificant to the consolidated financial statements. The Company has therefore not disclosed them separately in the comprehensive income statements.

The sale transaction of the investment in the subsidiary on 30 October 2012 was detailed below;

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Contract selling price	1,849,230	1,849,230
Less: Selling expenses relating to the sale of investment in the subsidiary	(57,288)	(57,288)
Cash receipt from the sale of investment in the subsidiary	1,791,942	1,791,942
Less: Value of investment in the subsidiary under the equity method/ cost method	(1,081,268)	(1,075,000)
Surplus from exchange of investments in subsidiaries under common control	-	(75,000)
Repayment of loan	-	(38,410)
Gain on sale of investment in subsidiary	<u>710,674</u>	<u>603,532</u>

The Company recorded gain from sale of the investment in subsidiary in the comprehensive income statements for the current period.

In accordance with the sale of investment in subsidiary, the Company has excluded Kampoo’s financial statements from the consolidated financial statements since 30 October 2012.

(Unaudited but reviewed)

As at the date, the Company ceases control in Kampoo, the net asset value of that company was as follows:

	(Unit: Thousand Baht)
Current assets	2,009
Investment properties	1,079,314
Total assets	<u>1,081,323</u>
Current liabilities	<u>55</u>
Total liabilities	<u>55</u>
Net asset value	<u>1,081,268</u>
Investment sale amount	1,791,942
Less: Cash and cash equivalents in subsidiary of which control is lost	<u>(3)</u>
Net cash received from disposal of subsidiary	<u>1,791,939</u>

Sampaopetch Company Limited (“Sampaopetch”)

On 29 November 2012, the Central Bankruptcy Court issued a receivership order for the Sampaopetch, as discussed in Note 36.8 b) to the interim financial statements, resulting in the Company’s loss of control in this company. The Company has excluded the financial statements of Sampaopetch from the consolidated financial statements since 29 November 2012.

Subsidiaries indirectly owned by the Company

VGI Global Media Public Company Limited (“VGI”)

On 2 April 2012, VGI registered the change of its status to Public Company Limited and the change in the par value of its ordinary shares from Baht 10 each to Baht 1 each, as a result of which VGI’s registered and paid-up share capital of Baht 100 million comprises 100 million ordinary shares of Baht 1 each. VGI has also increased its 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), in accordance with the resolutions passed by the Extraordinary General Meeting of VGI’s shareholders No.2/2012. Subsequently, on 11 May 2012, BTSC acquired 174 million newly issued ordinary shares of VGI for a price of Baht 1 per share, in proportion to its existing shareholding. As a result, VGI’s paid-up share capital was Baht 274 million (274 million ordinary shares of Baht 1 each).

(Unaudited but reviewed)

On 26 July 2012, meeting of BTSC's Board of Directors No.8/2012 passed a resolution approving an initial offering of 62 million shares that BTSC held in VGI to the public, at a price of Baht 35 per share. On 3 October 2012, BTSC transferred the 62 million ordinary shares of VGI to the public, receiving Baht 2,170 million from disposal of this investment. The Company had selling expenses relating to the sale of investment in the subsidiary approximately amounting to Baht 40 million.

The sale transaction of investment in the subsidiary was detailed below.

	(Unit: Thousand Baht)
Selling price	2,170,000
Less: Selling expenses relating to the sale of investment in the subsidiary	<u>(39,742)</u>
Cash receipt from the sale of investment in the subsidiary	2,130,258
Less: Non-controlling interests of subsidiary adjusted	<u>(347,668)</u>
Surplus from the changes in the ownership interests in subsidiary	<u>1,782,590</u>

In this regards, changes in the Company's ownership interest in a subsidiary do not result in a loss of control. Therefore, the Company recorded surplus from the changes in the ownership interests in a subsidiary in the shareholders' equity in the consolidated statements of financial position.

On 14 August 2012, the Extraordinary General Meeting of VGI's shareholders No. 3/2012 approved an increase of VGI's issued and paid-up capital from Baht 274 million (274 million ordinary shares of Baht 1 each) to Baht 300 million (300 million ordinary shares of Baht 1 each), through the issuance of 26 million additional ordinary shares with a par value of Baht 1 each, to be offered by private placement to the existing shareholders of the Company and BTSC at a price of Baht 35 per share. The remaining additional ordinary shares from the private placement will be offered to the public. VGI has issued the new ordinary shares and registered the increase of its capital with the Ministry of Commerce on 4 October 2012. For the issuance of such additional ordinary shares, VGI had total related expenses approximately amounting to Baht 28 million.

(Unaudited but reviewed)

The issuance of the additional ordinary shares of the subsidiary was detailed below.

	(Unit: Thousand Baht)
Selling price of the additional ordinary shares of the subsidiary	910,000
Less: Selling expenses relating to the issuance of the additional ordinary shares of the subsidiary	<u>(27,875)</u>
Cash receipt from the issuance of the additional ordinary shares of the subsidiary	882,125
Less: Non-controlling interests of subsidiary adjusted	<u>(145,796)</u>
Surplus from the changes in the ownership interests in subsidiary	<u><u>736,329</u></u>

In this regards, changes in the Company's ownership interest in a subsidiary do not result in a loss of control. Therefore, the Company recorded surplus from the changes in the ownership interests in a subsidiary in the shareholders' equity in the consolidated statements of financial position.

In addition, on 20 August 2012, BTSC entered into a share sale and purchase agreement with the Company in order to sell off 59 million shares that BTSC held in VGI at a price of Baht 35 each, or for a total of Baht 2,065 million. Under the agreement, BTSC has to transfer the 59 million ordinary shares of VGI to the Company within 7 days from the date of VGI's initial public offering, and the Company is to pay the purchase price within six months, while BTSC is entitled to charge interest at 6.25% per annum for this six-month period. BTSC completed the transfer of the ordinary shares of VGI to the Company on 11 October 2012, which was the date VGI's initial public offering. The Company recorded this transaction under the heading of "Account payable from purchase of investment in subsidiary - related party" in the separate statement of financial position. As a result, the Company has a 19.67% shareholding in VGI.

The sale transaction of investment in the subsidiary under common control was detailed below.

	(Unit: Thousand Baht)
Selling price	2,065,000
Less: Equity interests of the Company in subsidiary	<u>(330,845)</u>
Deficit on business combination under common control	<u><u>1,734,155</u></u>

The Company recorded deficit on business combination under common control in the shareholders' equity in the separate statement of financial position because the transaction was considered to be the restructuring of the companies under common control.

As a result of sales of investments in VGI and issuance of additional ordinary shares of VGI, the Group has shareholding in VGI decreasing from 100% to 69.37%.

On 29 November 2012, the meeting of VGI's Board of Directors No. 9/2012 agreed to pay interim dividend of Baht 360 million (at a rate of Baht 1.2 per share) in respect of the VGI's operation results in the past. VGI paid the dividend in accordance with percentage of shareholding to the Group by approximately amounting to Baht 254 million (the Company's portion by approximately Baht 71 million (19.67% shareholding)) and to non-controlling interests of the subsidiary approximately amounting to Baht 106 million, totaling amounting to Baht 360 million, on 27 December 2012.

