

BTS Group Holdings Public Company Limited  
and its subsidiaries  
Report and consolidated financial statements  
31 March 2015

## **Independent Auditor's Report**

To the Shareholders of BTS Group Holdings Public Company Limited

I have audited the accompanying consolidated financial statements of BTS Group Holdings Public Company Limited and its subsidiaries, which comprise the consolidated statement of financial position as at 31 March 2015, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and have also audited the separate financial statements of BTS Group Holdings Public Company Limited for the same period.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### **Opinion**

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of BTS Group Holdings Public Company Limited and its subsidiaries and of BTS Group Holdings Public Company Limited as at 31 March 2015, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

### **Emphasis of matter**

I draw attention to Note 4 to the financial statements regarding the change in accounting policies as the result of adoption of Thai Financial Reporting Standard Interpretation 4 *Determining Whether an Arrangement Contains a Lease*, Thai Financial Reporting Standard Interpretation 12 *Service Concession Arrangements* and Thai Accounting Standard Interpretation 29 *Service Concession Arrangements: Disclosures*. The Company has restated the consolidated financial statements for the year ended 31 March 2014, presented herein as comparative information, to reflect the adjustments resulting from such change. The Company has also presented the consolidated statements of financial position as at 1 April 2013 as comparative information, using the newly adopted accounting policies for these financial reporting standards. My opinion is not qualified in respect of this matter.

Siraporn Ouaanunkun  
Certified Public Accountant (Thailand) No. 3844

EY Office Limited  
Bangkok: 25 May 2015

**BTS Group Holdings Public Company Limited and its subsidiaries**

**Statement of financial position**

(Unit: Baht)

	Consolidated financial statements			Separate financial statements		
		As at	As at	As at	As at	
	Note	<u>31 March 2015</u>	<u>31 March 2014</u> (Restated)	<u>1 April 2013</u>	<u>31 March 2015</u>	<u>31 March 2014</u>
<b>Assets</b>						
<b>Current assets</b>						
Cash and cash equivalents	8	10,111,920,166	8,668,509,431	3,513,281,951	605,765,222	3,087,464,920
Current investments	9	6,371,376,986	23,496,310,306	993,849,166	1,364,933,232	1,496,269,625
Bank account for advances from cardholders	10	210,533,123	152,684,948	78,881,627	-	-
Trade and other receivables	11	1,218,140,448	1,074,454,681	945,646,126	78,827,789	354,132,177
Current portion of receivable under concession agreement	4, 12	92,205,164	90,020,296	77,596,722	-	-
Current portion of receivable under finance lease agreement	4, 13	27,944,786	26,341,608	24,830,404	-	-
Advances to contractors						
Related party	7	-	-	-	19,476,105	44,823,112
Unrelated parties		20,684,029	13,682,983	25,565,132	8,837,540	-
Short-term loans to related parties	7	-	-	-	94,000,000	176,500,000
Current portion of long-term loan to a jointly controlled entity	7	3,925,000	-	-	-	-
Real estate development costs	14	2,237,787,824	2,549,762,493	3,510,307,262	653,573,963	624,752,129
Assets awaiting transfer under rehabilitation plan	16	68,272,311	68,290,413	73,008,516	68,272,311	68,290,413
Investments in subsidiaries awaiting transfer under rehabilitation plan	17	224,342,586	224,342,586	224,342,586	197,438,333	197,438,333
Accrued income		577,916,264	671,666,324	247,768,779	-	-
Prepaid expenses		70,869,710	60,568,573	137,552,359	7,766,703	6,846,577
Other current assets		190,566,348	246,499,506	345,066,966	20,423,323	27,691,308
		21,426,484,745	37,343,134,148	10,197,697,596	3,119,314,521	6,084,208,594
Non-current assets classified as held for sale	28	4,576,221,926	-	42,123,099,124	4,696,154,680	-
<b>Total current assets</b>		<u>26,002,706,671</u>	<u>37,343,134,148</u>	<u>52,320,796,720</u>	<u>7,815,469,201</u>	<u>6,084,208,594</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: Baht)

	Consolidated financial statements			Separate financial statements		
		As at	As at	As at	As at	
	Note	31 March 2015	31 March 2014 (Restated)	1 April 2013	31 March 2015	31 March 2014
<b>Non-current assets</b>						
Restricted deposits	54	1,184,497,895	611,073,812	88,527,047	1,183,680,000	609,162,500
Cash deposited as collateral for debt settlement	15	170,918,686	232,657,728	232,657,728	170,918,686	232,657,728
Loans to related parties	7	759,081,000	-	-	1,404,939,531	3,823,745,217
Investments in subsidiaries	18	-	-	-	35,207,559,959	32,827,884,794
Investments in joint ventures	19	113,984,165	44,517,103	-	100,000,000	-
Investments in associates	20	14,011,643,246	13,898,964,479	10,026,474	20,693,667,000	20,842,200,000
Other long-term investments	21	9,548,446,134	6,238,184,405	367,522,165	5,531,345,419	2,126,788,775
Project costs - media	22	2,326,510,864	2,340,066,979	-	-	-
Reusable spare parts	23	91,437,793	21,918,411	22,402,665	-	-
Land and projects awaiting development		263,977,595	263,913,382	-	-	-
Investment properties	24	1,480,262,216	3,101,461,112	2,867,628,616	2,299,752,362	1,691,151,666
Property, plant and equipment	25	5,776,177,213	7,737,758,946	6,940,959,456	233,888,132	484,836,709
Leasehold rights	26	11,661,900	13,858,243	13,000,000	6,737,579	8,550,209
Intangible assets	27	120,027,381	65,822,860	50,215,370	367,260	208,092
Goodwill		78,656,476	78,656,476	78,656,476	-	-
Deposit and advances for asset acquisitions	16	128,807,192	55,856,600	67,821,875	-	-
Accrued income		357,298,598	324,968,545	-	-	-
Rights of claim from acquisition of debts per rehabilitation plan	16	204,032,633	204,032,633	545,087,021	-	-
Receivable under concession agreement - net of current portion	4,12	3,615,230,895	3,657,643,132	2,880,813,715	-	-
Receivable under finance lease agreement - net of current portion	4,13	32,195,966	60,140,752	86,482,361	-	-
Deferred tax assets	49	149,017,228	37,340,003	302,737,292	26,942,338	-
Other non-current assets		384,889,483	379,173,314	385,158,515	12,198,973	12,988,322
<b>Total non-current assets</b>		<b>40,808,754,559</b>	<b>39,368,008,915</b>	<b>14,939,696,776</b>	<b>66,871,997,239</b>	<b>62,660,174,012</b>
<b>Total assets</b>		<b>66,811,461,230</b>	<b>76,711,143,063</b>	<b>67,260,493,496</b>	<b>74,687,466,440</b>	<b>68,744,382,606</b>

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: Baht)

	Consolidated financial statements			Separate financial statements		
		As at	As at	As at	As at	
	Note	31 March 2015	31 March 2014 (Restated)	1 April 2013	31 March 2015	31 March 2014
<b>Liabilities and shareholders' equity</b>						
<b>Current liabilities</b>						
Bank overdraft and short-term loans from						
financial institutions	29	530,000,000	-	1,117,000,000	-	-
Trade and other payables	30	1,851,052,936	2,222,442,186	1,948,194,274	337,002,366	174,689,419
Advances received from cardholders		211,073,239	151,050,605	77,746,794	-	-
Accrued costs of construction		71,291,863	73,783,797	152,322,301	4,584,968	3,293,108
Short-term loans from related parties	7	-	20,000,000	-	9,185,000,000	-
Current portion of creditors per rehabilitation plan	31	683,616,959	745,356,001	745,356,001	683,616,959	745,356,001
Current portion of long-term loans	32	26,000,000	10,000,000	1,967,221,105	-	-
Current portion of long-term debentures	33	1,467,655,915	3,607,630,003	2,078,656,425	-	-
Liability awaiting final court order	16	181,869,687	181,869,687	80,830,972	181,869,687	181,869,687
Unearned revenues		100,498,252	132,064,879	387,552,041	-	-
Fare box revenues awaiting transfer		168,723,704	177,038,634	95,053,881	-	-
Income tax payable		495,243,959	988,876,552	148,015,777	19,295,404	698,086,744
Short-term provisions	35	227,411,297	45,818,947	-	-	-
Other current liabilities		265,149,731	201,297,817	141,101,663	50,488,460	33,698,373
		6,279,587,542	8,557,229,108	8,939,051,234	10,461,857,844	1,836,993,332
Liabilities directly associated with assets						
classified as held for sale	28	515,779,611	-	-	-	-
<b>Total current liabilities</b>		<b>6,795,367,153</b>	<b>8,557,229,108</b>	<b>8,939,051,234</b>	<b>10,461,857,844</b>	<b>1,836,993,332</b>
<b>Non-current liabilities</b>						
Unearned revenues		621,535,805	614,777,096	82,827,256	-	-
Creditors per rehabilitation plan - net of current portion	31	49,571,181	49,571,181	51,852,561	49,571,181	49,571,181
Long-term loans - net of current portion	32	1,187,084,000	230,000,000	396,747,178	981,084,000	-
Long-term debentures - net of current portion	33	1,345,124,380	2,807,456,233	6,400,979,526	-	-
Retention payable						
Related party	7	-	-	-	32,899,019	19,155,283
Unrelated parties		34,658,671	34,900,860	62,508,522	2,084,931	1,920,940
Provision for transaction under equity method of						
investment in a joint venture	19	317,712,548	-	-	-	-
Provision for long-term employee benefits	34	575,700,610	557,623,702	481,713,903	27,248,542	24,621,910
Long-term provisions	35	1,244,025,921	1,266,911,816	141,143,601	-	-
Deferred tax liabilities	49	2,616,160,085	3,037,111,667	360,840,715	-	44,054,193
Other non-current liabilities		12,044,974	13,384,023	12,691,576	7,795,210	5,697,601
<b>Total non-current liabilities</b>		<b>8,003,618,175</b>	<b>8,611,736,578</b>	<b>7,991,304,838</b>	<b>1,100,682,883</b>	<b>145,021,108</b>
<b>Total liabilities</b>		<b>14,798,985,328</b>	<b>17,168,965,686</b>	<b>16,930,356,072</b>	<b>11,562,540,727</b>	<b>1,982,014,440</b>

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: Baht)

	Consolidated financial statements			Separate financial statements		
	Note	As at 31 March 2015	As at 31 March 2014 (Restated)	As at 1 April 2013	As at 31 March 2015	As at 31 March 2014
<b>Shareholders' equity</b>						
Share capital	36					
Registered						
15,913,136,180 ordinary shares of Baht 4 each (1 April 2013: 11,986,444,024 ordinary shares of Baht 4 each)		63,652,544,720	63,652,544,720	47,945,776,096	63,652,544,720	63,652,544,720
Issued and fully paid						
11,919,250,161 ordinary shares of Baht 4 each (31 March 2014: 11,914,230,525 ordinary shares of Baht 4 each) (1 April 2013: 11,106,634,594 ordinary shares of Baht 4 each)		47,677,000,644	47,656,922,100	44,426,538,376	47,677,000,644	47,656,922,100
Share premium	36	1,807,590,613	1,797,237,616	1,486,058,428	1,807,590,613	1,797,237,616
Share subscriptions received in advance		-	-	1,295,600,058	-	-
Deficit on business combination under common control	38	(3,371,978,137)	(3,371,978,137)	(3,371,978,137)	(3,715,435,231)	(3,790,492,685)
Surplus on swap of investments in subsidiaries under common control	39	-	-	-	325,065,107	250,065,107
Surplus from the changes in the ownership interests in subsidiaries	40	1,353,171,672	4,448,284,107	2,811,213,393	-	-
Surplus on sales of warrants of the subsidiary	41	494,317,120	-	-	-	-
Treasury shares	43	(925,479,618)	-	-	(925,479,618)	-
Retained earnings						
Appropriated - statutory reserve	44	2,937,067,926	2,760,300,559	1,750,522,658	1,835,982,926	1,659,215,559
Appropriated - treasury share reserve	43	925,479,618	-	-	925,479,618	-
Unappropriated (deficit)		(3,387,775,380)	818,124,855	(3,633,117,710)	14,262,722,164	17,877,307,796
Other components of shareholders' equity		2,639,391,121	3,577,100,725	3,663,498,125	1,006,999,490	1,312,112,673
Amount recognised in equities relating to assets classified as held for sale	28	579,587,121	-	-	(75,000,000)	-
Equity attributable to owners of the Company		50,728,372,700	57,685,991,825	48,428,335,191	63,124,925,713	66,762,368,166
Non-controlling interest of the subsidiaries		1,284,103,202	1,856,185,552	1,901,802,233	-	-
<b>Total shareholders' equity</b>		<b>52,012,475,902</b>	<b>59,542,177,377</b>	<b>50,330,137,424</b>	<b>63,124,925,713</b>	<b>66,762,368,166</b>
<b>Total liabilities and shareholders' equity</b>		<b>66,811,461,230</b>	<b>76,711,143,063</b>	<b>67,260,493,496</b>	<b>74,687,466,440</b>	<b>68,744,382,606</b>
		-	-	-	-	-

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 year ended 31 March 2015**

(Unit: Baht)

Note	Consolidated financial statements		Separate financial statements	
	2015	2014 (Restated)	2015	2014
<b>Continued operation</b>				
<b>Profit or loss:</b>				
<b>Revenues</b>				
Train procurement service income under concession agreement				
4	49,792,926	866,849,713	-	-
45	5,676,550,917	5,227,232,958	124,552,045	131,988,877
	410,596,252	2,057,152,573	44,465,400	90,310,449
Other income				
	1,911,000	-	47,408,500	47,400,000
	41,657,029	6,030,609	3,270,735,330	17,889,116,421
46	1,054,045,416	1,345,615,164	176,176,642	256,046,516
20	53,421,685	-	-	-
9, 18, 21	261,813,990	2,109,012	618,275,231	3,300,613,906
56	-	13,497,581,375	-	-
16	-	379,899,004	-	379,899,004
24	367,559,995	-	-	-
	256,091,528	85,662,306	144,263,601	101,431,773
<b>Total revenues</b>	<b>8,173,440,738</b>	<b>23,468,132,714</b>	<b>4,425,876,749</b>	<b>22,196,806,946</b>
<b>Expenses</b>				
4	49,792,926	866,849,713	-	-
	2,754,121,737	2,558,283,137	140,660,918	122,276,122
	243,890,805	1,260,385,660	31,762,351	52,248,231
	145,787,303	318,058,758	10,647,273	15,950,495
	992,785,338	963,984,096	323,696,436	314,216,858
47	310,272,376	135,038,345	201,705,000	132,960,166
<b>Total expenses</b>	<b>4,496,650,485</b>	<b>6,102,599,709</b>	<b>708,471,978</b>	<b>637,651,872</b>
<b>Profit before share of income (loss) from investments in joint ventures and associates, finance cost and income tax expenses</b>				
	3,676,790,253	17,365,533,005	3,717,404,771	21,559,155,074
19	(14,455,790)	(812,297)	-	-
20	866,031,283	620,053,693	-	-
<b>Profit before finance cost and income tax expenses</b>	<b>4,528,365,746</b>	<b>17,984,774,401</b>	<b>3,717,404,771</b>	<b>21,559,155,074</b>
Finance cost	(403,476,064)	(628,028,330)	(57,026,596)	(399,273,052)
<b>Profit before income tax expenses</b>	<b>4,124,889,682</b>	<b>17,356,746,071</b>	<b>3,660,378,175</b>	<b>21,159,882,022</b>
49	(733,025,821)	(3,788,094,978)	(125,030,827)	(966,323,996)
<b>Profit from continued operation for the year</b>	<b>3,391,863,861</b>	<b>13,568,651,093</b>	<b>3,535,347,348</b>	<b>20,193,558,026</b>
<b>Discontinued operation</b>				
28	(51,644,316)	(32,177,684)	-	-
<b>Profit for the year</b>	<b>3,340,219,545</b>	<b>13,536,473,409</b>	<b>3,535,347,348</b>	<b>20,193,558,026</b>
<b>Other comprehensive income:</b>				
Exchange differences on translation of financial statements in foreign currency				
	1,492,280	(935,037)	-	-
Loss on changes in value of available-for-sale investments				
	(367,337,168)	(94,093,035)	(311,415,169)	(94,093,035)
<b>Other comprehensive income for the year</b>	<b>(365,844,888)</b>	<b>(95,028,072)</b>	<b>(311,415,169)</b>	<b>(94,093,035)</b>
<b>Total comprehensive income for the year</b>	<b>2,974,374,657</b>	<b>13,441,445,337</b>	<b>3,223,932,179</b>	<b>20,099,464,991</b>

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 year ended 31 March 2015**

(Unit: Baht)

Note	Consolidated financial statements		Separate financial statements	
	2015	2014 (Restated)	2015	2014
<b>Profit (loss) attributable to:</b>				
Equity holders of the Company				
Profit from continued operation	2,995,677,059	12,630,489,154	3,535,347,348	20,193,558,026
Loss from discontinued operation	(51,644,316)	(32,948,563)	-	-
	<u>2,944,032,743</u>	<u>12,597,540,591</u>	<u>3,535,347,348</u>	<u>20,193,558,026</u>
Non-controlling interests of the subsidiaries				
Profit from continued operation	396,186,802	938,161,939		
Profit from discontinued operation	-	770,879		
	<u>396,186,802</u>	<u>938,932,818</u>		
	<u>3,340,219,545</u>	<u>13,536,473,409</u>		
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company				
Total comprehensive income from continued operation	2,631,252,590	12,535,461,082	3,223,932,179	20,099,464,991
Total comprehensive income from discontinued operation	(51,644,316)	(32,948,563)	-	-
	<u>2,579,608,274</u>	<u>12,502,512,519</u>	<u>3,223,932,179</u>	<u>20,099,464,991</u>
Non-controlling interests of the subsidiaries				
Total comprehensive income from continued operation	394,766,383	938,161,939		
Total comprehensive income from discontinued operation	-	770,879		
	<u>394,766,383</u>	<u>938,932,818</u>		
	<u>2,974,374,657</u>	<u>13,441,445,337</u>		
<b>Earnings per share</b>				
	50			
Basic earnings per share				
Profit attributable to equity holders of the Company	<u>0.248</u>	<u>1.078</u>	<u>0.298</u>	<u>1.728</u>
Diluted earnings per share				
Profit attributable to equity holders of the Company	<u>0.248</u>	<u>1.067</u>	<u>0.298</u>	<u>1.710</u>
<b>Earnings per share from continued operation</b>				
	50			
Basic earnings per share				
Profit attributable to equity holders of the Company	<u>0.253</u>	<u>1.081</u>	<u>0.298</u>	<u>1.728</u>
Diluted earnings per share				
Profit attributable to equity holders of the Company	<u>0.252</u>	<u>1.070</u>	<u>0.298</u>	<u>1.710</u>

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

**BTS Group Holdings Public Company Limited and its subsidiaries**

**Cash flow statement**

**For the year ended 31 March 2015**

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2015</u>	<u>2014</u> (Restated)	<u>2015</u>	<u>2014</u>
<b>Cash flows from operating activities</b>				
Profit before tax from continued operation	4,124,889,682	17,356,746,071	3,660,378,175	21,159,882,022
Less Loss before tax from discontinued operation	(51,644,316)	(26,017,914)	-	-
Profit before tax	4,073,245,366	17,330,728,157	3,660,378,175	21,159,882,022
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	460,002,433	381,114,483	80,187,195	67,937,695
Unrealised loss (gain) on exchange	(2,156,162)	32,260,542	5,291,882	(1,830,671)
Share of loss from investments in joint ventures	14,455,790	812,297	-	-
Share of income from investments in associates	(866,031,283)	(620,053,693)	-	-
Unearned revenue recognition	(36,883,863)	(35,267,036)	-	-
Provision for long-term employee benefits	31,951,127	45,209,014	3,512,968	3,325,515
Provisions (reversal)	(52,796,958)	88,102,795	-	-
Allowance for impairment of assets	125,650,546	-	-	-
Provisions for terminating agreements	113,291,051	-	-	-
Provisions for revenues being lower than the minimum guaranteed amounts	53,438,200	-	-	-
Amortisation of premium on cross currency swap agreements	(60,899,067)	-	(21,940,496)	-
Reversal of allowance for impairment of investment	-	-	(11,000,000)	-
Allowance for doubtful account	17,892,357	135,038,345	201,705,000	132,960,166
Gain on sale of land	(367,559,995)	-	-	-
Gain on sale of warrants	(53,421,685)	-	-	-
Gain on sale of future net fare box revenues	-	(13,497,581,375)	-	-
Gain from sales of investments	(261,813,990)	(2,109,012)	(618,275,231)	(3,300,613,906)
Gain on disposal of investment in subsidiary	-	(21,193,483)	-	-
Unrealised gain on changes in value of current investments in trading securities	(8,498,387)	(12,608,851)	-	-
Loss (gain) on sales of assets	26,873,853	(379,899,004)	-	(379,899,004)
Dividend income	(41,657,029)	(6,030,609)	(3,270,735,330)	(17,889,116,421)
Share-based payment transaction	14,772,623	16,961,549	2,463,334	2,647,428
Interest income	(1,054,045,416)	(1,345,615,164)	(176,176,642)	(256,046,516)
Interest expenses	388,282,005	575,524,302	57,026,596	368,023,252
Profit (loss) from operating activities before changes in operating assets and liabilities	2,514,091,516	2,685,393,257	(87,562,549)	(92,730,440)

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 year ended 31 March 2015**

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2015</u>	<u>2014</u> (Restated)	<u>2015</u>	<u>2014</u>
Decrease (increase) in operating assets				
Bank account for advance from cardholders	(57,848,175)	(73,803,321)	-	-
Trade and other receivables	(346,767,991)	(26,227,072)	(35,715,629)	(15,468,353)
Receivable under concession agreement	40,227,369	(789,252,991)	-	-
Receivable under finance lease agreement	26,341,608	24,830,404	-	-
Spare parts	(4,414,436)	(2,662,370)	-	-
Real estate development costs	139,484,198	955,147,616	(28,821,834)	30,408,712
Advances to contractors	(7,001,046)	11,882,149	16,509,467	(10,174,604)
Other current assets	64,574,167	(253,052,359)	6,036,052	(109,191,850)
Other non-current assets	4,400,675	13,520,024	789,349	104,873,522
Increase (decrease) in operating liabilities				
Trade and other payables	(493,191,099)	70,761,177	(19,504,337)	(3,006,293)
Advances received from cardholders	60,022,634	73,303,811	-	-
Accrued costs of construction	(69,806,918)	(148,367,511)	1,291,860	(8,370,386)
Advances received from employers	-	1,382,104	-	-
Retention payable	6,181,030	(36,664,023)	13,907,727	(30,864,263)
Unearned income	12,075,944	(302,260,287)	-	-
Fare box revenues awaiting transfer	(8,314,930)	81,984,753	-	-
Provision for long-term employee benefits	(22,041,826)	(1,804,051)	(886,336)	-
Other current liabilities	41,470,317	(29,173,896)	8,719,709	(24,877,637)
Cash from (used in) operating activities	1,899,483,037	2,254,937,414	(125,236,521)	(159,401,592)
Cash paid for interest expenses	(304,427,340)	(481,699,780)	(14,509,294)	(9,630,137)
Cash paid for corporate income tax	(1,668,983,478)	(697,075,321)	(796,964,906)	(15,187,718)
Cash received for return of corporate income tax	-	57,144,943	-	28,026,140
<b>Net cash from (used in) operating activities</b>	<b>(73,927,781)</b>	<b>1,133,307,256</b>	<b>(936,710,721)</b>	<b>(156,193,307)</b>

