

BTS Group Holdings Public Company Limited
and its subsidiaries
Report and consolidated interim financial statements
for the three-month and six-month periods ended
30 September 2013

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 30 September 2013, the related consolidated statements of comprehensive income for the three-month and six-month periods ended 30 September 2013, and the related consolidated statements of changes in shareholders' equity, and cash flows for the six-month period then ended, as well as the condensed notes to the consolidated financial statements. I have also reviewed the separate financial information of BTS Group Holdings Public Company Limited for the same period. 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 review.

Scope of review

I conducted my review 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 review, 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 matters

I draw attention to the following matters:

- a) As discussed in Note 2 to the interim financial statements regarding the change in accounting policy as the result of adoption of Thai Accounting Standard 12 *Income Taxes*.
- b) As discussed in Note 9, Note 10, Note 11, and Note 24 to the interim financial statements regarding the Company's compliance with the rehabilitation plan, although the Central Bankruptcy Court issued an order terminating the plan on 14 November 2006, 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.
- c) As discussed in Note 39 to the interim financial statements, regarding the Infrastructure Fund transaction and the recognition of a gain on the transaction of Baht 13,498 million, the transaction is highly material to the financial statements and was not a regular transaction occurring in the normal course of business.

My conclusion is not qualified in respect of these matters.

Siraporn Ouaanunkun
Certified Public Accountant (Thailand) No.3844

Ernst & Young Office Limited
Bangkok: 8 November 2013

BTS Group Holdings Public Company Limited and its subsidiaries

Statement of financial position

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements			
	As at	As at	As at	As at	As at	As at	
	<u>Note</u>	<u>30 September 2013</u>	<u>31 March 2013</u>	<u>1 April 2012</u>	<u>30 September 2013</u>	<u>31 March 2013</u>	<u>1 April 2012</u>
	(Unaudited but reviewed)	(Audited) (Restated)		(Unaudited but reviewed)	(Audited) (Restated)		
Assets							
Current assets							
Cash and cash equivalents	4	7,021,806	3,513,282	1,333,240	1,744,977	1,628,918	453,132
Current investments	5	18,211,156	993,849	-	192,702	993,849	-
Bank account for advances from cardholders		109,940	78,882	1,142	-	-	-
Trade and other receivables	6	1,210,479	945,646	1,106,681	312,894	194,489	276,157
Unbilled receivables - related party		-	-	-	-	-	284,441
Consumable spare parts	7	29,558	29,153	92,956	-	-	-
Advances to contractors							
Related party	3	-	-	-	28,874	34,648	27,055
Unrelated parties		19,651	25,565	13,818	-	-	-
Short-term loans to related parties	3	-	-	-	126,500	111,500	18,500
Real estate development costs	8	2,740,407	3,510,307	3,349,068	647,068	670,896	778,395
Assets awaiting transfer under rehabilitation plan	10	68,299	73,009	73,027	68,299	68,309	68,327
Investments in subsidiaries awaiting transfer under rehabilitation plan	11	224,343	224,343	224,343	197,438	197,438	197,438
Accrued income		155,852	247,769	1,202,548	-	-	-
Prepaid expenses		87,091	137,553	127,991	6,353	7,168	7,440
Other current assets		307,968	315,914	342,853	75,961	44,609	37,075
		30,186,550	10,095,272	7,867,667	3,401,066	3,951,824	2,147,960
Non-current assets classified as held for sale	21	-	42,123,098	-	-	-	-
Total current assets		30,186,550	52,218,370	7,867,667	3,401,066	3,951,824	2,147,960

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

BTS Group Holdings Public Company Limited and its subsidiaries

Statement of financial position (continued)

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements			
	As at	As at	As at	As at	As at	As at	
	<u>Note</u>	<u>30 September 2013</u>	<u>31 March 2013</u>	<u>1 April 2012</u>	<u>30 September 2013</u>	<u>31 March 2013</u>	<u>1 April 2012</u>
		(Unaudited but reviewed)	(Audited) (Restated)		(Unaudited but reviewed)	(Audited) (Restated)	
Non-current assets							
Restricted deposits		31,897	88,527	323,834	30,000	81,644	321,493
Cash deposited as collateral for debt settlement	9	232,658	232,658	232,658	232,658	232,658	232,658
Loans to related parties	3	-	-	-	4,363,411	2,986,837	2,931,324
Investments in subsidiaries	12	-	-	-	42,465,648	42,442,850	42,777,903
Investments in associates	13	14,170,059	10,026	7,033	20,837,200	4,000	4,000
Other long-term investments	14	14,156,523	367,522	148,827	878,105	267,522	148,826
Project costs - elevated train system		-	-	45,144,218	-	-	-
Project costs - media	15	2,355,264	-	-	-	-	-
Reusable spare parts	7	21,939	22,403	81,231	-	-	-
Spare parts - maintenance contract		-	-	292,771	-	-	-
Land and projects awaiting development	16	263,225	-	2,676,340	-	-	-
Investment properties	17	3,060,425	2,867,629	2,461,013	1,496,270	1,139,354	1,226,078
Property, plant and equipment	18	10,553,108	9,590,801	6,039,193	371,883	244,590	67,877
Leasehold rights	19	81,928	81,473	90,025	10,293	7,308	10,800
Intangible assets	20	48,009	50,215	26,697	418	493	1,452
Retention receivable							
Related party	3	-	-	-	105,559	105,559	87,754
Unrelated parties		2,478	2,045	2,145	2,045	2,045	2,145
Goodwill		78,656	78,656	78,656	-	-	-
Deposit and advances for asset acquisitions	10	45,000	481,702	496,939	-	-	-
Advances to contractors		209	209	79,586	-	-	-
Accrued income	27	309,621	-	-	-	-	-
Rights of claim from acquisition of debts per rehabilitation plan	10	204,033	545,087	741,502	-	-	-
Deferred tax assets		41,893	259,843	1,316,467	98,330	185,472	353,087
Other non-current assets		391,097	393,761	98,542	10,000	10,258	10,201
Total non-current assets		<u>46,048,022</u>	<u>15,072,557</u>	<u>60,337,677</u>	<u>70,901,820</u>	<u>47,710,590</u>	<u>48,175,598</u>
Total assets		<u>76,234,572</u>	<u>67,290,927</u>	<u>68,205,344</u>	<u>74,302,886</u>	<u>51,662,414</u>	<u>50,323,558</u>

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

BTS Group Holdings Public Company Limited and its subsidiaries

Statement of financial position (continued)

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements			
	As at	As at	As at	As at	As at	As at	
	<u>Note</u>	<u>30 September 2013</u>	<u>31 March 2013</u>	<u>1 April 2012</u>	<u>30 September 2013</u>	<u>31 March 2013</u>	<u>1 April 2012</u>
	(Unaudited but reviewed)	(Audited (Restated))		(Unaudited but reviewed)	(Audited (Restated))		
Liabilities and shareholders' equity							
Current liabilities							
Bank overdraft and short-term loans from							
financial institutions	22	-	1,117,000	1,941,502	-	-	741,502
Trade and other payables	23	1,856,152	1,862,063	1,452,442	302,335	140,532	274,949
Advances received from cardholders		108,892	77,747	1,102	-	-	-
Accrued costs of construction							
Related party	3	-	-	-	2,763	6,957	90,415
Unrelated parties		144,208	152,322	351,908	3,819	4,706	10,768
Short-term loans from related party	3	-	-	-	7,759,290	-	98,000
Current portion of creditors per rehabilitation plan	24	747,618	745,356	745,356	747,618	745,356	745,356
Current portion of long-term loans	25	-	1,967,221	583,400	-	-	-
Current portion of long-term debentures	26	3,603,231	2,078,656	2,495,767	-	-	-
Advance received from employer - related party		-	-	-	-	-	41,745
Liability awaiting final court order	10	181,870	80,831	-	181,870	80,831	-
Unearned revenues		238,038	470,379	160,210	-	-	-
Fare box revenues awaiting transfer		160,464	95,054	137,674	-	-	-
Income tax payable		381,018	148,016	55,842	-	-	-
Short-term provision - related party	3, 28	45,600	-	-	-	-	-
Other current liabilities		474,934	227,233	412,806	201,583	30,131	27,941
Total current liabilities		7,942,025	9,021,878	8,338,009	9,199,278	1,008,513	2,030,676
Non-current liabilities							
Unearned revenues	3	560,231	-	-	-	-	-
Creditors per rehabilitation plan - net of current portion	24	49,571	51,853	52,074	49,571	51,853	52,074
Long-term loans - net of current portion	25	240,000	396,747	2,933,973	-	-	-
Long-term debentures - net of current portion	26	2,804,798	6,400,980	9,443,811	-	-	-
Convertible debentures - liability component		-	-	8,648,338	-	-	8,648,338
Retention payable							
Related party	3	-	-	-	56,014	51,627	92,392
Unrelated parties		59,975	68,019	127,515	7,154	6,011	6,092
Provision for long-term employee benefits	27	516,911	481,714	400,178	22,959	21,296	25,987
Long-term provision - related party	3, 28	1,017,091	-	-	-	-	-
Deferred tax liabilities		2,933,243	360,841	115,510	-	-	-
Other non-current liabilities		7,033	7,181	12,727	-	-	-
Total non-current liabilities		8,188,853	7,767,335	21,734,126	135,698	130,787	8,824,883
Total liabilities		16,130,878	16,789,213	30,072,135	9,334,976	1,139,300	10,855,559

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

BTS Group Holdings Public Company Limited and its subsidiaries

Statement of financial position (continued)

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements			
	As at	As at	As at	As at	As at	As at	
	<u>Note</u>	<u>30 September 2013</u>	<u>31 March 2013</u>	<u>1 April 2012</u>	<u>30 September 2013</u>	<u>31 March 2013</u>	<u>1 April 2012</u>
		(Unaudited but reviewed)	(Audited (Restated))		(Unaudited but reviewed)	(Audited (Restated))	
Shareholders' equity							
Share capital	29						
Registered							
11,986,444,024 ordinary shares of Baht 4 each (1 April 2012: 74,815,275,124 ordinary shares of Baht 0.64 each)		<u>47,945,776</u>	<u>47,945,776</u>	<u>47,881,776</u>	<u>47,945,776</u>	<u>47,945,776</u>	<u>47,881,776</u>
Issued and fully paid							
11,526,205,219 ordinary shares of Baht 4 each (31 March 2013: 11,106,634,594 ordinary shares of Baht 4 each) (1 April 2012: 57,188,274,676 ordinary shares of Baht 0.64 each)		46,104,821	44,426,538	36,600,496	46,104,821	44,426,538	36,600,496
Share premium	29	1,643,397	1,486,058	350,730	1,643,397	1,486,058	350,730
Share subscriptions received in advance	30	1,364,121	1,295,600	-	1,364,121	1,295,600	-
Deficit on business combination under common control		(3,371,978)	(3,371,978)	(3,371,978)	(4,656,262)	(4,812,209)	(3,371,978)
Surplus on swap of investment in subsidiary under common control		-	-	-	250,065	250,065	175,065
Surplus (deficit) from the changes in the ownership interests in subsidiaries		3,916,146	3,357,495	(123,129)	-	-	-
Retained earnings							
Appropriated - statutory reserve		1,759,954	1,750,523	1,476,048	658,869	649,538	376,048
Retained earnings (deficit)		2,997,004	(4,021,674)	(1,834,494)	18,220,099	5,829,948	3,969,577
Other components of shareholders' equity		<u>3,649,301</u>	<u>3,663,498</u>	<u>3,340,706</u>	<u>1,382,800</u>	<u>1,397,576</u>	<u>1,368,061</u>
Equity attributable to owners of the Company		<u>58,062,766</u>	<u>48,586,060</u>	<u>36,438,379</u>	<u>64,967,910</u>	<u>50,523,114</u>	<u>39,467,999</u>
Non-controlling interest of the subsidiaries		<u>2,040,928</u>	<u>1,915,654</u>	<u>1,694,830</u>	-	-	-
Total shareholders' equity		<u>60,103,694</u>	<u>50,501,714</u>	<u>38,133,209</u>	<u>64,967,910</u>	<u>50,523,114</u>	<u>39,467,999</u>
Total liabilities and shareholders' equity		<u>76,234,572</u>	<u>67,290,927</u>	<u>68,205,344</u>	<u>74,302,886</u>	<u>51,662,414</u>	<u>50,323,558</u>
		-	-	-	-	-	-

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

Directors

BTS Group Holdings Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 30 September 2013

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

	Note	Consolidated financial statements		Separate financial statements	
		2013	2012	2013	2012
Continued operation					
Profit or loss:					
Revenues					
Service income	31	1,521,954	1,184,012	26,074	23,103
Revenues from sales of real estate		660,543	31,348	25,777	31,348
Revenues from construction services		-	712	14,468	-
Other income					
Management income		-	-	11,850	11,940
Dividend income		-	1,427	16,750,432	645,510
Interest income		321,388	5,737	49,891	18,500
Revenue from court ordered compensation		-	7,148	-	-
Gain on sales of investments in subsidiaries		-	289,037	31,792	-
Gain on sales of assets	10	379,840	-	379,840	-
Others		9,518	11,239	17,897	3,594
Total revenues		2,893,243	1,530,660	17,308,021	733,995
Expenses					
Cost of services		709,023	549,701	17,516	15,935
Cost of sales of real estate		408,579	21,178	14,088	22,378
Cost of construction services		-	338	14,468	-
Selling and servicing expenses		97,258	32,057	5,213	4,896
Administrative expenses		364,517	239,823	91,436	79,630
Total expenses		1,579,377	843,097	142,721	122,839
Profit before share of profit from investments					
in associates, finance cost and income tax expenses					
Share of profit from investments in associates		1,313,866	687,563	17,165,300	611,156
		176,204	892	-	-
Profit before finance cost and income tax expenses		1,490,070	688,455	17,165,300	611,156
Finance cost	32	(173,887)	(378,174)	(150,568)	(156,720)
Profit before income tax expenses		1,316,183	310,281	17,014,732	454,436
Income tax expenses	33	(215,872)	(301,762)	(47,068)	44,441
Profit from continued operation for the period		1,100,311	8,519	16,967,664	498,877
Discontinued operation					
Profit from discontinued operation for the period	21	-	509,555	-	-
Profit for the period		1,100,311	518,074	16,967,664	498,877
Other comprehensive income:					
Exchange differences on translation of financial statements					
in foreign currency		296	(175)	-	-
Gain (loss) on changes in value of available-for-sale investments		(27,366)	24,309	(27,366)	24,309
Other comprehensive income for the period		(27,070)	24,134	(27,366)	24,309
Total comprehensive income for the period		1,073,241	542,208	16,940,298	523,186

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

BTS Group Holdings Public Company Limited and its subsidiaries
Statement of comprehensive income (continued)
For the three-month period ended 30 September 2013

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

Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Profit attributable to:				
Equity holders of the Company				
Profit (loss) from continued operation	959,101	(7,101)	16,967,664	498,877
Profit from discontinued operation	-	491,399	-	-
	<u>959,101</u>	<u>484,298</u>	<u>16,967,664</u>	<u>498,877</u>
Non-controlling interests of the subsidiaries				
Profit from continued operation	141,210	15,620		
Profit from discontinued operation	-	18,156		
	<u>141,210</u>	<u>33,776</u>		
	<u>1,100,311</u>	<u>518,074</u>		
Total comprehensive income attributable to:				
Equity holders of the Company				
Total comprehensive income from continued operation	932,031	17,033	16,940,298	523,186
Total comprehensive income from discontinued operation	-	491,399	-	-
	<u>932,031</u>	<u>508,432</u>	<u>16,940,298</u>	<u>523,186</u>
Non-controlling interests of the subsidiaries				
Total comprehensive income from continued operation	141,210	15,620		
Total comprehensive income from discontinued operation	-	18,156		
	<u>141,210</u>	<u>33,776</u>		
	<u>1,073,241</u>	<u>542,208</u>		
Earnings per share				
34				
Basic earnings per share				
Profit attributable to equity holders of the Company	<u>0.08309</u>	<u>0.05215</u>	<u>1.47001</u>	<u>0.05372</u>
Diluted earnings per share				
Profit attributable to equity holders of the Company	<u>0.08181</u>	<u>0.05124</u>	<u>1.44729</u>	<u>0.05278</u>
Earnings per share from continued operation				
34				
Basic earnings per share				
Profit (loss) attributable to equity holders of the Company	<u>0.08309</u>	<u>(0.00076)</u>	<u>1.47001</u>	<u>0.05372</u>
Diluted earnings per share				
Profit attributable to equity holders of the Company	<u>0.08181</u>		<u>1.44729</u>	<u>0.05278</u>