In addition, as discussed in Note 39 d). BTSC had pledged the shares certificates of VGI amounted 153 million shares with a local commercial bank as a secured for a credit facility.

Bangkok Smartcard System Company Limited ("Bangkok Smartcard")

On 28 March 2012, the meeting of Board of Directors of Bangkok Smartcard No.3/2012 approved Bangkok Smartcard to register an increase in 30 branches with the Ministry of Commerce. Bangkok Smartcard registered the increase with the Ministry of Commerce on 3 April 2012.

Kamala Beach Resort & Hotel Management Co., Ltd. ("Kamala")

On 12 June 2012, BTSC entered into a share sale and purchase agreement relating to the sale of all of the shares of Kamala to two companies for a price of Baht 1,600 million. This selling price was to be adjusted by the net value of the cash and cash equivalent accounts (net of Kamala's liabilities as at 31 March 2012). BTSC received a deposit for the sale of its investment in Kamala of Baht 80 million on the date of the agreement, and the remaining amount was to be received on the date ownership of Kamala's shares is transferred. The agreement stipulated that BTSC was to transfer the ownership of Kamala's shares within 90 days after the date of the agreement (i.e. by 12 September 2012).

Subsequently, on 10 October 2012 the two acquirer companies (buyers) entered into an agreement to transfer their rights to purchase Kamala's ordinary shares to another company (new buyer).

On 12 September 2012, BTSC transferred Kamala's shares to the new buyer and received full settlement of the remainder of the selling price. BTSC incurred selling expenses relating to the sale of the investment in Kamala of approximately Baht 93 million.

(Unaudited but reviewed)

The sale of the investment in Kamala was considered to be the sale of a discontinued operation of Kamala but the results of discontinued operation of Kamala are insignificant to the consolidated financial statements. The Company has therefore not disclosed them separately in the comprehensive income statements.

The sale transaction of the investment in Kamala on 12 September 2012 was detailed below;

	(Unit: Thousand Baht)
Contract selling price	1,600,000
Add: Outstanding balance of cash and cash equivalents account, net of Kamala's liabilities as at 31 March 2012	<u>43,036</u>
Selling price after adjusted of conditions stipulated in the agreement	1,643,036
Less: Selling expenses relating to the sale of the investment in subsidiary	<u>(93,457)</u>
Cash receipt from sale of the investment in subsidiary	1,549,579
Less: Value of investment in Kamala	<u>(1,260,542)</u>
Gain from sale of the investment in subsidiary	<u>289,037</u>

The Company recorded gain from sale of the investment in subsidiary in the comprehensive income statements for the nine-month period ended 31 December 2012.

In accordance with the sale of investment in subsidiary, the Company has excluded Kamala's financial statements from the consolidated financial statements since 12 September 2012.

As at the date BTSC ceases control in Kamala, the net asset value of that company was as follows:

	(Unit: Thousand Baht)
Current assets	43,840
Land and projects awaiting development - net	<u>1,197,750</u>
Total assets	<u>1,241,590</u>
Current liabilities	<u>142</u>
Total liabilities	<u>142</u>
Net asset value	<u>1,241,448</u>
Investment sales amount	1,549,579
Less: Cash and cash equivalents in subsidiary of which control is lost	<u>(43,673)</u>
Net cash received from disposal of subsidiary	<u>1,505,906</u>

Surplus (deficit) from the changes in the ownership interests in subsidiaries

The changes in the Company's ownership interests in subsidiaries do not result in a loss of control. Therefore, the Company recorded surplus (deficit) from the changes in the ownership interests in subsidiaries in the shareholders' equity in the consolidated statements of financial position.

In this regards, the balance of surplus (deficit) from the changes in the ownership interests in subsidiaries account presented in the shareholders' equity in the consolidated statements of financial position was the differences of considerations paid or received from the changes in the ownership interests in the subsidiaries of the Company and the equity interests of non-controlling interests of the subsidiaries in net book value of the subsidiaries on the changing date.

Non-controlling interests of subsidiaries are valued at identifiable net assets value of the subsidiaries based on shareholding percentage held by the non-controlling interests.

14. Investments in associates

Company's name	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	Equity method		Cost method	
	31 December	31 March	31 December	31 March
	2012	2012	2012	2012
		(Audited)		(Audited)
Absolute Hotel Services Co., Ltd.	9,851	7,033	4,000	4,000
Absolute Hotel Services Hong Kong Ltd. ⁽¹⁾	-	-	-	-
Total	9,851	7,033	4,000	4,000

⁽¹⁾ held by Tanayong Hong Kong Limited

15. Other long-term investment

During the current period, the Company and its subsidiary have invested in 200,000 units of subordinated debentures, with face value of Baht 1,000 each, of a local commercial bank totally amounting to Baht 200 million (Separate financial statement: Baht 100 million). The debentures' term is 10 years, matured on 7 December 2022 with the issuer's early redemption right. Its interest rate is 4.375% per annum and scheduled for interest settlement every six months.

16. Elevated train project costs

Movements of the elevated train project cost account during the nine-month period ended 31 December 2012 were as follows:

	(Unit: Thousand Baht)
	Consolidated
	<u>financial statements</u>
Costs	
Balance as at 31 March 2012	53,983,997
Transfer in	580,273
Balance as at 31 December 2012	<u>54,564,270</u>
Accumulated amortisation	
Balance as at 31 March 2012	(9,564,964)
Amortisation for the period	(1,008,841)
Balance as at 31 December 2012	<u>(10,573,805)</u>
Allowance for diminution in value of project costs	
Balance as at 31 March 2012	(1,146,982)
Balance as at 31 December 2012	<u>(1,146,982)</u>
Works under construction	
Balance as at 31 March 2012	1,872,167
Increase in works under construction during the period	341,760
Transfer out	(580,273)
Transfer out to equipment	(2,240)
Capitalised interest	21,324
Balance as at 31 December 2012	<u>1,652,738</u>
Net Book Value	
31 March 2012	<u>45,144,218</u>
31 December 2012	<u><u>44,496,221</u></u>

BTSC recorded an amortisation of elevated train project costs for the three-month and nine-month periods ended 31 December 2012, amounting to Baht 337 million and Baht 976 million, respectively as a part of costs of fare box, Baht 11 million and Baht 29 million, respectively as a part of costs of services, and the remaining of Baht 1 million and Baht 4 million, respectively was included in administrative expenses (2011: Baht 305 million and Baht 870 million, respectively as a part of costs of fare box and Baht 1 million and Baht 3 million, respectively included in administrative expenses).

During the nine-month period ended 31 December 2012, BTSC has capitalised the borrowing costs approximately Baht 21 million as a part of elevated train project costs.