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 year ended 31 March 2015**

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2015</b>	<b>2014</b> (Restated)	<b>2015</b>	<b>2014</b>
<b>Cash flows from investing activities</b>				
Decrease (increase) in current investments	18,855,129,921	(22,444,598,152)	136,851,262	2,995,690,212
Increase in restricted deposits	(546,339,083)	(522,546,765)	(542,432,500)	(527,518,033)
Increase in short-term loans to related parties	-	-	(130,000,000)	(65,000,000)
Increase in long-term loans to related parties	(763,006,000)	-	(1,925,171,120)	(1,875,173,023)
Cash received from loan to related parties	-	-	1,856,000,000	1,037,804,388
Interest income	1,226,272,892	1,111,427,569	95,717,420	114,317,178
Decrease in rights of claim from acquisition of debts per rehabilitation plan	-	341,054,388	-	-
Cash received from decrease in issued share capital of subsidiary	-	-	-	1,137,040,158
Cash received from sales of investments in subsidiaries	-	-	1,032,974,595	4,587,909,224
Cash received from sales of other long-term investments	6,189,329,375	-	6,189,329,375	-
Cash received from sales of warrants	129,213,216	-	-	-
Cash received from return of capital of associate	148,533,000	-	148,533,000	-
Cash paid for purchases of investments in subsidiaries	-	-	(4,759,556,995)	(2,395,152,915)
Cash paid for purchases of investments in joint ventures	(133,750,000)	(43,200,000)	(100,000,000)	-
Net cash paid from change in status of investment	-	(1,743,967)	-	-
Cash paid for purchases of investments in associates	(696,535,015)	(20,838,200,000)	-	(20,838,200,000)
Cash paid for purchases of other long-term investments	(11,300,986,474)	(5,988,278,535)	(9,615,814,628)	(1,977,051,504)
Dividend received	1,258,357,636	823,398,181	2,327,548,151	3,800,910,853
Cash paid for purchases of property, plant and equipment	(1,139,820,473)	(1,006,912,480)	(50,024,494)	(318,843,919)
Cash received from sales of property, plant and equipment	8,390,010	2,724,513	196,262	58,500
Cash paid for purchases of investment properties	(541,051,684)	(652,706,744)	(369,162,467)	(618,289,208)
Cash received from sales of investment properties	1,412,254,950	501,596,218	1,264,950	501,409,855
Cash paid for purchase of leasehold rights	-	(4,730,000)	-	(4,730,000)
Cash paid for purchases of intangible assets	(12,976,234)	(6,401,179)	(316,720)	(207,687)
Cash paid for advances for asset acquisitions	(83,807,192)	-	-	-
Cash received from sale of future net fare box revenues	-	61,399,000,000	-	-
Cash paid for expenses of sale of future net fare box revenues	-	(36,391,043)	-	-
<b>Net cash from (used in) investing activities</b>	<b>14,009,208,845</b>	<b>12,633,492,004</b>	<b>(5,704,063,909)</b>	<b>(14,445,025,921)</b>
<b>Cash flows from financing activities</b>				
Increase in short-term loans from financial institutions	530,000,000	20,833,200,000	-	20,833,200,000
Cash paid for short-term loans from financial institutions	-	(21,950,200,000)	-	(20,833,200,000)
Increase in long-term loans from financial institutions	973,734,000	99,000,000	973,734,000	-
Cash paid for long-term loans from financial institutions	(8,000,000)	(2,222,968,283)	-	-
Increase in short-term loans from related parties	-	20,000,000	14,362,000,000	24,063,200,000
Cash paid for short-term loans from related parties	(20,000,000)	-	(4,245,000,000)	(3,230,000,000)
Cash received from exercised warrants	21,960,904	2,237,536,686	21,960,904	2,237,536,686
Cash received from sales of warrants of the subsidiary	634,000,000	-	-	-
Increase in liability awaiting final court order	-	101,038,715	-	101,038,715
Dividend paid	(6,028,140,354)	(7,112,009,151)	(6,028,140,354)	(7,112,009,151)
Cash paid for long-term debentures	(3,611,300,000)	(2,081,300,000)	-	-
Cash paid for treasury stock	(925,479,618)	-	(925,479,618)	-
Cash paid for purchases of investments in subsidiaries	(4,653,556,994)	(2,150,152,915)	-	-
Cash received from sales of investment in subsidiary	1,032,974,595	4,587,909,224	-	-
Dividend paid by subsidiaries to non-controlling interests of subsidiaries	(403,401,279)	(768,895,092)	-	-
Cash paid by subsidiary to non-controlling interests as result of decrease in issued share capital	-	(248,795,927)	-	-
Cash received from non-controlling interests of subsidiary for exercised warrants	2,811,914	-	-	-
Cash received from non-controlling interests for issuance of ordinary shares of subsidiaries	29,000,000	45,000,000	-	-
<b>Net cash from (used in) financing activities</b>	<b>(12,425,396,832)</b>	<b>(8,610,636,743)</b>	<b>4,159,074,932</b>	<b>16,059,766,250</b>
Increase (decrease) in translation adjustment	1,346,194	(935,037)	-	-
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>1,511,230,426</b>	<b>5,155,227,480</b>	<b>(2,481,699,698)</b>	<b>1,458,547,022</b>
Cash and cash equivalents at beginning of the year	8,668,509,431	3,513,281,951	3,087,464,920	1,628,917,898
Cash and cash equivalents at end of the year from discontinued operation	(67,819,691)	-	-	-
<b>Cash and cash equivalents at end of the year</b>	<b>10,111,920,166</b>	<b>8,668,509,431</b>	<b>605,765,222</b>	<b>3,087,464,920</b>
	-	-	-	-

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 year ended 31 March 2015**

(Unit: Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2015</u>	<u>2014</u> (Restated)	<u>2015</u>	<u>2014</u>
<b>Supplemental cash flow information</b>				
Non-cash transactions				
Transfer equipment to spare parts	64,248,112	-	-	-
Transfer equipment to intangible assets	60,371,421	23,029,885	-	-
Transfer equipment to other current assets	11,519,308	3,112,000	-	-
Transfer equipment to other non-current assets	-	4,854,136	-	-
Transfer project costs - elevated train system to project costs - media	-	2,371,446,572	-	-
Transfer real estate development cost to investment properties	172,490,471	15,734,779	-	15,734,779
Transfer property, plant and equipment to investment properties	-	-	308,030,247	87,415,600
Transfer investment properties to property, plant and equipment	4,562,560	25,199,952	28,340,569	-
Transfer investment properties to land and projects awaiting development	-	263,913,382	-	-
Transfer leasehold rights to property, plant and equipment	1,416,879	3,090,873	1,416,879	3,090,873
Payable of acquisition of equipment	155,682,756	116,515,710	1,454,616	23,598,142
Payable of acquisition of investment properties	-	-	16,371,031	1,086,867
Payable of acquisition of intangible assets	2,897,964	340,600	-	-
Payable of acquisition of other long-term investments	116,586,246	-	116,586,246	-
Settle short-term loan from related party with dividend received and decrease in issued share capital of subsidiary	-	-	932,000,000	20,833,200,000
Settle interest payable with dividend received and decrease in issued share capital of subsidiary	-	-	2,348,262	358,393,115
Current investments received from decrease in issued share capital of subsidiary	-	-	-	3,500,000,000
Transfer other long-term investments to current investments	1,707,765,084	-	-	-
Settle cash deposited as collateral for debt settlement with creditors per rehabilitation plan	61,739,042	-	61,739,042	-
Record provision for cost of construction of car park building and sky walk of investment properties	231,000,000	-	-	-

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

BTS Group Holdings Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 March 2015

(Unit: Baht)

Consolidated financial statements																							
Equity attributable to owners of the Company																							
Issued and paid-up share capital	Share premium	Share subscription received in advance	Deficit on business combination under common control	Surplus from the change in the ownership interests in subsidiaries	Surplus on sales of warrants of the subsidiary	Treasury shares	Retained earnings			Other comprehensive income			Other components of equity					Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity			
							Appropriated		Unappropriated	Translation adjustment	Revaluation surplus on assets	Surplus (deficit) on changes in value of investments	Surplus on debenture conversion	Capital reserve on consolidation	Share premium on sales of company's shares held by subsidiaries	Capital reserve for share-based payment transaction	Total other components of shareholders' equity				Amount recognised in equities relating to assets classified as held for sale	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
							Statutory reserve	Treasury share reserve															
44,426,538,376	1,486,058,428	1,295,600,058	(3,371,978,137)	2,811,213,393	-	-	1,750,522,658	-	(3,465,897,567)	(121,976,044)	2,376,688,438	19,040,558	1,356,596,955	2,685,013	8,525,682	21,937,523	3,663,498,125	-	48,595,555,334	1,906,160,320	50,501,715,654		
Cumulative effect of change in accounting policies for service concession arrangements and finance lease agreement (Note 4)																							
-	-	-	-	-	-	-	-	-	(167,220,143)	-	-	-	-	-	-	-	-	-	-	(167,220,143)	(4,358,087)	(171,578,230)	
44,426,538,376	1,486,058,428	1,295,600,058	(3,371,978,137)	2,811,213,393	-	-	1,750,522,658	-	(3,633,117,710)	(121,976,044)	2,376,688,438	19,040,558	1,356,596,955	2,685,013	8,525,682	21,937,523	3,663,498,125	-	48,428,335,191	1,901,802,233	50,330,137,424		
Profit for the year - restated																							
-	-	-	-	-	-	-	-	-	12,597,540,591	-	-	-	-	-	-	-	-	-	-	12,597,540,591	938,932,818	13,536,473,409	
Other comprehensive income for the year																							
-	-	-	-	-	-	-	-	-	-	(935,037)	-	(94,093,035)	-	-	-	-	-	-	-	(95,028,072)	-	(95,028,072)	
Total comprehensive income for the year																							
-	-	-	-	-	-	-	-	-	12,597,540,591	(935,037)	-	(94,093,035)	-	-	-	-	-	-	-	12,502,512,519	938,932,818	13,441,445,337	
Exercised warrants (Note 37)																							
3,230,383,724	311,179,188	(1,295,600,058)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(8,330,877)	(8,330,877)	-	2,237,631,977	-	2,237,631,977	
Purchases of investment in subsidiary (Note 18)																							
-	-	-	-	(2,035,109,839)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,035,109,839)	(115,043,076)	(2,150,152,915)	
Sales of investment in subsidiary (Note 18)																							
-	-	-	-	3,672,180,553	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,672,180,553	255,605,888	3,927,786,441	
Dividend paid by subsidiaries to non-controlling interests of the subsidiaries																							
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(864,300,634)	(864,300,634)	
Issuance of ordinary shares of subsidiary																							
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	45,000,000	45,000,000	
Decrease in issued share capital of subsidiary																							
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(305,811,677)	(305,811,677)	
Share-based payment transaction																							
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16,961,549	16,961,549	-	16,961,549	-	16,961,549	
Dividend paid (Note 53)																							
-	-	-	-	-	-	-	-	-	(7,136,520,123)	-	-	-	-	-	-	-	-	-	-	(7,136,520,123)	-	(7,136,520,123)	
Retained earnings transferred to statutory reserve																							
-	-	-	-	-	-	-	1,009,777,901	-	(1,009,777,901)	-	-	-	-	-	-	-	-	-	-	-	-	-	
47,656,922,100	1,797,237,616	-	(3,371,978,137)	4,448,284,107	-	-	2,760,300,559	-	818,124,857	(122,911,081)	2,376,688,438	(75,052,477)	1,356,596,955	2,685,013	8,525,682	30,568,195	3,577,100,725	-	57,685,991,827	1,856,185,552	59,542,177,379		
Balance as at 31 March 2014																							
47,656,922,100	1,797,237,616	-	(3,371,978,137)	4,448,284,107	-	-	2,760,300,559	-	1,032,668,233	(122,911,081)	2,376,688,438	(75,052,477)	1,356,596,955	2,685,013	8,525,682	30,568,195	3,577,100,725	-	57,900,535,203	1,861,776,976	59,762,312,179		
Cumulative effect of change in accounting policies for service concession arrangements and finance lease agreement (Note 4)																							
-	-	-	-	-	-	-	-	-	(214,543,376)	-	-	-	-	-	-	-	-	-	-	(214,543,376)	(5,591,424)	(220,134,800)	
47,656,922,100	1,797,237,616	-	(3,371,978,137)	4,448,284,107	-	-	2,760,300,559	-	818,124,857	(122,911,081)	2,376,688,438	(75,052,477)	1,356,596,955	2,685,013	8,525,682	30,568,195	3,577,100,725	-	57,685,991,827	1,856,185,552	59,542,177,379		
Profit for the year																							
-	-	-	-	-	-	-	-	-	2,944,032,743	-	-	-	-	-	-	-	-	-	-	2,944,032,743	396,186,802	3,340,219,545	
Other comprehensive income for the year																							
-	-	-	-	-	-	-	-	-	-	1,492,280	-	(365,916,749)	-	-	-	-	-	-	-	(364,424,469)	(1,420,419)	(365,844,889)	
Total comprehensive income for the year																							
-	-	-	-	-	-	-	-	-	2,944,032,743	1,492,280	-	(365,916,749)	-	-	-	-	-	-	-	2,579,608,274	394,766,383	2,974,374,657	
Exercised warrants (Note 37)																							
20,078,544	10,352,997	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(8,470,637)	(8,470,637)	-	21,960,904	-	21,960,904	
Exercised warrants of the subsidiary by non-controlling interests of the subsidiary (Note 18)																							
-	-	-	-	2,811,914	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,811,914	-	2,811,914	
Sales of warrants of the subsidiary (Note 18)																							
-	-	-	-	-	494,317,120	-	-	-	-	-	-	-	-	-	-	-	-	-	-	494,317,120	12,882,880	507,200,000	
Purchases of investments in subsidiaries (Note 18)																							
-	-	-	-	(4,003,560,015)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(4,003,560,015)	(649,996,979)	(4,653,556,994)	
Sales of investment in subsidiary (Note 18)																							
-	-	-	-	905,635,666	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	905,635,666	54,107,862	959,743,528	
Issuance of ordinary shares of subsidiary																							
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	29,000,000	29,000,000		
Dividend paid by subsidiaries to non-controlling interests of the subsidiaries																							
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(412,842,496)	(412,842,496)	
Share-based payment transaction																							
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14,772,623	14,772,623	-	14,772,623	-	14,772,623	
Dividend paid (Note 53)																							
-	-	-	-	-	-	-	-	-	(6,047,685,995)	-	-	-	-	-	-	-	-	-	-	(6,047,685,995)	-	(6,047,685,995)	
Treasury shares purchased (Note 43)																							
-	-	-	-	-	-	(925,479,618)	-	-	-	-	-	-	-	-	-	-	-	-	-	(925,479,618)	-	(925,479,618)	
Transferred to treasury share reserve (Note 43)																							
-	-	-	-	-	-	-	925,479,618	(925,479,618)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Retained earnings transferred to statutory reserve																							
-	-	-	-	-	-	-	176,767,367	(176,767,367)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Discontinued operation (Note 28)																							
-	-	-	-	-	-	-	-	-	-	(579,587,121)	-	-	-	-	-	-	-	-	-	(579,587,121)	579,587,121	-	
47,677,000,644	1,807,590,613	-	(3,371,978,137)	1,353,171,672	494,317,120	(925,479,618)	2,937,067,926	925,479,618	(3,387,775,380)	(121,418,801)	1,797,101,317	(440,969,226)	1,356,596,955	2,685,013	8,525,682	36,870,181	2,639,391,121	579,587,121	50,728,372,700	1,284,103,202	52,012,475,902		
Balance as at 31 March 2015																							

The accompanying notes are an integral part of financial statements.

BTS Group Holdings Public Company Limited and its subsidiaries  
Statement of changes in shareholders' equity (continued)  
For the year ended 31 March 2015

(Unit: Baht)

	Separate financial statements														
											Other components of equity				
	Issued and paid-up share capital	Share premium	Share subscription received in advance	Deficit on business combination under common control	Surplus on swap of investments in subsidiaries under common control	Treasury shares	Retained earnings			Other comprehensive income	Capital reserve for share-based payment transaction	Total other components of shareholders' equity	Amount recognised in equities relating to assets classified as held for sale	Total shareholders' equity	
							Appropriated		Unappropriated						Surplus (deficit) on changes in value of investments
Statutory reserve	Treasury share reserve	Surplus on changes in value of investments	Surplus on debenture conversion	Surplus on debenture conversion											
<b>Balance as at 1 April 2013</b>	44,426,538,376	1,486,058,428	1,295,600,058	(4,812,208,580)	250,065,107	-	649,537,658	-	5,829,947,794	19,040,558	1,356,596,955	21,937,523	1,397,575,036	-	50,523,113,877
Profit for the year	-	-	-	-	-	-	-	-	20,193,558,026	-	-	-	-	-	20,193,558,026
Other comprehensive income for the year	-	-	-	-	-	-	-	-	(94,093,035)	-	-	-	(94,093,035)	-	(94,093,035)
Total comprehensive income for the year	-	-	-	-	-	-	-	-	20,193,558,026	(94,093,035)	-	-	(94,093,035)	-	20,099,464,991
Exercised warrants (Note 37)	3,230,383,724	311,179,188	(1,295,600,058)	-	-	-	-	-	-	-	-	(8,330,877)	(8,330,877)	-	2,237,631,977
Sales of investment in subsidiary (Note 18)	-	-	-	1,021,715,895	-	-	-	-	-	-	-	-	-	-	1,021,715,895
Share-based payment transaction	-	-	-	-	-	-	-	-	-	-	-	16,961,549	16,961,549	-	16,961,549
Dividend paid (Note 53)	-	-	-	-	-	-	-	-	(7,136,520,123)	-	-	-	-	-	(7,136,520,123)
Retained earnings transferred to statutory reserve	-	-	-	-	-	-	1,009,677,901	-	(1,009,677,901)	-	-	-	-	-	-
<b>Balance as at 31 March 2014</b>	<b>47,656,922,100</b>	<b>1,797,237,616</b>	<b>-</b>	<b>(3,790,492,685)</b>	<b>250,065,107</b>	<b>-</b>	<b>1,659,215,559</b>	<b>-</b>	<b>17,877,307,796</b>	<b>(75,052,477)</b>	<b>1,356,596,955</b>	<b>30,568,195</b>	<b>1,312,112,673</b>	<b>-</b>	<b>66,762,368,166</b>
<b>Balance as at 1 April 2014</b>	<b>47,656,922,100</b>	<b>1,797,237,616</b>	<b>-</b>	<b>(3,790,492,685)</b>	<b>250,065,107</b>	<b>-</b>	<b>1,659,215,559</b>	<b>-</b>	<b>17,877,307,796</b>	<b>(75,052,477)</b>	<b>1,356,596,955</b>	<b>30,568,195</b>	<b>1,312,112,673</b>	<b>-</b>	<b>66,762,368,166</b>
Profit for the year	-	-	-	-	-	-	-	-	3,535,347,348	-	-	-	-	-	3,535,347,348
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-	(311,415,169)	-	-	(311,415,169)	-	(311,415,169)
Total comprehensive income for the year	-	-	-	-	-	-	-	-	3,535,347,348	(311,415,169)	-	-	(311,415,169)	-	3,223,932,179
Exercised warrants (Note 37)	20,078,544	10,352,997	-	-	-	-	-	-	-	-	-	(8,470,637)	(8,470,637)	-	21,960,904
Sales of investment in subsidiary (Note 18)	-	-	-	75,057,454	-	-	-	-	-	-	-	-	-	-	75,057,454
Share-based payment transaction	-	-	-	-	-	-	-	-	-	-	-	14,772,623	14,772,623	-	14,772,623
Dividend paid (Note 53)	-	-	-	-	-	-	-	-	(6,047,685,995)	-	-	-	-	-	(6,047,685,995)
Treasury shares purchased (Note 43)	-	-	-	-	-	(925,479,618)	-	-	-	-	-	-	-	-	(925,479,618)
Transferred to treasury share reserve (Note 43)	-	-	-	-	-	-	-	925,479,618	(925,479,618)	-	-	-	-	-	-
Retained earnings transferred to statutory reserve	-	-	-	-	-	-	176,767,367	-	(176,767,367)	-	-	-	-	-	-
Discontinued operation (Note 28)	-	-	-	-	75,000,000	-	-	-	-	-	-	-	-	(75,000,000)	-
<b>Balance as at 31 March 2015</b>	<b>47,677,000,644</b>	<b>1,807,590,613</b>	<b>-</b>	<b>(3,715,435,231)</b>	<b>325,065,107</b>	<b>(925,479,618)</b>	<b>1,835,982,926</b>	<b>925,479,618</b>	<b>14,262,722,164</b>	<b>(386,467,646)</b>	<b>1,356,596,955</b>	<b>36,870,181</b>	<b>1,006,999,490</b>	<b>(75,000,000)</b>	<b>63,124,925,713</b>

The accompanying notes are an integral part of financial statements.

## **BTS Group Holdings Public Company Limited and its subsidiaries**

### **Notes to consolidated financial statements**

**For the year ended 31 March 2015**

#### **1. General information**

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

The mass transit business operated by a subsidiary consists of the provision of operating services of the Core BTS Sky Train System as an operator, operating services under operating and maintenance service agreement of extension to the Core BTS Sky Train System and operating service under operating and bus procurement (BRT) agreement. The details are as follows:

- a) The operation of an elevated mass transit system in prime business areas in Bangkok over two routes (“the Core BTS Sky Train 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 the subsidiary, for 30 years after commissioning under the concession granted by the Bangkok Metropolitan Administration (“BMA”). The commercial operations commenced on 5 December 1999. The concession stipulates that the civil works are to be structured on a build-transfer-operate basis whereby the subsidiary will transfer legal title of the assets to BMA as they are brought into service. The electrical and mechanical works are to be transferred to BMA on a build-operate-transfer basis at the expiry of the concession.

Subsequently, on 17 April 2013, the subsidiary and BTS Rail Mass Transit Growth Infrastructure Fund (“BTSGIF”) entered into the Net Revenue Purchase and Transfer Agreement in relation to the Bangkok Mass Transit System Concession Agreement, covering the remainder of the concession. From an accounting perspective, the subsidiary carefully and thoroughly considered these transactions and concluded that the sale of the rights to collect future fare box revenues was a true sale of an intangible asset (project cost). As a result, the subsidiary derecognised project cost and the related accounts from its books and recognised a gain on sale of future net fare box revenues. The agreement stipulates that the subsidiary continues to be the operator of the train services, overseen by BTSGIF, while decision-making authority as the owner belongs to BTSGIF. The subsidiary submits cash receipts of net fare box revenues to BTSGIF, as a middleman responsible only for the collection of fare box revenue. The subsidiary receives fees as the operator under the conditions as stipulated in the agreement.



However, from a tax perspective, the sale of future net fare box revenues was treated as borrowing from BTSGIF. The subsidiary remains the owner of the intangible asset (project cost) and fare box revenues and expenses still belong to the subsidiary. The subsidiary calculates corporate income tax based on taxable revenues and expenses determined in accordance with tax legislation.

- b) The provision of operation and maintenance services for the extension to the Core BTS Sky Train System under the Operation and Maintenance for Bangkok Mass Transit System Agreement dated 3 May 2012 made with Krungthep Thanakom Company Limited (“Krungthep Thanakom”) (established by the Bangkok Metropolitan Authority) and the amendment to the agreement, for 30 years from 8 May 2012 to 2 May 2042.
- c) The provision of operation and maintenance services under an operating and bus procurement (BRT) agreement dated 10 February 2010 with Krungthep Thanakom and the amendment to the agreement, for 7 years from 15 May 2010 to 15 May 2017.

## **2. Basis of preparation**

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

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

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

## 2.2. Basis of consolidation

a) The consolidated financial statements include the financial statements of the Company and the following subsidiary companies (“the subsidiaries”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2015	2014
<b><u>Subsidiaries directly owned by the Company</u></b>				
Bangkok Mass Transit System Public Co., Ltd. ("BTSC")	Mass transit business	Thailand	97.46	97.46
VGI Global Media Public Co., Ltd.	Advertising services on Bangkok Mass Transit System (BTS), in department stores, in office buildings and others	Thailand	18.58	10.84
Dnal Co., Ltd.	Office rental	Thailand	100	100
Muangthong Assets Co., Ltd.	Hotel	Thailand	100	100
PrannaKiri Assets Co., Ltd.	Property development	Thailand	100	100
Yong Su Co., Ltd.	Dormancy	Thailand	100	100
Tanayong Food and Beverage Co., Ltd.	Property development	Thailand	100	100
Thana City Golf & Sports Club Co., Ltd.	Management of golf course and club house	Thailand	100	100
Siam Paging and Communication Co., Ltd.	Property development	Thailand	100	100
Tanayong Property Management Co., Ltd.	Building management	Thailand	100	100
Tanayong International Ltd.	Dormancy	Cayman Island	100	100
HHT Construction Co., Ltd.	Construction services	Thailand	51	51
Tanayong Hong Kong Ltd.	Investment in securities	Hong Kong	100	100
Carrot Rewards Co., Ltd.	CRM Loyalty Program and Coupon Kiosks	Thailand	100	100
Nuvo Line Agency Co., Ltd.	Property development	Thailand	100	80
BTS Assets Co., Ltd.	Hotel and property development	Thailand	100	100
BTS Land Co., Ltd.	Trademark development for property development and service businesses	Thailand	100	100
Kamkoong Property Co., Ltd.	Property development	Thailand	100	100
Man Kitchen Co., Ltd.	Restaurant and related businesses	Thailand	70	70
Mak8 Co., Ltd.	Property development	Thailand	87.5	87.5
Primary Kitchen Co., Ltd.	Restaurant and related businesses	Thailand	100	-
BSS Holdings Co., Ltd.	Investment in the securities of other companies	Thailand	100	-
<b><u>Subsidiaries indirectly owned by the Company</u></b>				
<b>Held by BTS Land Co., Ltd.</b>				
Bangkok Payment Solutions Co., Ltd.	Developing software and providing technology services, including technology associated with Thailand's mass transit and payment systems	Thailand	60	-

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2015	2014
<b><u>Subsidiaries indirectly owned by the Company</u></b>				
<b><u>(continued)</u></b>				
<b>Held by Man Kitchen Co., Ltd.</b>				
Little Corner Co., Ltd.	Restaurant and related businesses	Thailand	75	-
<b>Held by BTSC</b>				
Bangkok Smartcard System Co., Ltd.	Provision for electronic payment services	Thailand	90	90
VGI Global Media Public Co., Ltd.	Advertising services on Bangkok Mass Transit System (BTS), in department stores, in office buildings and others	Thailand	51.00	51.00
<b>Held by VGI Global Media Public Co., Ltd.</b>				
VGI Advertising Media Co., Ltd.	Management of advertising in department stores	Thailand	100	100
999 Media Co., Ltd.	Manufacturing of radio media	Thailand	100	100
888 Media Co., Ltd.	Management of advertising in department stores	Thailand	100	100
Point Of View (POV) Media Group Co., Ltd.	Managing and providing of the advertising	Thailand	100	100
VGI Advertising China Co., Ltd.	Managing and providing of the advertising	The People's Republic of China	100	100

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

2.3 The separate financial statements, which present investments in subsidiaries, joint ventures and associates under the cost method, have been prepared solely for the benefit of the public.