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

BTS Group Holdings Public Company Limited and its subsidiaries
Statement of comprehensive income
For the six-month period ended 30 September 2013

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

	Note	Consolidated financial statements		Separate financial statements	
		2013	2012	2013	2012
Continued operation					
Profit or loss:					
Revenues					
Service income	31	2,992,371	2,195,591	51,507	46,652
Revenues from sales of real estate		1,417,908	93,547	43,977	93,547
Revenues from construction services		1,555	1,073	14,468	43,340
Other income					
Management income		-	-	23,700	23,880
Dividend income		2,849	1,847	16,753,281	645,930
Interest income		601,881	13,325	94,643	41,001
Revenue from court-ordered compensation		-	7,148	-	-
Gain on sales of investments in subsidiaries	12	-	289,037	456,792	-
Gain on sale of future net fare box revenues	39	13,497,581	-	-	-
Gain on sales of assets	10	379,840	-	379,840	-
Others		44,365	29,465	32,283	15,801
Total revenues		18,938,350	2,631,033	17,850,491	910,151
Expenses					
Cost of services		1,417,127	1,040,362	35,039	34,480
Cost of sales of real estate		870,537	68,799	26,401	71,264
Cost of construction services		78	629	14,468	37,428
Selling and servicing expenses		225,868	81,562	8,945	11,515
Administrative expenses		668,443	461,005	160,416	138,912
Total expenses		3,182,053	1,652,357	245,269	293,599
Profit before share of profit from investments					
in associates, finance cost and income tax expenses		15,756,297	978,676	17,605,222	616,552
Share of profit from investments in associates		302,017	868	-	-
Profit before finance cost and income tax expenses		16,058,314	979,544	17,605,222	616,552
Finance cost	32	(366,405)	(751,069)	(357,708)	(312,323)
Profit before income tax expenses		15,691,909	228,475	17,247,514	304,229
Income tax expenses	33	(3,256,644)	(397,022)	(93,234)	79,093
Profit (loss) from continued operation for the period		12,435,265	(168,547)	17,154,280	383,322
Discontinued operation					
Profit from discontinued operation for the period	21	30,376	973,126	-	-
Profit for the period		12,465,641	804,579	17,154,280	383,322
Other comprehensive income:					
Exchange differences on translation of financial statements					
in foreign currency		579	140	-	-
Gain (loss) on changes in value of available-for-sale investments		(24,372)	27,920	(24,372)	27,920
Other comprehensive income for the period		(23,793)	28,060	(24,372)	27,920
Total comprehensive income for the period		12,441,848	832,639	17,129,908	411,242

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

BTS Group Holdings Public Company Limited and its subsidiaries
Statement of comprehensive income (continued)
For the six-month period ended 30 September 2013

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

Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Profit attributable to:				
Equity holders of the Company				
Profit (loss) from continued operation	11,753,302	(181,400)	17,154,280	383,322
Profit from discontinued operation	29,605	938,483	-	-
	<u>11,782,907</u>	<u>757,083</u>	<u>17,154,280</u>	<u>383,322</u>
Non-controlling interests of the subsidiaries				
Profit from continued operation	681,963	12,853		
Profit from discontinued operation	771	34,643		
	<u>682,734</u>	<u>47,496</u>		
	<u>12,465,641</u>	<u>804,579</u>		
Total comprehensive income attributable to:				
Equity holders of the Company				
Total comprehensive income from continued operation	11,729,509	(153,340)	17,129,908	411,242
Total comprehensive income from discontinued operation	29,605	938,483	-	-
	<u>11,759,114</u>	<u>785,143</u>	<u>17,129,908</u>	<u>411,242</u>
Non-controlling interests of the subsidiaries				
Total comprehensive income from continued operation	681,963	12,853		
Total comprehensive income from discontinued operation	771	34,643		
	<u>682,734</u>	<u>47,496</u>		
	<u>12,441,848</u>	<u>832,639</u>		
Earnings per share				
34				
Basic earnings per share				
Profit attributable to equity holders of the Company	<u>1.02671</u>	<u>0.08208</u>	<u>1.49475</u>	<u>0.04156</u>
Diluted earnings per share				
Profit attributable to equity holders of the Company	<u>1.00800</u>	<u>0.08083</u>	<u>1.46751</u>	<u>0.04093</u>
Earnings per share from continued operation				
34				
Basic earnings per share				
Profit (loss) attributable to equity holders of the Company	<u>1.02413</u>	<u>(0.01967)</u>	<u>1.49475</u>	<u>0.04156</u>
Diluted earnings per share				
Profit attributable to equity holders of the Company	<u>1.00547</u>		<u>1.46751</u>	<u>0.04093</u>

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 statement****For the six-month period ended 30 September 2013**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Cash flows from operating activities				
Profit before tax	15,691,909	228,475	17,247,514	304,229
<u>Plus</u> Profit before tax from discontinued operation	<u>30,376</u>	<u>973,126</u>	<u>-</u>	<u>-</u>
Profit before tax	15,722,285	1,201,601	17,247,514	304,229
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	237,397	837,076	30,864	34,971
Unrealised loss on exchange	28,528	13,809	-	-
Share gain from investments in associates	(302,017)	(868)	-	-
Amortisation of deferred debenture issuing costs	9,693	15,700	-	-
Amortisation of withholding tax	72	-	72	-
Unearned revenue recognition	(16,876)	-	-	-
Provision for long-term employee benefits	19,295	29,719	1,663	1,719
Amortisation of liability component of convertible debentures	-	151,615	-	151,615
Amortisation of letter of credit fee for convertible debentures	-	75,469	-	75,469
Doubtful debts	777	228	1,161	10,179
Revenue from court ordered compensation	-	(7,148)	-	-
Gain on disposal of investments in subsidiaries	(21,193)	(289,037)	(456,792)	-
Gain on sales of current investments	(51)	-	-	-
Unrealised gain on changes in value of current investments in trading securities	(46)	-	-	-
Gain on sale of net future fare box revenues	(13,497,581)	-	-	-
Gain on sales of assets	(379,840)	-	(379,840)	-
Dividend income	(2,849)	(1,847)	(16,753,281)	(645,930)
Share-based payment transaction	9,596	4,424	1,419	1,150
Interest income	(601,881)	(13,325)	(94,643)	(41,001)
Interest expenses	325,856	508,260	326,459	85,239
Profit (loss) from operating activities before changes in operating assets and liabilities	1,531,165	2,525,676	(75,404)	(22,360)

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 statement (continued)****For the six-month period ended 30 September 2013**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Decrease (increase) in operating assets				
Bank account for advance from cardholders	(31,059)	(50,361)	-	-
Trade and other receivables	(82,402)	239,635	(38,769)	(41,635)
Unbilled receivables	-	-	-	183,698
Spare parts	(595)	(1,239)	-	-
Real estate development costs	769,900	(366,087)	23,827	63,297
Advances to contractors	5,914	48,817	5,774	(19,941)
Other current assets	157,109	(73,382)	(49,586)	7,712
Other non-current assets	(546)	(321,623)	260	(7,936)
Increase (decrease) in operating liabilities				
Trade and other payables	50,922	1,810	19,410	(100,698)
Advance from cardholders	31,146	49,616	-	-
Accrued costs of construction	(8,114)	(89,707)	(5,081)	(46,764)
Advances received from employers	-	-	-	(35,673)
Retention payable	(14,496)	(47,321)	5,530	3,933
Unearned revenues	(269,225)	160,678	-	-
Fare box revenues awaiting transfer	65,410	(17,607)	-	-
Provision for long-term employee benefits	-	(8,157)	-	(6,930)
Other current liabilities	<u>208,831</u>	<u>86,122</u>	<u>171,548</u>	<u>2,773</u>
Cash from (used in) operating activities	2,413,960	2,136,870	57,509	(20,524)
Cash paid for interest expenses	(279,078)	(606,469)	(6,442)	(83,177)
Cash paid for corporate income tax	(261,758)	(136,992)	(9,051)	(7,238)
Cash received for corporate income tax	28,026	26,497	28,026	-
Cash received for interest income	<u>418,674</u>	<u>13,715</u>	<u>18,548</u>	<u>3,624</u>
Net cash from (used in) operating activities	<u>2,319,824</u>	<u>1,433,621</u>	<u>88,590</u>	<u>(107,315)</u>

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

BTS Group Holdings Public Company Limited and its subsidiaries**Cash flow statement (continued)****For the six-month period ended 30 September 2013**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Cash flows from investing activities				
Decrease (increase) in current investments	(17,217,210)	-	801,147	-
Decrease in restricted deposits	56,629	34,862	51,645	39,879
Increase in short-term loans to related parties	-	-	(15,000)	(54,000)
Increase in loans to related parties	-	-	(1,775,588)	(1,389,300)
Cash received from loan to related parties	-	-	398,804	1,812,568
Interest income	-	-	13,293	11,412
Decrease (increase) in rights of claim from acquisition of debts per rehabilitation plan	341,054	(74,629)	-	-
Cash received from sales of investments in subsidiaries	642,858	1,505,906	642,858	-
Cash paid for purchases of investments in subsidiary	(52,917)	-	(52,917)	-
Cash paid for purchase of investments in associated company	(20,833,200)	-	(20,833,200)	-
Cash paid for purchases of other long-term investments	(13,819,465)	-	(641,047)	-
Dividend received	229,242	1,847	16,543,646	644,503
Increase in elevated rail project costs	-	(142,521)	-	-
Cash paid for purchases of property, plant and equipment	(786,344)	(362,830)	(127,597)	(84,243)
Cash received from sales of property, plant and equipment	2,249	2,072	-	91
Cash paid for purchases of investment properties	(585,407)	(21)	(500,015)	(21)
Cash received from sales of investment properties	501,410	10,540	501,410	10,540
Cash paid for purchase of leasehold rights	(4,730)	-	(4,730)	-
Cash paid for purchases of intangible assets	(3,298)	(6,698)	(189)	(14)
Cash received from sale of future net fare box revenues	61,399,000	-	-	-
Cash paid for expenses of sale of future net fare box revenues	(36,391)	-	-	-
Net cash from (used in) investing activities	9,833,480	968,528	(4,997,480)	991,415
Cash flows from financing activities				
Increase in short-term loans from financial institutions	20,833,200	1,301,629	20,833,200	71,628
Cash paid for short-term loans from financial institutions	(21,950,200)	(430,000)	(20,833,200)	-
Increase in long-term loans from financial institution	99,000	237,832	-	-
Cash paid for long-term loans from financial institution	(2,222,968)	-	-	-
Increase in short-term loans from related party	-	-	22,953,200	111,100
Cash paid for short-term loans from related party	-	-	(15,193,910)	(600)
Cash received from exercised warrants	1,904,047	-	1,904,047	-
Cash paid for long-term debentures	(2,081,300)	(2,500,000)	-	-
Increase in liability awaiting final court order	101,039	-	101,039	-
Dividend paid	(4,739,427)	(1,371,495)	(4,739,427)	(1,371,495)
Dividend paid of subsidiaries to non-controlling interest of subsidiaries	(588,750)	(46,204)	-	-
Net cash from (used in) financing activities	(8,645,359)	(2,808,238)	5,024,949	(1,189,367)
Increase in translation adjustment	579	213	-	-
Net increase (decrease) in cash and cash equivalents	3,508,524	(405,876)	116,059	(305,267)
Cash and cash equivalents at beginning of the period	3,513,282	1,333,240	1,628,918	453,132
Cash and cash equivalents at end of the period	7,021,806	927,364	1,744,977	147,865
	-	-	-	-
Supplemental cash flow information				
Non-cash transactions				
Debenture conversion to ordinary shares	-	2,365,193	-	2,365,193
Transfer advances for acquisitions of assets to property, plant and equipment	424,737	5,761	-	-
Transfer investment properties to land and projects awaiting development	263,225	-	-	-
Transfer project costs - elevated train system to project costs - media	2,371,447	-	-	-
Transfer advances for asset acquisitions to project costs - elevated train system	-	13,707	-	-
Net increase (decrease) in liability of purchase of equipment	(46,658)	3,802	7,012	13,638

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

(Unaudited but reviewed)

BTS Group Holdings Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the six-month period ended 30 September 2013

(Unit: Thousand Baht)

Consolidated financial statements																			
Equity attributable to owners of the Company																			
Other components of equity																			
Other comprehensive income																			
Share premium																			
Issued and paid-up share capital	Share premium	Share subscription received in advance	Deficit on business combination under common control	Surplus (deficit) from the change in the ownership interests in subsidiaries	Retained earnings (deficit)		Translation adjustment	Revaluation surplus (deficit) on value of investments		Convertible debentures - equity component	Surplus on debenture conversion	Capital reserve on consolidation	on sales of company's subsidiaries	Capital reserve for share-based transaction	Total other components of equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total	
					Appropriated	Unappropriated		Revaluation surplus	Revaluation surplus (deficit) on changes in value of investments										
Balance as at 1 April 2012 - as previously reported	36,600,496	350,730	-	(3,371,978)	(123,129)	1,476,048	(3,508,627)	(133,837)	2,619,804	5,105	1,356,597	-	2,685	8,526	7,380	3,866,260	35,289,800	1,642,452	36,932,252
Cumulative effect of change in accounting policy for deferred tax (Note 2)	-	-	-	-	-	-	1,674,133	-	(524,533)	(1,021)	-	-	-	-	-	(525,554)	1,148,579	52,378	1,200,957
Balance as at 1 April 2012 - as restated	36,600,496	350,730	-	(3,371,978)	(123,129)	1,476,048	(1,834,494)	(133,837)	2,095,271	4,084	1,356,597	-	2,685	8,526	7,380	3,340,706	36,438,379	1,694,830	38,133,209
Debtenture conversion to ordinary shares	2,066,412	298,781	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,365,193	-	2,365,193
Dividend paid (Note 35)	-	-	-	-	-	-	(1,379,478)	-	-	-	-	-	-	-	-	-	(1,379,478)	-	(1,379,478)
Dividend paid to non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(46,204)	(46,204)
Sales of investment in subsidiary	-	-	-	-	-	-	-	(15,274)	-	-	-	-	-	-	-	(15,274)	(15,274)	-	(15,274)
Surplus on debenture conversion	-	-	-	-	-	-	-	-	-	(359,091)	359,091	-	-	-	-	-	-	-	-
Share-based payment transaction	-	-	-	-	-	-	-	-	-	-	-	-	-	7,808	7,808	7,808	-	-	7,808
Retained earnings transferred to statutory reserve	-	-	-	-	-	985	(985)	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period (restated)	-	-	-	-	-	-	757,083	140	-	27,920	-	-	-	-	-	28,060	785,143	47,496	832,639
Balance as at 30 September 2012 - as restated	<u>38,666,908</u>	<u>649,511</u>	<u>-</u>	<u>(3,371,978)</u>	<u>(123,129)</u>	<u>1,477,033</u>	<u>(2,457,874)</u>	<u>(133,697)</u>	<u>2,079,997</u>	<u>32,004</u>	<u>997,506</u>	<u>359,091</u>	<u>2,685</u>	<u>8,526</u>	<u>15,188</u>	<u>3,361,300</u>	<u>38,201,771</u>	<u>1,696,122</u>	<u>39,897,893</u>
Balance as at 1 April 2013 - as previously reported	44,426,538	1,486,058	1,295,600	(3,371,978)	3,357,495	1,750,523	(4,506,402)	(121,976)	2,970,860	23,801	-	1,356,597	2,685	8,526	21,937	4,262,430	48,700,264	1,902,448	50,602,712
Cumulative effect of change in accounting policy for deferred tax (Note 2)	-	-	-	-	-	-	484,728	-	(594,172)	(4,760)	-	-	-	-	-	(598,932)	(114,204)	13,206	(100,998)
Balance as at 1 April 2013 - as restated	44,426,538	1,486,058	1,295,600	(3,371,978)	3,357,495	1,750,523	(4,021,674)	(121,976)	2,376,688	19,041	-	1,356,597	2,685	8,526	21,937	3,663,498	48,586,060	1,915,654	50,501,714
Exercised warrants (Note 29)	1,678,283	157,339	(1,835,526)	-	-	-	-	-	-	-	-	-	-	-	-	-	96	-	96
Share subscription received in advance (Note 30)	-	-	1,904,047	-	-	-	-	-	-	-	-	-	-	-	-	-	1,904,047	-	1,904,047
Dividend paid (Note 35)	-	-	-	-	-	-	(4,754,798)	-	-	-	-	-	-	-	-	-	(4,754,798)	-	(4,754,798)
Dividend paid to non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(588,750)	(588,750)
Purchases of investments in subsidiary (Note 12)	-	-	-	-	(49,967)	-	-	-	-	-	-	-	-	-	-	-	(49,967)	(2,950)	(52,917)
Sales of investments in subsidiary (Note 12)	-	-	-	-	608,618	-	-	-	-	-	-	-	-	-	-	-	608,618	34,240	642,858
Share-based payment transaction	-	-	-	-	-	-	-	-	-	-	-	-	-	9,596	9,596	9,596	-	-	9,596
Retained earnings transferred to statutory reserve	-	-	-	-	-	9,431	(9,431)	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	11,782,907	579	-	(24,372)	-	-	-	-	-	(23,793)	11,759,114	682,734	12,441,848
Balance as at 30 September 2013	<u>46,104,821</u>	<u>1,643,397</u>	<u>1,364,121</u>	<u>(3,371,978)</u>	<u>3,916,146</u>	<u>1,759,954</u>	<u>2,997,004</u>	<u>(121,397)</u>	<u>2,376,688</u>	<u>(5,331)</u>	<u>-</u>	<u>1,356,597</u>	<u>2,685</u>	<u>8,526</u>	<u>31,533</u>	<u>3,649,301</u>	<u>58,062,766</u>	<u>2,040,928</u>	<u>60,103,694</u>

The accompanying notes are an integral part of financial statements.