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 income statement 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 for the cost of civil works. The court ordered the government agency owning the land to compensate BTSC for all costs of civil works plus interest at the rate of 7.5% per annum within 60 days from the date on which the case is final. Therefore, BTSC recorded the reversal of allowance for diminution in value of civil works awaiting transfer and calculated the compensation to be received from the government agency totaling amount approximately of Baht 1,072 million, recorded this in "Accrued income" in the statements of financial position because BTSC has yet received such compensation and interest from the government agency at that time.

Subsequently, on 5 October 2012, BTSC has received the compensation plus interest from the government agency owning the land in amounting to approximately Baht 1,119 million (VAT inclusive). BTSC has recorded the excess of interest received of approximately Baht 7 million as income and separately presented under the heading of "Revenue from court-ordered compensation" in the comprehensive income statements for the three-month and nine-month periods ended 31 December 2012.

17. Investment properties

Movements of the investment property account during the nine-month period ended 31 December 2012 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Net book value as at 1 April 2012	3,901,419	1,226,078
Additions during the period - at cost	15,514	21
Disposal during the period - net book value of disposal date	(9,654)	(9,654)
Decrease from sale of investment in subsidiary	(1,079,314)	-
Depreciation for the period	<u>(11,957)</u>	<u>(40,872)</u>
Net book value as at 31 December 2012	<u><u>2,816,008</u></u>	<u><u>1,175,573</u></u>

The Company and its subsidiary (BTS Assets Company Limited) have pledged investment properties amounting to approximately Baht 1,073 million (31 March 2012: Baht 1,073 million) (Separate financial statement: Baht 262 million (31 March 2012: Baht 291 million)) as collateral against credit and guarantee facilities received from a financial institution as discussed in Notes 21, 24 and 36.7 b) to the interim financial statements.

As at 31 December 2012, the Company has reclassified land and projects awaiting development, totaling Baht 914 million, as investment properties. The Company has also reclassified related items as at 31 March 2012, in order to be consistent with the current period's classifications.

18. Property, plant and equipment

Movements of the property, plant and equipment account during the nine-month period ended 31 December 2012 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Net book value as at 1 April 2012	6,039,193	67,877
Additions during the period - at cost	579,759	149,606
Capitalised interest	33,483	-
Disposal during the period - net book value of disposal date	(2,217)	-
Transfer to other assets	(15,707)	2,319
Depreciation for the period	<u>(256,376)</u>	<u>(10,300)</u>
Net book value as at 31 December 2012	<u><u>6,378,135</u></u>	<u><u>209,502</u></u>

(Unaudited but reviewed)

The Company and a subsidiary (BTS Assets Co., Ltd.) have mortgaged land and construction thereon with net book value as at 31 December 2012 of Baht 5,289 million (31 March 2012: Baht 5,356 million) as collateral for credit and guarantee facilities from a financial institution, as discussed in Notes 21, 24 and 36.7 b) to the interim financial statements.

During the nine-month period ended 31 December 2012, the subsidiaries included borrowing costs of Baht 33 million as cost of "Property, plant and equipment". Interest is charged at a rate of 6.000 - 6.125% per annum.

19. Leasehold rights

Movements of the leasehold right account during the nine-month period ended 31 December 2012 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 April 2012	90,025	10,800
Transfer to property, plant and equipment	(2,319)	(2,319)
Amortisation for the period	(3,967)	(300)
Net book value as at 31 December 2012	<u>83,739</u>	<u>8,181</u>

20. Intangible assets

Movements of the intangible asset account during the nine-month period ended 31 December 2012 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 April 2012	26,697	1,452
Additions during the period - at cost	14,403	14
Transfer from other assets	23,267	-
Amortisation for the period	(10,447)	(807)
Net book value as at 31 December 2012	<u>53,920</u>	<u>659</u>

21. 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 100 million (31 March 2012: Baht 1,200 million) is subject to interest at a rate of 3.92% per annum and is secured by the Company's bill of exchange. As at 31 December 2012, the outstanding balance of short-term loans was Baht 50 million (31 March 2012: Baht 742 million).

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 18 to the interim financial statements. As at 31 December 2012, there is no outstanding balance of this bank overdraft (31 March 2012: 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 investment properties of the subsidiary as discussed in Note 17 to the interim financial statements. As at 31 December 2012, there is no outstanding balance of this loan and the subsidiary closed this facility (31 March 2012: Baht 200 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 9 to the interim financial statements. As at 31 December 2012, there is no outstanding balance of this bank overdraft (31 March 2012: Nil).

BTSC

A facility of Baht 2,000 million is subject to interest at a rate of 3.9% to 4.2% per annum and is not collateralized. As at 31 December 2012, there is no outstanding balance of this loan (31 March 2012: Baht 1,000 million).

22. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 December	31 March	31 December	31 March
	2012	2012	2012	2012
		(Audited)		(Audited)
Trade payables - related parties	677	66	-	81,278
Trade payables	189,064	208,635	493	144
Other payables - related parties	1,534	356	21,610	17,626
Other payables	336,229	144,796	3,421	3,595
Accrued interest expenses - related parties	-	-	28,995	2,200
Accrued interest expenses	101,142	107,438	3,810	21,957
Retention payable	237,965	197,446	7,537	9,381
Deposit payable	58,105	95,000	55,000	95,000
Accrued expenses - related parties	-	-	872	-
Accrued expenses	518,138	617,880	6,609	25,309
Dividend payable	97,949	80,825	26,329	18,459
Total trade and other payables	<u>1,540,803</u>	<u>1,452,442</u>	<u>154,676</u>	<u>274,949</u>

23. Creditors per rehabilitation plan

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.

(Unaudited but reviewed)

24. Long-term loans

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 December	31 March	31 December	31 March
	2012	2012	2012	2012
		(Audited)		(Audited)
Long-term loans	2,563,831	3,517,373	-	-
Less: Current portion	-	(583,400)	-	-
Long-term loans - net of current portion	<u>2,563,831</u>	<u>2,933,973</u>	<u>-</u>	<u>-</u>

Movements of the long-term loan account during the nine-month period ended 31 December 2012 are summarised below.

(Unit: Thousand Baht)

	Consolidated	Separate
	financial statements	financial statements
Balance as at 1 April 2012	3,517,373	-
Add: Additional borrowings	907,910	-
Less: Repayment	(1,861,452)	-
Balance as at 31 December 2012	<u>2,563,831</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 17 to the interim financial statements. Interest is to be paid monthly and principal is to be repaid within 120 months from the drawdown date. As at 31 December 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 December 2012, a subsidiary had fully repaid these long-term loan from a financial institution (31 March 2012: Baht 886 million).

On 2 April 2012, a subsidiary 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). As at 31 December 2012, the subsidiary has not yet drawn down of this loan.

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 18 to the interim financial statements. As at 31 December 2012, the outstanding balance of this loan was approximately Baht 1,000 million (31 March 2012: Baht 1,609 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 December 2012, there is no outstanding balance of this loan and the subsidiary closed this facility (31 March 2012: Baht 45 million).