### 3. New financial reporting standards

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

#### (a) Financial reporting standards that became effective in the current accounting year

Conceptual Framework for Financial Reporting (revised 2014)

Accounting Standards:

TAS 1 (revised 2012)	Presentation of Financial Statements
TAS 7 (revised 2012)	Statement of Cash Flows
TAS 12 (revised 2012)	Income Taxes
TAS 17 (revised 2012)	Leases
TAS 18 (revised 2012)	Revenue
TAS 19 (revised 2012)	Employee Benefits
TAS 21 (revised 2012)	The Effects of Changes in Foreign Exchange Rates
TAS 24 (revised 2012)	Related Party Disclosures
TAS 28 (revised 2012)	Investments in Associates
TAS 31 (revised 2012)	Interests in Joint Ventures
TAS 34 (revised 2012)	Interim Financial Reporting
TAS 36 (revised 2012)	Impairment of Assets
TAS 38 (revised 2012)	Intangible Assets

Financial Reporting Standards:

TFRS 2 (revised 2012)	Share-based Payment
TFRS 3 (revised 2012)	Business Combinations
TFRS 5 (revised 2012)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8 (revised 2012)	Operating Segments

Accounting Standard Interpretations:

TSIC 15	Operating Leases - Incentives
TSIC 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29	Service Concession Arrangements: Disclosures
TSIC 32	Intangible Assets - Web Site Costs

Financial Reporting Standard Interpretations:

TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4	Determining whether an Arrangement contains a Lease
TFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7	Applying the Restatement Approach under TAS 29 <i>Financial Reporting in Hyperinflationary Economies</i>
TFRIC 10	Interim Financial Reporting and Impairment
TFRIC 12	Service Concession Arrangements
TFRIC 13	Customer Loyalty Programs
TFRIC 17	Distributions of Non-cash Assets to Owners
TFRIC 18	Transfers of Assets from Customers

Accounting Treatment Guidance for Stock Dividend

These financial reporting standards were amended primarily to align their content with the corresponding International Financial Reporting Standards. Most of the changes were directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of the accounting standards. These financial reporting standards do not have any significant impact on the financial statements, except as follows.

**Thai Financial Reporting Standard Interpretations 12 *Service Concession Arrangements* and Thai Accounting Standard Interpretation 29 *Service Concession Arrangements: Disclosures***

TSIC 29 provides guidelines on disclosures related to service concession arrangements, while TFRIC 12 provides accounting guidelines for concession operators for recognizing and measuring the obligations and related rights in public-to-private service concession arrangements under which the grantor controls and regulates the services provided; to whom they are provided; and at what price; and also controls any significant residual interest in the related infrastructure at the end of the agreement term. The operators are to summarize the consideration received or receivable at its fair value, as the right in a financial asset or in an intangible asset, depending on the conditions of the service concession arrangement.

The subsidiary's management considers the arrangement under an Operating and Maintenance of Bangkok Mass Transit System Agreement (for train procurement service) to be within the scope of TFRIC 12. The cumulative effect of the adoption of this TSIC and TFRIC is shown in Note 4 to the financial statements. In addition, the subsidiary's management considers the arrangement under an Operating and Bus Procurement (BRT) Agreement to be outside the scope of TFRIC 12.

#### **Thai Financial Reporting Standard Interpretations 4 *Determining Whether an Arrangement Contains a Lease***

This Financial Reporting Standard Interpretations provides guidelines on determining whether an arrangement is or contains a lease. If so, the subsidiary is required to apply Accounting Standard No. 17 Leases.

The subsidiary's management considers the arrangement under an Operating and Bus Procurement (BRT) Agreement (for bus procurement service) to be within the scope of TFRIC 4. The agreement contains components of a lease, and based on the principles of Accounting Standard No. 17 Leases, content of the agreement is a finance lease. Lessors shall summarize assets held under a finance lease in their statements of financial position and present them as a receivable at an amount equal to the net investment in the lease. The cumulative effect of the adoption of this TFRIC is shown in Note 4 to the financial statements.

#### **(b) Financial reporting standards that will become effective in the future**

The Federation of Accounting Professions has issued a number of revised and new financial reporting standards that become effective for fiscal years beginning on or after 1 January 2015 (beginning on or after 1 April 2015 for the Company and its subsidiaries). These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of accounting standards. The management of the Company and its subsidiaries believes they will not have any significant impact on the financial statements in the year in which they are adopted. However, some of these financial reporting standards involve changes to key principles, as discussed below:

##### **TAS 19 (revised 2014) Employee Benefits**

This revised standard requires that the entity recognize actuarial gains and losses immediately in other comprehensive income while the existing standard allows the entity to summarize such gains and losses immediately in profit or loss, or in other comprehensive income, or to summarize them gradually in profit or loss.

This revised standard does not have any impact on the financial statements as the Company and its subsidiaries already summarized actuarial gains and losses immediately in other comprehensive income.

### **TFRS 10 Consolidated Financial Statements**

TFRS 10 prescribes requirements for the preparation of consolidated financial statements and replaces the part dealing with consolidated financial statements as included in TAS 27 *Consolidated and Separate Financial Statements*. This standard changes the principles used in considering whether control exists. Under this standard, an investor is deemed to have control over an investee if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns, even if it holds less than half of the shares or voting rights. This important change requires the management to exercise a lot of judgement when reviewing whether the Company and its subsidiaries have control over the investees and determine which entities have to be included for preparation of the consolidated financial statements.

The management of the Company and its subsidiaries believes that this standard will not have any significant impact on the Company's and its subsidiaries' financial statements.

### **TFRS 11 Joint Arrangements**

TFRS 11 supersedes TAS 31 Interests in Joint Ventures. This standard requires an entity to account for an investment in a jointly controlled entity that meets the definition of a joint venture using the equity method, while TAS 31 allows the entity to apply either the proportionate consolidation method or the equity method to account for such an investment.

The management of the Company and its subsidiaries believes that this standard will not have any impact on the Company's and its subsidiaries' financial statements as the Company and its subsidiaries have already applied the equity method to an investment in a jointly controlled entity.

### **TFRS 12 Disclosure of Interests in Other Entities**

This standard stipulates disclosures relating to an entity's interests in subsidiaries, joint arrangements and associates, including structured entities. This standard therefore has no financial impact to the financial statements of the Company and its subsidiaries.

### **TFRS 13 Fair Value Measurement**

This standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurements. Entities are to apply the guidance under this standard if they are required by other financial reporting standards to measure their assets or liabilities at fair value. The effect of the change from the adoption of this standard is to be summarised prospectively.

Based on the preliminary analysis, the management of the Company and its subsidiaries believes that this standard will not have any significant impact on the Company's and its subsidiaries' financial statements.

#### 4. Cumulative effect of changes in accounting policies due to the adoption of new financial reporting standard

During the current year, the subsidiary made the changes described in Note 3 to the financial statements to its significant accounting policies, as a result of the adoption of TFRIC 4 *Determining Whether an Arrangement Contains a Lease*, TFRIC 12 *Service Concession Arrangements* and TSIC 29 *Service Concession Arrangements: Disclosures*. The cumulative effect of the changes in the accounting policies has been separately presented in the statements of changes in shareholders' equity.

The amounts of adjustment affecting the statements of financial position and comprehensive income are summarized below.

	(Unit: Thousand Baht)		
	Consolidated financial statements		
	31 March 2015	31 March 2014	1 April 2013
<b>Statements of financial position</b>			
Increase in current portion of receivable under concession agreement	92,205	90,020	77,597
Increase in current portion of receivable under finance lease agreement	27,945	26,342	24,830
Decrease in equipment	(3,765,981)	(3,880,068)	(2,718,315)
Increase in receivable under concession agreement - net of current portion	3,615,231	3,657,643	2,880,814
Increase in receivable under finance lease agreement - net of current portion	32,196	60,141	86,482
Decrease in advances for acquisitions of assets	-	-	(424,737)
Increase in deferred tax assets	-	-	42,895
Increase in provisions	149,982	229,246	141,144
Decrease in deferred tax liabilities	(29,677)	(55,034)	-
Decrease in unappropriated retained earnings	(115,694)	(214,543)	(167,220)
Decrease in non-controlling interests of the subsidiary	(3,015)	(5,591)	(4,358)



(Unit: Thousand Baht)

Consolidated financial statements

For the years ended 31 March

	<u>2015</u>	<u>2014</u>
<b>Statements of comprehensive income</b>		
Increase in train procurement service income		
under concession agreement	49,793	866,850
Decrease in service income	(252,959)	(235,139)
Increase in other income	79,264	-
Increase in interest income	136,598	132,711
Increase in cost of train procurement service		
under concession agreement	49,793	866,850
Decrease in cost of services	(163,879)	(41,731)
Increase (decrease) in income tax	25,357	(12,139)
Increase (decrease) in profit attributable to non-controlling interests		
of the subsidiary	2,576	(1,233)
Increase (decrease) in profit attributable to equity holders of the		
Company	98,849	(47,325)
Increase (decrease) in basic earnings per share (Baht)	0.0083	(0.0040)
Increase (decrease) in diluted earnings per share (Baht)	0.0083	(0.0040)

## 5. Significant accounting policies

### 5.1 Revenue recognition

#### **Train procurement service income under concession agreement**

Train procurement service income under concession agreement is recognised when service has been rendered, taking into account the stage of completion.

#### **Service income**

##### Revenues from provision of operating services

Income from providing of operating services is recognised when services have been rendered taking into account the stage of completion, excluding value added tax. Service rate charged is in accordance with rates as stipulated in the contract.

##### Advertising income

Advertising income is recognised when services have been rendered, taking into account the stage of completion, charged is in accordance with service areas. The service charge depends on the area, the service charge per area and the period of service stipulated in the contracts.

### Revenues from provision of space

Space rental income is income from the rental of advertising space and retail space. Space rental income is recognised on an accrual basis in accordance with the contracts. The rental charge depends on the area rented, the rental rate charged per area, and the rental period stipulated in the contract.

### Revenues from hotel and restaurant operations

Revenues from hotel and restaurant operations mainly comprise of room sales, food and beverage sales and revenues from auxiliary activities, and represent the invoiced value (excluding value added tax) of goods delivered and services rendered after deducting discounts and service charges.

### Other service income

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

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

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

### **Revenues from sales of real estate**

Revenues from sales of land, land and houses and condominium units are recognised in full when significant risks and rewards are transferred to the buyer.

### **Other income**

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

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

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

Finance lease income is recognized over the term of the agreement, using the effective interest rate, and income is recognised as the installments fall due irrespective of when actual collection is made. Finance lease income is presented under interest income in the profit or loss.

## **5.2 Expenses**

### **Cost of sales of real estate**

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

### **Other expenses**

Cost of train procurement service under concession agreement, cost of services and other expenses is recognised on an accrual basis.

## **5.3 Cash and cash equivalents**

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

## **5.4 Accounts receivable**

- a) Accounts receivable are stated at the net realisable value.
- b) Receivables under concession and finance lease agreements are stated at the outstanding balance, net of deferred revenue.

Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experiences and analysis of debt aging.

## **5.5 Real estate development costs**

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

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

## **5.6 Investments**

- a) Investments in securities held for trading are stated at fair value. Changes in the fair value of these securities are recorded in profit or loss.
- b) Investments in available-for-sale securities are stated at fair value. Changes in the fair value of these securities are recorded as a separate item in shareholders' equity, and will be recorded as gains or losses in profit or loss when the securities are sold.
- c) Investments in debt securities, both due within one year and expected to be held to maturity, are recorded at amortised cost. The premium/discount on debt securities is amortised/accreted by the effective rate method with the amortised/accreted amount presented as an adjustment to the interest income.

- d) Investments in non-marketable equity securities, which the Company and its subsidiaries classify as other investments, are stated at cost net of allowance for loss on diminution in value (if any).
- e) Investments in joint ventures and associates are accounted for in the consolidated financial statements using the equity method.
- f) Investments in subsidiaries, joint ventures and associates are accounted for in the separate financial statements using the cost method.

The fair value of marketable securities is based on the latest bid price of the last working day of the year. The fair value of debt instruments is determined based on yield rates quoted by the Thai Bond Market Association or yield rate of government bond adjusted by an appropriate risk factor, as the case may be. The fair value of unit trusts is determined from their net asset value.

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

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

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

## **5.7 Project costs - media**

Project costs - media are stated at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Amortisation of project costs - media is calculated by reference to cost, at a proportion of the actual rental and advertising income and budgeted rental and advertising income over the concession period.

Amortisation is included in determining income.

## **5.8 Spare parts and amortisation**

Spare parts are consisted as follows:

- a) Consumable spare parts are valued at the lower of cost (weighted average method) and net realisable value and are charged through profit or loss whenever actually consumed.
- b) Reusable spare parts are stated at cost less accumulated amortisation. Amortisation of reusable spare parts is calculated by reference to their costs on the straight-line basis over the period of the operation and maintenance agreement for a mass transit system in Bangkok and is recorded through the profit or loss.

## 5.9 Investment properties

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

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

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

Depreciation of the investment properties is included in determining income.

No depreciation is provided on land awaiting sales and investment properties in progress.

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

## 5.10 Property, plant and equipment and depreciation

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

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

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

- When an asset's carrying amount is increased as a result of a revaluation of the Company and its subsidiaries' assets, the increase is recognized in the statements of other comprehensive income and credited directly to equity under the heading of "Revaluation surplus on assets". However, a revaluation increase will be recognised as income to the extent that it reverses a revaluation decrease of the same asset previously recognised as an expense.
- When an asset's carrying amount is decreased as a result of a revaluation of the Company and its subsidiaries' assets, the decrease is recognised as an expense in profit or loss. However, a revaluation decrease is to be charged directly against the related "Revaluation surplus on assets" to the extent that the decrease does not exceed the amount held in the "Revaluation surplus on assets" in respect of those same assets. Any excess amount is to be recognised as an expense in the statements of comprehensive income.

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

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

Depreciation is included in determining income.

No depreciation is provided on land, construction in progress and assets under installation.

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

#### **5.11 Leasehold rights and amortisation**

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

Amortisation is included in determining income.

#### **5.12 Intangible assets**

Computer software is carried at cost less accumulated amortisation and allowance for impairment losses (if any).

Computer software is amortised on a systematic basis over the economic useful lives of 3 years and 5 years and tested for impairment whenever there is an indication that the computer software may be impaired. The amortisation period and the amortisation method of such computer software are reviewed at least at each financial year end. The amortisation expense is charged to the profit or loss.

#### **5.13 Goodwill**

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

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

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

#### **5.14 Borrowing costs**

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

#### **5.15 Impairment of assets**

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

An impairment loss is recognised in profit or loss.

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

## **5.16 Provisions**

### General

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

### Major maintenance or restoration of elevated trains under service concession

The subsidiary has contractual obligations to maintain or restore the elevated trains under service concession to a specified level of service ability. The obligations are recognised and measured at the best estimate of the expenditure that would be required to settle the present obligation at the end of the reporting period.

## **5.17 Equity-settled share-based payment transactions**

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

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



### **5.18 Long-term leases**

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

Leases of property, plant and equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease term.

### **5.19 Related party transactions**

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

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

### **5.20 Foreign currencies**

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period, with the exception of those covered by forward exchange contracts, which are translated at the contracted rates.

Translation differences on investments in debt securities and other monetary financial assets measured at fair value are included in gains and losses on exchange. Translation differences on non-monetary items such as investments in equity securities held for trading are reported as part of the fair value gain or loss. Translation differences on available-for-sale investments in equity securities are included in the fair value gain or loss in other comprehensive income.

Gains and losses on exchange are included in determining income.

## **5.21 Employee benefits**

### ***Short-term employee benefits***

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

### ***Post-employment benefits***

#### *Defined contribution plans*

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

#### *Defined benefit plans*

The Company and its subsidiaries have obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company and its subsidiaries treat these severance payment obligations as a defined benefit plan.

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

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

For the first-time adoption of TAS 19 Employee Benefits during the year ended 31 March 2012, the Company and its subsidiaries elected to recognise the transitional liability, which exceeds the liability that would have been recognised at the same date under the previous accounting policy, retrospectively as though the Company and its subsidiaries initially recorded these employee benefit expenses.

## **5.22 Assets held for sale and discontinued operations**

The Company classifies assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Gain or loss from discontinued operations are excluded from the results of continuing operations and are presented as a single amount in the profit or loss.

### **5.23 Treasury share**

Treasury share is stated at cost and presented in statement of financial position as a reduction from shareholders' equity. Gains on disposal of treasury stock are determined by reference to its carrying amount and are taken to premium on treasury share, losses on disposal of treasury share are determined by reference to its carrying amount and are taken to premium on treasury share and retained earnings, consecutively.

### **5.24 Service Concession Arrangements**

The subsidiary provides services to procure electric trains to be used in the provision of public services and to operate and maintain elevated trains under service concession for a specified period of time under an Operating and Maintenance of Bangkok Mass Transit System Agreement. The subsidiary is paid for its services over the period of the arrangement, and the arrangement is governed by a contract that sets out performance standards. Such arrangement is a public-to-private service concession arrangement.

The subsidiary recognises the consideration received or receivable for its provision of train procurement services as a financial asset (receivable under concession agreement) to the extent that it has an unconditional contractual right to receive cash or another financial asset for the services from or at the direction of the grantor. Receivables are measured at fair value upon initial recognition. Receivable under concession agreement is presented and measured at amortised cost. Interest is calculated using the effective interest method to be recognised in the profit or loss.

Borrowing costs attributable to the arrangement are recognised as an expense in the period in which they are incurred in case the subsidiary recognises the consideration as financial asset.

### **5.25 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 and its subsidiaries 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 and its subsidiaries 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 and its subsidiaries record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

## **6. Significant accounting judgments and estimates**

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

### **Leases**

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

### **Allowance for doubtful accounts**

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

### **Fair value of financial instruments**

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

### **Impairment of investments**

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

### **Property, plant and equipment and depreciation**

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

The Company and its subsidiaries measure land at revalued amounts in the consolidated financial statements. Such amounts are determined by the independent valuer using the market approach. The valuation involves certain assumptions and estimates.

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

#### **Project costs - media and amortisation**

In determining amortisation of project costs - media, the management is required to make estimate of the rental and advertising income over the concession period and to review the estimated rental and advertising income when circumstance changes.

#### **Real estate development cost estimation**

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

#### **Goodwill and intangible assets**

The initial recognition and measurement of goodwill and intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

#### **Deferred tax assets**

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

#### **Accrued expenses**

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

### **Equity-settled share-based payment transactions**

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

### **Post-employment benefits under defined benefit plans**

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

### **Provisions**

The subsidiaries determined the provisions using various assumptions relevant to each provision. Estimates are reviewed whenever circumstances change.

### **Allocation of assets and liabilities and revenues and expenses to BTSGIF**

The subsidiary allocated the assets and liabilities to be derecognised from its accounts in order to record gain on sale of net future fare box revenues and allocated revenues and expenses to record profit from discontinued operation. In addition, the subsidiary allocated revenues and expenses in order to submit net fare box revenues to BTSGIF. In making these allocations the management needs to apply judgment, bases, information and various assumptions, regarding matters such as route length and the expenses reimbursable from BTSGIF. The allocations are reviewed whenever new transactions occur and circumstances change. In addition, the allocations have to be verified and approved by BTSGIF.

### **Corporate income tax of a subsidiary (BTSC)**

From a tax perspective, the sale of future net fare box revenues was treated as borrowing from BTSGIF and so in calculating corporate income tax, the subsidiary calculated interest expense based on the difference between the net fare box revenues submitted to BTSGIF and the amortisation of BTSGIF's investment in rights to receive fare box revenue of the Core Bangkok Mass Transit System of BTSGIF (calculated based on projections of numbers of passengers in the report prepared by an independent valuer). The estimate is reviewed whenever new transactions occur and circumstances change.

### **Litigation**

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

## 7. Related party transactions

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

(Unit: Million Baht)

	For the years ended 31 March				Pricing policy
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	2015	2014	2015	2014	
<u>Transactions with subsidiaries</u>					
(Eliminated from the consolidated financial statements)					
Interest income	-	-	95	151	At cost of funds
Management income	-	-	47	47	Contract price
Revenues from construction services	-	-	-	24	Contract price
Utility income	-	-	10	8	Contract price
Revenue from guarantee	-	-	59	59	Contract price
Commission income	-	-	43	-	Contract price
Rental income	-	-	42	56	Contract price
Dividend income	-	-	2,026	17,063	Approved by the meeting of Board of Directors
Cost of construction services	-	-	-	24	Contract price
Management fee	-	-	20	22	Contract price
Rental expenses	-	-	5	5	Contract price
Interest expenses	-	-	57	368	At cost of funds
Purchase of fixed assets and investment properties	-	-	379	375	Contract price
Purchase of investments in subsidiaries	-	-	-	35	Contract price
<u>Transactions with jointly controlled entities and associates</u>					
Sale of future net fare box revenues (Note 56)	-	61,399	-	-	Contract price
Sale of land	1,411	-	-	-	Contract price
Interest income	6	-	6	-	At cost of funds
Service income	99	105	-	-	Contract price
Dividend income	1,226	821	1,207	821	Approved by the meeting of Board of Directors
Management fee	44	41	17	17	Contract price
Special business tax paid	53	50	-	-	Mutual agreement
<u>Transactions with related parties</u>					
Service income	7	-	-	-	Contract price
Management income	2	-	-	-	Contract price
Management fee	7	7	-	-	Contract price
Cost of service	11	8	-	-	Contract price
Purchase of fixed assets	32	7	-	-	Contract price
Purchase of land	-	150	-	-	Contract price

As at 31 March 2015 and 2014, the balances of the accounts between the Company and those related parties are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
<b><u>Trade and other receivables - related parties (Note 11)</u></b>				
Subsidiary companies	-	-	23,281	306,750
Jointly controlled entities and associated companies	149,340	51,019	1,198	-
Related companies (common shareholders)	4,374	144	-	-
Total trade and other receivables - related parties	<u>153,714</u>	<u>51,163</u>	<u>24,479</u>	<u>306,750</u>
<b><u>Advance to contractor - related party</u></b>				
Subsidiary company	-	-	19,476	44,823
Total advance to contractor - related party	<u>-</u>	<u>-</u>	<u>19,476</u>	<u>44,823</u>
<b><u>Accrued income - related parties</u></b>				
Associated company	357,299	324,969	-	-
Related company (common shareholders)	1,205	-	-	-
Total accrued income - related parties	<u>358,504</u>	<u>324,969</u>	<u>-</u>	<u>-</u>
<b><u>Trade and other payables - related parties (Note 30)</u></b>				
Subsidiary companies	-	-	65,364	46,068
Associated companies	973	684	-	-
Related companies (common shareholders)	1,558	3,576	-	-
Total trade and other payables - related parties	<u>2,531</u>	<u>4,260</u>	<u>65,364</u>	<u>46,068</u>
<b><u>Unearned revenue - related party</u></b>				
Associated company	541,839	578,723	-	-
Total unearned revenue - related party	<u>541,839</u>	<u>578,723</u>	<u>-</u>	<u>-</u>
<b><u>Retention payable - related party</u></b>				
Subsidiary company	-	-	32,899	19,155
Total retention payable - related party	<u>-</u>	<u>-</u>	<u>32,899</u>	<u>19,155</u>
<b><u>Provision - related party (Note 35)</u></b>				
Associated company	1,154,725	1,083,484	-	-
Total provision - related party	<u>1,154,725</u>	<u>1,083,484</u>	<u>-</u>	<u>-</u>



## Loans to related parties and loans from related individual and parties

As at 31 March 2015 and 2014, the balances of loans between the Company and those related individual and companies and the movement are as follows:

(Unit: Thousand Baht)

		Consolidated financial statements			
Short-term loan to related parties	Related by	Balance as at 31 March 2014	Increase during the year	Decrease during the year	Balance as at 31 March 2015
EGV Co., Ltd.	Related company	4,018	-	-	4,018
Midas Global Media Co., Ltd.	Jointly controlled entity	-	33,000	(33,000)	-
		4,018	33,000	(33,000)	4,018
Less: Allowance for doubtful debt		(4,018)	-	-	(4,018)
<b>Total</b>		<b>-</b>	<b>33,000</b>	<b>(33,000)</b>	<b>-</b>

(Unit: Thousand Baht)

		Separate financial statements			
Short-term loans to related parties	Related by	Balance as at 31 March 2014	Increase during the year	Decrease during the year	Balance as at 31 March 2015
Carrot Rewards Co., Ltd.	Subsidiary company	176,500	130,000	-	306,500
EGV Co., Ltd.	Related company	4,018	-	-	4,018
		180,518	130,000	-	310,518
Less: Allowance for doubtful debts		(4,018)	(212,500)	-	(216,518)
<b>Total</b>		<b>176,500</b>	<b>(82,500)</b>	<b>-</b>	<b>94,000</b>

(Unit: Thousand Baht)

		Consolidated financial statements			
Long-term loan to related parties	Related by	Balance as at 31 March 2014	Increase during the year	Decrease during the year	Balance as at 31 March 2015
Hwa Kay Thai (Thailand) Co., Ltd.	Related company	24,635	-	(1,735)	22,900
Midas Global Media Co., Ltd.	Jointly controlled entity	-	55,900	(16,650)	39,250
BTS Sansiri Holding One Ltd.	Jointly controlled entity	-	700,000	(350,000)	350,000
BTS Sansiri Holding Two Ltd.	Jointly controlled entity	-	373,756	-	373,756
		24,635	1,129,656	(368,385)	785,906
Less: Allowance for doubtful debts		(24,635)	-	1,735	(22,900)
		-	1,129,656	(366,650)	763,006
Less: Current portion		-	(3,925)	-	(3,925)
<b>Net</b>		<b>-</b>	<b>1,125,731</b>	<b>(366,650)</b>	<b>759,081</b>

(Unit: Thousand Baht)

		Separate financial statements			
Long-term loans to related parties	Related by	Balance as at 31 March 2014	Increase during the year	Decrease during the year	Balance as at 31 March 2015
Yongsu Co., Ltd.	Subsidiary company	5,770	105	-	5,875
Tanayong Food and Beverage Co., Ltd.	Subsidiary company	243,139	-	-	243,139
Muangthong Assets Co., Ltd.	Subsidiary company	83,700	190,500	-	274,200
Tanayong International Ltd.	Subsidiary company	436,870	272	-	437,142
Tanayong Hong Kong Limited	Subsidiary company	3,702	50	-	3,752
Siam Paging and Communication Co., Ltd.	Subsidiary company	32,700	83,850	-	116,550
Kamkoong Property Co., Ltd.	Subsidiary company	158,270	544,650	(702,920) <sup>(1)</sup>	-
BTS Asset Co., Ltd.	Subsidiary company	3,299,500	-	(3,299,500) <sup>(1)</sup>	-
BTS Land Co., Ltd.	Subsidiary company	67,000	4,300	-	71,300
Thana City Golf & Sports Club Co., Ltd.	Subsidiary company	21,400	27,900	-	49,300
BTS Sansiri Holding One Ltd.	Jointly controlled entity	-	700,000	(350,000)	350,000
BTS Sansiri Holding Two Ltd.	Jointly controlled entity	-	373,756	-	373,756
		4,352,051	1,925,383	(4,352,420)	1,925,014
Less: Allowance for doubtful debts		(528,306)	(75,468)	83,700	(520,074)
Total		3,823,745	1,849,915	(4,268,720)	1,404,940

<sup>(1)</sup> Baht 2,496 million classified as assets classified as held for sale as at 31 March 2015 (Note 28)

(Unit: Thousand Baht)

		Consolidated financial statements			
Short-term loan from individual	Related by	Balance as at 31 March 2014	Increase during the year	Decrease during the year	Balance as at 31 March 2015
Individual	Shareholder of subsidiary company	20,000	-	(20,000)	-
Total		20,000	-	(20,000)	-

(Unit: Thousand Baht)

		Separate financial statements			
Short-term loan from related party	Related by	Balance as at 31 March 2014	Increase during the year	Decrease during the year	Balance as at 31 March 2015
Bangkok Mass Transit System Plc.	Subsidiary company	-	14,362,000	(5,177,000)	9,185,000
Total		-	14,362,000	(5,177,000)	9,185,000

The loans to and loans from related individuals and entities are not collateralized, except for the loan to Midas Global Media Co., Ltd., which is secured by assets and transfers of rights as stipulated in the agreement.