(Unaudited but reviewed)

BTS Group Holdings Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the six-month period ended 30 September 2013

(Unit: Thousand Baht)

	Separate financial statements												
								Other components of equity					
								Other comprehensive income					Total
	Issued and paid-up	Share	Share subscription	Deficit on	Surplus on	Retained earnings		Revaluation	Convertible	Surplus on	Capital reserve for	Total other	Total
share capital	premium	received	combination under	swap of investment	Appropriated	Unappropriated	surplus (deficit) on	debentures -	debenture	share-based	components of	shareholders'	shareholders'
		in advance	common control	in subsidiary under	common control		changes in	equity component	conversion	payment	equity	equity	
Balance as at 1 April 2012 - as previously reported	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
Cumulative effect of change in accounting policy for													
deferred tax (Note 2)	-	-	-	-	-	-	354,108	(1,021)	-	-	-	(1,021)	353,087
Balance as at 1 April 2012 - as restated	36,600,496	350,730	-	(3,371,978)	175,065	376,048	3,969,577	4,084	1,356,597	-	7,380	1,368,061	39,467,999
Debt conversion to ordinary shares	2,066,412	298,781	-	-	-	-	-	-	-	-	-	-	2,365,193
Surplus on debt conversion	-	-	-	-	-	-	-	-	(359,091)	359,091	-	-	-
Dividend paid (Note 35)	-	-	-	-	-	-	(1,379,478)	-	-	-	-	-	(1,379,478)
Share-based payment transaction	-	-	-	-	-	-	-	-	-	-	7,808	7,808	7,808
Total comprehensive income for the period (restated)	-	-	-	-	-	-	383,322	27,920	-	-	-	27,920	411,242
Balance as at 30 September 2012 - as restated	<u>38,666,908</u>	<u>649,511</u>	<u>-</u>	<u>(3,371,978)</u>	<u>175,065</u>	<u>376,048</u>	<u>2,973,421</u>	<u>32,004</u>	<u>997,506</u>	<u>359,091</u>	<u>15,188</u>	<u>1,403,789</u>	<u>40,872,764</u>
Balance as at 1 April 2013 - as previously reported	44,426,538	1,486,058	1,295,600	(4,812,209)	250,065	649,538	5,639,716	23,801	-	1,356,597	21,938	1,402,336	50,337,642
Cumulative effect of change in accounting policy for													
deferred tax (Note 2)	-	-	-	-	-	-	190,232	(4,760)	-	-	-	(4,760)	185,472
Balance as at 1 April 2013 - as restated	44,426,538	1,486,058	1,295,600	(4,812,209)	250,065	649,538	5,829,948	19,041	-	1,356,597	21,938	1,397,576	50,523,114
Exercised warrants (Note 29)	1,678,283	157,339	(1,835,526)	-	-	-	-	-	-	-	-	-	96
Share subscription received in advance (Note 30)	-	-	1,904,047	-	-	-	-	-	-	-	-	-	1,904,047
Dividend paid (Note 35)	-	-	-	-	-	-	(4,754,798)	-	-	-	-	-	(4,754,798)
Sales of investments in subsidiary (Note 12)	-	-	-	155,947	-	-	-	-	-	-	-	-	155,947
Share-based payment transaction	-	-	-	-	-	-	-	-	-	-	9,596	9,596	9,596
Retained earnings transferred to statutory reserve	-	-	-	-	-	9,331	(9,331)	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	17,154,280	(24,372)	-	-	-	(24,372)	17,129,908
Balance as at 30 September 2013	<u>46,104,821</u>	<u>1,643,397</u>	<u>1,364,121</u>	<u>(4,656,262)</u>	<u>250,065</u>	<u>658,869</u>	<u>18,220,099</u>	<u>(5,331)</u>	<u>-</u>	<u>1,356,597</u>	<u>31,534</u>	<u>1,382,800</u>	<u>64,967,910</u>

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 six-month periods ended 30 September 2013

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 provision of operating services under operating and maintenance service agreement of extension to the core network, 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 (“the Group”) and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 March 2013. However, on 27 May 2013, the Board of Directors of the Company approved the write off of investment in Sampaopetch Company Limited, as discussed in Note 12 to the interim financial statements. The Company has excluded the financial statements of Sampaopetch Company Limited from the consolidated financial statements since 27 May 2013.

1.4 New accounting standards

Below is a summary of accounting standards that became effective in the current accounting period and those that will become effective in the future.

(a) Accounting standards that became effective in the current accounting period

Accounting standards:

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

Financial Reporting Standard:

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

Accounting Standard Interpretations:

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

Accounting Treatment Guidance for Transfers of Financial Assets

These accounting standards, financial reporting standard, accounting standard interpretations and accounting treatment guidance do not have any significant impact on the financial statements, except for the following accounting standard.

TAS 12 *Income Taxes*

This accounting standard requires an entity to identify temporary differences between the carrying amount of an asset or liability in the statement of financial position and its tax base and recognise the tax effects as deferred tax assets or liabilities subjecting to certain recognition criteria. The Company and its subsidiaries have changed this accounting policy in the first quarter of current year and restated the prior year's financial statements, presented as comparative information, as though the Company and its subsidiaries had initially recognised the tax effects as deferred tax assets or liabilities. The cumulative effect of this change in accounting policy has been presented in Note 2 to the interim financial statements.

(b) Accounting standards that will become effective in the future

	<u>Effective date</u>
Accounting Standard:	
TAS 12 (revised 2012) Income taxes	1 January 2014
Financial Reporting Standard:	
TFRS 4 Insurance Contracts	1 January 2016
Accounting Standard Interpretations:	
TSIC 15 Operating Leases - Incentives	1 January 2014
TSIC 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease	1 January 2014
TSIC 29 Service Concession Arrangements: Disclosures	1 January 2014
TSIC 32 Intangible Assets - Web Site Costs	1 January 2014
Financial Reporting Standard Interpretations:	
TFRIC 1 Changes in Existing Decommissioning, Restoration and Similar Liabilities	1 January 2014
TFRIC 4 Determining whether an Arrangement contains a Lease	1 January 2014
TFRIC 5 Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	1 January 2014
TFRIC 7 Applying the Restatement Approach under TAS 29 <i>Financial Reporting in Hyperinflationary Economies</i>	1 January 2014
TFRIC 10 Interim Financial Reporting and Impairment	1 January 2014
TFRIC 12 Service Concession Arrangements	1 January 2014
TFRIC 13 Customer Loyalty Programmes	1 January 2014
TFRIC 17 Distributions of Non-cash Assets to Owners	1 January 2014
TFRIC 18 Transfers of Assets from Customers	1 January 2014

The management of the Company has assessed the effect of the above accounting standard, financial reporting standard, accounting standard interpretations and financial reporting standard interpretations and believes that they are not relevant to the business of the Company, except TAS 12 (revised 2012), TSIC 29, TFRIC 1, TFRIC 10, TFRIC 12 and TFRIC 13, for which the management is still evaluating the first-year impact to the financial statements and has yet to reach a conclusion.

1.5 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 2013, except for the change in the accounting policies due to the adoption of TAS 12 *Income Taxes* as follow:

Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

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

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company recognise deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Company review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

2. Cumulative effect of the change in accounting policies due to the adoption of new accounting standard

During the first quarter of current year, the Company and its subsidiaries made the change described in Note 1.4 to the interim financial statements to its significant accounting policies, as a result of the adoption of TAS 12 *Income Taxes*. The cumulative effect of the change in the accounting policies has been separately presented in the statements of changes in shareholders' equity.

The amounts of adjustments affecting the statements of financial position and the statements of comprehensive income are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements		
	As at	As at	As at	As at	As at	As at
	30 September	31 March	1 April	30 September	31 March	1 April
	2013	2013	2012	2013	2013	2012
Statements of financial position						
Increase in deferred tax assets	41,893	259,843	1,316,467	98,330	185,472	353,087
Increase in deferred tax liabilities	2,933,243	360,841	115,510	-	-	-
Increase (decrease) in non-controlling interests of the subsidiaries	(89,025)	13,206	52,378	-	-	-
Increase (decrease) in revaluation surplus on changes in value of investments	1,332	(4,760)	(1,021)	1,332	(4,760)	(1,021)
Decrease in revaluation surplus on assets	(594,172)	(594,172)	(524,533)	-	-	-
Increase (decrease) in unappropriated retained earnings	(2,209,485)	484,728	1,674,133	96,998	190,232	354,108

(Unit: Thousand Baht)

	For the three-month periods ended 30 September			
	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Statements of comprehensive income				
Profit or loss:				
Increase (decrease) in income tax	32,151	214,211	47,068	(44,441)
Decrease in profit attributable to non-controlling interests of the subsidiaries	(662)	(7,323)	-	-
Increase (decrease) in profit attributable to equity holders of the Company	(31,489)	(206,888)	(47,068)	44,441
Increase (decrease) in basic earnings per share (Baht)	(0.00273)	(0.02228)	(0.00408)	0.00479
Increase (decrease) in diluted earnings per share (Baht)	(0.00269)	(0.02189)	(0.00401)	0.00470
Other comprehensive income:				
Increase (decrease) in gain on changes in value of available-for-sale investments	6,092	(4,691)	6,092	(4,691)

(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the six-month periods ended 30 September			
	Consolidated financial statements		Separate financial statements	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Statements of comprehensive income				
Profit or loss:				
Increase (decrease) in income tax	2,796,444	253,803	93,234	(79,093)
Decrease in profit attributable to non-controlling interests of the subsidiaries	(102,231)	(10,398)	-	-
Increase (decrease) in profit attributable to equity holders of the Company	(2,694,213)	(243,405)	(93,234)	79,093
Increase (decrease) in basic earnings per share (Baht)	(0.23476)	(0.02639)	(0.00812)	0.00858
Increase (decrease) in diluted earnings per share (Baht)	(0.23048)	(0.02599)	(0.00798)	0.00844
Other comprehensive income:				
Increase (decrease) in gain on changes in value of available-for-sale investments	6,092	(5,594)	6,092	(5,594)

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 30 September				Pricing policy
	Consolidated financial statements		Separate financial statements		
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	
<u>Transactions with subsidiaries</u>					
(Eliminated from the consolidated financial statements)					
Interest income	-	-	43	15	At cost of funds
Management income	-	-	12	12	Contract price
Revenues from construction services	-	-	14	-	Contract price
Utility income	-	-	3	-	Contract price
Revenue from guarantee	-	-	15	-	Contract price
Rental income	-	-	10	9	Contract price
Dividend income	-	-	16,524	644	Approved by the meeting of Board of Directors
Cost of construction services	-	-	14	-	Contract price
Cost of construction of fixed assets	-	-	52	12	Contract price
Management fee	-	-	5	4	Contract price
Rental expenses	-	-	2	2	Contract price

(Unaudited but reviewed)

(Unit: Million Baht)

	For the three-month periods ended 30 September				Pricing policy
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	
Interest expenses	-	-	150	1	At cost of funds
<u>Transactions with associates</u>					
Service income	21	-	-	-	Contract price
Dividend income	226	-	226	1	Approved by the meeting of Board of Directors
Management fee	10	8	5	5	Contract price
Special business tax paid	10	-	-	-	Mutual agreement
<u>Transactions with related parties</u>					
Dividend income	-	2	-	2	Approved by the meeting of Board of Directors
Cost of construction services	-	5	-	-	Contract price

(Unit: Million Baht)

	For the six-month periods ended 30 September				Pricing policy
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	
<u>Transactions with subsidiaries</u>					
(Eliminated from the consolidated financial statements)					
Interest income	-	-	76	35	At cost of funds
Management income	-	-	24	24	Contract price
Revenues from construction services	-	-	14	43	Contract price
Utility income	-	-	4	1	Contract price
Revenue from guarantee	-	-	28	-	Contract price
Rental income	-	-	20	19	Contract price
Dividend income	-	-	16,524	644	Approved by the meeting of Board of Directors
Cost of construction services	-	-	14	36	Contract price
Cost of construction of fixed assets	-	-	87	17	Contract price
Management fee	-	-	11	7	Contract price
Rental expenses	-	-	3	3	Contract price
Interest expenses	-	-	326	2	At cost of funds

(Unaudited but reviewed)

(Unit: Million Baht)

	For the six-month periods ended 30 September				Pricing policy
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	
<u>Transactions with associates</u>					
Sale of future net fare box revenues (Note 39)	61,399	-	-	-	Contract price
Service income	35	-	-	-	Contract price
Dividend income	226	-	226	-	Approved by the meeting of Board of Directors
Purchase of investment in associate	20,833	-	20,833	-	Contract price
Management fee	19	15	9	9	Contract price
Special business tax paid	17	-	-	-	Mutual agreement
<u>Transactions with related parties</u>					
Dividend income	-	2	-	2	Approved by the meeting of Board of Directors
Cost of construction services	7	11	-	-	Contract price

As at 30 September 2013 and 31 March 2013, the balances of the accounts between the Company and those related parties are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2013	31 March 2013	30 September 2013	31 March 2013
		(Audited)		(Audited)
<u>Trade and other receivables - related parties (Note 6)</u>				
Subsidiary companies	-	-	294,483	162,210
Associated companies	7,773	-	700	-
Related company	107	730	-	-
Total trade and other receivables - related parties	<u>7,880</u>	<u>730</u>	<u>295,183</u>	<u>162,210</u>
<u>Advance to contractor - related party</u>				
Subsidiary company	-	-	28,874	34,648
Total advance to contractor - related party	<u>-</u>	<u>-</u>	<u>28,874</u>	<u>34,648</u>
<u>Retention receivable - related party</u>				
Subsidiary company	-	-	105,559	105,559
Total retention receivable - related party	<u>-</u>	<u>-</u>	<u>105,559</u>	<u>105,559</u>
<u>Refundable deposits - related party</u>				
Subsidiary company	-	-	1,318	-
Total refundable deposits - related party	<u>-</u>	<u>-</u>	<u>1,318</u>	<u>-</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 September 2013	31 March 2013	30 September 2013	31 March 2013
	(Audited)		(Audited)	
<u>Accrued income - related party</u>				
Associated company	309,621	-	-	-
Total accrued income - related party	<u>309,621</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Trade and other payables - related parties (Note 23)</u>				
Subsidiary companies	-	-	183,508	22,457
Associated companies	85,392	-	-	-
Related company	724	873	-	-
Total trade and other payables - related parties	<u>86,116</u>	<u>873</u>	<u>183,508</u>	<u>22,457</u>
<u>Accrued cost of construction - related party</u>				
Subsidiary company	-	-	2,763	6,957
Total accrued cost of construction - related party	<u>-</u>	<u>-</u>	<u>2,763</u>	<u>6,957</u>
<u>Unearned revenue - related party</u>				
Associated company	597,114	-	-	-
Total unearned revenue - related party	<u>597,114</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Retention payable - related party</u>				
Subsidiary company	-	-	56,014	51,627
Total retention payable - related party	<u>-</u>	<u>-</u>	<u>56,014</u>	<u>51,627</u>
<u>Provision - related party (Note 28)</u>				
Associated company	1,062,691	-	-	-
Total provision - related party	<u>1,062,691</u>	<u>-</u>	<u>-</u>	<u>-</u>

Loans to related parties and loans from related parties

As at 30 September 2013 and 31 March 2013, the balances of loans between the Company and those related companies and the movement are as follows:

		Consolidated financial statements			
Short-term loan to related party	Related by	Balance as at	Increase	Decrease	Balance as at
		31 March 2013	during the period	during the period	30 September 2013
EGV Co., Ltd.	Related company	4,018	-	-	4,018
Less: Allowance for doubtful debt		(4,018)	-	-	(4,018)
Total		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