Nuvo Line Agency Company Limited

A facility of Baht 2,100 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 9 to the interim financial statements. Interest is to be paid monthly and principal is to be repaid within 36 months from the drawdown date. As at 31 December 2012, the outstanding balance of this loan was approximately Baht 1,344 million (31 March 2012: Baht 877 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 9 to the interim financial statements. Interest is to be paid monthly and principal is to be repaid within 30 months from the drawdown date. As at 31 December 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 December 2012, the outstanding balance of this loan was approximately Baht 220 million (31 March 2012: Baht 100 million).

(Unaudited but reviewed)

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.

25. Long-term debentures

	Consolidated		(Unit: Thousand Baht) Separate	
	financial statements		financial statements	
	31 December 2012	31 March 2012	31 December 2012	31 March 2012
		(Audited)		(Audited)
Long-term debentures	9,461,017	11,939,578	-	-
Less: Current portion	(2,494,921)	(2,495,767)	-	-
Long-term debentures - net of current portion	<u>6,966,096</u>	<u>9,443,811</u>	<u>-</u>	<u>-</u>

Movement of the long-term debenture account during the nine-month period ended 31 December 2012 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Balance as at 1 April 2012	11,939,578	-
Add: Amortisation of deferred debenture issuing costs	21,439	-
Less: Repayment of debentures	(2,500,000)	-
Balance as at 31 December 2012	<u>9,461,017</u>	<u>-</u>

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 December 2012, the fair value of the debentures contracted under the agreement was Baht 3,047 million.

On 27 December 2012, a meeting of the holders of the subsidiary's long-term debenture No.1/2012 passed a resolution to revise the debenture rights that was proposed by the subsidiary, whereby the debenture' holders would receive bank guarantees as collateral for the long-term debentures and a put option for the debentures was approved.

26. Convertible debentures

Movement of the convertible debenture account during the nine-month period ended 31 December 2012 are summarised below.

	(Unit: Thousand Baht)
	Consolidated and separate financial statements
	<hr/>
Balance as at 1 April 2012	8,648,338
Add: Amortisation of liability component of convertible debentures	161,544
Amortisation of letter of credit fee for convertible debentures	113,203
Less: Debenture conversion to ordinary shares	(8,126,675)
Balance as at 31 December 2012	<hr/> <hr/> 796,410

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 13 to the interim 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 0.85 per share to Baht 0.82 per share, effective from 29 June 2012. This is in line with the terms and conditions of the convertible debentures in cases where a dividend is paid. Following the change in the number and par value of the shares of the Company, as discussed in Note 28.2 to the interim financial statements, the conversion price of the convertible debentures will be adjusted from Baht 0.82 per share to Baht 5.12 per share.

In May 2012, the holders of the convertible bonds exercised rights to convert Baht 55 million of bonds at the 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 (For comparative purposes, the Company's ordinary shares were adjusted in accordance with the change in their par value, as discussed in Note 28.2 to the interim financial statements, with the number of ordinary shares adjusted as if the change had occurred at the beginning of the earliest period reported. Such convertible bonds were thus converted to 10,352,940 ordinary shares of the Company with a par value of Baht 4 per share).

During August and December 2012, the holders of the convertible bonds exercised rights to convert Baht 9,036 million of bonds at a conversion price of Baht 5.12 per share. Such convertible bonds were thus converted to 1,764,843,716 ordinary shares of the Company with a par value of Baht 4 per share.

The Company adjusted the conversion price of the convertible debentures from Baht 5.12 per share to Baht 5.00 per share, effective from 29 January 2013. This is in line with the terms and conditions of the convertible debentures in cases where a dividend is paid as discussed in Note 39.1 to the interim financial statements.

27. Provision for long-term employee benefits

Movements in the provision for long-term employee benefit account during the nine-month period ended 31 December 2012 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Balance as at 1 April 2012	400,178	25,987
Current service cost	32,068	1,761
Interest cost	12,512	818
Paid for employee benefits	(12,658)	(6,930)
Balance as at 31 December 2012	<u>432,100</u>	<u>21,636</u>

Long-term employee benefit expenses included in the profit or loss for the three-month and nine-month periods ended 31 December 2012 amounted to Baht 15 million and Baht 45 million, respectively (Separate financial statements: Baht 1 million and Baht 3 million, respectively).

28. Share capital / Share premium

The Annual General Meeting of the Company's shareholders held on 26 July 2012 passed the following resolutions:

28.1 Approved an increase in the registered share capital from Baht 47,881,776,079.36 (74,815,275,124 ordinary shares with a par value of Baht 0.64 each) to Baht 47,881,776,096 (74,815,275,150 ordinary shares with a par value of Baht 0.64 each) by issuing 26 new ordinary shares at a par value of Baht 0.64 each to ensure that the calculation of the change in the number of shares as a result of the change in par value of the Company's shares in 28.2 will not cause a fraction of shares by allocating as follows:

- a) Allocating 2 newly issued ordinary shares at a par value of Baht 0.64 per share to accommodate the exercise of the warrants to purchase the newly issued ordinary shares of the Company No. 2 (BTS-W2).
- b) Allocating up to 24 newly issued ordinary shares at a par value of Baht 0.64 per share to accommodate the exercise of the conversion right of the convertible debentures.

In this regard, If there are shares remaining from the allocation pursuant to b) above, to allocate such remaining shares to an employee of the Company and is not a connected person of the Company, at an offering price of Baht 1 per share.

The Company registered the corresponding increase in its registered capital with the Ministry of Commerce on 30 July 2012.

28.2 Approved the change in the par value of shares of the Company from Baht 0.64 per share to Baht 4 per share, which will cause the number of the Company's shares to decrease by 62,844,831,126 shares, from the existing 74,815,275,150 shares at the par value of Baht 0.64 per share to 11,970,444,024 shares at the par value of Baht 4 per share. Such change in the number and par value of shares of the Company will cause the number of shares held by each shareholder to be reduced at the rate of 25 existing shares to 4 new shares (or equivalent to 6.25 existing shares for 1 new share).

The Company registered the change in the par value of shares with the Ministry of Commerce on 7 August 2012.

28.3 Approved to propose to the 2012 Annual General Meeting of Shareholders to consider and approve the amendment of Agenda 11.1 and Agenda 11.2 of the resolution of the Extraordinary General Meeting of Shareholders No. 2/2010 held on 16 November 2010, and Agenda 14 of the resolution of the 2011 Annual General Meeting of Shareholders held on 26 July 2011, in order to be in line with the change in the number and par value of shares of the Company, as follows:

- a) To amend the number of shares issued to accommodate the exercise of the warrants to purchase the ordinary shares of the Company No. 2 (BTS-W2) and the par value of the Company's shares, including the additional shares to be further allocated to accommodate such warrants by replacing "To allocate up to 5,027,000,450 newly issued ordinary shares of the Company at the par value of Baht 0.64 per share" with "To allocate up to 804,320,072 newly issued ordinary shares of the Company at the par value of Baht 4 per share".
- b) To amend the number of shares issued to accommodate the exercise of conversion right of the convertible debentures of the Company and the par value of the Company's shares, including the additional shares to be further allocated to accommodate such convertible debentures by replacing "To allocate up to 12,500,000,000 newly issued ordinary shares at the par value of Baht 0.64 per share in order to accommodate the exercise of conversion right at the aggregate value of up to Baht 10,000,000,000" with "To allocate up to 2,000,000,000 newly issued ordinary shares at the par value of Baht 4 per share in order to accommodate the exercise of conversion right at the aggregate value of up to Baht 10,000,000,000".
- c) To amend the number of shares issued to accommodate the exercise of the warrants to purchase the newly issued ordinary shares of the Company issued to employees of the Company and its subsidiaries under the BTS Group ESOP 2011 (BTS-WA) and the par value of the Company's shares by replacing "To allocate up to 100,000,000 newly issued ordinary shares of the Company at the par value of Baht 0.64 per share" with "To allocate up to 16,000,000 newly issued ordinary shares of the Company at the par value of Baht 4 per share".