### Directors' and management's benefits

During the years ended 31 March 2015 and 2014, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Short-term employee benefits	270	278	78	75
Post-employment benefits	11	10	2	2
Share-based payment	6	5	1	1
Total	<u>287</u>	<u>293</u>	<u>81</u>	<u>78</u>

### Guarantee obligation with related party

The Company has an outstanding guarantee obligation with its related party, as described in Note 54.6 d) to the financial statements.

## **8. Cash and cash equivalents**

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Cash	136,557	50,447	104	129
Current deposits and saving deposits	2,912,832	6,658,918	309,439	1,585,054
Fixed deposits with maturity date				
due not more than 3 months	2,108,724	105,248	4	4
Certificates of deposits	4,412,189	464,574	296,218	384,425
Bills of exchange	541,618	1,389,322	-	1,117,853
Total	<u>10,111,920</u>	<u>8,668,509</u>	<u>605,765</u>	<u>3,087,465</u>

As at 31 March 2015, cash and cash equivalents carried interests between 0.10 and 3.10% per annum (2014: between 0.37 and 3.25% per annum) (Separate financial statements: between 0.13 and 1.50% per annum (2014: 0.50 and 2.75% per annum)).

The Company is waiting to transfer the outstanding balance of cash and cash equivalents of Baht 182 million (2014: Baht 182 million) to the creditors per the rehabilitation plan of the Company, when the court issues its final judgement, as described in Note 16 to the financial statements.

## 9. Current investments

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
<b>Fixed deposits with maturity</b>				
<b>date due more than 3 months</b>	2,289,947	18,726,880	-	981,697
<b>Held to maturity securities</b>				
Domestic private debt securities	1,870,965	4,024,676	230,674	185,410
Foreign private debt securities	1,134,259	329,163	1,134,259	329,163
	<u>3,005,224</u>	<u>4,353,839</u>	<u>1,364,933</u>	<u>514,573</u>
<b>Investments in trading securities</b>				
Domestic marketable equity securities	794,124	178,903	-	-
Government and state-owned enterprise bonds	74,902	92,751	-	-
Domestic private debt securities	197,003	131,328	-	-
	<u>1,066,029</u>	<u>402,982</u>	<u>-</u>	<u>-</u>
Add : Allowance for change in value	10,177	12,609	-	-
	<u>1,076,206</u>	<u>415,591</u>	<u>-</u>	<u>-</u>
<b>Total</b>	<u><u>6,371,377</u></u>	<u><u>23,496,310</u></u>	<u><u>1,364,933</u></u>	<u><u>1,496,270</u></u>

During the current year, the subsidiaries sold current investments with book values totaling Baht 22,636 million (2014: Baht 33,086 million) and recognised gains on the sales amounting to Baht 9 million (2014: Baht 2 million) in the consolidated profit or loss.

The current investments of Baht 1,619 million were pledged to secure a bank guarantee issued by a bank on behalf of the subsidiary as security for the long-term debentures and compliance with Contract for Establishment of Central Clearing House Project.

## 10. Bank account for advances from cardholders

In order to comply with the Notification of the Bank of Thailand applicable to electronic card businesses, the subsidiary (Bangkok Smartcard System Co., Ltd.) has to deposit cash received in advance from cardholders with a financial institution in an amount not less than the outstanding balance of the advance receipts at the end of each day. These funds cannot be used for any purposes other than making payment to goods or service providers on behalf of the cardholder. As at 31 March 2015, the balance of cash received in advance from cardholders was Baht 211 million (2014: Baht 153 million).

## 11. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
<b><u>Trade receivables - related parties</u></b>				
Not yet due	4,350	3,747	-	-
Past due				
Up to 3 months	66	-	-	-
3 - 6 months	2	-	-	-
Total trade receivables - related parties	<u>4,418</u>	<u>3,747</u>	<u>-</u>	<u>-</u>
<b><u>Trade receivables - unrelated parties</u></b>				
Not yet due	676,442	525,266	-	-
Past due				
Up to 3 months	212,058	149,405	-	-
3 - 6 months	47,300	39,282	-	-
6 - 12 months	11,299	9,859	-	-
Over 12 months	26,142	31,363	-	-
Total	<u>973,241</u>	<u>755,175</u>	<u>-</u>	<u>-</u>
Posted date cheques	8,914	9,157	-	-
Less: Allowance for doubtful debts	<u>(49,759)</u>	<u>(32,895)</u>	<u>-</u>	<u>-</u>
Total trade receivables - unrelated parties - net	<u>932,396</u>	<u>731,437</u>	<u>-</u>	<u>-</u>
Total trade receivables - net	<u>936,814</u>	<u>735,184</u>	<u>-</u>	<u>-</u>
<b><u>Other receivables</u></b>				
Advances	6,410	4,195	20	787
Interest receivable - related parties	198	-	20,706 <sup>(1)</sup>	285,835
Interest receivable	75,285	243,849	9,955	18,240
Dividend receivable - related party	1,000	-	1,000	-
Dividend receivable	7,862	2,445	7,862	2,445
Retention receivable	1,777	2,748	1,777	2,748
Other receivables - related parties	148,098	47,416	2,773 <sup>(1)</sup>	20,915
Other receivables	40,696	38,618	34,735	23,162
Total other receivables - net	<u>281,326</u>	<u>339,271</u>	<u>78,828</u>	<u>354,132</u>
Trade and other receivables - net	<u>1,218,140</u>	<u>1,074,455</u>	<u>78,828</u>	<u>354,132</u>

<sup>(1)</sup> Baht 400.7 million classified as assets classified as held for sale as at 31 March 2015 (Note 28)

## 12. Receivable under concession agreement

(Unit: Thousand Baht)

Consolidated  
financial statements

	<u>2015</u>	<u>2014</u>
Balance at the beginning of year	3,747,663	2,958,410
Addition	49,793	866,850
Repayment	(90,020)	(77,597)
Balance at the end of year	<u>3,707,436</u>	<u>3,747,663</u>
Current	92,205	90,020
Non-current	<u>3,615,231</u>	<u>3,657,643</u>
	<u>3,707,436</u>	<u>3,747,663</u>

The receivable represents a receivable from the provision of train procurement services for extension line - Silom and Sukhumvit, and the core line after the expiry of the existing concession (recorded in the account due to the adoption of TFRIC 12 *Service Concession Arrangement*), in accordance with an arrangement under the Operating and Maintenance of Bangkok Mass Transit System Agreement dated 3 May 2012 between Krungthep Thanakom Company Limited (“Krungthep Thanakom”) and a subsidiary, and the amendment to that agreement, with a term of 30 years from 8 May 2012 to 2 May 2042.

The agreement stipulates that the subsidiary is to procure a number of trains for a specified period and will receive a monthly fixed payment. The subsidiary can negotiate adjustment of the compensation with Krungthep Thanakom. In addition, the subsidiary has obligations to perform major maintenance or restoration of these trains, and these are recorded under the provision accounts, as discussed in Note 35 to the financial statements. Krungthep Thanakom has a call option to purchase the trains at the end of the agreement at the rates stipulated in the agreement.

Baht 3,221 million of the receivable under the concession agreement is more than 5 years past due (2014: Baht 3,274 million), and this is subject to interest at rates of 0.58 and 6.12% per annum (2014: 0.58 and 6.12% per annum).

### 13. Receivable under financial lease agreement

(Unit: Thousand Baht)

	Consolidated financial statements		
	2015		
	Amounts due under the agreements		
	Less than		
	1 year	1 - 5 years	Total
Gross investment in the agreement	30,756	33,319	64,075
Less: Deferred revenue	(2,811)	(1,123)	(3,934)
Receivable under finance lease agreement	27,945	32,196	60,141
Current portion of receivable under finance lease agreement			27,945
Receivable under finance lease agreement - net of current portion			32,196

(Unit: Thousand Baht)

	Consolidated financial statements		
	2014		
	Amounts due under the agreements		
	Less than		
	1 year	1 - 5 years	Total
Gross investment in the agreement	30,757	64,074	94,831
Less: Deferred revenue	(4,415)	(3,933)	(8,348)
Receivable under finance lease agreement	26,342	60,141	86,483
Current portion of receivable under finance lease agreement			26,342
Receivable under finance lease agreement - net of current portion			60,141

The receivable represents a receivable from the provision of bus procurement services in accordance with an arrangement under the Operating and Bus Procurement (BRT) Agreement dated 10 February 2010 between the subsidiary and Krungthep Thanakom Company Limited and the amendment to the agreement, for 7 years, from 15 May 2010 to 15 May 2017.

#### 14. Real estate development costs

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Land and construction development	2,239,060	2,551,034	654,846	626,024
Less: Reduce cost to net realisable value	(1,272)	(1,272)	(1,272)	(1,272)
Real estate development costs - net	<u>2,237,788</u>	<u>2,549,762</u>	<u>653,574</u>	<u>624,752</u>
Mortgaged as collateral for credit facilities	611,206	572,513	822	822

#### 15. Cash deposited as collateral for debt settlement

As at 31 March 2015, 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 130.2 million and Baht 40.7 million, respectively (2014: Baht 192.0 million and Baht 40.7 million, respectively), due to the debts pending final court judgement or comptroller's orders. Such amounts of cash deposited are still lower than the maximum amount of debt that may arise on a proportional basis of unsecured and secured creditors by Baht 95.6 million and Baht 416.5 million, respectively. The Company is obliged to pay or transfer assets to settle such debts as stipulated in the rehabilitation plan. However, the Company completely recorded such debts in its accounts and the secured creditors are provided guarantees by the mortgage of the Company's assets in full.

#### 16. Assets awaiting transfer under rehabilitation plan

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Real estate development costs - net	39,921	39,921	39,921	39,921
Land and projects awaiting development - net	28,315	28,315	28,315	28,315
Property, plant and equipment - net	36	54	36	54
Total	<u>68,272</u>	<u>68,290</u>	<u>68,272</u>	<u>68,290</u>

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) from such company at a price of Baht 500 million.



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.

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.

In October 2012, there was a transfer of ownership and redemption from mortgage of a secured asset (item No. 5) and payment was made to the creditors per the rehabilitation plan. Subsequently, in July 2013, there were additional transfers of ownership and redemption from mortgage of secured asset items No. 1-3 and the Company therefore recorded items No. 1-3, totaling Baht 500 million, 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 (2014: Baht 182 million) was reserved to be transferred to eligible creditors per the order of the Central Bankruptcy Court, as discussed in Note 8 to the financial statements. The Company recorded the latter 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 total price of Baht 489 million (net of selling expenses of Baht 65 million) and recognised gains of Baht 379 million on the sales under the heading of “Gain on sales of assets” in profit or loss for the year ended 31 March 2014.

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 31 March 2015 (2014: Baht 204 million).

## 17. Investments in subsidiaries awaiting transfer under rehabilitation plan

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

## 18. 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		Dividend income	
	2015	2014	2015	2014	2015	2014	2015	2014
Bangkok Mass Transit System Public Co., Ltd. ("BTSC")	4,016,783	4,016,783	97.46	97.46	29,937,253	29,937,253	1,879,126	16,952,850
VGI Global Media Public Co., Ltd. (51% held by BTSC)	686,398	343,197	18.58	10.84	6,337,095	2,577,858	125,985	90,338
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	-	-
Tanayong Property Management Co., Ltd.	1,000	1,000	100	100	1,000	1,000	3,400	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	17,850	17,085
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. <sup>(1)</sup>	800,000	800,000	100	100	-	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	100	80	1,865,415	1,637,915	-	-
Kamkoong Property Co., Ltd. <sup>(1)</sup>	375,000	375,000	100	100	-	375,000	-	-
Man Kitchen Co., Ltd.	80,000	50,000	70	70	56,000	35,000	-	-
Mak8 Co., Ltd.	240,000	240,000	87.5	87.5	210,000	210,000	-	-
Primary Kitchen Co., Ltd.	10,000	-	100	-	10,000	-	-	-
BSS Holding Co., Ltd.	75,000	-	100	-	75,000	-	-	-
Total					40,330,936	38,037,277		
Less: Surplus on business combination under common control					(3,715,435)	(3,790,493)		
					36,615,501	34,246,784		
Less: Provision for loss on diminution in value					(1,407,941)	(1,418,899)		
Net					35,207,560	32,827,885		

<sup>(1)</sup> Classified as assets classified as held for sale as at 31 March 2015 (Note 28)

## **Subsidiaries directly owned by the Company**

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

During the year ended 31 March 2015, the Annual General Meeting of the shareholders and the meeting of Board of Directors of BTSC passed resolutions to pay dividends totaling Baht 1,928 million (Baht 1,879 million paid to the Company) (2014: Baht 17,394 million (Baht 16,953 million paid to the Company)).

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, benefits and rights on an Operating and Maintenance of Bangkok Mass Transit System Agreement and an Operating and Bus Procurement (BRT) Agreement stipulated the Net Revenue Purchase and Transfer Agreement of the Core BTS Sky Train System have been pledged with BTS Rail Mass Transit Growth Infrastructure Fund to secure its obligations under the Sponsor Support and Guarantee Agreement.

### **Tanayong Property Management Company Limited**

During the year ended 31 March 2015, the Annual General Meeting of the shareholders of a subsidiary passed a resolution to pay a dividend amounting to Baht 3 million (Baht 3 million paid to the Company) (2014: Baht 3 million (Baht 3 million paid to the Company)).

### **HHT Construction Company Limited**

During the year ended 31 March 2015, the Annual General Meeting of the shareholders of a subsidiary passed a resolution to pay a dividend amounting to Baht 35 million (Baht 18 million paid to the Company) (2014: Baht 34 million (Baht 17 million paid to the Company)).

### **Nuvo Line Agency Company Limited**

On 27 May 2014, the Company acquired an additional 4,002,000 ordinary shares of a subsidiary, representing a 20% interest, from its existing shareholder at a price of Baht 227.5 million. As a result, the Company’s shareholding in the subsidiary increased from 80% to 100%.

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

	(Unit: Thousand Baht)
Purchase price	227,500
Less: Non-controlling interests of subsidiary adjusted	<u>(441,875)</u>
Surplus from the changes in the ownership interests in subsidiary	<u><u>(214,375)</u></u>

### **Man Kitchen Company Limited**

On 29 September 2014, the Annual General Meeting of shareholders of a subsidiary passed a resolution to approve a Baht 30 million increase in its registered capital, from the existing registered capital of Baht 50 million to Baht 80 million, by issuing 300,000 new ordinary shares with a value of Baht 100 each. The Company acquired additional ordinary shares of the subsidiary in proportion to its existing holding, and as a result, its shareholding in the subsidiary is unchanged at 70%. Subsequently, on 12 March 2015, a meeting of the Executive Committee of the Company passed a resolution to approve a Baht 220 million increase in its registered capital, from the existing registered capital of Baht 80 million to Baht 300 million, by issuing 2,200,000 new ordinary shares with a value of Baht 100 each, which is currently in the process.

### **Primary Kitchen Company Limited**

On 19 August 2014, a meeting of the Executive Committee of the Company passed a resolution to establish Primary Kitchen Company Limited, to engage in the restaurant business, with a registered share capital of Baht 10 million (100,000 ordinary shares with a par value of Baht 100 each). This company registered its incorporation on 4 September 2014. The Company held a 100% interest. Subsequently, on 12 March 2015, a meeting of the Executive Committee of the Company passed a resolution to approve a Baht 90 million increase in its registered capital, from the existing registered capital of Baht 10 million to Baht 100 million, by issuing 900,000 new ordinary shares with a value of Baht 100 each, which is currently in the process.

### **BSS Holdings Company Limited (“BSS Holdings”)**

On 9 January 2015, a meeting of Board of Directors of the Company passed the resolutions to approve in principle the business cooperation between the Company, Bangkok Smartcard System Company Limited (“BSS”) and AEON Thana Sinsap (Thailand) Public Company Limited (“AEONTS”) for the joint issue of the Co-Branded Rabbit and the securitisation project, the setting up of the SPV for the securitization, the setting up of a new subsidiary to hold shares in the SPV and the delegation of power to the Executive Committee to consider and make decision on the details related to these matters. On 28 January 2015, a meeting of the Executive Committee of the Company passed the resolutions to approve these projects and the signing of the memorandum of understanding for the business cooperation. The details are as summarized below.

### **Memorandum of Understanding for Business Cooperation**

Parties: The Company, BSS and AEONTS

Signing Date: 2 February 2015

Scope of Cooperation: The Co-Branded Rabbit Program and the Securitization Project

#### Newly established subsidiary

Company Name: BSS Holdings Company Limited

Type of Business: Investment in the securities of other companies

Company Incorporation Status: Registration for incorporation on 2 February 2015

Capital and Shares: Baht 300 million, divided into 3 million ordinary shares with a par value of Baht 100 each, 25% called up

Shareholding Structure: 100% shares held by the Company

#### A Special Purpose Vehicle under the Securitization Project

Company Name: ATS Rabbit Special Purpose Vehicle Company Limited (“ATS”)

Type of Business: A special purpose vehicle incorporated under the Emergency Decree regarding Securitization B.E.2540 (1997)

Company Incorporation Status: Registration for incorporation on 20 March 2015

Capital and Shares: Baht 40,000 divided into 398 ordinary shares with a par value of Baht 100 each and 2 preference shares with a par value of Baht 100 each

Shareholding Structure: 51% shares held by BSS Holdings and another 49% shares held by AEONTS and the person designated by AEONTS

The subsidiary presented investment in ATS under “Investments in joint ventures” in the statement of financial position, as stated in Note 19 to the financial statements.

The details of the transactions above are on the SET’s web site (<http://www.set.or.th>).

#### **Disposal of investments in BTS Assets Company Limited (“BTSA”) and Kamkoong Property Company Limited (“Kamkoong”)**

On 24 November 2014, a meeting of the Board of Directors of the Company passed a resolution to approve the Company’s disposal of all of the ordinary shares it held in BTSA and Kamkoong to U City Public Company Limited (“U City”) (Formerly known as “Natural Park Public Company Limited”) at a price of not less than Baht 8,616.47 million but not exceeding Baht 9,409.14 million. The final selling price of BTSA and Kamkoong’s shares will be determined based on the actual area of the land plots before the closing date. In return, the Company will be entitled to compensation in the form of newly issued ordinary shares of U City, with the number of these to be calculated based on the final selling price. This means not less than 183,329.13 million new shares of U City but not more than 200,194.38 million shares, with a par value of Baht 1 per share and at an offering price of Baht 0.047 per share (representing not less than 33.66% but not exceeding 35.66% of the total issued shares of U City as of the closing date). In addition, the Company will receive warrants to purchase ordinary shares of U City No. 2.

Subsequently on 20 April 2015, the Company sold all of the ordinary shares it held in BTSA and Kamkoong to U City at a price of Baht 9,404.08 million. In return, the Company has received compensation in the form of (i) the allotment of 200,086,877,212 new ordinary shares of U City at an offering price of Baht 0.047 per share (representing 35.64% of the total issued shares of U City), and (ii) 100,043,438,606 units of the newly issued warrants to purchase the ordinary shares of U City No. 2, at no cost (1 unit of warrant can be exercised to purchase 1 ordinary share of U City at a price of Baht 0.047 per share and the warrants are non-listed securities that cannot be traded on the Stock Exchange of Thailand). The Company will derecognise the investments in BTSA and Kamkoong and recognize the investment in U City in the interim financial statements for the three-month period ending 30 June 2015.

### **Subsidiaries indirectly owned by the Company**

#### **VGI Global Media Public Company Limited (held by BTSC)**

##### *Transactions during the year ended 31 March 2014*

The Company purchased 1 million ordinary shares of VGI at prices of Baht 94 - 116 per share and 210 million ordinary shares of VGI at Baht 9 - 13 per share (after change in par value).

The Company recorded surplus from the changes in the ownership interests in a subsidiary from sale of ordinary shares amounting to Baht 2,035 million under the shareholders' equity in the consolidated statements of financial position.

The Company sold 5 million ordinary shares of VGI at prices of Baht 120 - 130 per share and 330 million ordinary shares of VGI at prices of Baht 11 - 13 per share (after change in par value).

The Company recorded surplus from the changes in the ownership interests in a subsidiary from sale of ordinary shares amounting to Baht 3,672 million under the shareholders' equity in the consolidated statements of financial position. The Company also reversed the surplus on business combination under common control of approximately Baht 1,022 million under shareholders' equity in the separate statements of financial position and recorded gain on sales of investments in subsidiary amounting to Baht 3,301 million in the separate profit or loss.

The subsidiary paid stock dividends of 161,983,318 ordinary shares, of which 10,786,196 ordinary shares were distributed to the Company (93,406,196 ordinary shares distributed to the Group), and the dividend of Baht 1,014 million was paid in cash (Baht 90 million paid to the Company and Baht 607 million paid to the Group).

Transactions during the year ended 31 March 2015

On 3 July 2014, the Annual General Meeting of the shareholders of a subsidiary (VGI Global Media Public Company Limited) passed significant resolutions as follows:

- a) Payment of dividends of Baht 1,053 million in respect of its operating results for the year ended 31 March 2014. The subsidiary has paid interim dividends totaling approximately Baht 607 million. The outstanding dividend of Baht 446 million (at a rate of Baht 0.13 per share) will be paid to the shareholders (Baht 50 million paid to the Company and Baht 278 million paid to the Group). The subsidiary paid the dividend already.
- b) Issuance and allocation of the warrants to purchase the newly issued ordinary shares of the subsidiary No. 1 (VGI-W1) in the number of up to 857,993,407 units, to be allocated to the existing shareholders of the subsidiary on a pro rata basis to their respective shareholdings (Rights Offering), at no cost, at the allocation ratio of 4 existing ordinary shares for 1 unit of Warrants. The term of the VGI-W1 Warrants shall be 4 years from the issuance date. The warrant holders shall be entitled to exercise the Warrants for the first time on the last business day of the first quarter after the issuance date. The exercise ratio is 1 unit of Warrants for 1 ordinary share at the exercise price of Baht 14 per share. However, the management is authorised to stipulate, amend and add details and conditions of the issue of the Warrants. The subsidiary issued and allocated 857,992,640 warrants to the existing shareholders of the subsidiary on 1 August 2014.
- c) Reduction of the registered capital of the subsidiary by Baht 1,517 from the existing registered capital of Baht 343,198,880 to Baht 343,197,363 by cancelling 15,174 unissued registered shares with a par value of Baht 0.10 per share. The subsidiary registered the reduction of the registered capital.
- d) Increase of the registered capital of the subsidiary by Baht 85,799,341 from the existing registered capital of Baht 343,197,363 to Baht 428,996,703 by issuing 857,993,407 new ordinary shares with a par value of Baht 0.10 per share to accommodate the exercise the VGI-W1 Warrants. The subsidiary registered the increase of the registered capital.
- e) Allocation of up to 857,993,407 newly issued ordinary shares, with a par value of Baht 0.10 per share, to accommodate the exercises of the VGI-W1 Warrants.

On 5 January 2015, a meeting No. 1/2015 of Board of Directors of a subsidiary passed a resolution to declare to the shareholders interim dividends of Baht 0.14 per share, or a total of Baht 480 million, in respect of the operating results for the six-month period ended 30 September 2014 (Baht 70 million paid to the Company and Baht 315 million paid to the Group). The subsidiary paid the dividend already.