		Separate financial statements			
Short-term loans to related parties	Related by	Balance as at 31 March 2013	Increase during the period	Decrease during the period	Balance as at 30 September 2013
Carrot Rewards Co., Ltd.	Subsidiary company	111,500	15,000	-	126,500
EGV Co., Ltd.	Related company	4,018	-	-	4,018
		115,518	15,000	-	130,518
Less: Allowance for doubtful debts		(4,018)	-	-	(4,018)
Total		111,500	15,000	-	126,500

(Unit: Thousand Baht)

		Consolidated financial statements			
Long-term loan to related party	Related by	Balance as at 31 March 2013	Increase during the period	Decrease during the period	Balance as at 30 September 2013
Hwa Kay Thai (Thailand) Co., Ltd.	Related company	25,780	-	(645)	25,135
Less: Allowance for doubtful debts		(25,780)	-	645	(25,135)
Total		-	-	-	-

(Unit: Thousand Baht)

		Separate financial statements			
Long-term loans to related parties	Related by	Balance as at 31 March 2013	Increase during the period	Decrease during the period	Balance as at 30 September 2013
Yongsu Co., Ltd.	Subsidiary company	5,670	100	-	5,770
Tanayong Food and Beverage Co., Ltd.	Subsidiary company	581,693	-	(338,804)	242,889
Muangthong Assets Co., Ltd.	Subsidiary company	83,700	-	-	83,700
Tanayong International Ltd.	Subsidiary company	430,361	4,337	-	434,698
Tanayong Hong Kong Limited	Subsidiary company	2,109	58	-	2,167
Nuvo Line Agency Co., Ltd.	Subsidiary company	20,000	634,000	(60,000)	594,000
Siam Paging and Communication Co., Ltd.	Subsidiary company	32,650	50	-	32,700
Sampaopetch Co., Ltd.	Subsidiary company	897,356	-	(897,356)	-
Kamkoong Property Co., Ltd.	Subsidiary company	149,150	320	-	149,470
BTS Asset Co., Ltd.	Subsidiary company	2,120,500	1,135,000	-	3,255,500
BTS Land Co., Ltd.	Subsidiary company	67,000	-	-	67,000
Thana City Golf & Sports Club Co., Ltd.	Subsidiary company	15,400	6,000	-	21,400
		4,405,589	1,779,865	(1,296,160)	4,889,294
Less: Allowance for doubtful debts		(1,418,752)	(4,487)	897,356	(525,883)
Total		2,986,837	1,775,378	(398,804)	4,363,411

(Unit: Thousand Baht)

		Separate financial statements			
Short-term loans from related party	Related by	Balance as at 31 March 2013	Increase during the period	Decrease during the period	Balance as at 30 September 2013
Bangkok Mass Transit System Public Co., Ltd.	Subsidiary company	-	22,953,200	(15,193,910) ⁽¹⁾	7,759,290
Total		-	22,953,200	(15,193,910)	7,759,290

(1) Settle with dividend income of Baht 13,894 million

The loans to and loans from related parties are not collateralised.

(Unaudited but reviewed)

Directors' and managements' benefits

During the three-month and six-month periods ended 30 September 2013 and 2012, 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 30 September

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Short-term employee benefits	88	65	33	19
Post-employment benefits	6	13	-	7
Share-based payment	5	1	1	-
Total	<u>99</u>	<u>79</u>	<u>34</u>	<u>26</u>

(Unit: Million Baht)

For the six-month periods ended 30 September

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Short-term employee benefits	129	110	44	36
Post-employment benefits	10	17	1	8
Share-based payment	6	2	1	-
Total	<u>145</u>	<u>129</u>	<u>46</u>	<u>44</u>

Guarantee obligations with related parties

The Company has an outstanding guarantee obligation with its related party, as described in Note 37.7 c) to the interim financial statements.

(Unaudited but reviewed)

4. Cash and cash equivalents

As at 30 September 2013, outstanding balances of cash and cash equivalents totaling Baht 182 million (31 March 2013: Baht 81 million) are waiting to be paid to the creditors per the Company's rehabilitation plan when the judgment of the court is final, as described in Note 10 to the interim financial statements.

5. Current investments

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 March	30 September	31 March
	2013	2013	2013	2013
		(Audited)		(Audited)
Held-to-maturity securities				
Fixed deposits with maturity date due				
more than 3 months	9,175,777	-	-	-
Bills of exchange	3,000,000	-	-	-
Certificates of deposits	2,236,058	-	192,702	-
Short-term debentures	3,611,000	993,849	-	993,849
Investments in trading securities				
Government and state-owned				
enterprise bonds	73,907	-	-	-
Private sector debt securities	114,364	-	-	-
Unit trust in fixed income open-ended				
fund	50	-	-	-
Total	<u>18,211,156</u>	<u>993,849</u>	<u>192,702</u>	<u>993,849</u>

The current investments of Baht 4,002 million were pledged to secure a bank guarantee issued by a bank on behalf of subsidiary as security for the long-term debentures (Note 26).

6. Trade and other receivables

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

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate financial statements	
	30 September 2013	31 March 2013	30 September 2013	31 March 2013
		(Audited)		(Audited)
<u>Trade receivables - related parties</u>				
Not yet due	108	258	17,164	-
Past due				
Up to 3 months	-	11	-	-
Total trade receivables - related parties	108	269	17,164	-
<u>Trade receivables - unrelated parties</u>				
Not yet due	598,679	478,938	-	-
Past due				
Up to 3 months	324,512	340,822	-	-
3 - 6 months	21,512	20,924	-	-
6 - 12 months	2,115	2,008	-	-
Over 12 months	30,620	30,361	-	-
Total	977,438	873,053	-	-
Posted date cheques	42,215	13,220	-	-
Less: Allowance for doubtful debts	(29,190)	(29,329)	-	-
Total trade receivables - unrelated parties, net	990,463	856,944	-	-
Total trade receivables - net	990,571	857,213	17,164	-
<u>Other receivables</u>				
Advance - related party	7,072	-	-	-
Advances	2,120	42,663	482	244
Interest receivable - related parties	-	-	222,529	159,872
Interest receivable	192,594	9,387	2,619	2,473
Dividend receivable - related parties	700	-	17,785	-
Retention receivable	3,348	7,702	3,348	7,702
Other receivables - related parties	-	461	37,705	2,338
Other receivables	14,074	28,220	11,262	21,860
Total other receivables - net	219,908	88,433	295,730	194,489
Trade and other receivables - net	1,210,479	945,646	312,894	194,489

(Unaudited but reviewed)

7. Spare parts

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

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	30 September	31 March
	2013	2013
		(Audited)
Consumable spare parts	29,558	97,257
Transfer to non-current assets classified as held for sale (Note 21)	-	(68,104)
Consumable spare parts - net	<u>29,558</u>	<u>29,153</u>
Reusable spare parts	26,170	94,614
Less: Accumulated amortisation on reusable spare parts	(4,231)	(13,036)
	<u>21,939</u>	<u>81,578</u>
Transfer to non-current assets classified as held for sale (Note 21)	-	(59,175)
Reusable spare parts - net	<u>21,939</u>	<u>22,403</u>

8. Real estate development costs

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 March	30 September	31 March
	2013	2013	2013	2013
		(Audited)		(Audited)
Land and construction development	2,760,951	3,532,232	667,612	692,821
Less: Reduce cost to net realisable value	(20,544)	(21,925)	(20,544)	(21,925)
Real estate development costs - net	<u>2,740,407</u>	<u>3,510,307</u>	<u>647,068</u>	<u>670,896</u>

(Unaudited but reviewed)

Movements of the reduce cost to net relisable value during the six-month period ended 30 September 2013 are summarised below.

	(Unit: Thousand Baht)
	Consolidated and separate financial statements
Balance as at 1 April 2013	21,925
Less: Record decrease in the reduce cost to net relisable value	(1,381)
Balance as at 30 September 2013	20,544

As at 30 September 2013, land with construction thereon of the Company and its subsidiary (Nuvo Line Agency Co., Ltd.) amounting to approximately Baht 1,320 million (31 March 2013: Baht 2,979 million) (Separate financial statements: Baht 1 million (31 March 2013: Nil)) had been mortgaged as collateral for credit facility from a financial institution and deposited as collateral for a creditor per rehabilitation plan.

9. Cash deposited as collateral for debt settlement

As at 30 September 2013, 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 million and Baht 41 million, respectively (31 March 2013: Baht 192 million and Baht 41 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 96 million and Baht 416 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.

10. Assets awaiting transfer under rehabilitation plan

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 March	30 September	31 March
	2013	2013	2013	2013
		(Audited)		(Audited)
Real estate development costs - net	39,921	39,921	39,921	39,921
Land and projects awaiting development - net	28,315	33,015	28,315	28,315
Property, plant and equipment - net	63	73	63	73
Total	68,299	73,009	68,299	68,309

In order to comply with the rehabilitation plan, the Company held an open auction of assets awaiting transfer under the rehabilitation plan (5 items) in 2009, and a company successfully bid to purchase all of the assets at a price of Baht 1,200 million (appraisal value of Baht 3,089 million).

The Company subsequently entered into an agreement to acquire the rights to purchase certain auctioned assets (Items no.1-3), at a price of Baht 500 million, from such company

In addition, in October 2012, another subsidiary entered into an agreement to acquire the rights to purchase certain auctioned assets (item No.4) from the company that had lodged the successful bid, 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 under the heading of "Deposit and advances for asset acquisitions" in the consolidated statement of financial position

However, in 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 subsidiary made payment of approximately Baht 816 million for these rights and recorded this transaction under the heading of "Rights of claim from acquisition of debts per rehabilitation plan" in the consolidated statement of financial position.

Subsequently, in October 2012 and July 2013, there were transfers of ownership and redemption from mortgage for 4 of the secured assets (Items 1-3 and 5). The Company recorded these transactions under the heading of "Investment properties" in the statement of financial position. Most of the cash received from the buyer was transferred to the creditors per the rehabilitation plan, while approximately Baht 182 million (31 March 2013: Baht 81 million) was reserved to be transferred to eligible 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. Moreover, in July 2013, the Company sold certain assets (items 1 and 2) to an unrelated individual and unrelated companies at a price of Baht 489 million (net of selling expenses of Baht 65 million) and recognised gains of Baht 379 million. The Company recorded these transactions under the heading of "Gain on sales of assets" in the statement of comprehensive income for the current period.

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 612 million, leaving a balance of "Rights of claim from acquisition of debts per rehabilitation plan" of Baht 204 million in its consolidated statement of financial position as at 30 September 2013 (31 March 2013: Baht 545 million).

(Unaudited but reviewed)

11. 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.

12. Investments in subsidiaries

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

Company's name	Paid-up capital		Percentage owned by the Company		Cost		(Unit: Thousand Baht) Dividend income for the six month periods ended 30 September	
	30 September	31 March	30 September	31 March	30 September	31 March		
	2013	2013	2013	2013	2013	2013	2013	2012
	(Audited)		(Audited)		(Audited)			
Bangkok Mass Transit System Public Co., Ltd.	16,067,134	16,067,134	97.46	97.46	41,681,791	41,681,791	16,442,354	619,807
VGI Global Media Public Co., Ltd. (51% held by BTSC)	329,999	300,000	14.71	16.33	1,581,852	1,715,000	61,600	-
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	-	100	-	1,000	-	-
Tanayong Property Management Co., Ltd.	1,000	1,000	100	100	1,000	1,000	3,000	-
Tanayong International Ltd.	25	25	100	100	25	25	-	-
HHT Construction Co., Ltd.	25,000	25,000	51	51	12,750	12,750	17,085	24,276
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	-	-
Kamkoong Property Co., Ltd.	375,000	375,000	100	100	375,000	375,000	-	-
Total					48,540,809	48,674,957		
Less: Surplus on business combination under common control					(4,656,262)	(4,812,208)		
					43,884,547	43,862,749		
Less: Provision for loss on diminution in value					(1,418,899)	(1,419,899)		
Net					42,465,648	42,442,850		

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

On 5 July 2013, the Annual General Meeting of BTSC passed a resolution to approve to pay a dividend of Baht 4,177 million in respect of BTSC’s operating results for the year ended 31 March 2013. BTSC has paid an interim dividend totaling approximately Baht 4,017 million. The outstanding dividend of Baht 160 million (at a rate of Baht 0.01 per share) will be paid to the shareholders (Baht 157 million paid to the Company). BTSC paid the dividend already.

On 2 August 2013, meeting No. 8/2013 of Board of Directors of BTSC passed a resolution to pay to the shareholders an interim dividend of approximately Baht 16,710 million (at a rate of Baht 1.04 per share) in respect of past operating results (Baht 16,286 million paid to the Company). BTSC paid the dividend already. The Company recorded settlement of part of short-term loans from BTSC with the dividend received from BTSC.

On 20 August 2013, the Extraordinary General Meeting of the shareholders No. 2/2013 of BTSC passed the following significant resolutions.

- a) Decrease the registered share capital from Baht 20,867,133,653 (20,867,133,653 ordinary shares with a par value of Baht 1 each) to Baht 16,067,133,653 (16,067,133,653 ordinary shares with a par value of Baht 1 each) by cancellation of 4,800 million unissued ordinary shares with a par value of Baht 1 each.
- b) Decrease the paid-up share capital by Baht 12,050,350,239.75 from Baht 16,067,133,653 to Baht 4,016,783,413.25 by decreasing the par value of the ordinary shares from Baht 1 to Baht 0.25 per share. BTSC is in process of the decrease in paid-up share capital.

All of BTSC’s ordinary shares (excluding the ordinary shares of VGI Global Media Public Company Limited and Bangkok Smartcard System Company Limited held by BTSC, rights to provide operating service under the operating and maintenance service agreement for the extension to the core network and other assets stipulated in the agreement) have been pledged with BTS Rail Mass Transit Growth Infrastructure Fund to secure its obligations under the Sponsor Support and Guarantee Agreement, as discussed in Note 39 to the interim financial statements.

Sampaopetch Company Limited

On 29 November 2012, the Central Bankruptcy Court issued a receivership order for Sampaopetch Company Limited and the creditors lodged claims for settlement of debts with the Comptroller. Subsequently, on 27 May 2013, the Board of Directors of the Company approved the write off of the investment in this subsidiary. The Company has excluded the financial statements of Sampaopetch Company Limited from the consolidated financial statements since 27 May 2013.

Tanayong Property Management Company Limited

On 31 July 2013, the Annual General Meeting of Tanayong Property Management Company Limited passed a resolution to approve to pay a dividend of Baht 3 million (at a rate of Baht 300 per share) in respect of its operating results for the year ended 31 March 2013 (Baht 3 million paid to the Company). Tanayong Property Management Company Limited paid the dividend already.

HHT Construction Company Limited

On 31 July 2013, the Annual General Meeting of HHT Construction Company Limited passed a resolution to approve to pay a dividend of Baht 34 million (at a rate of Baht 6.70 per share) in respect of its operating results for the year ended 31 March 2013 (Baht 17 million paid to the Company).

Subsidiaries indirectly owned by the Company

VGI Global Media Public Company Limited (“VGI”)

On 4 July 2013, the Annual General Meeting of a subsidiary (VGI Global Media Public Company Limited)’s shareholders passed the following significant resolutions.

- a) Decrease the subsidiary’s registered share capital from Baht 400 million (400 million ordinary shares with a par value of Baht 1 each) to Baht 300 million (300 million ordinary shares with a par value of Baht 1 each) by cancellation of 100 million unissued ordinary shares with a par value of Baht 1 each.

The subsidiary registered the corresponding decrease in its registered share capital with the Ministry of Commerce on 8 July 2013.

- b) Increase the subsidiary's registered share capital from Baht 300 million (300 million ordinary shares with a par value of Baht 1 each) to Baht 330 million (330 million ordinary shares with a par value of Baht 1 each) by issuing 30 million ordinary shares with a par value of Baht 1 each to accommodate the stock dividend payment.

The subsidiary registered the corresponding increase in its registered share capital with the Ministry of Commerce on 9 July 2013.

- c) Pay to the shareholders stock and cash dividends for 2013 of Baht 0.1 per share and Baht 1.4 per share, respectively, or a total of Baht 450 million, in respect of the profit for the year ended 31 March 2013, in addition to the interim dividend payment of Baht 1.2 per share made on 27 December 2012. Thus, the subsidiary is to pay a total annual dividend of Baht 2.7 per share in respect of its operating results for the year ended 31 March 2013.