28.4 Approved the increase of the registered capital of the Company by Baht 64,000,000, from the existing registered capital of Baht 47,881,776,096 to Baht 47,945,776,096 by issuing 16,000,000 new ordinary shares at the par value of Baht 4 per share in order to accommodate the exercise of the warrants to be issued and offered to the employees of the Company and its subsidiaries No. 2 under the BTS Group ESOP 2012 Scheme (BTS - WB).

The Company registered the corresponding increase in its registered capital with the Ministry of Commerce on 8 August 2012.

28.5 Allocated up to 16,000,000 newly issued ordinary shares at the par value of Baht 4 per share to accommodate the exercise of the warrants to purchase the ordinary shares of the Company, in the amount of up to 16,000,000 units, issued to the employees of the Company and its subsidiaries No. 2 under the BTS Group ESOP 2012 Scheme (BTS-WB).

For comparative purposes, the Company's ordinary shares were adjusted in accordance with the change in their par value, as discussed in Note 28.2 to the interim financial statements, with the number of ordinary shares adjusted as if the change had occurred at the beginning of the earliest period reported.

As at 31 December 2012, the Company's issued and fully paid share capital has increased from Baht 36,600,495,792 (9,150,123,948 ordinary shares with a par value of Baht 4 each) to Baht 43,701,282,432 (10,925,320,608 ordinary shares with a par value of Baht 4 each) as a result of the conversion of convertible debentures to Baht 7,100,786,640 of ordinary shares (1,775,196,660 ordinary shares with a par value of Baht 4 each), as discussed in Note 26 to the interim financial statements, resulting in an increase in total share premium to Baht 1,376,617,855.

The Company registered the corresponding increases in its paid-up capital with the Ministry of Commerce during May and December 2012.

29. Warrants

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

After the change in the number and par value of the shares of the Company as discussed in Note 28.2 to the interim financial statements, the exercise price of the warrants will be from Baht 0.70 per share to Baht 4.375 per share and the exercise ratio will be adjusted from 1 unit : 1 share to 1 unit : 0.16 share.

In December 2012, the Company received advance subscription of Baht 4.375 per share to 1,435,864 of the additional ordinary shares arising from the exercise of the warrants (BTS-W2) of 8,974,167 units, a total of Baht 6,281,900. The Company registered the resulting increase of Baht 5,743,456 in its capital with the Ministry of Commerce on 4 January 2013. As at 31 December 2012, there were a total of 5,018,026,281 outstanding unexercised warrants.

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

During the nine-month periods ended 31 December 2012, the Company issued 12,530,000 warrants to purchase new ordinary shares of the Company issued to the employees of the Company and its subsidiaries (BTS-WA), resulting in that warrants for a total of 100,000,000 warrants.

After the change in the number and par value of the shares of the Company as discussed in Note 28.2 to the interim financial statements, the exercise price of the warrants will be from Baht 0.70 per share to Baht 4.375 per share and the exercise ratio will be adjusted from 1 unit : 1 share to 1 unit : 0.16 share.

After the change in par value and amount of the shares of the Company as discussed in Note 28.2 to the interim financial statement, the approximately fair value of each warrant will be adjusted from Baht 0.27 to Baht 1.69.

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

On 26 July 2012, the Annual General Meeting of the Company's shareholders passed a resolution to approve the issue of warrants to employees of the Company and its subsidiaries No. 2 under the BTS Group ESOP 2012 Scheme (BTS-WB), at no cost. Details of the warrants are below.

Date of original grant	To be determined by the Board of Executive Directors (within 1 year from the date of the Annual General Meeting)
No. of warrants granted (Units)	Up to 16,000,000
Life of warrants	5 years from the issue date
Exercisable	Last business day of each quarter, after completion of 2 to 4 year periods from the issued date
Exercise price per 1 ordinary share (Baht)	5.01
Exercise ratio (warrant to ordinary shares)	1:1
Allocation method	Direct allocation to employee as stipulated in the details

However, the Company's management is authorised to stipulate, amend and add details and conditions of the issue of the warrants.

Currently, the Company has not issued the warrants as detailed above.

(Unaudited but reviewed)

30. Service income

Details of service income are as follows:

(Unit: Thousand Baht)

For the three-month periods ended 31 December

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Advertising income	639,524	419,283	-	-
Revenue from providing of train operation services	270,618	269,603	-	-
Revenue from servicing of spaces	61,168	60,993	-	-
Other service income	291,829	164,196	24,344	24,057
Total	<u>1,263,139</u>	<u>914,075</u>	<u>24,344</u>	<u>24,057</u>

(Unit: Thousand Baht)

For the nine-month periods ended 31 December

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Advertising income	1,801,995	1,249,450	-	-
Revenue from providing of train operation services	798,288	589,124	-	-
Revenue from servicing of spaces	184,368	170,439	-	-
Other service income	674,079	405,101	70,996	72,364
Total	<u>3,458,730</u>	<u>2,414,114</u>	<u>70,996</u>	<u>72,364</u>

31. Finance cost

Details of finance cost are as follows:

	(Unit: Thousand Baht)			
	For the three-month periods ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Interest expenses and other fees	177,982	236,767	16,030	37,568
Amortisation of deferred debenture issuing costs	5,739	8,258	-	-
Amortisation of liability component of convertible debentures	9,929	74,598	9,929	74,598
Amortisation of letter of credit fee for convertible debentures	37,734	37,734	37,734	37,734
Total	231,384	357,357	63,693	149,900

	(Unit: Thousand Baht)			
	For the nine-month periods ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>
Interest expenses and other fees	686,267	705,769	101,269	97,728
Amortisation of deferred debenture issuing costs	21,439	24,757	-	-
Amortisation of liability component of convertible debentures	161,544	222,330	161,544	222,330
Amortisation of letter of credit fee for convertible debentures	113,203	113,501	113,203	113,501
Total	982,453	1,066,357	376,016	433,559

32. Corporate income tax

Subsidiaries had no interim corporate income tax payable for the three-month and nine-month periods ended 31 December 2012 and 2011 since their tax loss brought forward exceeds their estimated profit for the year.

Interim corporate income tax of other subsidiaries was calculated on profit before income tax for the period, after adding back expenses and deducting income which are disallowable for tax computation purposes, using the estimated effective tax rate for the year.