On 11 March 2015, the Extraordinary General Meeting of the subsidiary's shareholders No. 1/2015 passed the following significant resolutions:

- a) Pay stock dividends by issuing 3,431,975,575 newly issued ordinary shares with a par value of Baht 0.1 each at the ratio of every 1 existing share for 1 stock dividend or equivalent to the cash dividends at the rate of Baht 0.1 per share and interim cash dividends at the rate of Baht 0.011111111111111 per share or in the total amount of Baht 38.14 million, or a total of Baht 381 million, in respect of the operating results for the three-month period ended 31 December 2014 (stock dividends of 577,511,696 ordinary shares distributed to the Company and 2,327,831,696 ordinary shares distributed to the Group, and cash dividend of Baht 6 million paid to the Company and Baht 25 million paid to the Group). The subsidiary paid the dividend already.
- b) Adjustment to the exercise price and exercise ratio of the warrants to purchase the newly issued ordinary shares of the subsidiary from the exercise price of Baht 14 per share and the exercise ratio of 1 unit : 1 share to the exercise price of Baht 7 per share and the exercise ratio of 1 unit : 2 shares. The subsidiary executed the transactions.
- c) Decrease the subsidiary's registered share capital from Baht 428,996,703.20 to Baht 428,996,626.50 by cancellation of 767 unissued ordinary shares with a par value of Baht 0.1 each. The subsidiary registered the decrease of the registered capital.
- d) Increase the subsidiary's registered share capital from Baht 428,996,626.50 to Baht 857,993,253 by issuing 4,289,966,265 ordinary shares with a par value of Baht 0.1 each to accommodate the stock dividend payment. The subsidiary registered the increase of the registered capital.



### Sales of warrants of the subsidiary

During the year, BTSC entered into the Warrant Sale and Purchase Agreements, whereby it is to sell 350 million warrants to purchase the newly issued ordinary shares of a subsidiary to an unrelated individual, at prices of Baht 1.50 - 2.20 per warrant, or for a total of Baht 634 million. The Company believes that the transaction constitutes a change in the Company's ownership interest in the subsidiary without loss of control. The Company therefore recorded the surplus on the sales of warrants of the subsidiary under shareholders' equity in the consolidated financial statements.

Details of the sales of warrants of the subsidiary are detailed below.

	(Unit: Thousand Baht)
	<u>Consolidated financial statements</u>
Selling price of warrants of the subsidiary	634,000
Less: Related tax on consolidated financial statements	<u>(126,800)</u>
Net cash receipt from the sales of warrants of the subsidiary	507,200
Less: Non-controlling interests of subsidiary	<u>(12,883)</u>
Surplus from sales of warrants of the subsidiary	<u><u>494,317</u></u>

### Exercise of warrants of subsidiary

On 30 September 2014, the warrant holders of the subsidiary exercised its warrants to acquire 29,250 ordinary shares with a par value of Baht 0.1 each, at an exercise price of Baht 14 per share, or total of Baht 409,500. Subsequently, on 31 March 2015, the warrant holders of the subsidiary exercised its warrants to acquire 343,202 ordinary shares with a par value of Baht 0.1 each, at an exercise price of Baht 7 per share, or total share subscriptions received in advance of Baht 2,402,414. The Company recorded surplus from the change in the ownership interests in the subsidiary totaling Baht 2,811,914 under shareholders' equity in the consolidated financial statements.

Purchase transactions of investment in the subsidiary

During the year, the Company purchased 289 million ordinary shares of the subsidiary at prices of Baht 11 - 14 per share and 120 million ordinary shares of the subsidiary at prices of Baht 6.1 - 6.3 per share (after announcement of the subsidiary's dividend stock). The purchase transactions detailed are below:

	(Unit: Thousand Baht)
	Consolidated financial statements
Purchase price	4,426,057
Less: Non-controlling interests of subsidiary adjusted	(208,122)
Deficit from the changes in the ownership interests in subsidiary	<u>4,217,935</u>

Sale transactions of investment in the subsidiary

The Company sold 84 million ordinary shares of the subsidiary at a price of Baht 12.3 per share. The sale transactions are detailed below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Selling price of investments in the subsidiary	1,033,200	1,033,200
Less: Selling expenses relating to the sales of investments in the subsidiary	(225)	(225)
Cash receipt from the sales of investments in the subsidiary	1,032,975	1,032,975
Less: Cost of investments in the subsidiary	-	(666,820)
Cash receipt from the sales of investments in the subsidiary / Gain on sales of investments in subsidiary	1,032,975	366,155
Less: Related taxes on consolidated financial statements	(73,231)	-
Net cash receipt from the sales of investments in the subsidiary / Gain on sales of investments in subsidiary	959,744	366,155
Less: Non-controlling interests of subsidiary	(54,108)	-
Surplus from the changes in the ownership interests in a subsidiary / Gain on sales of investments in subsidiary	<u>905,636</u>	<u>366,155</u>

Due to the sales of investments above, the Company reversed the surplus on business combination under common control of approximately Baht 75 million under shareholders' equity in the separate financial statements.

As a result of the exercise of warrants, purchases and sales of ordinary shares of the subsidiary, the Company's shareholding in the subsidiary increased from 10.84% to 18.58% (51% held by BTSC).

BTSC pledged all ordinary shares of VGI Global Media Public Company Limited and Bangkok Smartcard System Company Limited with the Company in accordance with an agreement relating to the Net Revenue Purchase and Transfer Agreement.

**888 Media Company Limited (held by VGI Global Media Public Company Limited)**

On 19 December 2014, the Extraordinary General Meeting of the subsidiary's shareholders No. 1/2014 passed a resolution to decrease its share capital from Baht 20 million (2 million ordinary shares with a par value of Baht 10 each) to Baht 5 million (0.5 million ordinary shares with a par value of Baht 10 each). The subsidiary registered the decrease of the registered capital.

**Point of View (POV) Media Group Company Limited (held by VGI Global Media Public Company Limited)**

On 22 January 2015, the Extraordinary General Meeting of the subsidiary's shareholders No. 1/2015 passed a resolution to decrease its share capital from Baht 40 million (3,898,000 ordinary shares and 102,000 preference shares with a par value of Baht 10 each) to Baht 10 million (1 million ordinary shares with a par value of Baht 10 each). The subsidiary registered the decrease of the registered capital.

**VGI Advertising China Company Limited (held by VGI Global Media Public Company Limited)**

On 2 March 2015, the subsidiary entered into a share sale and purchase agreement with an unrelated party to sell its investment in VGI Advertising China Company Limited at a price of USD 2 million (net asset value in the consolidated financial statements as at 31 March 2015 amounting to Baht 4 million). The subsidiary is to receive payment and transfer the shares to the buyer within 31 August 2015.

**Bangkok Payment Solutions Company Limited (held by BTS Land Company Limited)**

On 3 April 2014, a meeting of Executive Committee of the Company passed a resolution to let BTS Land Company Limited, which is a 100%-held subsidiary, jointly invest in Bangkok Payment Solutions Company Limited, which is engaged in developing software and providing technology services, including technology associated with Thailand's mass transit and payment systems, with a registered share capital of Baht 25 million, 50% called up (5 million ordinary shares with a par value of Baht 5 each). The subsidiary holds a 60% interest in this company, which registered its incorporation on 30 April 2014.

**Little Corner Company Limited (held by Man Kitchen Company Limited)**

On 16 October 2013, a meeting of Executive Committee of the Company passed a resolution to establish Little Corner Company Limited to engage in the restaurant business, with a registered share capital of Baht 10 million (100,000 ordinary shares with a par value of Baht 100 each), with Man Kitchen Company Limited to hold a 50% interest. This company registered its incorporation on 8 July 2014. Subsequently, on 29 August 2014, the Annual General Meeting of this company's shareholders passed a resolution to approve an increase in its share capital from Baht 10 million to Baht 60 million by issuing 500,000 new ordinary shares with a value of Baht 100 each. On 22 September 2014, Man Kitchen Company Limited purchased 400,000 of the additional ordinary shares, resulting in increase in its interest in this company from 50% to 75%.

## 19. Investments in joint ventures

### 19.1 Details of investments in joint ventures

Details of investments in joint ventures are as follows:

(Unit: Thousand Baht)

Jointly controlled entities	Nature of business	Consolidated financial statements					
		Shareholding percentage		Cost		Carrying amounts based on equity method	
		<u>2015</u> (%)	<u>2014</u> (%)	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
BTS Sansiri Holding One Ltd.	Real estate development	50	-	50,000	-	-	-
BTS Sansiri Holding Two Ltd.	Real estate development	50	-	50,000	-	49,675	-
Midas Global Media Co., Ltd.	Services, rental and management of advertising media space, including electronic and new technology media	30	30	79,079	45,329	64,289	44,517
ATS Rabbit Special Purpose Vehicle Co., Ltd. (Note 18)	Special purpose vehicle regarding securitization	51	-	20	-	20	-
<b>Total</b>				<u>179,099</u>	<u>45,329</u>	<u>113,984</u>	<u>44,517</u>

(Unit: Thousand Baht)

Jointly controlled entities	Nature of business	Separate financial statements			
		Shareholding percentage		Cost	
		<u>2015</u> (%)	<u>2014</u> (%)	<u>2015</u>	<u>2014</u>
BTS Sansiri Holding One Ltd.	Real estate development	50	-	50,000	-
BTS Sansiri Holding Two Ltd.	Real estate development	50	-	50,000	-
<b>Total</b>				<u>100,000</u>	<u>-</u>

#### BTS Sansiri Holding One Limited and BTS Sansiri Holding Two Limited (held by the Company)

On 15 October 2014, a meeting of the Executive Committee of the Company passed resolutions approving the Company's entry into a strategic alliance framework agreement with Sansiri Public Company Limited ("SIRI"), to exclusively partner together on the development of residential projects for sale located within a 500-meter radius of all rail mass transit stations (existing and future), and approving the establishment of a 50:50 joint venture company with SIRI for the first project to be developed under this collaboration, i.e. the residential project for sale on approximately 5-rai (8,000 sq.m.) of land located near BTS Mo Chit Station, under the name "BTS Sansiri Holding One Ltd." with a registered share capital of Baht 100 million (1,000,000 ordinary shares with a par value of Baht 100 each). This company registered its incorporation on 19 December 2014.

During the current year, the Company recorded elimination of 50% of the gain on sale of land, in proportion to the Company's shareholding in BTS Sansiri Holding One Ltd. under equity method, as discussed in Note 24 to the financial statements. As a result, the value of the investment in BTS Sansiri Holding One Ltd. under the equity method was negative. The Company presented the negative investment value as "Provision for transaction under equity method of investment in a joint venture" in the consolidated statement of financial position.

On 12 March 2015, a meeting of the Executive Committee of the Company passed a resolution approving the establishment of a 50:50 joint venture company with SIRI for the residential project for sale, under the name "BTS Sansiri Holding Two Ltd." with a registered share capital of Baht 100 million (1,000,000 ordinary shares with a par value of Baht 100 each). This company registered its incorporation on 13 March 2015. During the current year, BTS Sansiri Holding Two Ltd. acquired land amounting to Baht 828 million from SIRI's subsidiary.

Midas Global Media Company Limited ("Midas") (held by VGI Global Media Public Company Limited)

Subsequently, on 22 October 2014, the Extraordinary General Meeting of the Midas's shareholders No. 3/2014 approved an increase in the Midas's issued and paid-up capital from Baht 150 million (15 million ordinary shares of Baht 10 each) to Baht 207 million (20.7 million ordinary shares of Baht 10 each), through the issuance of 5.7 million additional ordinary shares with a par value of Baht 10 each, to the existing shareholders of the Midas, at a price of Baht 10 per share. The Midas has issued the new ordinary shares and registered the increase of its capital with the Ministry of Commerce on 4 November 2014.

In addition, on 3 March 2015, the Extraordinary General Meeting of Midas' shareholders No. 1/2015 approved an increase in Midas' registered capital from Baht 207 million (20.7 million ordinary shares of Baht 10 each) to Baht 262.5 million (26.25 million ordinary shares of Baht 10 each), through the issuance of 5.55 million additional ordinary shares with a par value of Baht 10 each, to its existing shareholders, at a price of Baht 10 per share. Midas has issued the new ordinary shares and registered the increase of its capital with the Ministry of Commerce on 20 March 2015.

On 30 March 2015, the Extraordinary General Meeting of Midas' shareholders No. 2/2015 approved an increase in its registered capital from Baht 262.5 million (26.25 million ordinary shares of Baht 10 each) to Baht 350 million (35 million ordinary shares of Baht 10 each), through its issuance of 8.75 million additional ordinary shares with a par value of Baht 10 each, to its existing shareholders, at a price of Baht 10 per share which is currently in the process.

## 19.2 Share of loss

During the years/period, the Company and its subsidiary recognised their share of loss from investments in the joint ventures in the consolidated financial statements as follows:

(Unit: Thousand Baht)

<u>Jointly controlled entities</u>	<u>2015</u>	<u>2014</u>
BTS Sansiri Holding One Ltd.	(153)	-
BTS Sansiri Holding Two Ltd.	(325)	-
Midas Global Media Co., Ltd.	(13,978)	(812)
Total	<u>(14,456)</u>	<u>(812)</u>

## 19.3 Summarised financial information of jointly controlled entities

The subsidiary's proportionate shares of the assets, liabilities, revenues and expenses of jointly controlled entities, according to the proportion under the joint venture agreements, are as follows:

(Unit: Thousand Baht)

	<u>2015</u>		
	<u>BTS Sansiri Holding One Ltd.</u>	<u>BTS Sansiri Holding Two Ltd.</u>	<u>Midas Global Media Co., Ltd.</u>
Current assets	893,840	423,756	12,570
Non-current assets	-	-	65,948
	893,840	423,756	78,518
Current liabilities	193	325	3,635
Non-current liabilities	843,800	373,756	10,598
	843,993	374,081	14,233
Net assets	<u>49,847</u>	<u>49,675</u>	<u>64,285</u>

	(Unit: Thousand Baht)
	2014
	<u>Midas Global Media Co., Ltd.</u>
Current assets	15,679
Non-current assets	28,878
	<u>44,557</u>
Current liabilities	44
	<u>44</u>
Net assets	<u>44,513</u>

	(Unit: Thousand Baht)		
	2015		
	<u>BTS Sansiri Holding One Ltd.</u>	<u>BTS Sansiri Holding Two Ltd.</u>	<u>Midas Global Media Co., Ltd.</u>
Service income	-	-	1,181
Other income	27	-	276
Cost of services	-	-	(11,831)
Administrative expenses	(180)	(159)	(3,440)
Loss before finance cost	(153)	(159)	(13,814)
Finance cost	-	(166)	(164)
Loss for the year/period	<u>(153)</u>	<u>(325)</u>	<u>(13,978)</u>

	(Unit: Thousand Baht)
	2014
	<u>Midas Global Media Co., Ltd.</u>
Other income	1
Cost of services	(543)
Administrative expenses	(302)
Loss before income tax expenses	(844)
Income tax expenses	32
Loss for the period	<u>(812)</u>

The Company did not present assets, liabilities, revenues and expenses of ATS Rabbit Special Purpose Vehicle Co., Ltd. because they were not material to the financial statements.



## 20. Investments in associates

### 20.1 Details of associates

(Unit: Thousand Baht)

#### Consolidated financial statements

Company's name	Nature of business	Country of incorporation	Shareholding percentage		Cost		Carrying amounts based on equity method	
			2015	2014	2015	2014	2015	2014
			BTS Rail Mass Transit Growth Infrastructure Fund	Investment in infrastructure businesses	Thai	33.33	33.33	20,684,667
Absolute Hotel Services Co., Ltd.	Hotel management	Thai	50.00	50.00	4,000	4,000	18,749	16,875
Absolute Hotel Services Hong Kong Ltd. <sup>1</sup>	Hotel management	Hong Kong	50.00	50.00	3,049	3,049	-	-
Bayswater Co., Ltd.	Property development	Thai	50.00	50.00	5,000	5,000	4,964	5,042
Master Ad Public Co., Ltd.	Advertising, leasing of property and the purchase/sale of electronic billboards	Thai	24.96	-	620,744	-	630,583	-
Total					<u>21,317,460</u>	<u>20,845,249</u>	<u>14,011,643</u>	<u>13,898,965</u>

<sup>1</sup> held by Tanayong Hong Kong Limited and Absolute Hotel Services Co., Ltd.

(Unit: Thousand Baht)

#### Separate financial statements

Company's name	Nature of business	Country of incorporation	Shareholding percentage		Cost	
			2015	2014	2015	2014
			BTS Rail Mass Transit Growth Infrastructure Fund	Investment in infrastructure businesses	Thai	33.33
Absolute Hotel Services Co., Ltd.	Hotel management	Thai	50.00	50.00	4,000	4,000
Bayswater Co., Ltd.	Property development	Thai	50.00	50.00	5,000	5,000
Total					<u>20,693,667</u>	<u>20,842,200</u>

## 20.2 Share of income (loss)

During the year/period, the Company and its subsidiaries have summarised their share of income (loss) from investments in associates in the consolidated financial statements as follows:

<u>Company's name</u>	(Unit: Thousand Baht)	
	<u>2015</u>	<u>2014</u>
BTS Rail Mass Transit Growth Infrastructure Fund	828,670	612,464
Absolute Hotel Services Co., Ltd.	8,875	7,548
Bayswater Co., Ltd.	(78)	42
Master Ad Public Co., Ltd.	28,564	-
Total	<u>866,031</u>	<u>620,054</u>

## 20.3 Summarised financial information of associates

Financial information of the associates is summarised below.

<u>Company's name</u>	<u>Issued and paid-up capital (including share premium)</u>		<u>Total assets</u>		<u>Total liabilities</u>		<u>Total revenues</u>		<u>Profit (loss)</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
BTS Rail Mass Transit Growth Infrastructure Fund (Unit: Million Baht)	62,064.7	62,510.4	65,739.1	65,184.4	250.7	79.9	3,983.7	3,808.6	3,519.7	3,353.0
Absolute Hotel Services Co., Ltd. (Unit: Million Baht)	8.0	8.0	55.5	43.9	18.0	10.2	82.6	64.0	18.3	15.3
Absolute Hotel Services Hong Kong Ltd. (Unit: Million USD)	0.9	0.9	0.7	0.6	0.4	0.2	0.3	0.2	(0.1)	(0.2)
Bayswater Co., Ltd. (Unit: Million Baht)	10.0	10.0	10.0	10.0	-	-	-	0.1	-	0.1
Master Ad Public Co., Ltd. (Unit: Million Baht)	301	-	890	-	174	-	657	-	133	-

## 20.4 Investment in associate with capital deficit

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

(Unit: Million Baht)

Company's name	Unrecognised share of loss	
	Share of loss for the	Cumulative share
	year ended	of loss up to
	31 March 2015	31 March 2015
Absolute Hotel Services Hong Kong Ltd.	-	3

## 20.5 Supplemental information of associates

### BTS Rail Mass Transit Growth Infrastructure Fund ("BTSGIF") (held by the Company)

During the year ended 31 March 2015, the Company received dividends totaling Baht 1,200 million from BTSGIF and received cash return from decrease in capital amounting to Baht 149 million (2014: dividends totaling Baht 820 million).

Investment in BTSGIF under equity/cost method is detailed below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	Equity method		Cost method	
	2015	2014	2015	2014
Cost	20,833,200	20,833,200	20,833,200	20,833,200
Add: Accumulated share of income from investment	1,441,134	612,464	-	-
Less: Gain on sale of future net fare box revenues in proportion to the Company's investment	(6,748,791)	(6,748,791)	-	-
Less: Accumulated dividend income	(2,019,663)	(819,825)	-	-
Less: Return of capital	(148,533)	-	(148,533)	-
Net	13,357,347	13,877,048	20,684,667	20,833,200

### Absolute Hotel Services Company Limited (held by the Company)

During the year ended 31 March 2015, the Company received a dividend amounting to Baht 7 million from an associate (2014: Baht 0.7 million).

Master Ad Public Company Limited (“Master Ad”) (held by VGI Global Media Public Company Limited)

On 12 May 2014, the subsidiary invested in 73.5 million ordinary shares of Master Ad at a price of Baht 9 per share, or for a total of Baht 661.5 million, through the big lot board in the Stock Exchange of Thailand, in accordance with a resolution passed by the subsidiary’s Board of Directors meeting No. 3/2014 on 9 May 2014. As a result, the subsidiary held 24.43% of all issued shares of MACO, and classifies this investment as investment in an associate.

Management believed that the assets and liabilities of the associate as at 30 June 2014 and at the share acquisition dates were not significantly different. Details of the fair and book values of identifiable assets and liabilities of the associate as at 30 June 2014 were as follows.

	(Unit: Thousand Baht)	
	Fair value	Book value
<b>Assets</b>		
Cash and cash equivalents	191,744	191,744
Short-term investments	188,738	188,738
Trade and other receivables	197,095	197,095
Inventories	6,695	6,695
Other current assets	8,882	8,882
Investments in a joint venture and associates	27,457	27,457
Restricted deposits at financial institutions	6,452	6,452
Investment property	64,920	35,317
Buildings and equipment	123,882	123,882
Goodwill	-	13,998
Intangible assets	332,864	301
Deferred tax assets	3,306	3,306
Prepaid rent for billboard space	13,297	13,297
Other non-current assets	48,200	48,200
<b>Total assets</b>	<b>1,213,532</b>	<b>865,364</b>

	(Unit: Thousand Baht)	
	Fair value	Book value
<b>Liabilities</b>		
Bank overdrafts and short-term loans from financial institutions	35,000	35,000
Trade and other payables	98,447	98,447
Income tax payable	10,345	10,345
Undue output VAT	10,599	10,599
Other current liabilities	2,701	2,701
Provision for long-term employee benefits	13,320	13,320
Deferred tax liabilities	72,433	-
Other non-current liabilities	2,853	2,853
<b>Total liabilities</b>	<b>245,698</b>	<b>173,265</b>
<b>Net asset value</b>	<b>967,834</b>	<b>692,099</b>
<b>Net assets attributable to the subsidiary's investment</b>	<b>236,442</b>	
<b>Excess of investment cost over net asset value</b>	<b>425,058</b>	
<b>Cost of investment in the associate (consolidated financial statements)</b>	<b>661,500</b>	

In addition, in June 2014, the subsidiary gradually invested in a further 1.4 million ordinary shares of MACO, at prices of approximately Baht 14 per share, or for a total of Baht 19.65 million. As a result, the shareholding of the subsidiary increased from 24.43% to 24.89% of all issued shares of MACO.

The subsidiary incurred expenses relating to the investments in MACO totaling approximately Baht 7 million.

Subsequently, on 26 September 2014, the Extraordinary General Meeting of MACO's shareholders No. 1/2014 passed the following significant resolutions.

- a) Change number and par value of the ordinary shares, whereby the number of the ordinary shares increased by 2,708,072,550 ordinary shares, from 300,896,950 ordinary shares to 3,008,969,500 ordinary shares, and the par value of the ordinary shares reduced from Baht 1 each to Baht 0.1 each. MACO registered the changes in number and par value of its ordinary shares with the Ministry of Commerce on 29 September 2014.

- b) Issue up to 752,242,375 warrants to purchase newly issued ordinary shares of MACO (MACO-W1), to be allocated to the existing shareholders of the associate on a pro rata basis to their respective shareholding (rights offering), at no cost. The allocation ratio is 1 warrant to 4 existing ordinary shares. The term of the warrants is to be 3 years from the issuance date and the warrant holders are entitled to exercise the warrants for the first time on the last business day of the first quarter after 2 years from the issuance date. The exercise ratio is 1 warrant per an ordinary share and the exercise price is Baht 2 per share.

MACO issued and allocated 187,250,000 warrants to the subsidiary on 3 November 2014.

On 19 November 2014, the subsidiary sold 187,250,000 warrants to purchase the newly issued ordinary shares of MACO to unrelated parties through the Stock Exchange of Thailand, at a price of approximately Baht 0.6828 per warrant, or for a total of approximately Baht 128 million. The subsidiary recognised an allocation of costs of the warrants from the cost of investments in the associate, with reference to the fair values of the warrants and the ordinary shares of MACO, and recorded a gain on the sale of the warrants amounting to Baht 53 million, presenting it as a separate item in profit or loss for the current year.

Furthermore, during the current year, the subsidiary gradually purchased warrants to purchase the newly issued ordinary shares of MACO through the Stock Exchange of Thailand, in accordance with a resolution passed by the subsidiary's Board of Directors meeting No. 9/2014 on 28 November 2014. As a result, as at 31 March 2015, the subsidiary held 28,351,500 warrants to purchase the newly issued ordinary shares of MACO, acquired at prices of approximately Baht 0.4 per share, or for a total of Baht 11 million. The subsidiary classifies its investment in these warrants as investment in an associate.

In March 2015, the subsidiary invested in a further 1,967,400 ordinary shares of MACO, at prices of Baht 1.38 per share, or for a total of Baht 2.7 million, in the Stock Exchange of Thailand. As a result, the shareholding of the subsidiary increased from 24.89% to 24.96% of all issued shares of MACO.

During the year ended 31 March 2015, the subsidiary received a dividend amounting to Baht 19 million from Master Ad (2014: Nil).

In addition, on 22 April 2015, the Annual General Meeting of MACO's shareholders passed a resolution to pay to the shareholders a cash dividend for 2014 of Baht 0.014 per share, or a total of Baht 42 million. The dividend will be paid on 15 May 2015 and the subsidiary will receive a dividend of Baht 11 million from MACO on that date.

As at 31 March 2015, the fair value of the investments in MACO, which is listed on the Stock Exchange of Thailand, amounted to approximately Baht 910 million.