The subsidiary paid a stock dividend of 29,998,923 ordinary shares, of which 4,400,000 ordinary shares were distributed to the Company (19,700,000 ordinary shares distributed to the Group), and the remainder of the dividend was paid in cash (Baht 62 million paid to the Company and Baht 276 million paid to the Group) on 17 July 2013. The subsidiary registered the issue of ordinary shares with the Ministry of Commerce on the same date.

Subsequently, on 19 September 2013, the Extraordinary General Meeting of the subsidiary No. 1/2013 passed a resolution to change the number and par value of the subsidiary's ordinary shares, by increasing the number of the ordinary shares by 2,970 million shares, from 330 million shares to 3,300 million shares, and changing the par value from Baht 1 to Baht 0.1 per share. The registered capital of the subsidiary represents Baht 330 million (3,300 million ordinary shares with a par value of Baht 0.1 each). The subsidiary registered the changes in the number and par value of its ordinary shares with the Ministry of Commerce on 23 September 2013.

Purchase transactions of investments in the subsidiary

During the current period, the Company purchased 0.5 million ordinary shares of VGI at prices of Baht 94 - Baht 116 per share, paying a total of Baht 53 million.

The purchase transactions of investments in the subsidiary were detailed below.

	(Unit: Thousand Baht)
Purchase price	52,917
Less: Non-controlling interests of subsidiary adjusted	<u>(2,950)</u>
Deficit from the changes in the ownership interests in subsidiary	<u>49,967</u>

(Unaudited but reviewed)

Sale transactions of investments in the subsidiary

During the current period, the Company sold 5.3 million ordinary shares of VGI at prices of Baht 120 - Baht 130 per share, for a total of Baht 643 million. The Company incurred selling expenses related to sales of investments in the subsidiary amounting to approximately Baht 0.5 million.

The sale transactions of investments in the subsidiary were detailed below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Selling price of investments in the subsidiary	643,318	643,318
Less: Selling expenses relating to the sales of investments in the subsidiary	(460)	(460)
Cash receipt from the sales of investments in the subsidiary	642,858	642,858
Less: Value of investments in the subsidiary		
- Investments in the subsidiary	-	(30,119)
- Surplus on business combination under common control	-	(155,947)
Cash receipt from the sales of investments in the subsidiary / Gain on sales of investments in subsidiaries	642,858	456,792
Less: Non-controlling interests of subsidiaries	(34,240)	-
Surplus from the changes in the ownership interests in a subsidiary/ Gain on sales of investments in subsidiaries	608,618	456,792

As a result of the purchases and sales of ordinary shares of VGI, the Group's shareholding in VGI decreasing from 66.04% to 64.42% (the Company: decreased from 16.33% to 14.71%).

13. Investments in associates

Company's name	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	Equity method		Cost method	
	30 September 2013	31 March 2013	30 September 2013	31 March 2013
		(Audited)		(Audited)
BTS Rail Mass Transit Growth Infrastructure Fund ("BTSGIF")				
Cost	20,833,200	-	20,833,200	-
Add: Share of profit from investment	298,688	-	-	-
Less: Gain on sale of future net fare box revenues in proportion to the Company's investment	(6,748,791)	-	-	-
Less: Dividend income	(225,693)	-	-	-
Net	14,157,404	-	20,833,200	-
Absolute Hotel Services Co., Ltd.	12,655	10,026	4,000	4,000
Absolute Hotel Services Hong Kong Ltd. ⁽¹⁾	-	-	-	-
Total	14,170,059	10,026	20,837,200	4,000

⁽¹⁾ held by Tanayong Hong Kong Limited

BTS Rail Mass Transit Growth Infrastructure Fund ("BTSGIF")

During the six-month period ended 30 September 2013, the Company subscribed to 1,929 million investment units of BTSGIF at a price of Baht 10.80 per unit, totaling Baht 20,833 million, or equivalent to 33.33% of the number of units in issue. Under the equity method, the Company eliminated gain on sale of future net fare box revenue in proportion to its investment, as discussed in Note 39 to the interim financial statements. This gain is to be recognized over the remaining 17 years of the Core Bangkok Mass Transit System concession, whose net fare box revenues were sold to BTSGIF.

In September 2013, the Company receive a dividend of Baht 226 million from BTSGIF (at a rate of Baht 0.117 per share) in respect of its operating results from 17 April 2013 to 30 June 2013.

Absolute Hotel Services Company Limited

On 30 July 2013, the Annual General Meeting of Absolute Hotel Services Company Limited passed a resolution to approve to pay a dividend of Baht 1.4 million (at a rate of Baht 0.56 per share) in respect of its operating results for the year ended 31 March 2013 (Baht 0.7 million paid to the Company).

(Unaudited but reviewed)

14. Other long-term investments

	Consolidated		(Unit: Thousand Baht) Separate	
	financial statements		financial statements	
	30 September	31 March	30 September	31 March
	2013	2013	2013	2013
		(Audited)		(Audited)
Held-to-maturity securities				
Fixed deposits with maturity date due more than 1 year	10,256,450	-	-	-
Subordinated debentures	200,000	200,000	100,000	100,000
Unsubordinated debentures	2,921,968	-	-	-
Investments in available for sale				
Domestic marketable equity securities	34,568	48,939	34,568	48,939
Foreign marketable equity security	624,954	-	624,954	-
Other investments				
Domestic non-marketable equity securities	118,583	118,583	118,583	118,583
Total	14,156,523	367,522	878,105	267,522

The other long-term investments of Baht 3,091 million were pledged to secure a bank guarantee issued by a bank on behalf of the subsidiary as security for the long-term debentures (Note 26).

15. Project costs - media

A subsidiary (BTSC) recorded allocations of costs of rights relating to media from project costs - elevated train system, classifying them as "Non-current assets classified as held for sale", as discussed in Note 21 to the interim financial statements. The costs were allocated in accordance with bases and assumptions set by the subsidiary's management, who have assessed the appropriateness of these entries.

Movements of the project costs - media account during the six-month period ended 30 September 2013 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 April 2013	-	-
Record project costs - media	2,371,447	-
Amortisation for period	(16,183)	-
Net book value as at 30 September 2013	2,355,264	-

16. Land and projects awaiting development

During the six-month period ended 30 September 2013, the subsidiaries made plans to develop land that had previously been classified as investment properties. As at 30 September 2013, the subsidiaries therefore classified Baht 263 million of investment properties as land and projects awaiting development.

17. Investment properties

Movements of the investment property account during the six-month period ended 30 September 2013 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Net book value as at 1 April 2013	2,867,629	1,139,354
Additions during the period - at cost	585,407	500,015
Disposal during the period - net book value of disposal date	(121,569)	(121,569)
Transfer to land and projects awaiting development	(263,225)	-
Depreciation for the period	(7,817)	(21,530)
Net book value as at 30 September 2013	<u>3,060,425</u>	<u>1,496,270</u>

The Company and its subsidiaries have pledged investment properties amounting to approximately Baht 1,128 million (31 March 2013: Baht 1,072 million) (Separate financial statement: Baht 257 million (31 March 2013: Baht 229 million)) as collateral against credit and guarantee facilities received from a financial institution and a creditor per rehabilitation plan.

18. Property, plant and equipment

Movements of the property, plant and equipment account during the six-month period ended 30 September 2013 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Net book value as at 1 April 2013	9,590,801	244,590
Additions during the period - at cost	1,165,397	134,609
Capitalised interest	177	-
Disposal during the period- net book value of disposal date	(1,830)	-
Transfer from other assets	2,096	1,546
Depreciation for the period	(203,533)	(8,862)
Net book value as at 30 September 2013	<u>10,553,108</u>	<u>371,883</u>

(Unaudited but reviewed)

The Company and its subsidiary (BTS Assets Co., Ltd.) have mortgaged land and construction thereon with net book value as at 30 September 2013 of Baht 5,125 million (31 March 2013: Baht 4,987 million) as collateral for credit and guarantee facilities from a financial institution.

19. Leasehold rights

Movements of the leasehold right account during the six-month period ended 30 September 2013 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 April 2013	81,473	7,308
Additions during the period - at cost	4,730	4,730
Transfer to property, plant and equipment	(1,546)	(1,546)
Amortisation for the period	(2,729)	(199)
Net book value as at 30 September 2013	81,928	10,293

20. Intangible assets

Movements of the intangible asset account during the six-month period ended 30 September 2013 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 April 2013	50,215	493
Additions during the period - at cost	3,489	189
Transfer from other assets	830	-
Disposal during the period - net book value of disposal date	(52)	-
Amortisation for the period	(6,473)	(264)
Net book value as at 30 September 2013	48,009	418

21. Non-current assets classified as held for sale

As discussed in Note 39 to the interim financial statements, the Extraordinary General Meeting of the Company's shareholders held on 18 December 2012 passed a resolution to sell the net fare box revenue that the subsidiary (BTSC) will receive from its operation of a core line of its skytrain business to BTS Rail Mass Transit Growth Infrastructure Fund ("BTSGIF"), and subsequently, on 17 April 2013, the subsidiary and BTSGIF entered into the Net Revenue Purchase and Transfer Agreement.

In accordance with TFRS 5 (revised 2009) "Non-current Assets Held for Sale and Discontinued Operations", an asset classified as held for sale, and the assets and liabilities included within a disposal group classified as held for sale, are presented separately in the statement of financial position. As a result, as at 31 March 2013, the subsidiary classified the assets derecognised from its accounts on 17 April 2013 as non-current assets classified as held for sale, and presented them as a separate item in the statement of financial position as at 31 March 2013.

The classification of the non-current assets classified as held for sale as at 31 March 2013 was detailed below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Consumable spare parts	68,104	-
Project costs - elevated train system	41,676,704	-
Reusable spare parts	59,175	-
Spare parts - maintenance contract	292,771	-
Property, plant and equipment	<u>26,344</u>	<u>-</u>
Total non-current assets classified as held for sale	<u>42,123,098</u>	<u>-</u>

The above assets were classified as non-current assets classified as held for sale in accordance with bases and assumptions determined by the subsidiary's management.

During the six month period ended 30 September 2013, the subsidiary derecognised non-current assets classified as held for sale in order to recognise the gain from the sale of future net fare box revenues as discussed in Note 39 to the interim financial statements.

(Unaudited but reviewed)

Revenues and expenses relating to the assets for the three-month and six-month periods ended 30 September 2013 and 2012 were detailed below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
For the three-month periods ended 30 September				
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Fare box revenues - net	-	1,238,367	-	-
Costs of fare box	-	(610,857)	-	-
Selling and servicing expenses	-	(8,641)	-	-
Administrative expenses	-	(109,314)	-	-
Profit from discontinued operation for the period	-	509,555	-	-

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
For the six-month periods ended 30 September				
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Fare box revenues - net	207,676	2,373,880	-	-
Costs of fare box	(86,451)	(1,186,286)	-	-
Selling and servicing expenses	(5,748)	(14,467)	-	-
Administrative expenses	(85,101)	(200,001)	-	-
Profit from discontinued operation for the period	30,376 ⁽¹⁾	973,126	-	-

⁽¹⁾ Revenues and expenses during 1 April 2013 and 16 April 2013

The revenues and expenses were allocated in accordance with bases and assumptions determined by the subsidiary's management.

The subsidiary did not present separate cash flows from the discontinued operation since the subsidiary was unable to clearly distinguish these cash flows.

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

During the six-month period ended 30 September 2013, a subsidiary (BTSC) had fully repaid this loan from a financial institution (31 March 2013: Baht 1,117 million).

23. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 March	30 September	31 March
	2013	2013	2013	2013
		(Audited)		(Audited)
Trade payables - related parties	-	85	6,159	-
Trade payables	442,628	537,801	147	-
Other payables - related parties	86,116	788	49,182	22,457
Other payables	152,240	263,954	7,113	2,063
Accrued interest expenses - related parties	-	-	128,167	-
Accrued interest expenses	43,862	53,812	-	-
Retention payable	231,972	241,949	2,828	6,963
Deposit payable	39,105	107,437	30,000	55,000
Accrued expenses	638,610	537,518	30,781	21,461
Dividend payable	221,619	118,719	47,958	32,588
Total trade and other payables	<u>1,856,152</u>	<u>1,862,063</u>	<u>302,335</u>	<u>140,532</u>

24. 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)

25. Long-term loans

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 March	30 September	31 March
	2013	2013	2013	2013
		(Audited)		(Audited)
Long-term loans	240,000	2,363,968	-	-
Less: Current portion	-	(1,967,221)	-	-
Long-term loans - net of current portion	<u>240,000</u>	<u>396,747</u>	<u>-</u>	<u>-</u>

Movements of the long-term loan account during the six-month period ended 30 September 2013 are summarised below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
Balance as at 1 April 2013	2,363,968		-	
Add: Additional borrowings	99,000		-	
Less: Repayment	(2,222,968)		-	
Balance as at 30 September 2013	<u>240,000</u>		<u>-</u>	

Loan agreement of the subsidiary contains 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 percent of its issued share capital or not less than 25 percent of its registered share capital in the case that the subsidiary has the other investor who has specific qualification as stipulated on the agreement.

(Unaudited but reviewed)

26. Long-term debentures

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 March	30 September	31 March
	2013	2013	2013	2013
		(Audited)		(Audited)
Long-term debentures	6,408,029	8,479,636	-	-
Less: Current portion	(3,603,231)	(2,078,656)	-	-
Long-term debentures - net of current portion	<u>2,804,798</u>	<u>6,400,980</u>	<u>-</u>	<u>-</u>

Movement of the long-term debenture account during the six-month period ended 30 September 2013 are summarised below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
Balance as at 1 April 2013	8,479,636		-	
Less: Repayment debenture during the period	(2,081,300)		-	
Add: Amortisation of deferred debenture issuing costs	9,693		-	
Balance as at 30 September 2013	<u>6,408,029</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.

The debentures were secured by the letter of guarantee provided by a bank of Baht 7,093 million which the letter of guarantee was secured by the subsidiary's current investments and long-term investments.

27. Provision for long-term employee benefits

Movements in the provision for long-term employee benefit account during the six-month period ended 30 September 2013 are summarised below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
Balance as at 1 April 2013	481,714		21,296	
Current service cost	25,319		1,226	
Interest cost	9,878		437	
Balance as at 30 September 2013	<u>516,911</u>		<u>22,959</u>	

(Unaudited but reviewed)

Long-term employee benefit expenses included in the profit or loss for the three-month and six-month periods ended 30 September 2013 amounted to Baht 18 million and Baht 35 million, respectively (Separate financial statements: Baht 1 million and Baht 2 million, respectively).

Under the Net Revenue and Purchase Transfer Agreement discussed in Note 39 to the interim financial statements, the subsidiary (BTSC) can claim costs related to long-term employee benefit of employees who retire during the remaining period of Core Mass Transit System back from BTS Rail Mass Transit Growth Infrastructure Fund (“BTSGIF”). Therefore, the subsidiary recorded accrued income from BTSGIF in accordance with bases and assumptions that were determined by the subsidiary’s management, who have assessed the appropriateness of these transactions.

During the three-month and six-month periods ended 30 September 2013, revenues relating to long-term employee benefits that can be claimed from BTSGIF in the future, in accordance with the bases and assumptions of the management, amounted to Baht 8 million and Baht 16 million, respectively.

28. Provision - related party

Movements in provision - related party account during the six-month period ended 30 September 2013 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 1 April 2013	-	-
Record special tax of BTS Rail Mass Transit Growth Infrastructure Fund (BTSGIF)	1,043,610	-
Addition during the period	42,892	-
Decrease during the period	(23,811)	-
Balance as at 30 September 2013	<u>1,062,691</u>	<u>-</u>
As at 30 September 2013		
Current	45,600	-
Non-current	<u>1,017,091</u>	<u>-</u>
	<u>1,062,691</u>	<u>-</u>

The subsidiary (BTSC) recognised a provision for future special business tax liabilities of BTSGIF over the remaining 17 years of the Core Bangkok Mass Transit System since, as stipulated in the Net Revenue Purchase and Transfer Agreement, the subsidiary is responsible for this tax. In calculating the provision for special business tax, the subsidiary referred to projections of future revenues prepared by an independent valuer and amortisation of BTSGIF's investment in rights to receive fare box revenue of the Core Bangkok Mass Transit System of BTSGIF, discounted to present value.

29. Share capital / Share premium

On 23 August 2013, meeting No. 7/2013 of Board of Directors of the Company passed the following resolutions:

- a) Approved the reduction of the registered share capital from Baht 47,945,776,096 to Baht 47,766,075,208 by canceling Baht 179,700,888 unissued shares (44,925,222 ordinary shares with a par value of Baht 4 each).
- b) Approved an increase in the registered share capital from Baht 47,766,075,208 to Baht 63,652,544,720 by issuing Baht 15,886,469,512 ordinary shares (3,971,617,378 ordinary shares with a par value of Baht 4 each) to reserve for the exercise of the warrants (BTS-W3) as discussed in Note 30 to the interim financial statements.
- c) Approved allocating 3,971,617,378 ordinary shares with a par value of Baht 4 each to accommodate the exercise of the warrants (BTS-W3).