33. Basic earnings per share

Basic earnings per share is calculated by dividing profit (loss) for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period in proportion to the change in the number of shares as a result of the change in par value from Baht 0.64 each to Baht 4 each as discussed in Note 28.2 to the interim financial statements. The number of ordinary shares is adjusted as if the share split had occurred at the beginning of the earliest period reported.

Diluted earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period 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 and adjusts the 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 in proportion to the change in the number of shares as a result of the change in par value from Baht 0.64 each to Baht 4 each as discussed in Note 28.2 to the interim financial statements. The number of ordinary shares is adjusted as if the share split had occurred at the beginning of the earliest period reported.

(Unaudited but reviewed)

Details of calculation of earnings per share for the three-month and nine-month periods ended 31 December 2012 and 2011 are as below.

Consolidated financial statements						
For the three-month periods ended 31 December						
Profit		Weighted average number of ordinary shares		Earnings per share		
<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	
Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht	
Basic earnings per share						
Profit attributable to equity holders of the Company	1,088,383	<u>328,764</u>	10,489,652	<u>9,150,124</u>	0.10376	0.03593
Effect of dilutive potential ordinary shares						
Warrants (BTS-W2) of 5,018,026,281 units (2011: 5,027,000,448 units)	-		248,385			
Warrants (BTS-WA) of 100,000,000 units (2011: 87,470,000 units)	-		3,305			
Convertible debentures	<u>(8,138)</u>		<u>524,865</u>			
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	<u>1,080,245</u>		<u>11,266,207</u>		0.09588	
Separate financial statements						
For the three-month periods ended 31 December						
Profit (loss)		Weighted average number of ordinary shares		Earnings per share		
<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	
Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht	
Basic earnings per share						
Profit (loss) attributable to equity holders of the Company	1,434,920	<u>(126,785)</u>	10,489,652	<u>9,150,124</u>	0.13679	(0.01386)
Effect of dilutive potential ordinary shares						
Warrants (BTS-W2) of 5,018,026,281 units (2011: 5,027,000,448 units)	-		248,385			
Warrants (BTS-WA) of 100,000,000 units (2011: 87,470,000 units)	-		3,305			
Convertible debentures	<u>(8,138)</u>		<u>524,865</u>			
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	<u>1,426,782</u>		<u>11,266,207</u>		0.12664	

(Unaudited but reviewed)

Consolidated financial statements						
For the nine-month periods ended 31 December						
Profit		Weighted average number of ordinary shares		Earnings per share		
<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	
Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht	
Basic earnings per share	2,088,871	<u>1,746,684</u>	9,647,090	<u>9,100,242</u>	0.21653	0.19194
Profit attributable to equity holders of the Company						
Effect of dilutive potential ordinary shares						
Warrants (BTS-W2) of 5,018,026,281 units (2011: 5,027,000,448 units)						
	-		202,791			
Warrants (BTS-WA) of 100,000,000 units (2011: 87,470,000 units)						
	-		2,207			
Convertible debentures	<u>202,301</u>		<u>1,423,418</u>			
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares						
	<u>2,291,172</u>		<u>11,275,506</u>		0.20320	
Separate financial statements						
For the nine-month periods ended 31 December						
Profit		Weighted average number of ordinary shares		Earnings per share		
<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	<u>2012</u>	<u>2011</u>	
Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht	
Basic earnings per share	1,739,149	<u>942,651</u>	9,647,090	<u>9,100,242</u>	0.18028	0.10359
Profit attributable to equity holders of the Company						
Effect of dilutive potential ordinary shares						
Warrants (BTS-W2) of 5,018,026,281 units (2011: 5,027,000,448 units)						
	-		202,791			
Warrants (BTS-WA) of 100,000,000 units (2011: 87,470,000 units)						
	-		2,207			
Convertible debentures	<u>202,301</u>		<u>1,423,418</u>			
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares						
	<u>1,941,450</u>		<u>11,275,506</u>		0.17218	

The par value of the Company's ordinary shares has changed, as discussed in Note 28.2 to the interim financial statements. Therefore, for comparative purposes, earnings per share of the prior period has been recalculated to reflect the impact of this change.

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 three-month and nine-month periods ended 31 December 2011 in the consolidated and separate financial statements. Therefore, the Company has not assumed conversion of the warrants in the calculation of diluted earnings per share.

In addition, 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 (BTS-WA) issued to the employees of the Company and its subsidiaries are higher than the average market price of the Company's shares for the three-month and nine-month periods ended 31 December 2011 and convertible debentures would increase earnings per share for the three-month and nine-month periods ended 31 December 2011 in the consolidated and separate financial statements. Therefore, the Company has not assumed conversion of the warrants and convertible debentures in the calculation of diluted earnings per share.

34. Dividends

	<u>Approved by</u>	<u>Total dividends</u>	<u>Dividend per share</u>
Final dividend for the year ended 31 March 2012	Annual General Meeting of the shareholders on 26 July 2012	<u>Baht 1,379.5 million</u>	<u>Baht 0.15</u>
Final dividend for the year ended 31 March 2011	Annual General Meeting of the shareholders on 26 July 2011	<u>Baht 1,294.3 million</u>	<u>Baht 0.14</u>

On 26 July 2012, a meeting of the Company's Board of Directors passed a resolution to propose the payment of dividends of Baht 2,747.6 million in respect of the Company's operating results for the year ended 31 March 2012. The Company already paid a part of that dividend in the form of an interim dividend amounting to Baht 1,368.1 million. Therefore, the Company has the remaining dividend of Baht 1,379.5 million.

For comparative purpose, the dividend per share for the years ended 31 March 2012 and 2011 were recalculated on the change of the par value of the Company's ordinary shares from Baht 0.64 to Baht 4 per share, as discussed in Note 28.2 to the interim financial statements.

35. Foreign currency assets/liabilities

As at 31 December 2012 and 31 March 2012, subsidiaries had assets and liabilities in foreign currency which were not hedged against foreign exchange rate risk as follows:

Consolidated financial statements					
Foreign currency	31 December 2012		31 March 2012		Average exchange rate as at 31 December 2012 (Baht per 1 Foreign currency unit)
	Financial assets	Financial liabilities	Financial assets	Financial liabilities	
	(Million)	Million)	(Audited) (Million)	(Audited) (Million)	
USD	-	1	-	-	30.6316
EUR	11	4	11	1	40.5563
SGD	-	2	-	2	25.0340
RMB	3	1	3	3	4.9164

36. Commitments and contingent liabilities

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

36.1 Capital commitments

- 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.
- The Company and its subsidiaries (HHT Construction Company Limited, Muangthong Assets Company Limited, Nuvo Line Agency Company Limited and Kamkoong Property Company Limited) had outstanding commitments of approximately Baht 325 million in respect of agreements of consultation, design and construction projects.
- The Company had outstanding commitments with a subsidiary (HHT Construction Company Limited) approximately Baht 365 million in respect of renovation and development of golf course and construction in progress.
- 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.