## 21. Other long-term investments

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
<b>Fixed deposits with maturity date due more than 1 year</b>	945,836	1,082,281	-	-
<b>Held-to-maturity securities</b>				
Domestic private debt securities	1,548,000	3,120,743	100,000	100,000
Foreign private debt securities	16,037	16,779	8,041	8,408
	<u>1,564,037</u>	<u>3,137,522</u>	<u>108,041</u>	<u>108,408</u>
<b>Investments in available for sale</b>				
Domestic marketable equity securities	4,591,368	878,815	4,591,368	878,815
Foreign marketable equity securities	2,326,219	641,047	641,047	641,047
	<u>6,917,587</u>	<u>1,519,862</u>	<u>5,232,415</u>	<u>1,519,862</u>
Less: Allowance for change in value	(552,988)	(93,815)	(483,085)	(93,815)
	<u>6,364,599</u>	<u>1,426,047</u>	<u>4,749,330</u>	<u>1,426,047</u>
<b>Other investments</b>				
Domestic non-marketable equity securities	118,584	118,583	118,584	118,583
Foreign non-marketable equity securities	555,390	473,751	555,390	473,751
	<u>673,974</u>	<u>592,334</u>	<u>673,974</u>	<u>592,334</u>
<b>Total</b>	<u>9,548,446</u>	<u>6,238,184</u>	<u>5,531,345</u>	<u>2,126,789</u>

During the current year, the Company sold available for sale investments totaling Baht 6,349 million (2014: Nil) and recorded a gain on the sales of investments amounting to Baht 252 million (2014: Nil) in the profit or loss.

The other long-term investments of Baht 1,394 million were pledged to secure a bank guarantee issued by a bank on behalf of the subsidiary as security for the long-term debentures.

## 22. Project costs - media

	(Unit: Thousand Baht)
	Consolidated
	financial statements
	<hr/>
<b>Cost</b>	
31 March 2013	-
Allocated from project costs - elevated train system	2,371,456
	<hr/>
31 March 2014	2,371,456
	<hr/>
31 March 2015	2,371,456
	<hr/>
<b>Accumulated amortisation</b>	
31 March 2013	-
Amortisation for the year	31,389
	<hr/>
31 March 2014	31,389
Amortisation for the year	13,556
	<hr/>
31 March 2015	44,945
	<hr/>
<b>Net book value</b>	
31 March 2014	2,340,067
	<hr/>
31 March 2015	2,326,511
	<hr/> <hr/>
<b>Amortisation included in cost of services</b>	
2014	31,389
	<hr/> <hr/>
2015	13,556
	<hr/> <hr/>

Project costs - media represent the portion of costs of rights that relate to media that were allocated from the intangible asset (generating fare box revenues and advertising revenues to a subsidiary) derecognised from the books of account since the rights to receive future net fare box revenues were sold to BTSGIF, as discussed in Note 56 to the financial statements. The costs were allocated in accordance with bases and assumptions set by the subsidiary's management. The subsidiary's management believes that these assumptions are appropriate under the current circumstances.



## 23. Reusable spare parts

As at the dates of the statements of financial position, the balances of reusable spare parts were comprised as follows:

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	<u>2015</u>	<u>2014</u>
Reusable spare parts	99,799	27,066
Less: Accumulated amortisation	(8,361)	(5,148)
Reusable spare parts - net	<u>91,438</u>	<u>21,918</u>
Amortisation included in cost of services	3,213	1,297

## 24. Investment properties

The net book value of investment properties as at 31 March 2015 and 2014 is presented below.

	Consolidated financial statements			Separate financial statements			
	Land	Buildings	Total	Land	Buildings and	Golf course	Total
	awaiting	for rent	Total	awaiting	Hotel	and	Total
	sales	for rent	Total	sales	for rent	for rent	Total
31 March 2015:							
Cost	1,896,001	284,128	2,180,129	1,684,779	896,441	1,383,374	3,964,594
<u>Less</u> Accumulated depreciation	-	(114,099)	(114,099)	-	(146,323)	(724,854)	(871,177)
<u>Less</u> Allowance for impairment	(543,764)	(42,004)	(585,768)	(563,036)	(49,597)	(181,032)	(793,665)
Net book value	<u>1,352,237</u>	<u>128,025</u>	<u>1,480,262</u>	<u>1,121,743</u>	<u>700,521</u>	<u>477,488</u>	<u>2,299,752</u>
31 March 2014:							
Cost	3,489,771	363,611	3,853,382	1,689,183	400,723	1,235,933	3,325,839
<u>Less</u> Accumulated depreciation	-	(125,633)	(125,633)	-	(124,680)	(653,847)	(778,527)
<u>Less</u> Allowance for impairment	(547,009)	(79,279)	(626,288)	(566,281)	(69,049)	(220,830)	(856,160)
Net book value	<u>2,942,762</u>	<u>158,699</u>	<u>3,101,461</u>	<u>1,122,902</u>	<u>206,994</u>	<u>361,256</u>	<u>1,691,152</u>

A reconciliation of the net book value of investment properties for the years 2015 and 2014 is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Net book value at beginning of year	3,101,461	2,867,629	1,691,152	1,139,354
Acquisition of assets	772,051	652,707	385,533	619,376
Transfer in (out)	167,928	(283,717)	279,690	103,215
Disposals - net book value	(695,048)	(121,707)	(1,159)	(121,569)
Depreciation charged	(11,141)	(13,451)	(55,464)	(49,224)
Classified as assets classified as held for sale (Note 28)	(1,854,989)	-	-	-
Net book value at end of year	<u>1,480,262</u>	<u>3,101,461</u>	<u>2,299,752</u>	<u>1,691,152</u>

The fair value of the investment properties as at 31 March 2015 stated below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Land awaiting sales	4,053,400 <sup>(1)</sup>	3,776,200
Buildings and hotel for rent	209,000	983,000
Golf course and construction for rent	-	576,000

<sup>(1)</sup> Excluding land awaiting sales of BTSA and Kamkoong fair value of which totaled Baht 3,219 million classified as assets held for sales.

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

- Land awaiting sales has been determined using market approach.
- Buildings and hotels for rent has been determined using the income approach and market approach.
- Golf course and construction for rent has been determined using the income approach.

The main assumptions used in the valuation of the buildings are yield rate, inflation rate and long-term growth rates.

On 15 October 2014, a meeting of the Executive Committee of the Company passed resolutions to approve the sale by the Company's wholly owned subsidiary of approximately 5 rai (8,000 sq.m.) of land to BTS Sansiri Holding One Ltd. for a consideration of Baht 1,411 million. The subsidiary recognized a gain on the sale of the land of Baht 368 million (after eliminating 50% in proportion to the Company's shareholding in BTS Sansiri Holding One Ltd. under the equity method) and presented this as a separate item in the consolidated profit or loss.

The Company and its subsidiaries have pledged investment properties amounting to approximately Baht 85 million (2014: Baht 1,157 million) (Separate financial statement: Baht 486 million (2014: Baht 382 million)) as collateral against credit and guarantee facilities received from a financial institution and a creditor per rehabilitation plan.

## 25. Property, plant and equipment

(Unit: Thousand Baht)

### Consolidated financial statements

	Land (revalued)	Buildings and improvements	Golf course development costs	Machinery and equipment	Furniture and office equipment	Motor vehicles	Construction in progress and assets under installation	Total
<b>Cost</b>								
1 April 2013 - restated	192,796	2,595,685	534,381	1,313,329	514,533	114,475	786,174	6,051,373
Additions	-	7,151	-	90,282	38,362	30,151	998,368	1,164,314
Capitalised interest	-	-	-	-	-	-	496	496
Disposals	-	(41,329)	-	(27,174)	(10,495)	(2,565)	(1,466)	(83,029)
Transfer in (out)	-	174,867	-	266,648	27,217	(10)	(475,538)	(6,816)
Decrease from change in status of investment	-	-	-	(138)	-	-	-	(138)
Translation adjustment	-	-	-	-	165	189	-	354
31 March 2014 - restated	192,796	2,736,374	534,381	1,642,947	569,782	142,240	1,308,034	7,126,554
Additions	-	496,317	-	55,716	51,635	5,491	742,500	1,351,659
Capitalised interest	-	-	-	-	-	-	1,104	1,104
Disposals	-	(64,951)	-	(94,164)	(15,857)	(15,761)	(6,640)	(197,373)
Transfer in (out)	-	351,031	-	879,869	35,140	(2,004)	(1,415,409)	(151,373)
Translation adjustment	-	-	-	-	9	10	-	19
Classified as assets held for sale (Note 28)	(88,966)	(1,876,711)	-	(66,095)	(32,171)	-	-	(2,063,943)
31 March 2015	103,830	1,642,060	534,381	2,418,273	608,538	129,976	629,589	6,066,647

(Unit: Thousand Baht)

## Consolidated financial statements

	Land (revalued)	Buildings and improvements	Golf course development costs	Machinery and equipment	Furniture and office equipment	Motor vehicles	Construction in progress and assets under installation	Total
<b>Accumulated depreciation</b>								
1 April 2013 - restated	-	462,443	271,390	649,535	372,130	104,946	-	1,860,444
Depreciation for the year - restated	-	106,466	5,646	144,180	55,962	7,821	-	320,075
Depreciation on disposals	-	-	-	(24,239)	(10,740)	(2,565)	-	(37,544)
Depreciation on transfers	-	(1,056)	-	(2,927)	(137)	10	-	(4,110)
Decrease from change in status of investment	-	-	-	(138)	-	-	-	(138)
Translation adjustment	-	-	-	-	7	91	-	98
31 March 2014 - restated	-	567,853	277,036	766,411	417,222	110,303	-	2,138,825
Depreciation for the year	-	113,391	5,646	223,419	60,130	8,510	-	411,096
Depreciation on disposals	-	(8,101)	-	(84,191)	(15,751)	(15,761)	-	(123,804)
Depreciation on transfers	-	(116)	-	116	18,284	(1,110)	-	17,174
Translation adjustment	-	-	-	-	(131)	4	-	(127)
Classified as assets held for sale (Note 28)	-	(174,237)	-	(22,065)	(19,447)	-	-	(215,749)
31 March 2015	-	498,790	282,682	883,690	460,307	101,946	-	2,227,415

(Unit: Thousand Baht)

## Consolidated financial statements

	Land (revalued)	Buildings and improvements	Golf course development costs	Machinery and equipment	Furniture and office equipment	Motor vehicles	Construction in progress and assets under installation	Total
<b>Revaluation surplus on assets</b>								
1 April 2013	2,970,861	-	-	-	-	-	-	2,970,861
31 March 2014	2,970,861	-	-	-	-	-	-	2,970,861
Classified as assets held for sale (Note 28)	(724,484)	-	-	-	-	-	-	(724,484)
31 March 2015	2,246,377	-	-	-	-	-	-	2,246,377
<b>Allowance for impairment</b>								
1 April 2013	-	12,405	208,426	-	-	-	-	220,831
31 March 2014	-	12,405	208,426	-	-	-	-	220,831
Addition	-	-	-	88,601	-	-	-	88,601
31 March 2015	-	12,405	208,426	88,601	-	-	-	309,432
<b>Net book value</b>								
31 March 2014 - restated	3,163,657	2,156,116	48,919	876,536	152,560	31,937	1,308,034	7,737,759
31 March 2015	2,350,207	1,130,865	43,273	1,445,982	148,231	28,030	629,589	5,776,177
<b>Depreciation for the years</b>								
2014 - restated								320,075
2015								411,096

(Unit: Thousand Baht)

## Separate financial statements

	Buildings and improvements	Machinery and equipment	Furniture and office equipment	Motor vehicles	Construction in progress and assets under installation	Total
<b>Cost</b>						
1 April 2013	45,344	40,166	38,743	74,003	214,081	412,337
Additions	-	-	2,900	28,900	304,624	336,424
Transfer in (out)	5,176	-	952	-	(84,499)	(78,371)
Disposals	-	-	(26)	(1,171)	-	(1,197)
31 March 2014	50,520	40,166	42,569	101,732	434,206	669,193
Additions	1,510	-	6,383	-	43,586	51,479
Transfer in (out)	-	-	50,310	-	(306,613)	(256,303)
Disposals	(7,309)	-	(3,537)	(3,288)	-	(14,134)
31 March 2015	44,721	40,166	95,725	98,444	171,179	450,235
<b>Accumulated depreciation</b>						
1 April 2013	36,220	31,381	29,089	71,057	-	167,747
Depreciation for the year	3,306	4,020	4,480	6,000	-	17,806
Depreciation on disposals	-	-	(26)	(1,171)	-	(1,197)
31 March 2014	39,526	35,401	33,543	75,886	-	184,356
Depreciation for the year	3,054	4,041	10,634	6,424	-	24,153
Depreciation for transfer	-	-	21,969	-	-	21,969
Depreciation on disposals	(7,309)	-	(3,534)	(3,288)	-	(14,131)
31 March 2015	35,271	39,442	62,612	79,022	-	216,347
<b>Net book value</b>						
31 March 2014	10,994	4,765	9,026	25,846	434,206	484,837
31 March 2015	9,450	724	33,113	19,422	171,179	233,888
<b>Depreciation for the years</b>						
2014						17,806
2015						24,153

Depreciation expenses for the year recorded in profit or loss are detailed below.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Costs of services	297	194	12	5
Administrative expenses	114	126	12	13
Total	<u>411</u>	<u>320</u>	<u>24</u>	<u>18</u>

The Company has mortgaged land and construction with net book value as at 31 March 2015 of Baht 2,691 million (2014: Baht 5,179 million) as collateral for credit and guarantee facilities from a financial institution.

As at 31 March 2015, certain assets have been fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation and allowance for impairment loss) of those assets amounted to approximately Baht 1,648 million (2014: Baht 1,293 million) (Separate financial statements: Baht 139 million (2014: Baht 132 million)).



## 26. Leasehold rights

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
<b>Cost</b>		
1 April 2013	28,764	21,274
Additions	4,730	4,730
31 March 2014	33,494	26,004
31 March 2015	33,494	26,004
<b>Accumulated amortisation</b>		
1 April 2013	15,764	13,966
Amortisation for the year	3,872	3,488
31 March 2014	19,636	17,454
Amortisation for the year	2,196	1,812
31 March 2015	21,832	19,266
<b>Net book value</b>		
31 March 2014	13,858	8,550
31 March 2015	11,662	6,738
<b>Amortisation</b>		
2014 (Baht 0.8 million (Separate financial statement: Baht 0.4 million) included in administrative expenses and Baht 3.1 million included in cost of investment properties)	3,872	3,488
2015 (Baht 0.8 million (Separate financial statement: Baht 0.4 million) included in administrative expenses and Baht 1.4 million included in cost of investment properties)	2,196	1,812

## 27. Intangible assets

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
<b>Costs</b>		
1 April 2013	139,275	7,525
Additions	6,742	207
Disposals	(52)	-
Transfer in	23,030	-
31 March 2014	168,995	7,732
Additions	15,875	317
Disposals	(292)	-
Transfer in	60,467	96
Classified as assets classified as held for sale (Note 28)	(4,189)	-
31 March 2015	240,856	8,145
<b>Accumulated amortisation</b>		
1 April 2013	89,060	7,032
Amortisation for the year	14,112	492
31 March 2014	103,172	7,524
Amortisation for the year	20,199	158
Amortisation on disposals	(289)	-
Amortisation on transfers	96	96
Classified as assets classified as held for sale (Note 28)	(2,349)	-
31 March 2015	120,829	7,778
<b>Net book value</b>		
31 March 2014	65,823	208
31 March 2015	120,027	367
<b>Amortisation included in administrative expenses</b>		
2014	14,112	492
2015	20,199	158

## 28. Assets classified as held for sale / Discontinued Operation

As discussed in Note 18 to the financial statements, on 24 November 2014, a meeting of the Board of Directors of the Company passed a resolution to approve the Company's disposal of all of the ordinary shares it held in BTS Assets Company Limited ("BTSA") and Kamkoong Property Company Limited ("Kamkoong"), to U City Public Company Limited ("U City") (Formerly known as "Natural Park Public Company Limited") and subsequently on 20 April 2015, the Company sold all of the ordinary shares it held in BTSA and Kamkoong to U City at a price of Baht 9,404.08 million. To comply with the requirements of TFRS 5 (revised 2012) "Non-current Assets Held for Sale and Discontinued Operations", the Company separately presented the assets, liabilities and equities relating to BTSA and Kamkoong under the caption of "Assets classified as held for sale", "Liabilities directly associated with assets classified as held for sale" and "Amount recognised in equities relating to assets classified as held for sale" in the statement of financial position as at 31 March 2015. The operating results of BTSA were separately presented under "Loss from discontinued operation for the year" in the consolidated profit or loss for the year ended 31 March 2015, with those of the year ended 31 March 2014 presented for comparative purposes.

Details of assets, liabilities and equity relating to BTSA and Kamkoong as at 31 March 2015 and the operating results of BTSA for the years ended 31 March 2015 and 2014 are as follows:

(Unit: Thousand Baht)

	2015			
	BTSA	Kamkoong	Consolidated financial statement	Separate financial statements
<b><u>Statement of financial position</u></b>				
<b>Assets</b>				
Cash and cash equivalents	67,555	265	67,820	-
Trade and other receivables	23,042	-	23,042	400,657
Prepaid expenses	2,717	-	2,717	-
Other current assets	44,542	771	45,313	-
Restricted deposits	5,000	-	5,000	-
Loans to related parties	-	-	-	2,496,420
Investments in subsidiaries	-	-	-	1,799,078
Investment properties	804,037	1,050,952	1,854,989	-
Property, plant and equipment	2,572,678	-	2,572,678	-
Intangible assets	1,840	-	1,840	-
Other non-current assets	2,823	-	2,823	-
<b>Assets classified as held for sale</b>	<b>3,524,234</b>	<b>1,051,988</b>	<b>4,576,222</b>	<b>4,696,155</b>

(Unit: Thousand Baht)

	2015		Consolidated	Separate
	BTSA	Kamkoong	financial	financial
			statement	statements
<b>Liabilities</b>				
Trade and other payables	51,809	294	52,103	-
Income tax payable	56,678	-	56,678	-
Other current liabilities	2,002	94	2,096	-
Retention payable	1,306	-	1,306	-
Provision for long-term employee benefits	26,246	-	26,246	-
Long-term provision	231,000	-	231,000	-
Deferred tax liabilities	144,897	-	144,897	-
Other non-current liabilities	1,454	-	1,454	-
<b>Liabilities directly associated with assets classified as held for sale</b>	<b>515,392</b>	<b>388</b>	<b>515,780</b>	<b>-</b>
<b>Shareholders' equity</b>				
Deficit on swap of investments in subsidiaries under common control	-	-	-	(75,000)
Revaluation surplus on assets	579,587	-	579,587	-
<b>Amount recognised in equities relating to assets classified as held for sale</b>	<b>579,587</b>	<b>-</b>	<b>579,587</b>	<b>(75,000)</b>

(Unit: Thousand Baht)

Consolidated

financial statements

	<u>2015</u>	<u>2014</u>
<b><u>Statements of comprehensive income</u></b>		
<b>Revenues</b>		
Service income	508,034	594,032
Other income	4,113	2,790
<b>Total revenues</b>	<b>512,147</b>	<b>596,822</b>
<b>Expenses</b>		
Cost of services	228,741	278,950
Selling and servicing expenses	18,834	24,017
Administrative expenses	316,216	347,536
<b>Total expenses</b>	<b>563,791</b>	<b>650,503</b>
<b>Loss before finance cost and income tax expenses from discontinued operation</b>		
	(51,644)	(53,681)
Finance cost	-	(2,713)
<b>Loss before income tax expenses from discontinued operation</b>		
	(51,644)	(56,394)
Income tax expenses	-	(6,160)
<b>Loss for the year from discontinued operation</b>	<b>(51,644)</b>	<b>(62,554)</b>

Cash flow information of BTSA for the years ended 31 March 2015 and 2014 is as follows:

(Unit: Thousand Baht)

Consolidated financial statements

	<u>2015</u>	<u>2014</u>
Cash flows from operating activities	80,366	57,478
Cash flows used in investing activities	(6,507)	(222,804)
Cash flows used in financing activities	-	(1,000,000)

The Company did not present the discontinued operations of Kamkoong since it is not a significant line of business and its operations are not material to the consolidated financial statements.

During the year ended 31 March 2014, a subsidiary (BTSC) presented the operating result for discontinued operation since the subsidiary sold future net fare box revenues to BTSGIF. The details were as follows:

	(Unit: Thousand Baht)
	Consolidated
	<u>financial statements</u>
	<u>2014</u>
Fare box revenues - net	207,676
Costs of fare box	(86,451)
Selling and servicing expenses	(5,748)
Administrative expenses	(85,101)
Profit for the year from discontinued operation	<b><u>30,376</u></b> <sup>(1)</sup>

<sup>(1)</sup> 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.

Details of loss per share of the discontinued operation are as below.

	<u>2015</u>	<u>2014</u>
Basic loss per share (Baht)	(0.004)	(0.003)
Diluted loss per share (Baht)	(0.004)	(0.003)

## 29. Bank overdraft and short-term loans from financial institutions

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Short-term loans	530,000	-	-	-
Total	530,000	-	-	-

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

### The Company

- A facility of Baht 20 million is subject to interest at a rate tied to the Minimum Overdraft Rate (MOR). As at 31 March 2015, the Company has not drawn down this facility (2014: Nil).
- A facility of Baht 3,000 million is subject to interest at the rate agreed every time a drawdown is made. As at 31 March 2015, the Company has not drawn down this facility (2014: Nil).
- A facility of Baht 2,500 million is subject to interest at the rate agreed every time a drawdown is made. As at 31 March 2015, the Company has not drawn down this facility (2014: Nil).

### The subsidiaries

#### BTSC

A facility of Baht 1,500 million, subject to interest at the rate agreed every time a drawdown is made, is secured by the subsidiary's saving and fixed deposits. As at 31 March 2015, the subsidiary has not drawn down this facility (2014: Nil).

#### VGI Global Media Public Company Limited

The promissory notes of Baht 530 million, subject to interest at rates of 2.6-2.9% per annum, are to be repaid within April 2015 (2014: Nil).

#### Nuvo Line Agency Company Limited

A facility of Baht 25 million is subject to interest at a rate tied to the Minimum Overdraft Rate (MOR) and is secured by the mortgage of a plot of land with construction included in real estate development cost of a subsidiary. As at 31 March 2015, there is no outstanding balance of this bank overdraft (2014: Nil).

### 30. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Trade payables - related parties	902	495	-	-
Trade payables	407,528	527,808	5,122	1,762
Other payables - related parties	1,629	3,765	24,145	45,624
Other payables	118,177	203,602	8,151	6,856
Payable from acquisition of investment	116,586	-	116,586	-
Accrued interest expenses - related party	-	-	40,169	-
Accrued interest expenses	19,535	41,751	-	-
Retention payable	183,040	227,208	7,344	3,321
Deposit payable	195,057	161,288	30,000	30,000
Accrued expenses - related parties	-	-	1,050	444
Accrued expenses	540,977	817,889	27,791	29,583
Dividend payable	267,622	238,636	76,644	57,099
Total trade and other payables	<u>1,851,053</u>	<u>2,222,442</u>	<u>337,002</u>	<u>174,689</u>

### 31. Creditors per rehabilitation plan

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	<u>2015</u>	<u>2014</u>
Creditors per rehabilitation plan	733,188	794,927
Less: Current portion	<u>(683,617)</u>	<u>(745,356)</u>
Creditors per rehabilitation plan - net of current portion	<u>49,571</u>	<u>49,571</u>

The Company has been unable to transfer the Company's 39,332,125 ordinary shares at a par value of Baht 4 each (previously disclosed: 245,825,738 ordinary shares at a par value of Baht 0.64 each) 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.



### 32. Long-term loans

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Long-term loans	1,213,084	240,000	981,084	-
Less: Current portion	(26,000)	(10,000)	-	-
Long-term loans - net of current portion	<u>1,187,084</u>	<u>230,000</u>	<u>981,084</u>	<u>-</u>

Details of the long-term loans are as follows:

#### The Company

A facility of USD 30 million is subject to interest at LIBOR plus a margin stipulated in the agreement. The loan is to be repaid within April 2016 and is secured by the Company's fixed deposit amounting to RMB 215 million. As at 31 March 2015, the outstanding balance of this loan was USD 30 million, equivalent to Baht 981 million (2014: Nil).

#### The subsidiaries

##### *Nuvo Line Agency Company Limited*

A facility of Baht 900 million to construct the building of a real estate development project, is subject to interest at a rate tied to the Minimum Loan Rate (MLR), is secured by the mortgage of the subsidiary's land and construction included in real estate development cost. Interest is to be paid monthly and principal is to be repaid within 30 months from the drawdown date. As at 31 March 2015, the subsidiary has not drawn down such loan (2014: Nil).

##### *Bangkok Smartcard System Company Limited*

A facility of Baht 300 million is subject to interest at a rate tied to the Minimum Loan Rate (MLR) minus a certain spread stipulated in the agreement. The principal is to be repaid in monthly installments, from November 2014 to October 2021. As at 31 March 2015, the outstanding balance of this loan was approximately Baht 232 million (2014: Baht 240 million).

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

As at 31 March 2015, the long-term credit facilities which have not been drawn down amounted to Baht 900 million (2014: Baht 900 million).

### 33. Long-term debentures

As at the dates of the statements of financial position, details of the debentures were as follows:

		(Unit: Thousand Baht)		
		Consolidated financial statements		
	Maturity date	Interest rate	2015	2014
		p.a.%		
Debenture - Tranche 3	21 August 2014	5.75	-	3,611,300
Debenture - Tranche 4	21 August 2015	6.25	1,468,900	1,468,900
Debenture - Tranche 5	21 August 2016	6.75	1,348,450	1,348,450
Total			2,817,350	6,428,650
Less: Issuing costs			(4,570)	(13,564)
Total long-term debentures			2,812,780	6,415,086
Less: Current portion of long-term debentures*			(1,467,656)	(3,607,630)
Long-term debentures - net of current portion			1,345,124	2,807,456

\* The subsidiary has presented the current portion by deducting its issuing costs.

The debentures were secured by the letter of guarantee provided by a bank of Baht 2,999 million (the letter of guarantee was secured by the current investments and other long-term investments of a subsidiary (BTSC)).