In this regard, the Company's Board of Directors proposed this resolution to a meeting of its shareholders for approval on 11 October 2013 (Note 41).

As at 30 September 2013, the Company's issued and fully paid share capital has increased from Baht 44,426,538,376 (11,106,634,594 ordinary shares with a par value of Baht 4 each) to Baht 46,104,820,876 (11,526,205,219 ordinary shares with a par value of Baht 4 each) as a result of the exercise of the warrants (BTS-W2) to ordinary shares amounting to Baht 1,678,282,500 (419,570,625 ordinary shares with a par value of Baht 4 each), resulting in an increase in total share premium to Baht 1,643,397,410.

The Company registered the corresponding increases in its paid-up capital with the Ministry of Commerce on 3 April 2013 and 3 July 2013.

30. Warrants

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

In June 2013, the Company received advance subscription of Baht 4.375 per share to 123,411,688 of the additional ordinary shares arising from the exercise of the warrants (BTS-W2) of 771,323,058 units, a total of Baht 539,926,132. The Company registered the resulting increase of Baht 493,646,752 in its capital with the Ministry of Commerce on 3 July 2013.

In September 2013, the Company received advance subscription of Baht 4.375 per share to 306,862,296 of the additional ordinary shares arising from the exercise of the warrants (BTS-W2) of 1,917,889,395 units, a total of Baht 1,342,522,537. The Company registered the resulting increase of Baht 1,227,449,184 in its capital with the Ministry of Commerce on 2 October 2013. As at 30 September 2013, there were a total of 477,820,413 outstanding unexercised warrants.

Warrants to purchase new ordinary shares of the Company issued to the Company's existing shareholders (BTS-W3)

On 23 August 2013, meeting No. 7/2013 of Board of Directors of the Company passed a resolution to issue the warrants to purchase new ordinary shares of the Company issued to the Company's existing shareholders (BTS-W3) in a ratio of 1 warrant for every 3 existing ordinary shares, without specifying the offer price. Details are as follows:

Date of grant	Date determined by the Board of Directors
Number granted (units)	Not over 3,971,617,378
Contractual lives	5 years from the issue date
Exercisable	Last business day of each quarter, after completion of a 3-year period from the issue date
Exercise price per 1 ordinary share (Baht)	12
Exercise ratio (warrant to ordinary share)	1:1

In this regard, the Company's Board of Directors proposed this resolution to a meeting of its shareholders for approval on 11 October 2013 (Note 41).

(Unaudited but reviewed)

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

In September 2013, the Company received advance subscription of Baht 4.375 per share to 4,936,816 of the additional ordinary shares arising from the exercise of the warrants (BTS-WA) of 30,855,100 units, a total of Baht 21,598,565. The Company registered the resulting increase of Baht 19,747,264 in its capital with the Ministry of Commerce on 7 October 2013. As at 30 September 2013, there were a total of 69,144,900 outstanding unexercised warrants.

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

In July 2013, the Company issued 16,000,000 warrants to purchase new ordinary shares of the Company to the employees of the Company and its subsidiaries (BTS-WB).

The estimated fair value of each warrant granted is Baht 2.5568. This was calculated by applying the Black-Scholes-Merton formula. The model inputs were the share price at price determination date of Baht 7.90, exercise price of Baht 5.01, expected volatility of 27.348%, expected dividend yield of 5%, contractual life of five years, and a risk-free interest rate of 2.90 - 3.37%.

31. Service income

Details of service income are as follows:

	(Unit: Thousand Baht)			
	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Advertising income	717,347	623,400	-	-
Revenues from providing of train operation services	353,324	269,369	-	-
Revenues from servicing of spaces	76,406	67,109	-	-
Other service income	374,877	224,134	26,074	23,103
Total	<u>1,521,954</u>	<u>1,184,012</u>	<u>26,074</u>	<u>23,103</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the six-month periods ended 30 September			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Advertising income	1,446,367	1,162,471	-	-
Revenues from providing of train operation services	700,160	527,670	-	-
Revenues from servicing of spaces	138,725	123,200	-	-
Other service income	707,119	382,250	51,507	46,652
Total	<u>2,992,371</u>	<u>2,195,591</u>	<u>51,507</u>	<u>46,652</u>

32. Finance cost

Details of finance cost are as follows:

	(Unit: Thousand Baht)			
	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Interest expenses and other fees	169,304	256,982	150,568	42,957
Amortisation of deferred debenture issuing costs	4,583	7,429	-	-
Amortisation of liability component of convertible debentures	-	76,029	-	76,029
Amortisation of letter of credit fee for convertible debentures	-	37,734	-	37,734
Total	<u>173,887</u>	<u>378,174</u>	<u>150,568</u>	<u>156,720</u>

	(Unit: Thousand Baht)			
	For the six-month periods ended 30 September			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Interest expenses and other fees	356,712	508,285	357,708	85,239
Amortisation of deferred debenture issuing costs	9,693	15,700	-	-
Amortisation of liability component of convertible debentures	-	151,615	-	151,615
Amortisation of letter of credit fee for convertible debentures	-	75,469	-	75,469
Total	<u>366,405</u>	<u>751,069</u>	<u>357,708</u>	<u>312,323</u>

(Unaudited but reviewed)

33. Income tax

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses for the three-month and six-month periods ended 30 September 2013 and 2012 are made up as follows:

	(Unit: Thousand Baht)			
	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
		(Restated)		(Restated)
Current income tax:				
Interim corporate income tax charge	183,721	87,551	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	32,151	214,211	47,068	(44,441)
Income tax expense reported in the statements of comprehensive income	<u>215,872</u>	<u>301,762</u>	<u>47,068</u>	<u>(44,441)</u>

	(Unit: Thousand Baht)			
	For the six-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
		(Restated)		(Restated)
Current income tax:				
Interim corporate income tax charge	460,200	143,219	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	2,796,444	253,803	93,234	(79,093)
Income tax expense reported in the statements of comprehensive income	<u>3,256,644</u>	<u>397,022</u>	<u>93,234</u>	<u>(79,093)</u>

(Unaudited but reviewed)

The amounts of income tax relating to each component of other comprehensive income for the three-month and six-month periods ended 30 September 2013 and 2012 are as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
	(Restated)		(Restated)	
Deferred tax relating to gain (loss) on changes in value of available-for-sale investments	6,092	(4,691)	6,092	(4,691)

(Unit: Thousand Baht)

	For the six-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
	(Restated)		(Restated)	
Deferred tax relating to gain (loss) on changes in value of available-for-sale investments	6,092	(5,594)	6,092	(5,594)

34. 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.

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.

(Unaudited but reviewed)

Details of calculation of earnings per share for the three-month and six-month periods ended 30 September 2013 and 2012 are as below.

Consolidated financial statements						
For the three-month periods ended 30 September						
Profit		Weighted average number of ordinary shares		Earnings per share		
<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	
Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht	
Basic earnings per share						
Profit attributable to equity holders of the Company	959,101	484,298	11,542,544	9,285,853	<u>0.08309</u>	<u>0.05215</u>
Effect of dilutive potential ordinary shares						
Warrants (BTS-W2)	-	-	172,046	163,355		
Warrants (BTS-WA)	-	-	7,319	2,628		
Warrants (BTS-WB)	-	-	1,836	-		
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	<u>959,101</u>	<u>484,298</u>	<u>11,723,745</u>	<u>9,451,836</u>	<u>0.08181</u>	<u>0.05124</u>
Separate financial statements						
For the three-month periods ended 30 September						
Profit		Weighted average number of ordinary shares		Earnings per share		
<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	
Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht	
Basic earnings per share						
Profit attributable to equity holders of the Company	16,967,644	498,877	11,542,544	9,285,853	<u>1.47001</u>	<u>0.05372</u>
Effect of dilutive potential ordinary shares						
Warrants (BTS-W2)	-	-	172,046	163,355		
Warrants (BTS-WA)	-	-	7,319	2,628		
Warrants (BTS-WB)	-	-	1,836	-		
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	<u>16,967,644</u>	<u>498,877</u>	<u>11,723,745</u>	<u>9,451,836</u>	<u>1.44729</u>	<u>0.05278</u>

(Unaudited but reviewed)

Consolidated financial statements						
For the six-month periods ended 30 September						
		Weighted		Earnings per share		
Profit		average number of				
		ordinary shares				
<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	
Thousand	Thousand	Thousand	Thousand	Baht	Baht	
Baht	Baht	shares	shares			
Basic earnings per share						
Profit attributable to equity holders of the Company	11,782,907	757,083	11,476,388	9,223,507	<u>1.02671</u>	<u>0.08208</u>
Effect of dilutive potential ordinary shares						
Warrants (BTS-W2)	-	-	204,349	141,627		
Warrants (BTS-WA)	-	-	7,443	1,282		
Warrants (BTS-WB)	-	-	1,165	-		
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	<u>11,782,907</u>	<u>757,083</u>	<u>11,689,345</u>	<u>9,366,416</u>	<u>1.00800</u>	<u>0.08083</u>

Separate financial statements						
For the six-month periods ended 30 September						
		Weighted		Earnings per share		
Profit		average number of				
		ordinary shares				
<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	
Thousand	Thousand	Thousand	Thousand	Baht	Baht	
Baht	Baht	shares	shares			
Basic earnings per share						
Profit attributable to equity holders of the Company	17,154,280	383,322	11,476,388	9,223,507	<u>1.49475</u>	<u>0.04156</u>
Effect of dilutive potential ordinary shares						
Warrants (BTS-W2)	-	-	204,349	141,627		
Warrants (BTS-WA)	-	-	7,443	1,282		
Warrants (BTS-WB)	-	-	1,165	-		
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	<u>17,154,280</u>	<u>383,322</u>	<u>11,689,345</u>	<u>9,366,416</u>	<u>1.46751</u>	<u>0.04093</u>

(Unaudited but reviewed)

Details of calculation of earnings per share from continued operation for the three-month and six-month periods ended 30 September 2013 and 2012 are as below.

(Unit: Thousand Baht)

		Consolidated financial statements					
		For the three-month periods ended 30 September					
		Profit (loss)		Weighted average number of ordinary shares		Earnings per share	
		<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
		Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht
Basic earnings per share							
Profit (loss) attributable to equity holders of the							
Company		959,101	<u>(7,101)</u>	11,542,544	<u>9,285,853</u>	<u>0.08309</u>	<u>(0.00076)</u>
Effect of dilutive potential ordinary shares							
Warrants (BTS-W2)		-		172,046			
Warrants (BTS-WA)		-		7,319			
Warrants (BTS-WB)		-		1,836			
Diluted earnings per share							
Profit of ordinary shareholders assuming the							
conversion of dilutive potential ordinary shares		<u>959,101</u>		<u>11,723,745</u>		<u>0.08181</u>	

(Unit: Thousand Baht)

		Separate financial statements					
		For the three-month periods ended 30 September					
		Profit		Weighted average number of ordinary shares		Earnings per share	
		<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
		Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht
Basic earnings per share							
Profit attributable to equity holders of the							
Company		16,967,644	498,877	11,542,544	9,285,853	<u>1.47001</u>	<u>0.05372</u>
Effect of dilutive potential ordinary shares							
Warrants (BTS-W2)		-	-	172,046	163,355		
Warrants (BTS-WA)		-	-	7,319	2,628		
Warrants (BTS-WB)		-	-	1,836	-		
Diluted earnings per share							
Profit of ordinary shareholders assuming the							
conversion of dilutive potential ordinary shares		<u>16,967,644</u>	<u>498,877</u>	<u>11,723,745</u>	<u>9,451,836</u>	<u>1.44729</u>	<u>0.05278</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

Consolidated financial statements					
For the six-month periods ended 30 September					
Profit (loss)		Weighted average number of ordinary shares		Earnings per share	
<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht
Basic earnings per share					
Profit (loss) attributable to equity holders of the Company					
11,753,302	(181,400)	11,476,388	9,223,507	1.02413	(0.01967)
Effect of dilutive potential ordinary shares					
Warrants (BTS-W2)		204,349			
Warrants (BTS-WA)		7,443			
Warrants (BTS-WB)		1,165			
Diluted earnings per share					
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares					
<u>11,753,302</u>		<u>11,689,345</u>		<u>1.00547</u>	

(Unit: Thousand Baht)

Separate financial statements					
For the six-month periods ended 30 September					
Profit		Weighted average number of ordinary shares		Earnings per share	
<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht
Basic earnings per share					
Profit attributable to equity holders of the Company					
17,154,280	383,322	11,476,388	9,223,507	1.49475	0.04156
Effect of dilutive potential ordinary shares					
Warrants (BTS-W2)		204,349		141,627	
Warrants (BTS-WA)		7,443		1,282	
Warrants (BTS-WB)		1,165		-	
Diluted earnings per share					
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares					
<u>17,154,280</u>	<u>382,322</u>	<u>11,689,345</u>	<u>9,366,416</u>	<u>1.46751</u>	<u>0.04093</u>

Earnings per share

The convertible debentures would increase earnings per share for the three-month and six-month periods ended 30 September 2012 in the consolidated and separate financial statements. Therefore, the Company has not assumed conversion of the convertible debentures in the calculation of diluted earnings per share.

Earnings per share from continued operation

The conversion to ordinary shares of warrants representing rights to purchase ordinary shares of the Company (BTS-W2), of warrants to purchase the ordinary shares of the Company (BTS-WA) and convertible debentures would decrease loss per share for the three-month and six-month periods ended 30 September 2012 in the consolidated financial statements. In addition, the convertible debentures would increase earnings per share for the three-month and six-month periods ended 30 September 2012 in the separate financial statements. Therefore, the Company has not assumed conversion of the warrants and convertible debentures in the calculation of diluted earnings per share.

35. Dividends

<u>Dividends</u>	<u>Approved by</u>	<u>Total dividends</u> (Million Baht)	<u>Dividend per share</u> (Baht)
Final dividends for 2011/2012	Board of Directors' meeting on 26 July 2013	1,379	0.15 ⁽¹⁾
Total for the six-month period ended 30 September 2012		<u>1,379</u>	
Interim dividends for 2012/2013	Board of Directors' meeting on 19 April 2013	2,052	0.18
Final dividends for 2012/2013	Annual General Meeting of the shareholders on 26 July 2013	513	0.045
Interim dividends for 2013/2014	Board of Directors' meeting on 9 August 2013	2,190	0.19
Total for the six-month period ended 30 September 2013		<u>4,755</u>	

⁽¹⁾ For comparative purpose, the dividend per share for the six-month period ended 30 September 2012 was recalculated on the change of the par value of the Company's ordinary shares from Bath 0.64 to Baht 4 per share.

(Unaudited but reviewed)

The Annual General Meeting of its shareholders held on 26 July 2013 passed a resolution to amend dividend policy, whereby amounts of no less than Baht 6,000 million would be paid for the year ending 31 March 2014, no less than Baht 7,000 million for the year ending 31 March 2015 and no less than Baht 8,000 million for the year ending 31 March 2016.

36. Foreign currency assets/liabilities

As at 30 September 2013 and 31 March 2013, subsidiaries had assets and liabilities in foreign currency which were not hedged against foreign exchange rate risk as follows:

Consolidated financial statements					
Foreign currency	30 September 2013		31 March 2013		Average exchange rate as at 30 September 2013 (Baht per 1 Foreign currency unit)
	Financial assets	Financial liabilities	Financial assets (Audited) (Million)	Financial liabilities (Audited) (Million)	
USD	20	1	-	1	31.3907
EUR	-	2	11	5	42.3605
SGD	-	2	-	2	24.9743
HKD	-	2	-	-	4.0487
RMB	-	22	1	22	5.1387

Separate financial statements					
Foreign currency	30 September 2013		31 March 2013		Average exchange rate as at 30 September 2013 (Baht per 1 Foreign currency unit)
	Financial assets	Financial liabilities	Financial assets (Audited) (Million)	Financial liabilities (Audited) (Million)	
USD	20	-	-	-	31.3907

37. Commitments and contingent liabilities

As at 30 September 2013, the Company and its subsidiaries had commitments as follows:

37.1 Capital commitments

- a) 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 379 million (31 March 2013: Baht 253 million) in respect of agreements of consultation, design and construction projects.
- b) The Company and its subsidiaries (BTS Assets Company Limited and Nuvo Line Agency Company Limited) had outstanding commitments with a subsidiary (HHT Construction Company Limited) approximately Baht 279 million (31 March 2013: Baht 364 million) in respect of renovation and development of golf course and construction in progress.
- c) 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.
- d) A subsidiary (BTSC) had capital commitments of Baht 19 million (31 March 2013: Baht 27 million) in respect of a change and improvement of signaling system for elevated train operation.
- e) A subsidiary (BTSC) had capital commitments of EUR 8 million, USD 1 million, RMB 110 million and Baht 24 million (31 March 2013: EUR 6 million, USD 1 million, RMB 110 million and Baht 38 million) in respect of the acquisition of 55 elevated train carriages under an operation and maintenance contract for a mass transit system in Bangkok and related transportation fees per the related agreements signed by the subsidiary. In addition, under the operation and maintenance contract for a mass transit system in Bangkok, the subsidiary had further capital commitments of Baht 8,627 million (31 March 2013: Baht 8,627 million) in respect of acquisitions of elevated train carriages required for future compliance with the contract.
- f) A subsidiary (BTSC) had capital commitments of Baht 1 million (31 March 2013: Baht 1 million) in respect of radio upgrade project for the signaling system for elevated train operation.