- e) A subsidiary (BTSC) had capital commitments of Baht 40 million in respect of a change and improvement of signaling system for elevated train operation.
- f) A subsidiary (BTSC) had capital commitments of EUR 13 million, USD 1 million and Baht 39 million in respect of an acquisition of 35 elevated train carriages for extension of the existing carriages of the subsidiary and their transportation fees.
- g) 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.
- h) 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 24 million.
- i) A subsidiary (BTSC) has capital commitments of AUD 1 million in respect of the acquisition of spareparts for Automotic Farebox system.
- j) A subsidiary (BTS Assets Company Limited) had an outstanding commitment of Baht 15 million relating to building design services for the investment property.
- k) A subsidiary (Bangkok Smartcard System Company Limited) had outstanding commitments of RMB 5 million relating to development costs for common ticketing system.
- l) A subsidiary (Carrot Rewards Company Limited) entered into a contract for implementation and management the privileges card of the common ticketing system and installation of related equipment. 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.
- m) A subsidiary (VGI Global Media Public Company Limited) had capital commitments of approximately SGD 13 million and Baht 212 million, relating to the acquisition and installation of equipment.
- n) A subsidiary (Dnal Company Limited) had an outstanding commitment of Baht 255 million relating to the agreement to purchase and to sell of a building as discussed in Note 11 to the interim financial statements.

36.2 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.

36.3 Commitments under maintenance contract

On 30 December 2004, a subsidiary (BTSC) entered into a ten-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 three-month and nine-month periods ended 31 December 2012, the subsidiary paid the cost of maintenance and spare supply service fees amounting to Baht 53 million and Baht 144 million, respectively and EUR 0.5 million and EUR 1.4 million, respectively.

36.4 Service / long-term contract 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 three-month and nine-month periods ended 31 December 2012 amounted to approximately Baht 4 million and Baht 12 million, respectively.
- 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 three-month and nine-month periods ended 31 December 2012, the Company paid management fee amounted to Baht 3 million and 8 million, respectively.

- c) In 2009, a subsidiary (BTS Assets Company Limited) entered into the project awaiting development 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.
- d) A subsidiary (BTSC) had commitments of approximately Baht 201 million relating to its operations in the project under the agreements of the Bus Rapid Transit (BRT) project - Chong Nonsi to Sapan Krung Thep Line (Chong Nonsi - Ratchaphruek).
- e) In 2012, a subsidiary (BTSC) and The Krungthep Thanakom Co., Ltd. entered into an operation and maintenance contract for a mass transit system in Bangkok. The contract period is 30 years, running from 8 May 2012 to 2 May 2042. The total contract value over its 30-year term is not more than Baht 187,000 million (inclusive of VAT). As at 31 December 2012, BTSC had commitments relating to its operations under this contract of Baht 22 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 subsidiaries with royalty and hotel business management - related services. The subsidiaries are to pay service fees at a rate as stipulated in the agreements. The fees for the three-month and nine-month periods ended 31 December 2012 amounted to approximately Baht 5 million and Baht 11 million, respectively.
- g) The subsidiaries has committed to pay fees of HKD 1 million and Baht 315 million relating to other rental and service agreements.

36.5 Commitments under the concessions

The subsidiaries had outstanding commitments with respect to minimum guarantee under the concession agreements for managing and providing of advertising spaces in department stores, and other related agreements. Fees payable within next 12 months as from the date on the financial statements amounting to approximately Baht 609 million and RMB 2 million, while approximately Baht 748 million and RMB 11 million is payable within 2 and 5 years. These amounts will be adjusted in accordance with actual performance, based on certain rates stipulated in the agreements.

36.6 Other commitments

- a) 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.
- b) 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.

36.7 Guarantees

- a) There were bank guarantees of Baht 44 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.
- b) A subsidiary (BTSC) had outstanding bank guarantees issued by a bank on behalf of the subsidiary of Baht 42 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 200 million to The Krungthep Thanakom Co., Ltd. to guarantee a deposit received under the operation and maintenance contract for a mass transit system in Bangkok agreement. In addition, as at 31 December 2012, the subsidiary had Letter of Credit facilities from a local commercial bank of EUR 13 million and RMB 110 million in respect of acquisitions of elevated trains and elevated train carriages for its operation.

In addition, there were bank guarantees of SGD 9 million and Baht 187 million issued by a bank on behalf of subsidiaries in the normal courses of business.

36.8 Litigations

As at 31 December 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 11 to the interim 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 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.

Subsequently, on 29 November 2012, the Central Bankruptcy Court issued a receivership order for the subsidiary. The Comptroller in Bankruptcy will therefore conduct the lawsuit in place of the subsidiary.

- 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) The Company has been sued by an individual seeking damages amounting to approximately Baht 12 million for negligent violation of the regulations of a condominium for rent. Currently, the lawsuit is under consideration of the court of first instance. The Company believes that it will suffer no significant losses as a result of this litigation.

- e) 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.

36.9 Contingent liabilities

As at 31 December 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.

<u>Principal amount</u>	<u>Interest revenue rate in the agreement</u>	<u>Interest expense rate in the agreement</u>	<u>Fair value as at 31 December 2012</u>
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 3,047 million

(Unaudited but reviewed)

37. 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 three-month and nine-month periods ended 31 December 2012 and 2011 are as follows:

(Unit: Million Baht)

	For the three-month periods ended 31 December											
	Elevated mass transit system business		Service business		Real estate business		Construction service business		Elimination		Total	
	<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>	<u>2012</u>	<u>2011</u>
Revenues from external customers	1,259	1,076	1,263	916	203	66	8	-	-	-	2,733	2,058
Inter-segment revenues	1	-	75	134	-	-	(62)	218	(14)	(352)	-	-
Total revenues	<u>1,260</u>	<u>1,076</u>	<u>1,338</u>	<u>1,050</u>	<u>203</u>	<u>66</u>	<u>(54)</u>	<u>218</u>	<u>(14)</u>	<u>(352)</u>	<u>2,733</u>	<u>2,058</u>
Segment operating profit (loss)	586	477	622	471	58	26	3	(1)			1,269	973
Unallocated income and expenses:												
Interest income											19	10
Revenue from court-ordered compensation											-	11
Gain on sale of investments in subsidiaries											711	-
Gain on exchange											4	41
Other income											25	13
Selling and servicing expenses											(80)	(41)
Administrative expenses											(447)	(265)
Share of income from investments in associates											2	-
Finance cost											(231)	(357)
Corporate income tax											(100)	(37)
Profit for the period											1,172	348
Profit attributable to non-controlling interests of subsidiaries											(84)	(19)
Profit attributable to equity holders of the Company											<u>1,088</u>	<u>329</u>

(Unaudited but reviewed)

(Unit: Million Baht)