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.

### 34. Provision for long-term employee benefits

Provision for long-term employee benefits as at 31 March 2015 and 2014, which is compensations on employees' retirement, was as follows:

		(Unit: Thousand Baht)			
		Consolidated		Separate	
		financial statements		financial statements	
		2015	2014	2015	2014
Balance at beginning of year		557,624	481,714	24,622	21,296
Current service cost		44,434	57,942	2,535	2,453
Interest cost		21,931	19,772	978	873
Benefits paid during the year		(22,042)	(1,804)	(886)	-
		601,947	557,624	27,249	24,622
Classified as liabilities directly associated with assets classified as held for sale (Note 28)		(26,246)	-	-	-
Balance at end of year		575,701	557,624	27,249	24,622

Long-term employee benefit expenses included in the profit or loss were as follows:

(Unit: Thousand Baht)

	For the years ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Current service cost	44,434	57,942	2,535	2,453
Interest cost	21,931	19,772	978	873
Total expense recognised in profit or loss	<u>66,365</u>	<u>77,714</u>	<u>3,513</u>	<u>3,326</u>
Line items under which such expenses are included in profit or loss				
Cost of services	43,491	44,376	-	-
Administrative expenses	22,874	33,338	3,513	3,326

As stipulated in the Net Revenue Purchase and Transfer Agreement, the subsidiary can claim costs related to long-term employee benefit of employees who retire within the remaining period of the Core Bangkok Mass Transit System. 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 year ended 31 March 2015, 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 34 million (2014: Baht 33 million).

Principal actuarial assumptions at the valuation date were as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	(% per annum)	(% per annum)	(% per annum)	(% per annum)
Discount rate	4.1	4.1	4.1	4.1
Future salary increase rate	5.0	5.0	5.0	5.0
Staff turnover rate (depending on age)	2.0 - 9.0	2.0 - 9.0	2.0 - 9.0	2.0 - 9.0

Amounts of defined benefit obligation and experience adjustments on the obligation for the current and previous four years are as follows:

(Unit: Thousand Baht)

	Defined benefit obligation		Experience adjustments on the obligation	
	Consolidated	Separate	Consolidated	Separate
	financial statements	financial statements	financial statements	financial statements
For the years ended 31 March				
2015	601,947	27,249	-	-
2014	557,624	24,622	-	-
2013	481,714	21,296	34,609	(2,133)
2012	400,178	25,987	-	-
2011	349,754	22,789	-	-

### 35. Provisions

(Unit: Thousand Baht)

	Consolidated financial statements				
	Special business tax	Major maintenance or restoration of elevated trains under service concession	Construction cost of car park building and sky walk	Damage loss	Total
Balance as at 31 March 2013 - restated	1,043,610	141,144	-	-	1,184,754
Increase during the year	89,635	88,102	-	-	177,737
Decrease during the year	(49,761)	-	-	-	(49,761)
Balance as at 31 March 2014 - restated	1,083,484	229,246	-	-	1,312,730
Increase during the year	98,181	55,112	231,000	166,729	551,022
Decrease during the year	(53,407)	-	-	-	(53,407)
Revision of provision	26,467	(134,376)	-	-	(107,909)
Reclassified as liabilities directly associated with assets classified as held for sale (Note 28)	-	-	(231,000)	-	(231,000)
Balance as at 31 March 2015	1,154,725	149,982	-	166,729	1,471,436
As at 31 March 2015					
Current	60,682	-	-	166,729	227,411
Non-current	1,094,043	149,982	-	-	1,244,025
	1,154,725	149,982	-	166,729	1,471,436
As at 31 March 2014					
Current	45,819	-	-	-	45,819
Non-current	1,037,665	229,246	-	-	1,266,911
	1,083,484	229,246	-	-	1,312,730

### Special Business Tax of BTS Rail Mass Transit Growth Infrastructure Fund (“BTSGIF”)

A subsidiary recognised a provision for future special business tax liabilities of BTSGIF over the remaining period 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.

During the current year, the subsidiary revised the provision for special business tax and recorded additional provision amounting to Baht 26 million, since BTSGIF revised its projections of net future fare box revenues and passengers over the remaining period of the Core Bangkok Mass Transit System. These projections are assumptions used in calculating the provisions for special business tax. The subsidiary’s management believes that the assumptions are appropriate under the current circumstances.

### Major maintenance or restoration of elevated trains under service concession

As a result of the adoption of TFRIC 12 *Service Concession Arrangements*, during the current year, the subsidiary recorded provision for its contractual obligations to significantly maintain or restore elevated trains under the service concession, with reference to the maintenance or restoration agreement and major maintenance or restoration of elevated trains under service concession transactions that had occurred in the past. The subsidiary restated the prior period’s financial statements, presented as comparative information, as though the Company had always applied this TFRIC.

During the current year, the subsidiary revised the provision for major maintenance or restoration of elevated trains under service concession (extension line - Sukhumvit) in accordance with the new maintenance or restoration agreement. The subsidiary also recorded the reversal of provision amounting to Baht 134 million, presented net of additional provision (extension line - Silom) amounting to Baht 55 million and revision of provision (special business tax) amounting to Baht 26 million, under the heading of “Other income” in the consolidated profit or loss for the current year. The subsidiary’s management believes that these assumptions are appropriate under the current circumstances.

### Construction cost of car park building and sky walk

A subsidiary (BTSA) recorded provision for its contractual obligations with a bank to construct a car park building and sky walk. The subsidiary’s management believes that the assumptions are appropriate under the current circumstance. This provision was classified as liabilities directly associated with assets classified as held for sale (Note 28).

### Damage loss

In October 2014, a subsidiary (VGI Global Media Public Company Limited) entered into an advertisement concession agreement for exclusive rights to manage and provide advertising space, and relevant amendment agreements, with an unrelated company, which granted exclusive rights to manage and provide advertising space in its department stores. Subsequently, the subsidiary found that the unrelated company breaches the agreement. The subsidiary's Board of Directors meeting No.5/2015 considered and passed a resolution to terminate the agreements with that company. The subsidiary has already sent that company notification of the termination. As a result, as at 31 March 2015, the subsidiary recognised allowance of operating assets and other assets in relation to the agreements amounting to Baht 102 million and recorded provisions for terminating the agreements amounting to Baht 113 million. In addition, the subsidiary recorded provision for revenues being lower than the minimum guaranteed amounts amounting to approximately Baht 53 million for another agreement that the subsidiary made with a related company, because the subsidiary's revenues were less than the minimum guaranteed amounts stipulated in the agreement. However, the recording of such provision does not in any way constitute an acceptance of the subsidiary's obligation to pay such liabilities.

### **36. Share capital / Share premium**

As at 31 March 2014, 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 47,656,922,100 (11,914,230,525 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 3,210,636,460 (802,659,115 ordinary shares with a par value of Baht 4 each) and the exercise of the warrants (BTS-WA) to ordinary shares amounting to Baht 19,747,264 (4,936,817 ordinary shares with a par value of Baht 4 each), resulting in an increase in total share premium to Baht 1,797,237,616 (including adjustment to transfer amounting to Baht 8,330,877 of capital reserve for share-based payment transaction to share premium).

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

As at 31 March 2015, the Company's issued and fully paid share capital has increased from Baht 47,656,922,100 (11,914,230,525 ordinary shares with a par value of Baht 4 each) to Baht 47,677,000,644 (11,919,250,161 ordinary shares with a par value of Baht 4 each) as a result of the exercise of the warrants (BTS-WA) to ordinary shares amounting to Baht 20,078,544 (5,019,636 ordinary shares with a value of Baht 4 each), resulting in an increase in total share premium to Baht 1,807,590,613 (including adjustment to transfer amounting to Baht 8,470,636 of capital reserve for share-based payment transaction to share premium).

The Company registered the corresponding increase in its paid-up capital with the Ministry of Commerce on 3 October 2014.

### 37. Warrants

The warrants are detailed as follows:

	BTS-W2	BTS-W3	BTS-WA	BTS-WB
	Units	Units	Units	Units
Outstanding as at 31 March 2013	3,167,032,866	-	100,000,000	-
Issued during the year	-	3,944,626,464	-	16,000,000
Exercised during the year	(3,165,627,080)	-	(30,855,100)	-
Expired during the year	(1,405,786)	-	-	-
Outstanding as at 31 March 2014	-	3,944,626,464	69,144,900	16,000,000
Exercised during the year	-	-	(31,372,725)	-
Outstanding as at 31 March 2015	-	3,944,626,464	37,772,175	16,000,000

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

On 11 October 2013, the Extraordinary Meeting No.1/2013 of the Company's shareholders passed a resolution to issue the warrants to purchase new ordinary shares of the Company issued to the Company's existing shareholders (BTS-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	1 November 2013
Number granted (Units)	3,944,626,464
Contractual lives	5 years from the issued date
Exercisable	Last business day of each quarter, after completion of a 3-year period from the issued date
Exercise price per 1 ordinary share	12 Baht
Exercise ratio (warrant to ordinary share)	1:1

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

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

Date of grant	18 August 2011
Number granted (Units)	100,000,000
Contractual lives	5 years from the issued date
Exercisable	Last business day of each quarter, after completion of a 2-year period from the issued date
Exercise price per 1 ordinary share	4.375 Baht
Exercise ratio (warrant to ordinary shares)	1:0.16

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

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

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

Date of grant	11 June 2013
Number granted (Units)	16,000,000
Contractual lives	5 years from the issued date
Exercisable	Last business day of each quarter, after completion of 2 to 4 year periods from the issued date
Exercise price per 1 ordinary share	5.01 Baht
Exercise ratio (warrant to ordinary shares)	1:1

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%.



### 38. Deficit on business combination under common control

Deficit on business combination under common control consisted of the following:

- a) Differences between the cost of a business combination under common control and the equity interest of the Company in the net book value of a subsidiary (BTSC) on the acquisition date in the consolidated and separate financial statements and
- b) Differences between considerations paid from purchase of investment and cost of investment under common control in the separate financial statements.

The details were as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Balance at beginning of year	3,371,978	3,371,978	3,790,493	4,812,208
Sales of investment in subsidiary under common control	-	-	(75,058)	(1,021,715)
Balance at end of year	<u>3,371,978</u>	<u>3,371,978</u>	<u>3,715,435</u>	<u>3,790,493</u>

### 39. Surplus on swap of investments in subsidiaries under common control

Surplus on swap of investments in subsidiaries under common control represents difference of costs of investments in subsidiaries under common control at exchange date.

The details were as follows:

	(Unit: Thousand Baht)	
	Separate financial statements	
	<u>2015</u>	<u>2014</u>
Balance at beginning of year	250,065	250,065
Reclassified as amount recognised in equities relating to assets classified as held for sale (Note 28)	75,000	-
Balance at end of year	<u>325,065</u>	<u>250,065</u>

#### 40. Surplus from the changes in the ownership interests in subsidiaries

The changes in the Company's ownership interests in subsidiaries do not result in a loss of control. The Company will record surplus from the changes in the ownership interests in subsidiaries in the shareholders' equity in the consolidated statements of financial position.

Surplus from changes in ownership interests in a subsidiary was calculated based on the differences between the considerations paid or received as a result of changes in ownership interests in the subsidiaries of the Company and the equity interests of non-controlling interests of the subsidiaries at the net book value of the subsidiaries on the changing date. Non-controlling interests of subsidiaries are valued at the value of the identifiable net assets of the subsidiaries based on the percentage shareholdings of non-controlling interests. The details were as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	<u>2015</u>	<u>2014</u>
Balance at beginning of year	4,448,284	2,811,213
Purchase of investment in the subsidiary	(4,003,560)	(2,035,110)
Sales of investment in the subsidiary	905,636	3,672,181
Warrants exercised of the subsidiary	2,812	-
Balance at end of year	<u>1,353,172</u>	<u>4,448,284</u>

#### 41. Surplus from sales of warrants of the subsidiary

Surplus from sales of warrants of the subsidiary represents the considerations received as a result of sales of warrants of the subsidiary constituting a change in the Company's ownership interest in the subsidiary without loss of control. The details were as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	<u>2015</u>	<u>2014</u>
Balance at beginning of year	-	-
Sales of warrants of the subsidiary	494,317	-
Balance at end of year	<u>494,317</u>	<u>-</u>

#### 42. Revaluation surplus on assets

This represents surplus arising from revaluation of land which can neither be offset against deficit nor used for dividend payment.

#### 43. Treasury shares / Appropriated retained earnings for treasury shares

On 8 August 2014, the Board of Directors of the Company passed a resolution to approve a program to repurchase up to 600 million shares (par value of Baht 4 each), or 5% of the total number of shares in issue, with a budget of Baht 6,000 million, for liquidity surplus management purposes. The shares are to be repurchased on the Stock Exchange of Thailand within the period of 6 months, starting from 25 August 2014 to 24 February 2015, and can be resold more than 6 months after completing the repurchase. As at 31 March 2015, the Company had purchased back 95.8 million ordinary shares, for a total of approximately Baht 925.4 million or 0.8% of the total number of shares in issue.

According to letter No. Gor Lor Tor. Chor Sor. (Vor) 2/2548 of the Office of the Securities and Exchange Commission, dated 14 February 2005, concerning the acquisition of treasury shares, a public limited company may purchase back treasury shares in an amount not exceeding the amount of its retained earnings and is to appropriate an equal amount of retained earnings to a reserve for treasury shares, which must be maintained until the Company either sells the treasury shares or reduces its paid-up share capital by an amount equal to the value of the treasury shares which it could not sell. As at 31 March 2015, the Company appropriated the full required amount of retained earnings to a reserve for the treasury shares.

#### 44. Statutory reserve

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

#### 45. Service income

Details of service income are as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
		(Restated)		
Revenues from provision of operating services	1,596,214	1,354,443	-	-
Revenues from hotel and restaurant operations	409,573	181,795	-	-
Advertising income	2,428,150	2,615,278	-	-
Revenues from provision of spaces	622,401	634,395	58,154	70,911
Other service income	620,213	441,322	66,398	61,078
Total	<u>5,676,551</u>	<u>5,227,233</u>	<u>124,552</u>	<u>131,989</u>

#### 46. Interest income

Details of interest income are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
		(Restated)		
Interest income under concession agreement	132,183	126,786	-	-
Interest income under finance lease agreement	4,415	5,926	-	-
Interest income from financial institutions	911,328	1,212,903	74,763	105,359
Interest income from related parties	6,119	-	101,414	150,688
Total	<u>1,054,045</u>	<u>1,345,615</u>	<u>176,177</u>	<u>256,047</u>

#### 47. Other expenses

Details of other expenses are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Allowance for doubtful accounts	17,892	135,038	201,705	132,960
Allowance for impairment loss of assets	125,651	-	-	-
Loss on provisions for terminating agreements	113,291	-	-	-
Loss on provisions for revenues being lower than the minimum guaranteed amounts	53,438	-	-	-
Total	<u>310,272</u>	<u>135,038</u>	<u>201,705</u>	<u>132,960</u>

#### 48. Expenses by nature

Significant expenses by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	(Restated)			
<b>Continued operation:</b>				
Salaries, wages and other benefits	1,164,553	1,083,217	133,404	122,401
Depreciation and amortisation	394,269	300,768	80,187	67,938
Consultation, project management and professional fee	119,803	99,942	74,560	57,374
Allowance for doubtful accounts	17,892	135,038	201,705	132,960
Allowance for impairment loss of assets	125,651	-	-	-
Loss on provisions for terminating agreements	113,291	-	-	-
Loss on provisions for revenues being lower than the minimum guaranteed amounts	53,438	-	-	-
Premise tax and other taxes	105,301	153,254	21,891	22,387
Rental expenses from operating lease agreements	37,031	52,417	30,996	29,599
Repair and maintenance expenses	163,446	130,824	6,007	6,054
Utility expenses	236,041	185,073	21,463	20,265
Advertising and promotional expenses	65,720	127,036	2,856	7,797
Subcontractor expenses for train operating service	23,442	25,637	-	-
Concession fee	618,864	700,218	-	-
Costs of advertising services	130,827	144,175	-	-
Real estate development during the year	111,650	345,288	60,584	21,905
Change in real estate development costs	311,975	960,545	(28,822)	46,143
<b>Discontinued operation:</b>				
Salaries, wages and other benefits	172,864	265,933	-	-
Depreciation and amortisation	82,543	88,614	-	-
Consultation, project management and professional fee	15,162	15,913	-	-
Rental expenses from operating lease agreements	4,019	6,022	-	-
Repair and maintenance expenses	7	19,152	-	-
Advertising and promotional expenses	2,096	3,876	-	-
Utility expenses	31,595	43,663	-	-

#### 49. Income tax

Income tax expenses for the years ended 31 March 2015 and 2014 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
		(Restated)		
<b>Current income tax:</b>				
Current income tax charge	1,095,154	1,489,186	118,115	713,274
Adjustment in respect of income tax of previous year	6,759	-	59	-
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(368,887)	2,298,909	6,857	253,049
<b>Income tax expense reported in the statement of comprehensive income</b>	<u>733,026</u>	<u>3,788,095</u>	<u>125,031</u>	<u>966,323</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 March 2015 and 2014 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Deferred tax relating to:				
Increase in loss on change in value of available-for-sale investments	91,834	23,523	77,854	23,523
	<u>91,834</u>	<u>23,523</u>	<u>77,854</u>	<u>23,523</u>

Reconciliations between accounting profit and income tax expenses are detailed below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	(Restated)			
Profit before income tax expenses from				
continued operation	4,124,889	17,356,746	3,660,378	21,159,882
Loss before income tax expenses from				
discontinued operation	(51,644)	(26,018)	-	-
Accounting profit before income tax expenses	<u>4,073,245</u>	<u>17,330,728</u>	<u>3,660,378</u>	<u>21,159,882</u>
Applicable tax rate at 20%	814,649	3,466,146	732,076	4,231,976
Effects of unrecognised deferred tax on				
temporary differences	79,579	83,053	43,387	20,021
Effects of utilisation of previously				
unrecognised deferred tax on temporary				
differences	(76,118)	(128,268)	(4,032)	(128,268)
Tax effect of non-deductible expenses	34,937	56,109	395	13,931
Tax effect of deductible expenses	(2,333)	(2,875)	(175)	(470)
Tax effect of non-taxable income	(115,260)	(75,260)	(646,697)	(3,577,672)
Tax effect of taxable income	-	406,805	-	406,805
Difference of tax rates in group companies	50	(252)	-	-
Others	(2,478)	(11,203)	77	-
	<u>733,026</u>	<u>3,794,255</u>	<u>125,031</u>	<u>966,323</u>
Income tax expenses from continued operation	733,026	3,788,095	125,031	966,323
Income tax expenses from discontinued				
operation	-	6,160	-	-
	<u>733,026</u>	<u>3,794,255</u>	<u>125,031</u>	<u>966,323</u>

The tax rate enacted at the end of the reporting period of the Company and its subsidiaries consists of 20% and 25% (2014: 20% and 25%).

The components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Thousand Baht)

	Statements of financial position				
	Consolidated financial statements			Separate financial statements	
	31 March	31 March	1 April	31 March	31 March
	2015	2014	2013	2015	2014
		(Restated)			
<b>Deferred tax assets</b>					
Allowance for doubtful accounts	10,151	6,443	246,082	362	232
Allowance for asset impairment	160,459	153,896	160,014	-	-
Unrealised loss on changes in value of available-for-sale investment	110,598	16,577	-	96,617	18,763
Provision for damage loss	33,346	-	-	-	-
Provision for long-term employee benefits	111,680	108,520	93,827	5,450	4,924
Transactions under concession and finance lease agreements (Note 4)	29,677	55,034	42,895	-	-
Unused tax loss	11,160	17,998	77,377	-	-
Deferred gain on sale of land to jointly controlled entity	73,512	-	-	-	-
Others	19,291	24,014	40,546	330	311
<b>Total</b>	<b>559,874</b>	<b>382,482</b>	<b>660,741</b>	<b>102,759</b>	<b>24,230</b>
<b>Deferred tax liabilities</b>					
Revaluation surplus on land	449,275	594,172	598,932	-	-
Prepaid duty stamp	31,579	32,745	33,911	-	-
Transactions relating to sale of future net fare box revenues	2,464,371	2,623,131	-	-	-
Differences of forward and closing exchange rates	11,480	72,693	-	11,360	3,389
Differences of tax and accounting from depreciation calculation of assets	59,200	59,055	78,957	59,200	59,055
Others	11,112	458	7,045	5,257	5,840
<b>Total</b>	<b>3,027,017</b>	<b>3,382,254</b>	<b>718,845</b>	<b>75,817</b>	<b>68,284</b>
<b>Net</b>	<b>(2,467,143)</b>	<b>(2,999,772)</b>	<b>(58,104)</b>	<b>26,942</b>	<b>(44,054)</b>
Presented as					
Deferred tax assets - net	149,017	37,340	302,737	26,942	-
Deferred tax liabilities - net	(2,616,160)	(3,037,112)	(360,841)	-	(44,054)
<b>Net</b>	<b>(2,467,143)</b>	<b>(2,999,772)</b>	<b>(58,104)</b>	<b>26,942</b>	<b>(44,054)</b>

As at 31 March 2015, the Company and its subsidiaries has deductible temporary differences and unused tax losses totaling Baht 398 million (2014: Baht 415 million) (Separate financial statements: Baht 217 million (2014: Baht 100 million)), on which deferred tax assets have not been recognised as the Company and its subsidiaries believe they may not utilise the deferred tax asset or their future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.



## 50. Earnings per share

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

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

Details of calculation of earnings per share for the years ended 31 March 2015 and 2014 are as below.

	Consolidated financial statements					
	Profit		Weighted average number of ordinary shares		Earnings per share	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	Thousand Baht	Thousand Baht (Restated)	Thousand shares	Thousand shares	Baht	Baht (Restated)
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the Company	2,944,033	12,597,541	11,862,162	11,687,607	0.248	1.078
<b>Effect of dilutive potential ordinary shares</b>						
Warrants (BTS-W2)	-	-	-	109,294		
Warrants (BTS-WA)	-	-	4,523	6,542		
Warrants (BTS-WB)	-	-	5,923	2,567		
<b>Diluted earnings per share</b>						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	2,944,033	12,597,541	11,872,608	11,806,010	0.248	1.067
	Separate financial statements					
	Profit		Weighted average number of ordinary shares		Earnings per share	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the Company	3,535,347	20,193,558	11,862,162	11,687,607	0.298	1.728
<b>Effect of dilutive potential ordinary shares</b>						
Warrants (BTS-W2)	-	-	-	109,294		
Warrants (BTS-WA)	-	-	4,523	6,542		
Warrants (BTS-WB)	-	-	5,923	2,567		
<b>Diluted earnings per share</b>						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	3,535,347	20,193,558	11,872,608	11,806,010	0.298	1.710

Details of calculation of earnings per share from continued operation for the years ended 31 March 2015 and 2014 are as below.

	Consolidated financial statements					
	Profit		Weighted average number of ordinary shares		Earnings per share	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht
		(Restated)				(Restated)
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the Company	2,995,677	12,630,489	11,862,162	11,687,607	<u>0.253</u>	<u>1.081</u>
<b>Effect of dilutive potential ordinary shares</b>						
Warrants (BTS-W2)	-	-	-	109,294		
Warrants (BTS-WA)	-	-	4,523	6,542		
Warrants (BTS-WB)	-	-	5,923	2,567		
<b>Diluted earnings per share</b>						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	<u>2,995,677</u>	<u>12,630,489</u>	<u>11,872,608</u>	<u>11,806,010</u>	<u>0.252</u>	<u>1.070</u>
	Separate financial statements					
	Profit		Weighted average number of ordinary shares		Earnings per share	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the Company	3,535,347	20,193,558	11,862,162	11,687,607	<u>0.298</u>	<u>1.728</u>
<b>Effect of dilutive potential ordinary shares</b>						
Warrants (BTS-W2)	-	-	-	109,294		
Warrants (BTS-WA)	-	-	4,523	6,542		
Warrants (BTS-WB)	-	-	5,923	2,567		
<b>Diluted earnings per share</b>						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	<u>3,535,347</u>	<u>20,193,558</u>	<u>11,872,608</u>	<u>11,806,010</u>	<u>0.298</u>	<u>1.710</u>

The exercise price of the warrants (BTS-W3) is higher than the average market price of the Company's ordinary shares for the years ended 31 March 2015 and 2014. Therefore, the Company has not assumed conversion of the warrants in the calculation of diluted earnings per share in the consolidated and separate financial statements for the years ended 31 March 2015 and 2014.

## 51. 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:

- 1) Mass transit segment, which is the provision of service as operator of the Core BTS Sky Train System, service under the operating and maintenance service agreement of extension to the Core BTS Sky Train System, and service under the operating and bus procurement (BRT) agreement
- 2) Media segment, which provides advertising services on Bangkok Mass Transit System (BTS), in department stores, in office buildings and others
- 3) Property segment, which consists of hotel and condominium
- 4) Service segment, which is the provision of services of Rabbit Card and other services not included in the other major segments

The Company and its subsidiaries have aggregated the operating segments of mass transit segment and service segment and presented them as the reportable segment of service segment. The aggregated operating segments have similar economic characteristics and are similar in the other respects required by the standard.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

### Geographic information

The Company and its subsidiaries mainly operate in Thailand only. As a result, all of the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

The following table presents revenue and profit information regarding the Company and its subsidiaries' operating segments for the years ended 31 March 2015 and 2014.