- g) A subsidiary (BTSC) has capital commitments of AUD 1 million (31 March 2013: AUD 1 million) in respect of the acquisition of spareparts for Automatic Farebox Collection System.
- h) A subsidiary (BTS Assets Company Limited) had an outstanding commitment of Baht 15 million (31 March 2013: Baht 15 million) relating to building design services for the investment property.
- i) A subsidiary (Bangkok Smartcard System Company Limited) had outstanding commitments of RMB 5 million (31 March 2013: RMB 5 million) relating to development costs for common ticketing system.
- j) 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.
- k) A subsidiary (VGI Global Media Public Company Limited) had capital commitments of approximately SGD 10 million and Baht 208 million (31 March 2013: SGD 10 million and Baht 374 million), relating to the acquisition and installation of equipment.
- l) A subsidiary (Dnal Company Limited) had an outstanding commitment of Baht 255 million (31 March 2013: Baht 255 million) relating to the agreement to purchase and to sell of a building as discussed in Note 10 to the interim financial statements.

Under the Net Revenue and Purchase Transfer Agreement discussed in Note 39 to the interim financial statements, BTS Rail Mass Transit Growth Infrastructure Fund will be responsible for the commitments as discussed in d) and f).

37.2 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 (31 March 2013: Baht 5 million) in respect of a 15 years land and building lease agreement.

37.3 Commitments under maintenance contract

On 30 December 2004, a subsidiary (BTSC) entered into a 10 years 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 six-month periods ended 30 September 2013, the subsidiary paid the cost of maintenance and spare supply service fees amounting to Baht 32 million and Baht 81 million, respectively and EUR 0.4 million and EUR 0.9 million, respectively (2012: Baht 43 million and Baht 91 million, respectively and EUR 0.4 million and EUR 0.9 million, respectively).

Obligations will be allocated for collection from BTS Rail Mass Transit Growth Infrastructure Fund in accordance with bases and assumptions determined by the subsidiary's management, who have assessed the appropriateness of these bases and assumptions.

37.4 Service / long-term contract commitments

- a) 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 six-month periods ended 30 September 2013 amounted to approximately Baht 4 million and Baht 9 million, respectively (2012: Baht 4 million and Baht 9 million, respectively).
- b) The Company entered into a management agreement with its subsidiaries (Tanayong Property Management Company Limited and BTS Assets Company Limited), which is to furnish the subsidiaries 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 six-month periods ended 30 September 2013, the Company paid management fee amounted to Baht 6 million and Baht 11 million, respectively (2012: Baht 2 million and Baht 5 million, respectively).
- c) 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 215 million (31 March 2013: Baht 188 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) On 3 May 2013, 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). BTSC had commitments relating to its operations under this contract of Baht 108 million (31 March 2013: Baht 76 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 six-month periods ended 30 September 2013 amounted to approximately Baht 5 million and Baht 10 million, respectively (2012: Baht 3 million and Baht 6 million, respectively).
- g) The subsidiaries has committed to pay fees of Baht 292 million (31 March 2013: HKD 1 million and Baht 344 million) relating to other rental and service agreements.
- h) A subsidiary (BTSC) had commitments of approximately Baht 15 million (31 March 2013: Nil) relating to lease and service agreements (Airtime on Plasma Screen on platform, LCD in the train, Platform Truss LED and Platform Screen Door LCD).

37.5 Commitments under the concessions

- a) The subsidiaries had outstanding commitments with respect to minimum guarantees under concession agreements for the management and provision of advertising space in department stores, and other related agreements. Fees are payable as follows.

	(Unit: Million Baht)	
	<u>30 September 2013</u>	<u>31 March 2013</u>
Fees payable:		
Up to 1 year	632	642
Over 1 and up to 5 years	290	583

These amounts will be adjusted in accordance with actual performance, based on certain rates stipulated in the agreements.

- b) A subsidiary (VGI Global Media Public Company Limited) has entered into concession agreements for the installation and management of advertising media in buildings with a related company and unrelated companies, whereby it is to install, and manage the provision of advertising through, LCD screens in buildings. Under the conditions of the agreements, the Company is to pay the concession fees stipulated in the agreements. Minimum fees payable within 1 year amount to approximately Baht 11 million, while amounts of approximately Baht 16 million are payable more than 1 year but within 3 years from that date. These amounts will be adjusted in accordance with actual performance, based on certain rates stipulated in the agreements.

37.6 Other commitments

- a) The Company and a subsidiary (Nuvo Line Agency Company Limited) 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 and a subsidiary (Nuvo Line Agency Company Limited) 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.

37.7 Guarantees

- a) There were bank guarantees of Baht 44 million (31 March 2013: 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 (31 March 2013: 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 (31 March 2013: Baht 42 million to the Metropolitan Electricity Authority to guarantee electricity use, Baht 200 million to Mass Rapid Transit Authority of Thailand in respect of bidding, Baht 200 million to The Krungthep Thanakom Company Limited to guarantee a deposit received under the operation and maintenance contract for a mass transit system in Bangkok), and of Baht 7,093 million (31 March 2013: Nil) to guarantee the long-term debentures.

In addition, as at 30 September 2013, the subsidiary had Letter of Credit facilities from a local commercial bank of EUR 4 million and RMB 110 million (31 March 2013: EUR 10 million and RMB 110 million) in respect of acquisitions of elevated trains and elevated train carriages for the subsidiary's operation.

Under the Net Revenue and Purchase Transfer Agreement discussed in Note 39 to the interim financial statements, BTS Rail Mass Transit Growth Infrastructure Fund will be responsible for the bank guarantees of Baht 42 million issued by a bank on behalf of the subsidiary to the Metropolitan Electricity Authority to guarantee electricity use.

In addition, as at 30 September 2013, the subsidiaries had additional bank guarantees issued by banks as required in their normal operations of SGD 9 million and Baht 187 million (31 March 2013: Baht 187 million).

- c) The Company provided a guarantee on BTSC's compliance to BTS Rail Mass Transit Growth Infrastructure Fund as discussed under "Guarantee Transactions" in Note 39 to the interim financial statements.

37.8 Litigations

As at 30 September 2013, 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 10 to the interim financial statements. Therefore, the subsidiaries have not set aside provision for the contingent liability in their accounts.
- b) 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 Supreme Court process. However, the subsidiary believes that it will suffer no significant loss as a result of this litigation.
- c) 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.

38. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as Executive Chairman.

For management purposes, the Company and its subsidiaries are organised into business units based on its products and services and have four reportable segments as follows:

- Mass transit segment, which is BTS for the core network segment which was derecognised during the three-month and six-month periods ended 30 September 2013 and classified as non-current assets classified as held for sale for the financial statements as at 31 March 2013, as discussed in Note 21 to the interim financial statements
- Media segment, which provide advertising services on Bangkok Mass Transit System (BTS), in modern trade locations (Big C and Tesco Lotus), in office buildings and other locations
- Property segment, which development properties consisting of hotel and condominium
- Service segment, which is the provision of operating services under the operating and maintenance service agreement of extension to the core network, Rabbit Card and other services not included in the other major segments

(Unaudited but reviewed)

The operations of the Company and its subsidiaries are mainly carried in Thailand. The financial information by business segments for the three-month and six-month periods ended 30 September 2013 and 2012 were as follows:

(Unit: Million Baht)

	For the three-month periods ended 30 September										Consolidated	
	Mass transit segment		Media segment		Property segment		Service segment		Elimination		financial statements	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Revenues from external customers	-	-	850	727	504	4	829	486	-	-	2,183	1,217
Inter-segment revenues	-	-	2	8	144	161	81	87	(227)	(256)	-	-
Total revenues	-	-	852	735	648	165	910	573	(227)	(256)	2,183	1,217
Segment profit	-	-	558	469	171	4	335	171			1,064	644
Unallocated revenues and expenses:												
Dividend income											-	1
Interest income											322	5
Revenue from court-ordered compensation											-	7
Gain on sale of investment in subsidiary											-	289
Gain on sales of assets											380	-
Other income											9	12
Servicing and selling expenses											(97)	(32)
Administrative expenses											(364)	(240)
Share of profit from investments in associates											176	1
Finance cost											(174)	(378)
Income tax expenses											(216)	(301)
Gain from discontinued operation											-	510
Profit for the period											1,100	518
Non-controlling interests of the subsidiaries											(141)	(34)
Profit attributable to equity holders of the Company											959	484

(Unaudited but reviewed)

(Unit: Million Baht)

For the six-month periods ended 30 September												
	Mass transit		Media segment		Property		Service segment		Elimination		Consolidated financial statements	
	segment				segment						statements	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Revenues from external customers	-	-	1,697	1,369	1,419	95	1,296	826	-	-	4,412	2,290
Inter-segment revenues	-	-	5	16	144	161	213	205	(362)	(382)	-	-
Total revenues	-	-	1,702	1,385	1,563	256	1,509	1,031	(362)	(382)	4,412	2,290
Segment profit	-	-	1,042	813	549	25	533	342			2,124	1,180
Unallocated revenues and expenses:												
Dividend income											3	2
Interest income											602	13
Revenue from court-ordered compensation											-	7
Gain on sale of investment in subsidiary											-	289
Gain on sale of net future fare box revenues											13,498	-
Gain on sales of assets											380	-
Other income											44	30
Servicing and selling expenses											(226)	(81)
Administrative expenses											(668)	(461)
Share of profit from investments in associates											302	1
Finance cost											(366)	(751)
Income tax expenses											(3,257)	(397)
Gain from discontinued operation											30	973
Profit for the period											12,466	805
Non-controlling interests of the subsidiaries											(683)	(48)
Profit attributable to equity holders of the Company											11,783	757

The following table presents segment assets of the Company's and its subsidiaries' operating segments as at 30 September 2013 and 31 March 2013:

(Unit: Million Baht)						
	Mass transit	Media segment	Property	Service	Unallocated	Consolidated financial
	segment		segment	segment	assets	statements
At 30 September 2013	-	4,076	7,014	9,390	55,755	76,235
At 31 March 2013	42,123	2,562	10,584	4,501	7,521	67,291

39. Infrastructure fund transaction

On 18 December 2012, an extraordinary meeting of the Company's shareholders passed a resolution approving the sale by BTSC to BTS Rail Mass Transit Growth Infrastructure Fund ("BTSGIF") of future fare box revenues of BTSC from operation of the Core BTS Skytrain System, which covers a distance of 23.5 km, comprising the 17 km of the Sukhumvit line from Mo-Chit to On-Nut stations, and the 6.5 km of the Silom line from National Stadium to Taksin Bridge stations, under the concession agreement dated 9 April 1992 and the amendment to the concession agreement between the Bangkok Metropolitan Authority and BTSC, for the remainder of the concession.

On 17 April 2013, the Securities and Exchange Commission approved the registration of the assets of BTSGIF as an Infrastructure Fund, with 5,788 million investment units and an offer price and par value of Baht 10.80 per unit, or a total of Baht 62,510 million. On 17 April 2013, BTSC and BTSGIF entered into an agreement to buy and to transfer the rights to net fare box revenues of the Core BTS Skytrain System.

In addition, a resolution of the extraordinary general meeting of shareholders held on 18 December 2012 approved the Company's execution of the Infrastructure Fund Transactions, and these are now complete, as detailed below.

Net Sales Revenue Transaction

On 17 April 2013, BTSC and BTSGIF entered into an agreement to sell and transfer the rights to net fare box revenues, whereby BTSC sold to BTSGIF net fare box revenues from the operation of the Core BTS Skytrain System, covering 23.5 km of the Sukhumvit and Silom lines, under the concession agreement dated 9 April 1992 and the amendment concession agreement between the Bangkok Metropolitan Authority and BTSC, for the remainder of the concession. The price was set at Baht 61,399 million (net of the expense of establishing BTSGIF, totaling Baht 1,111 million). The key details relating to the agreement are as follows:

Net Revenue Purchase and Transfer Agreement

a) *Key Obligations of BTSC*

BTSC is to procure and deliver net fare box revenues to BTSGIF, and agrees to grant BTSGIF rights to participate in the management of BTSC's business, which BTSGIF entitled to nominate one-third of the directors appointed to BTSC's Board. BTSC is also required to comply with other obligations specified in the agreement.

b) *Right to Purchase and Right of First Refusal*

BTSGIF has the right to purchase BTSC's or any of its subsidiaries' revenues, rights, benefits, title, interests and/or investment in relation to the identified skytrain projects. In cases where BTSC or any of its subsidiaries receive a third party offer, BTSGIF has the right of first refusal to purchase revenues, rights, benefits, title, interests and/or any investments in relation to the the identified skytrain projects, the greenfield projects for any Bangkok and Vicinity Mass Transit Systems, and brownfield projects for any Bangkok and Vicinity Mass Transit Systems in respect of which BTSC or any of its subsidiaries have entered into or will enter into relevant agreements, or have operated or will operate relevant projects, including the identified skytrain projects. The brownfield projects of the Bangkok and Vicinity Mass Transit Systems include the long-term operation and maintenance agreement and any agreements extending the concession.

c) *Key Obligations of BTSGIF*

As long as there is no event of default under the agreement affecting BTSC's ability to deliver the net fare box revenues to BTSGIF, BTSGIF agrees to pay BTSC incentive fees at the following rates.

- 1) If the net fare box revenues for any year exceed 100 percent but not 125 percent of the annual net fare box revenues target for that year, BTSC is entitled to incentive fees at the rate of 10 percent of the net fare box revenue amount exceeding 100 percent but not 125 percent of the annual net fare box revenue target.
- 2) If the net fare box revenues for any year exceed 125 percent of the annual net fare box revenue target for that year, BTSC is entitled to incentive fees at the rate of 15 percent of the net fare box revenue amount exceeding 125 percent of the annual net fare box revenue target.

d) *Insurance*

BTSC agrees to procure and maintain at all times its normal insurance policies, including directors' liability insurance, and to be responsible for payment of any damages in excess of the insurance coverage that are the result of gross negligence or willful misconduct by BTSC. BTSGIF agrees to be responsible for payment of damages and losses incurred by the Core BTS SkyTrain System which (a) exceed the insured sum under the relevant insurance policies, (b) relate to uninsured events and (c) are not covered by the insurance, to the extent that such damages or losses are not the result of gross negligence or willful misconduct by BTSC, subject to the terms and conditions of this agreement. Regardless, in any case, the obligation of BTSGIF to pay for such damages and losses incurred by the Core BTS SkyTrain System shall cease on the concession expiry date.

This agreement provides details of the matters described above, reserved matters and negative undertakings of BTSC, as well as events of default and consequences, with which BTSC and BTSGIF must comply.