For the nine-month periods ended 31 December

	Elevated mass transit system business		Service business		Real estate business		Construction service business		Elimination		Total	
	<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>	<u>2012</u>	<u>2011</u>
	Revenues from external customers	3,632	3,120	3,459	2,411	297	221	9	74	-	-	7,397
Inter-segment revenues	1	-	276	461	-	-	99	1,024	(376)	(1,485)	-	-
Total revenues	3,633	3,120	3,735	2,872	297	221	108	1,098	(376)	(1,485)	7,397	5,826
Segment operating profit (loss)	1,773	1,467	1,777	1,261	85	76	3	(12)			3,638	2,792
Unallocated profit and expenses:												
Dividend income											2	-
Interest income											33	31
Reversal of allowance for diminution in value of civil works awaiting transfer											-	705
Revenue from court-ordered compensation											7	356
Gain on sale of investments in subsidiaries											1,000	-
Gain on exchange											-	30
Other income											54	35
Selling and servicing expenses											(176)	(135)
Administrative expenses											(1,096)	(771)
Loss on exchange											(8)	-
Share of income (loss) from investments in associates											3	(2)
Finance cost											(983)	(1,066)
Corporate income tax											(243)	(132)
Profit for the period											2,231	1,843
Profit attributable to non-controlling interests of subsidiaries											(142)	(96)
Profit attributable to equity holders of the Company											2,089	1,747

38. Infrastructure fund transaction

The Extraordinary General Meeting of Shareholders held on 18 December 2012 passed the following resolutions:

- a) Approved BTSC to sell the net farebox revenue that BTSC will receive from the operation of the core BTS SkyTrain system, covering the Sukhumvit Line and Silom Line with a combined track length of 23.5 km, under the concession agreement dated April 9, 1992 and its amendments entered into between the Bangkok Metropolitan Administration and BTSC for the remaining period of the Concession Agreement to the Fund (the “Net Revenue Sale Transaction”).

In addition, BTSC will also grant other rights and provide certain covenants or negative covenants to the Fund to be agreed upon under the Net Revenue Purchase and Transfer Agreement.

The selling price of the Net Farebox Revenue is expected to be approximately Baht 50,000 - 60,000 million, or may be higher. However, it shall not be lower than Baht 50,000 million. The final price of the Net Farebox Revenue will be agreed between BTSC and the Fund.

Moreover, it approved the entry into the relevant agreements or documents, and to authorise the Executive Committee or any person designated by the Executive Committee to take any action which is required and relevant to the Net Revenue Sale Transaction.

- b) Approved the Company to provide certain support and a limited guarantee to secure the obligations of BTSC owed to the Fund under the Net Revenue Purchase and Transfer Agreement to be entered into between BTSC and the Fund by entering into the Sponsor Support and Guarantee Agreement and to pledge the BTSC shares with the Fund and grant the Fund the right to purchase BTSC shares by entering into an agreement to sell and purchase the BTSC shares with the Fund to secure the obligations of the Company owed to the Fund under the Sponsor Support and Guarantee Agreement to be entered into between the Company and the Fund as well as to provide any additional security (with limited liability) to the Fund (the “Security Transaction”).

In addition, the Company will also grant other rights and provide certain covenants or negative covenants to the Fund to be agreed upon under the Sponsor Support and Guarantee Agreement, the Agreement to Sell and Purchase Shares and the Share Pledge Agreement.

Moreover, it approved the entry into the relevant agreements or documents, and to authorise the Executive Committee or any person designated by the Executive Committee to take any action which is required and relevant to the Security Transaction.

- c) Approved the Company to subscribe investment units of the Fund which will be offered for sale in a proposed public offering after the Office of the Security and Exchange Commission approves the establishment and management of the Fund, in an amount of one-third (or approximately 33.33%) of the total issued investment units of the Fund, amounting to an investment value of not less than Baht 16,667 million (the “Unit Subscription Transaction”), on the assumption that the minimum sale price of the Net Farebox Revenue is not less than Baht 50,000 million and the Fund does not take out any loan.

Moreover, it approved the entry into the relevant agreements or documents, and to authorise the Executive Committee or any person designated by the Executive Committee to take any action which is required and relevant to the Unit Subscription Transaction.

39. Events after the reporting period

- a) The Board of Directors of the Company held on 11 January 2013 passed a resolution to approve propose the payment of dividends of Baht 1,810 million (at a rate of Baht 0.163 per share) in respect of the Company’s net profit and retained earnings for the six-month period ended 30 September 2012.
- b) In January and February 2013, the holders of the convertible bonds exercised rights to convert Baht 490 million of bonds at a conversion price of Baht 5.12 and 5.00 per share. Such convertible bonds were thus converted to 96,078,122 ordinary shares of the Company with a par value of Baht 4 per share.
- c) On 4 January 2013, the meeting of BTSC’s Board of Directors No. 1/2013 passed a resolution to pay an interim dividend of Baht 1,285 million (at a rate of Baht 0.08 per share) in respect of BTSC’s past operating results to the shareholders. BTSC paid the interim dividend to the shareholders on 30 January 2013. The dividend will be recorded in the accounts in the next quarter.

(Unaudited but reviewed)

- d) On 29 January 2013, BTSC had prepared the memorandum with a local commercial bank for requesting a credit facility by issuing the promissory notes to the bank in amounting to Baht 10,000 million. The credit facility will be used for supporting the put option of the holders of long-term debentures as discussed in Note 25 to the interim financial statements. The promissory notes are subject to interest at a rate tied to the Minimum Loan Rate (MLR) minus a certain spread stipulated in the agreement, are secured by the pledged of the shares certificates amounted 153 million shares of the subsidiary (VGI Global Media Public Company Limited) with a local commercial bank as discussed in Note 8 to the interim financial statements. Interest is to be paid monthly and principal is to be repaid within 3 months from the drawdown date. As at 31 January 2013, BTSC has drawn down such facility of Baht 917 million.
- e) On 30 January 2013, BTSC had entered into short-term loan agreement in the form of promissory note with a local commercial bank amounting to Baht 650 million for using in the normal operation of BTSC. The loan is repayable not later than 1 month after draw down, not collateralised, and carries interest at 3.90% per annum.

40. Reclassification

Certain amounts in the consolidated comprehensive income statements for the three-month and nine-month periods ended 31 December 2011 have been reclassified to conform to the current period's classification, without any effect to the previously reported profit or shareholder's equity.

The reclassifications were as follows;

(Unit: Thousand Baht)

	For the three-month periods ended 31 December 2011	
	Consolidated financial statements	
	As reclassified	As previously reported
Service income	914,075	915,683
Other income	12,745	11,131
Cost of fare box	598,805	641,732
Cost of services	442,698	368,067
Selling and servicing expenses	41,305	41,538
Administrative expenses	265,001	296,490

(Unaudited but reviewed)

(Unit: Thousand Baht)

For the nine-month periods ended 31 December 2011

	Consolidated financial statements	
	As reclassified	As previously reported
Service income	2,414,114	2,410,591
Other income	34,513	38,036
Cost of fare box	1,652,796	1,748,338
Cost of services	1,153,630	970,457
Selling and servicing expenses	134,583	136,001
Administrative expenses	770,858	857,071

41. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 13 February 2013.