(Unit: Million Baht)

	For the years ended 31 March								Consolidated	
	Media segment		Property segment		Service segment		Elimination		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Revenues from external customers	2,937	3,133	411	2,057	2,789	2,961	-	-	6,137	8,151
Inter-segment revenues	26	16	-	-	348	290	(374)	(306)	-	-
Total revenues	<u>2,963</u>	<u>3,149</u>	<u>411</u>	<u>2,057</u>	<u>3,137</u>	<u>3,251</u>	<u>(374)</u>	<u>(306)</u>	<u>6,137</u>	<u>8,151</u>
Segment profit	1,751	1,901	167	797	1,170	767	-	-	3,088	3,465
Unallocated revenues and expenses:										
Dividend income									42	6
Interest income									1,054	1,346
Gain from sales of investments									262	2
Gain on sale of warrants									53	-
Gain on sale of future net fare box revenues									-	13,498
Gain on sales of assets									-	380
Gain on sales of land									368	-
Other income									258	86
Servicing and selling expenses									(146)	(318)
Administrative expenses									(993)	(964)
Other expenses									(310)	(135)
Share of loss from investments in joint ventures									(14)	(1)
Share of income from investments in associates									866	620
Finance cost									(403)	(628)
Income tax expenses									(733)	(3,788)
Loss from discontinued operation									(52)	(33)
Profit for the year									<u>3,340</u>	<u>13,536</u>
Non-controlling interests of the subsidiaries									<u>(396)</u>	<u>(939)</u>
Profit attributable to equity holders of the Company									<u><u>2,944</u></u>	<u><u>12,597</u></u>

For the year ended 31 March 2015, a subsidiary (VGI Global Media Public Company Limited) has revenues from top 10 major customers in total amount of Baht 2,020 million, arising from media segment (2014: Baht 2,176 million derived from top 10 major customers, arising from media segment).

## 52. Provident fund

The Company, its subsidiaries and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company and its subsidiaries contributed to the fund monthly at the rate of 5% of basic salary. The fund, which is managed by BBL Asset Management Co., Ltd., will be paid to employees upon termination in accordance with the fund rules. During the year ended 31 March 2015, the Company and its subsidiaries contributed to the fund Baht 48 million (2014: Baht 47 million) (Separate financial statements: Baht 2 million (2014: Baht 2 million)) (provident fund of Baht 19 million (2014: Baht 17 million) claimed from BTSGIF).

## 53. Dividends

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
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
Interim dividends for 2013/2014	Board of Directors' meeting on 10 January 2014	2,382	0.20
Total for the year ended 31 March 2014		7,137	
Final dividends for 2013/2014	Annual General Meeting of the shareholders on 25 July 2014	2,501	0.21
Interim dividends for 2014/2015	Board of Directors' meeting on 9 January 2015	3,547	0.30
Total for the year ended 31 March 2015		6,048	

## 54. Commitments and contingent liabilities

As at 31 March 2015, the Company and its subsidiaries had commitments and contingent liabilities as follows.

### 54.1 Capital commitments

- a) The Company and its subsidiaries (HHT Construction Company Limited, Muangthong Assets Company Limited, Nuvo Line Agency Company Limited, Kamkoong Property Company Limited and Mak8 Company Limited) had outstanding commitments of approximately HKD 5 million and Baht 291 million (2014: Baht 380 million) in respect of agreements of consultation, design and construction projects.
- b) The Company and its subsidiary (Nuvo Line Agency Company Limited) had outstanding commitments with a subsidiary (HHT Construction Company Limited) approximately Baht 224 million (2014: Baht 406 million) in respect of renovation and development of golf course and construction in progress.
- c) The Company had outstanding commitments of USD 38 million (2014: USD 40 million) in respect of overseas investments.
- d) A subsidiary (BTSC) had capital commitments totaling approximately Baht 24 million (2014: Baht 20 million) in respect of a change and improvement of signaling system for elevated train operation and traction power supply system.
- e) A subsidiary (BTSC) had capital commitments of Bath 6 million (2014: AUD 1 million and Bath 7 million) in respect of the acquisition of equipment for Automatic Fare Collection System.
- f) A subsidiary (BTSC) had commitments of approximately EUR 2 million (2014: EUR 2 million and USD 1 million) in respect of the acquisition of spare parts.
- g) A subsidiary (Bangkok Smartcard System Company Limited) had outstanding commitments of approximately RMB 5 million (2014: RMB 5 million) relating to development costs for common ticketing system.
- h) 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.
- i) A subsidiary (VGI Global Media Public Company Limited) had outstanding commitments of approximately Baht 3 million (2014: SGD 10 million and Baht 46 million), relating to the acquisition and installation of equipment.

- j) The subsidiaries (Dnal Company Limited and Siam Paging and Communication Property Company Limited) had outstanding commitments of approximately Baht 953 million (2014: Baht 255 million) relating to the agreements to purchase and to sell of land and building.

Under the Net Revenue Purchase and Transfer Agreement, BTS Rail Mass Transit Growth Infrastructure Fund will be responsible for the commitments as discussed in d) and e).

Obligations as discussed in f) 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.

#### **54.2 Lease and service 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) The Company entered into agreements to lease land for construction of buildings for a period of 30 years, from 20 November 2014. The monthly rental charges total Baht 44,707 and these will be increased every five years of the lease period.
- c) A subsidiary (Muangthong Assets Company Limited) had an outstanding commitment of approximately Baht 5 million (2014: Baht 5 million) in respect of a thirteen-year land and building lease agreement.
- d) A subsidiary (BTSC) had commitments of approximately Baht 89 million (2014: Baht 194 million) relating to its operations under the agreements of the Bus Rapid Transit (BRT) project - Chong Nonsi to Sa-pan Krung Thep Line (Chong Nonsi - Ratchaphruek).
- e) The Company and its subsidiaries had committed to pay fees of approximately SGD 1 million and Baht 489 million (2014: SGD 2 million, RMB 1 million, HKD 1 million, and Baht 539 million) relating to lease and service agreements.
- f) A subsidiary (BTSC) had commitments of approximately Baht 2 million (2014: Baht 6 million) relating to service agreements with a subsidiary (VGI Global Media Public Company Limited) (Airtime on Plasma Screen on platform, LCD in the train, Platform Truss LED and Platform Screen Door LCD).

Certain obligations as discussed in e) 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.

### **54.3 Commitments under maintenance contract**

On 30 December 2004, a subsidiary (BTSC) entered into a ten-year maintenance contract with a contractor. Under the contract, the subsidiary has capital commitments in respect of the cost of maintenance and spares supply service fees in relation to the project over a period of 10 years. The amount to be paid for the first year was approximately Baht 195.7 million and EUR 1.7 million and in the future years, this amount was to be adjusted upwards with reference to the consumer price index.

Subsequently, on 15 September 2014, the subsidiary entered into a fifteen-year maintenance contract with the same contractor. Under the contract, the subsidiary has capital commitments in respect of the cost of maintenance and spares supply service fees in relation to the project over a period of 15 years. The amount to be paid for the first year is approximately Baht 253 million and EUR 3 million and in the future years, the amount to be paid will be adjusted upwards with reference to the consumer price index. The contract is effective from 1 January 2015.

For the year ended 31 March 2015, the subsidiary had expenses under these contracts amounting to Baht 218 million and EUR 2 million (2014: Baht 197 million and EUR 2 million).

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.

### **54.4 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 year ended 31 March 2015 amounted to approximately Baht 17 million (2014: Baht 16 million).
- 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 year ended 31 March 2015, the Company paid management fee amounted to Baht 20 million (2014: Baht 22 million).



- c) The subsidiaries (Muangthong Assets Company Limited and BTS Assets Company Limited) 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 year ended 31 March 2015 amounted to approximately Baht 26 million (2014: Baht 23 million).
- d) A subsidiary (BTSC) had commitments of approximately Baht 8,627 million (2014: Baht 8,627 million) in respect of acquisitions of elevated train carriages required for future compliance with the operation and maintenance contract for a mass transit system in Bangkok.
- e) A subsidiary (VGI Global Media Public Company Limited) 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>2015</u>	<u>2014</u>
Fees payable:		
Up to 1 year	111	536
Over 1 and up to 5 years	82	86

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

#### **54.5 Other commitments**

- a) A subsidiary (Nuvo Line Agency Company Limited) had outstanding commitments with a subsidiary (BTSC) in respect of the train ticket for project. The subsidiary is to pay at a rate as specified in the agreement.
- b) A subsidiary (BTSC) had commitments in respect of compliance with Establishment of Central Clearing House Project (CCH) Agreement as Lead Firm of BSV Consortium.
- c) The Company and a subsidiary (BTSC) had commitments in respect of related agreements of infrastructure fund transactions, as discussed in Note 56 to the financial statements.

## 54.6 Guarantees

- a) There was a bank guarantee of Baht 23 million (2014: Baht 23 million) issued by a bank on behalf of the Company to the Ministry of Finance 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 amounting to Baht 57 million to guarantee electricity use (2014: Baht 42 million) and Baht 2,999 million to guarantee the long-term debentures (2014: Baht 6,896 million). In addition, there was an outstanding bank guarantee of Baht 40 million (2014: Nil) issued by a bank on behalf of the subsidiary to guarantee compliance with Contract for Establishment of Central Clearing House Project (CCH). A current investment of Baht 14 million has been pledged as collateral.

BTS Rail Mass Transit Growth Infrastructure Fund will be responsible for the bank guarantees amounting to Baht 38 million (2014: Baht 42 million) issued by a bank on behalf of the subsidiary to the Metropolitan Electricity Authority to guarantee electricity use.

- c) The subsidiaries had additional bank guarantees issued by banks as required in their normal operations of approximately Baht 198 million (2014: SGD 9 million and Baht 187 million).
- d) The Company provided a guarantee on BTSC's compliance to BTS Rail Mass Transit Growth Infrastructure Fund as discussed in Sponsor Support and Guarantee Agreement.

## 54.7 Litigations

- 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 business rehabilitation plan and the Company held an open auction of such assets in order to make payment to the bank. Therefore, the subsidiaries have not set aside provision for the contingent liability in their accounts.

- b) A creditor under the Company's business rehabilitation plan filed a petition with the Central Bankruptcy Court, asking the court to overturn the order of the official receiver regarding the revocation of claims for settlement of debt. The Central Bankruptcy Court also dismissed the claim and the creditor filed an appeal with the Supreme Court. The case is currently being considered by the Supreme Court. The maximum amount that the Company would have to pay under the rehabilitation plan is approximately Baht 96 million, and the Company has already recorded this liability in the accounts.
- c) A creditor under the Company's business rehabilitation plan filed a petition with the Central Bankruptcy Court, asking the court to overturn the order of the official receiver regarding the amount of debt settlement it is entitled to receive. The Central Bankruptcy Court ordered the amendment of the amounts of the debt settlement entitlements. The creditor appealed the order of the Central Bankruptcy Court to the Supreme Court, and the case is currently being considered by the Supreme Court. The maximum amount of payment or transfer of assets that the Company would have to make under the plan amounts to approximately Baht 587 million, and a cash amount equal to the amount payable has been deposited with the Central Bankruptcy Court as collateral. However, the Company has already recorded this liability in its accounts.
- d) A creditor under the Company's business rehabilitation plan filed a petition with the Central Bankruptcy Court, asking the court to order the Company to make payment of debt under the rehabilitation plan. The Central Bankruptcy Court ordered the Company to make such payment but both the creditor and the Company subsequently filed separate appeals with the Supreme Court. In order to stay execution of the court's order, the Company placed land and a condominium building with the Central Bankruptcy Court as collateral for the amount that the Company would have to pay under the court order, together with interest at a rate of 7.5% per annum, totaling Baht 66.3 million. In the meantime, the Central Bankruptcy Court instructed Thailand Securities Depository Company Limited to sequester the 3,896,518 shares of the Company arising from the conversion of debt to equity. The case is currently being considered by the Supreme Court. However, the Company has already recorded this liability in its accounts.
- e) 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.

- f) 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.
- g) A creditor under the business rehabilitation plan of a subsidiary (BTSC) has filed a petition with the Central Bankruptcy Court with respect to its claim of approximately Baht 401 million, of which the official receiver ordered the subsidiary to pay approximately Baht 21 million. However, the Court dismissed the petition and currently, the case is being considered by the Supreme Court. The subsidiary believes that it will have no significant impact.
- h) Bangkok Metropolitan Administration has called for a subsidiary (BTSC) to pay Baht 87 million (already recorded in the account) for the use of state-owned land, together with penalties and surcharges on the outstanding amount at a rate of 18% per annum, and a letter of guarantee fee for a building construction contract amounting to approximately Baht 11 million. The subsidiary is arguing that the subsidiary has no obligation to pay these expenses because under its concession agreement, the subsidiary has the right to use such land of the Bangkok Mass Transit System without liability for payment of any rental, fees and other expenses. Currently, the case is in the process of arbitration. The subsidiary believes that it will have no significant impact.
- i) A subsidiary (BTSC) was sued together with Bangkok Metropolitan Administration and the Bangkok Governor in an administrative case seeking to have elevators and facilities for the disabled installed at 23 elevated train stations and on elevated trains. The Administrative Court of First Instance dismissed the case since, in their opinion, when the Concession Agreement was concluded there were no laws requiring that the defendants build elevators and facilities for the disabled. Subsequently, the plaintiffs appealed to the Supreme Administrative Court and on 21 January 2015, the Supreme Administrative Court issued an order reversing the decision of the Administrative Court of First Instance and ordering the Bangkok Governor, on behalf of the Bangkok Metropolitan Administration, to provide elevators and facilities for the disabled at 23 elevated train stations and on elevated trains within 1 year. The subsidiary was ordered to support the provision of these facilities.

## 55. Financial instruments

### 55.1 Financial risk management

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

#### Financial assets

- Cash and cash equivalents
- Current investments
- Bank account for advances from cardholders
- Trade and other receivables
- Receivable under concession agreement
- Receivable under finance lease agreement
- Advances to contractors
- Short-term loans
- Accrued income
- Restricted deposits
- Cash deposited as collateral for debt settlement
- Long-term loans
- Other long-term investments
- Deposits and advances for asset acquisitions

#### Financial liabilities

- Bank overdraft and short-term loans from financial institutions
- Trade and other payables
- Advance received from cardholders
- Deposits from cardholders
- Short-term loans
- Creditors per rehabilitation plan
- Long-term loans
- Long-term debentures
- Retention payable

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

#### **Credit risk**

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

#### **Interest rate risk**

The Company's and its subsidiaries' exposure to interest rate risk relates primarily to their cash at bank, investments, loans and debentures. However, since most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

Significant financial assets and liabilities as at 31 March 2015 and 2014 classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the re-priced date (if this occurs before the maturity date).

(Unit: Million Baht)

	As at 31 March 2015						
	Consolidated financial statements						
	Fixed interest rates			Floating	Non-interest	Total	Interest rate
	Within 1 year	1-5 years	Over 5 years	interest rate	bearing		(% p.a.)
<u>Financial assets</u>							
Cash and cash equivalents	7,062	-	-	2,913	137	10,112	0.10 - 3.10
Current investments	5,567	-	-	-	804	6,371	0.70 - 6.00
Bank account for advances from cardholders	-	-	-	211	-	211	1.90 - 2.80
Trade and other receivables	-	-	-	-	1,218	1,218	-
Receivable under concession agreement	92	394	3,221	-	-	3,707	0.58 - 6.12
Receivable under finance lease agreement	28	32	-	-	-	60	5.92
Advances to contractors	-	-	-	-	21	21	-
Accrued income	-	-	-	-	578	578	-
Restricted deposits	1,154	-	-	-	31	1,185	5.20
Cash deposited as collateral for debt settlement	-	-	-	-	171	171	-
Long-term loans	4	759	-	-	-	763	2.50 - 4.50
Other long-term investments	-	2,310	200	-	7,038	9,548	3.45 - 4.89
Deposits and advances for asset acquisitions	-	-	-	-	129	129	-
	<u>13,907</u>	<u>3,495</u>	<u>3,421</u>	<u>3,124</u>	<u>10,127</u>	<u>34,074</u>	
<u>Financial liabilities</u>							
Bank overdraft and short-term loans from financial institutions	530	-	-	-	-	530	2.60 - 2.90
Trade and other payables	-	-	-	-	1,851	1,851	-
Advance received from cardholders	-	-	-	-	211	211	-
Deposits from cardholders	-	-	-	-	98	98	-
Creditors per rehabilitation plan	-	-	-	-	733	733	-
Long-term loans	-	-	-	1,213	-	1,213	MLR-2, LIBOR+0.8
Long-term debentures	1,468	1,345	-	-	-	2,813	6.25 - 6.75
Retention payable	-	-	-	-	35	35	-
	<u>1,998</u>	<u>1,345</u>	<u>-</u>	<u>1,213</u>	<u>2,928</u>	<u>7,484</u>	

(Unit: Million Baht)

As at 31 March 2014

## Consolidated financial statements

	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Interest rate (% p.a.)
	Within 1 year	1-5 years	Over 5 years				
<u>Financial assets</u>							
Cash and cash equivalents	1,959	-	-	6,659	51	8,669	0.37 - 3.25
Current investments	23,305	-	-	-	191	23,496	1.65 - 3.70
Bank account for advances from cardholders	-	-	-	153	-	153	0.63 - 3.25
Trade and other receivables	-	-	-	-	1,075	1,075	-
Receivable under concession agreement	90	384	3,274	-	-	3,748	0.58 - 6.12
Receivable under finance lease agreement	26	60	-	-	-	86	5.92
Advances to contractors	-	-	-	-	14	14	-
Accrued income	-	-	-	-	672	672	-
Restricted deposits	579	-	-	2	30	611	1.85
Cash deposited as collateral for debt settlement	-	-	-	-	233	233	-
Other long-term investments	-	4,020	200	-	2,018	6,238	3.35 - 4.89
Deposits and advances for asset acquisitions	-	-	-	-	56	56	-
	<u>25,959</u>	<u>4,464</u>	<u>3,474</u>	<u>6,814</u>	<u>4,340</u>	<u>45,051</u>	
<u>Financial liabilities</u>							
Trade and other payables	-	-	-	-	2,222	2,222	-
Advance received from cardholders	-	-	-	-	151	151	-
Deposits from cardholders	-	-	-	-	71	71	-
Short-term loans	20	-	-	-	-	20	1.50
Retention payable	-	-	-	-	35	35	-
Creditors per rehabilitation plan	-	-	-	-	795	795	-
Long-term loans	-	-	-	240	-	240	MLR - 2
Long-term debentures	3,608	2,807	-	-	-	6,415	5.75 - 6.75
	<u>3,628</u>	<u>2,807</u>	<u>-</u>	<u>240</u>	<u>3,274</u>	<u>9,949</u>	

(Unit: Million Baht)

As at 31 March 2015

## Separate financial statements

	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Interest rate (% p.a.)
	Within 1 year	1-5 years	Over 5 years				
<b>Financial assets</b>							
Cash and cash equivalents	296	-	-	310	-	606	0.13 - 1.50
Current investments	1,365	-	-	-	-	1,365	0.70 - 2.60
Trade and other receivables	-	-	-	-	79	79	-
Advances to contractors	-	-	-	-	28	28	-
Short-term loans	94	-	-	-	-	94	2.50 - 2.75
Restricted deposits	1,154	-	-	-	30	1,184	-
Cash deposited as collateral for debt settlement	-	-	-	-	171	171	-
Long-term loans	-	1,405	-	-	-	1,405	2.50 - 3.25
Other long-term investments	-	8	100	-	5,423	5,531	4.375 - 4.89
	<u>2,909</u>	<u>1,413</u>	<u>100</u>	<u>310</u>	<u>5,731</u>	<u>10,463</u>	
<b>Financial liabilities</b>							
Trade and other payables	-	-	-	-	337	337	-
Short-term loan from related party	-	-	-	9,185	-	9,185	2.27 - 2.42
Creditors per rehabilitation plan	-	-	-	-	733	733	-
Long-term loans	-	-	-	981	-	981	LIBOR+0.8
Retention payable	-	-	-	-	35	35	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>10,166</u>	<u>1,105</u>	<u>11,271</u>	

(Unit: Million Baht)

As at 31 March 2014

## Separate financial statements

	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Interest rate (% p.a.)
	Within 1 year	1-5 years	Over 5 years				
<b>Financial assets</b>							
Cash and cash equivalents	1,502	-	-	1,585	-	3,087	0.50 - 2.75
Current investments	1,496	-	-	-	-	1,496	1.65 - 3.10
Trade and other receivables	-	-	-	-	354	354	-
Advances to contractors	-	-	-	-	45	45	-
Short-term loans	177	-	-	-	-	177	2.75 - 4.25
Restricted deposits	579	-	-	-	30	609	1.85
Cash deposited as collateral for debt settlement	-	-	-	-	233	233	-
Long-term loans	-	-	-	3,824	-	3,824	2.75 - 4.25
Other long-term investments	-	9	100	-	2,018	2,127	4.375 - 4.89
	<u>3,754</u>	<u>9</u>	<u>100</u>	<u>5,409</u>	<u>2,680</u>	<u>11,952</u>	
<b>Financial liabilities</b>							
Trade and other payables	-	-	-	-	175	175	-
Creditors per rehabilitation plan	-	-	-	-	795	795	-
Retention payable	-	-	-	-	21	21	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>991</u>	<u>991</u>	



## Foreign currency risk

The Company's and subsidiaries' exposure to foreign currency risk arises mainly from cash at banks, investments, loans and purchases of spare parts and equipment that are denominated in foreign currencies.

As at 31 March 2015 and 2014, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currencies	Consolidated financial statements				Separate financial statements				Average exchange rate	
	Financial assets		Financial liabilities		Financial assets		Financial liabilities			
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	(Million)	(Million)	(Million)	(Million)	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
USD	86	77	31	4	65	76	30	-	32.5551	32.4432
EUR	22	-	1	4	-	-	-	-	35.2178	44.6075
SGD	-	-	2	2	-	-	-	-	23.6597	25.7764
HKD	-	-	-	5	-	-	-	-	4.1991	4.1821
RMB	247	1,713	-	22	215	188	-	-	5.2508	5.2245

As at 31 March 2015, the Company and its subsidiary have entered into cross currency swap and forward exchange agreements amounting to USD 24 million and RMB 215 million (Separate financial statement: USD 24 million and RMB 215 million) (2014: USD 63 million and RMB 1,712 million (Separate financial statement: USD 63 million and RMB 188 million)) under which the contractual rates are Baht 31.25 - 32.46 per USD and Baht 5.3772 per RMB, respectively (Separate financial statement: Baht 31.25 - 32.46 per USD and Baht 5.3772 per RMB, respectively) (2014: Baht 31.25 - 33.10 per USD and Baht 5.1686 - 5.4500 per RMB, respectively (Separate financial statement: Baht 31.25 - 33.10 per USD and Baht 5.1686 per RMB, respectively)).

### 55.2 Fair value of financial instruments

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

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

## **56. Infrastructure Fund Transaction**

On 18 December 2012, an Extraordinary General Meeting of the Company's shareholders passed a resolution to approve the sale by BTSC to BTS Rail Mass Transit Growth Infrastructure Fund ("BTSGIF") of future net fare box revenues of BTSC from operation of the Core BTS Sky Train 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 Sky Train System at a price of Baht 61,399 million (net of the expense of establishing BTSGIF, totaling Baht 1,111 million). In addition, the Company and BTSC 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.

The Company and BTSC carefully and thoroughly considered the above transaction and treated 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 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 consolidated profit or loss for the year ended 31 March 2014.

## **57. Capital management**

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

According to the statement of financial position as at 31 March 2015, the Group's debt-to-equity ratio was 0.28:1 (2014: 0.29:1) and the Company's was 0.18:1 (2014: 0.03:1).

## **58. Events after the reporting period**

Significant subsequent events are detailed below.

- 58.1 On 8 May 2015, a subsidiary (VGI Global Media Public Company Limited) executed the Share Subscription Agreement in order to subscribe to new shares of LED Advance Company Limited (“LED”) with conditions precedent, in which payment to subscribe to the new shares of LED is subject to the fulfillment of the conditions precedent. The subsidiary will subscribe to 15,000 shares of LED, or equivalent to 20% of LED’s registered capital, by investing Baht 100 million. The subsidiary is also entitled to subscribe to more shares of LED, cumulatively up to 30% of its registered capital. Total investment shall not exceed Baht 180 million. LED is principally engaged in the provision of marketing services and the rental of various types of advertising space e.g. static, electronic sign, digital screen and other media located in the airport area.
- 58.2 On 21 May 2015, the Board of Directors of a subsidiary (BTSC) passed a resolution to approve payment of dividends of Baht 2,249 million in respect of its operating results for the year ended 31 March 2015. The subsidiary has paid interim dividends totaling approximately Baht 964 million. The outstanding dividend of Baht 1,285 million (at a rate of Baht 0.08 per share) will be paid to the shareholders.
- 58.3 On 25 May 2015, the Board of Directors of the Company passed the following significant resolutions:
- a) Pay dividends of Baht 7,095 million in respect of its operating results for the year ended 31 March 2015. The Company has paid interim dividends totaling approximately Baht 3,546 million. The outstanding dividend of Baht 3,549 million (at a rate of Baht 0.30 per share) will be paid to the shareholders.
  - b) Issue 16,000,000 warrants to employees of the Company and its subsidiaries under the BTS Group ESOP 2015 Scheme (BTS-WC).
  - c) Decrease its registered share capital from Baht 63,652,544,720 to Baht 63,651,644,348 by cancellation of 225,093 unissued ordinary shares with a par value of Baht 4 each.
  - d) Increase its registered share capital from Baht 63,651,644,348 to Baht 63,715,644,348 by issuing 16,000,000 ordinary shares with a par value of Baht 4 each to accommodate the exercise of the warrants to be issued and offered to the employees of the Company and its subsidiaries under the BTS Group ESOP 2015 Scheme (BTS-WC).

## **59. Approval of financial statements**

These financial statements were authorised for issue by the Company’s Board of Directors on 25 May 2015.