Guarantee Transaction

The performance of BTSC under the Net Revenue Purchase and Transfer Agreement between BTSC and BTSGIF dated 17 April 2013 is secured by a limited guarantee under the Sponsor Support and Guarantee Agreement between the Company and BTSGIF dated 17 April 2013, and the Share Pledge Agreement dated 17 April 2013. Under the Sponsor Support and Guarantee Agreement, the Company also grants BTSGIF the right to purchase shares in BTSC by entering into an Agreement to Purchase and to Sell Shares. The key terms and conditions of the Sponsor Support and Guarantee Agreement are as follows:

Sponsor Support and Guarantee Agreement

a) *Key Obligations of the Company*

- 1) The Company agrees to maintain its shareholding in BTSC at all times while obligations under this agreement are outstanding and not to transfer or create any encumbrance over such shares.
- 2) The Company agrees to grant BTSGIF participation in BTSC's Board of Directors by (a) appointing one-third of the directors of BTSC from the persons nominated by BTSGIF; and (b) appointing another one-third of the directors of BTSC from those with the specified qualifications for independent directors of BTSC's Board.
- 3) The Company agrees not to permit BTSC to enter into any transactions that are which is the subject of any Reserved Matters, unless such Reserved Matter has been approved by the Board of Directors of BTSC with at least two affirmative votes from BTSC directors nominated by BTSGIF.
- 4) The Company agrees to the terms and conditions of the Transaction Documents and agrees to take all actions necessary to procure that BTSC complies with all its obligations under the Transaction Documents, subject to the terms and conditions of this agreement.
- 5) The Company agrees to pledge its shares in BTSC to secure its obligations under this agreement.
- 6) The Company agrees to provide a guarantee to secure BTSC's performance of its obligations under the Net Revenue Purchase and Transfer Agreement. BTSGIF cannot enforce the Company's settlement of its obligations under the Sponsor Support and Guarantee Agreement by any method other than enforcement upon BTSC shares under the Agreement to Purchase and to Sell Shares. Upon transfer of BTSC shares under the Agreement to Purchase and to Sell Shares or the Share Pledge Agreement, the Company shall be immediately released from its obligations related to its guarantee and the obligations imposed upon it as a holder of BTSC shares under the Sponsor Support and Guarantee Agreement, but BTSGIF shall retain certain rights (such as the right to purchase and the right of first refusal in accordance with the relevant terms of the Sponsor Support and Guarantee Agreement), and certain obligations of the Company as specified under the Sponsor Support and Guarantee Agreement shall remain until all obligations of BTSC and the Company under the relevant Transaction Documents to which it is a party have been fully satisfied or until such other time as agreed under the Sponsor Support and Guarantee Agreement.

- 7) If the Company has any claim against BTSC, under the Transaction Documents or otherwise, the Company agrees to defer its rights to make such claim until all obligations of the Company and BTSC under the Transaction Documents have been fully discharged, except in the cases specifically exempted under the Sponsor Support and Guarantee Agreement.
- 8) In the event that BTSGIF allows BTSC to implement a plan to remedy an event of default pursuant to the Net Revenue Purchase and Transfer Agreement, from the commencement of the consultation to consider such remedy plan until such event of default is remedied in accordance with the approved remedy plan to the satisfaction of BTSGIF or waived by BTSGIF, the Company and BTSGIF agree to take or not to take certain actions as specified in the Sponsor Support and Guarantee Agreement. These include (a) the Company's agreement to remit all dividends received on the BTSC shares it holds to BTSGIF in settlement of any amounts due and payable by BTSC under the Transaction Documents which has not been paid to BTSGIF, (b) BTSGIF being granted voting rights on the BTSC shares held by the Sponsor pursuant to the conditions prescribed in the Sponsor Support and Guarantee Agreement, and (c) BTSGIF's agreement not to exercise its right to demand BTSC make payment of debt in the amount and under the conditions set out under the Net Revenue Purchase and Transfer Agreement or demand the Sponsor perform its obligations under the Sponsor Support and Guarantee Agreement, or exercise or enforce any other rights it has upon such event of default.

BTSC or the Sponsor's failure to comply with their specified obligations required to be undertaken after BTSGIF approves the implementation of the remedy plan shall constitute an event of default under the Net Revenue Purchase and Transfer Agreement, whereupon BTSGIF shall have the right to exercise any of its rights under the Transaction Documents.

- 9) If BTSGIF either purchases BTSC shares from the Company in accordance with the Agreement to Purchase and to Sell Shares or becomes the owner of BTSC shares as a result of the enforcement of the Share Pledge Agreement, BTSGIF agrees to take certain actions as stipulated in the agreement.

b) Right to Purchase and Right of First Refusal

The Company irrevocably grants BTSGIF (a) the right to purchase the revenues, rights, benefits, titles, interest and/or investments of the Company and its affiliates in relation to the identified skytrain projects, and (b) where the Company or any of its affiliates receive a third party offer, the right of first refusal to purchase revenues, rights, benefits, titles, interest and/or any investments in relation to the identified skytrain projects, the greenfield projects for any Bangkok and Vicinity Mass Transit Systems, and brownfield projects for any Bangkok and Vicinity Mass Transit Systems in respect of which the Company and/or any of its affiliates has entered or will enter into relevant agreements, or have operated or will operate the relevant projects, including the identified skytrain projects.

The terms and conditions of the right to purchase and the right of first refusal the Company granted to BTSGIF are similar to those specified in the Net Revenue Purchase and Transfer Agreement.

c) The Company's Right to Purchase BTSC Shares

BTSGIF agrees that:

- a. After BTSGIF exercises its right to purchase BTSC shares held by the Company in accordance with the Agreement to Purchase and to Sell Shares and it wishes to sell such shares to any person who provides an offer to purchase such shares from it, or
- b. If BTSGIF does not purchase BTSC shares held by the Company in accordance with the Agreement to Purchase and to Sell Shares itself, but wishes to sell such shares to an independent third party (other than BTSGIF's affiliate) and designate such third party to take the transfer of the shares from the Company pursuant to the Agreement to Purchase and to Sell Shares.

In these cases, BTSGIF grants the Company the right of first refusal to buy such shares at a price equal to the third party offer (in respect of (a)) or to pay BTSGIF an amount equal to the purchase price of the shares offered to BTSGIF by the independent third party (in respect of (b)) on terms and conditions not less favourable than those offered by the relevant third party. BTSGIF is to issue a written notice to BTSG containing the name of the offeror, the price offered for the purchase of the shares and all material terms and conditions of the third party offer. In exercising its right to purchase the shares from BTSGIF (in respect of (a)) or to pay the purchase price to BTSGIF (in respect of (b)), the Company is required to comply with the procedures and to act within the timeframe as agreed under the Sponsor Support and Guarantee Agreement. If the Company fails to confirm BTSGIF in writing that it wishes to purchase such shares or pay the purchase price (as the case may be) within the agreed period, or if the Company fails to complete the purchase of the shares or pay the purchase price within the agreed period, BTSGIF will be entitled to sell the shares to the third party who made the offer or another third party in accordance with such third party offer that was proposed to the Company at the offered purchase price or higher; or transfer the shares to the independent third party that BTSGIF designated as the person to take the transfer of the shares from the Company in accordance with the Agreement to Purchase and to Sell Shares, subject to all material terms and conditions being not more favourable than those under the third party offer that BTSGIF proposed to the Company.

BTSGIF and the Company agree that if BTSGIF designates its affiliate to receive the transfer of the shares pursuant to the Agreement to Purchase and to Sell Shares, the transfer of the shares to BTSGIF's affiliate is not subject to the Company's right of first refusal set out above, provided that upon BTSGIF's affiliate becoming the owner of the shares pursuant to the Agreement to Purchase and to Sell Shares, BTSGIF shall procure that such affiliate confirms to the Company in writing that it agrees to comply with the provisions and procedures in relation to the Company's right of first refusal under the Sponsor Support and Guarantee Agreement.

d) *Units Lock-up Undertaking*

For a period of ten years from the Closing Date, the Company may not, without prior written consent of BTSGIF, sell, transfer or dispose of the Units to which it is to subscribe in the amount of not less than one-third of the total number of Units.

e) *Negative Undertakings*

Restrictions on the Company relate to, among others, undertaking amalgamations or mergers, allowing an issue of shares or convertible securities by BTSC to any person that results in a reduction of the Company's percentage shareholding in BTSC, allowing BTSC to reduce its capital (except for the purpose of returning capital to BTSC's shareholders and provided that such capital reduction does not reduce the Company's percentage shareholding in BTSC or cause BTSC's paid up capital to fall below Baht 3,000,000,000) and allowing BTSC to remove or appoint its Chief Executive Officer, Chief Financial Officer or Chief Operating Officer.

Share Pledge Agreement

a) *Key Obligations of the Company*

- 1) The Company agrees to pledge its shares in BTSC to BTSGIF to secure its obligations under the Sponsor Support and Guarantee Agreement.
- 2) The Company shall procure that BTSC shall record such pledge in the share registrar book.
- 3) The Company undertakes that if it acquires additional shares in BTSC as a result of a change in the registered capital of BTSC, it will pledge these additional shares with BTSGIF such that the shares in BTSC held by the Company are pledged and delivered to BTSGIF.
- 4) Before the enforcement of the share pledge by BTSGIF upon the acceleration of the event of default under the Net Revenue Purchase and Transfer Agreement, the rights to vote and receive dividends derived from such shares shall remain with the Company.

b) *Key Obligations and Rights of BTSGIF*

BTSGIF may set off any obligations due from the Company under the Sponsor Support and Guarantee Agreement and other Transaction Documents to which the Company is a party against any obligation owed by BTSGIF to the Company, regardless of the place of payment.

c) *Enforcement of Pledge*

The Company and BTSGIF agree to prescribe conditions of the public auction sale of the pledged shares such that a third party winning bidder is required to enter into an agreement with form and content similar to that of the Sponsor Support and Guarantee Agreement.

Agreement to Purchase and to Sell Shares

a) *Key Obligations of the Company*

- 1) The Company agrees to sell BTSC's shares it holds to BTSGIF, and BTSGIF agrees to purchase shares from the Company when an event of default under the Net Revenue Purchase and Transfer Agreement has occurred and an exercise notice for the purchase of the shares has been delivered by BTSGIF to the Company.
- 2) The Company irrevocably appoints and authorises BTSGIF Supervisor and/or its permitted assignees to transfer the shares to BTSGIF.
- 3) The Company agrees that BTSGIF can offset the purchase price against the Company's obligations under the Sponsor Support and Guarantee Agreement. The Company also agrees not to call for BTSGIF to make payment of the share purchase price in cash.
- 4) BTSC agrees to perform all acts in order to transfer the shares to BTSGIF, including an undertaking to arrange for BTSC to record the transfer in the share register.

b) *Key Obligations and Rights of BTSGIF*

- 1) BTSGIF has the right to purchase shares from the Company upon the occurrence of an event of default under the Net Revenue Purchase and Transfer Agreement.
- 2) The purchase price will be determined in accordance with the procedures set out in the Agreement to Purchase and to Sell Shares.
- 3) BTSGIF has the right to offset any debt obligations of the Company to BTSGIF under the Sponsor Support and Guarantee Agreement and other Transaction Documents to which the Company is a party against any debt obligations of BTSGIF to the Company, regardless of the place of payment. The Company agrees not to call for BTSGIF to make payment of the share purchase price in cash.

Investment Unit Subscription Transaction

The Company subscribed to 1,929 million investment units in BTSGIF at a price of Baht 10.80 per unit, totalling Baht 20,833 million, equivalent to 33.33% of the number of units in issue.

In addition, the Company entered into other agreements with respect to or as a consequence of the execution of the infrastructure fund transactions, in conformity with the agreements and memorandums relating to the infrastructure fund transactions mentioned above.

As detailed above, on 31 January 2013, BTSC wrote to the Federation of Accounting Professions (FAP), enquiring about accounting for the transactions involved in the establishment of an infrastructure fund, which included details relevant to the recording of the sale of future fare box revenues by derecognizing project costs in the accounts of BTSC and the Company in the consolidated financial statements, and the immediate recognition of gains on the sale.

On 22 May 2013, BTSC sent another letter providing the FAP with additional details regarding the name of the agreement to transfer the net fare box revenue.

On 8 July 2013, the FAP wrote to BTSC regarding the method of accounting for the transactions involved in the establishment of an infrastructure fund, providing details of the issues that should be considered but not providing a conclusion as to how to record the transactions. However, the FAP believes that the Company and BTSC need to consider the effect of their legal obligations under these agreements, among other facts, while taking into account the overall nature of the transactions, and that both BTSC and the Company should refer to the judgment of their accountants in carefully and thoroughly reviewing the transactions.

After careful and thorough consideration of the details of the transactions by the Company and BTSC, their conclusions are as follow:

- a) BTSC sold its rights to collect future net fare box revenues from the core BTS train system for the remainder of the concession period (about 17 years) to BTSGIF.
- b) The Company and BTSC have not provided any guarantee of the future net fare box revenues to be received by BTSGIF.
- c) BTSGIF is the party exposed to the risk related to fluctuations in fare box revenues or costs and expenses of capital assets.
- d) Even though the sale of net fare box revenues will not involve the legal transfer of rights under the concession agreement to BTSGIF, in substance this transaction already represents the transfer of all of BTSC's benefits in the fare box revenues to BTSGIF.
- e) BTSC will continue to be the operator of the train services, overseen by BTSGIF, and to exercise decision-making authority as the owner of BTSGIF (BTSC is not involved with the day-to-day management of these assets at the owner level, and does not either directly or indirectly control the assets sold).
- f) BTSC is to submit cash receipts of fare box revenues to BTSGIF, acting as a middleman responsible only for the collection of fare box revenue and their submission to BTSGIF each day. Because the cash belongs to BTSGIF, BTSC has no debtor/creditor obligations with BTSGIF. Given this, BTSC does not believe that these transactions are financial liabilities.

On the basis of the above summary, the Company and BTSC treat the sale of the rights to collect future fare box revenues as a true sale of an intangible asset, and BTSC therefore recognised the write off of project costs and related accounts from the statement of financial position, and recorded its estimates of the liabilities related to this transaction in the statement of financial position, net of cash receipts of Baht 61,399 million from the sale of the rights to collect these net fare box revenues. The Group recorded a gain on the sale amounting to Baht 13,498 million (after eliminating one third of the transactions, in proportion to the Company's unit holding in BTSGIF) and presented this as a separate item in the statement of comprehensive income for the six-month period ended 30 September 2013.

40. Investment in Indonesia

On June 29, 2013, the Company and PT Jakarta Monorail has entered into the Participating Agreement concerning Development and Operations of Monorail Project in Jakarta, Indonesia ("Participating Agreement Framework"). This Participating Agreement Framework is a framework for the negotiation and conclusion on the terms and conditions of the final agreement to be entered into by the parties in the future. The Company will act as the project consultant to support PT Jakarta Monorail to achieve the development of this project. The Company will also study the details for providing the operation and maintenance (O&M) of this project. If the study shows satisfactory results, project worthiness and attractive yield, the Company will negotiate and agree on the service fee and terms of the operation and maintenance agreement with PT Jakarta Monorail, and proceed with the corporate approval for the entry into the Operation and Maintenance Agreement with PT Jakarta Monorail. In addition, under the Participating Agreement Framework with PT Jakarta Monorail, the Company has an option to invest in the equity of this project, i.e. an option to purchase certain percentage of shares in PT Jakarta Monorail. However, this is depend on and subject to the project worthiness, investment yield, result of the negotiation, terms and conditions, corporate approval, legal requirements and the entry into the final agreement between the parties.

41. Events after the reporting period

- 41.1 On 11 October 2013, the Extraordinary Meeting No. 1/2013 of the Company's shareholders passed the following significant resolutions:
- a) Approved the reduction and increase of the registered share capital, as discussed in Note 29 to the interim financial statements.
 - b) Approved the allocation of the Company's ordinary shares, as discussed in Note 29 to the interim financial statements.
 - c) Approved the issue and offer of the warrants (BTS-W3) discussed in Note 30 to the interim financial statements.
- 41.2 On 16 October 2013, meeting of Executive Committee of the Company passed a resolution to newly establish Man Kitchen Company Limited to be engaged in the restaurant and related businesses. Such company has a registered share capital of Baht 50 million (500,000 ordinary shares with a par value of Baht 100 each), in which a subsidiary company will hold 70% interests. In addition, it passed a resolution to newly establish Little Corner Company Limited to be engaged in the restaurant business. Such company has a registered share capital of Baht 10 million (100,000 ordinary shares with a par value of Baht 100 each), in which Man Kitchen Company Limited will hold 50% interests.

(Unaudited but reviewed)

41.3 On 7 November 2013, meeting No.7/2013 of Board of Directors of a subsidiary (VGI Global Media Public Company Limited) passed the following significant resolutions:

- a) Decrease the subsidiary's registered share capital from Baht 330 million (3,300 million ordinary shares with a par value of Baht 0.1 each) to Baht 329,998,923 (3,299,989,230 ordinary shares with a par value of Baht 0.1 each) by cancellation of 10,770 unissued ordinary shares with a par value of Baht 0.1 each.
- b) Increase the subsidiary's registered share capital from Baht 329,998,923 (3,299,989,230 ordinary shares with a par value of Baht 0.1 each) to Baht 343,198,879.90 (3,431,988,799 ordinary shares with a par value of Baht 0.1 each) by issuing 131,999,569 ordinary shares with a par value of Baht 0.1 each to accommodate the stock dividend payment.
- c) Pay to the interim stock and cash dividends of Baht 0.004 per share and Baht 0.18 per share, respectively, or a total of Baht 607.2 million, in respect of past operating results.

42. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 8 November 2013.