

BTS Group Holdings Public Company Limited
and its subsidiaries
Report and consolidated interim financial statements
for the three-month and nine-month periods ended
31 December 2016

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of BTS Group Holdings Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of BTS Group Holdings Public Company Limited and its subsidiaries as at 31 December 2016, the related consolidated statements of comprehensive income for the three-month and nine-month periods ended 31 December 2016, and the related consolidated statements of changes in shareholders' equity and cash flows for the nine-month period then ended, as well as the condensed notes to the consolidated financial statements. I have also reviewed the separate financial information of BTS Group Holdings Public Company Limited for the same periods. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

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

Conclusion

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

Emphasis of matters

I draw attention to the following matters:

- a) As discussed in Note 6.2.2 to the interim financial statements regarding the acquisitions of investments in two subsidiaries, the fair value measurement of the identifiable assets acquired, the liabilities assumed and non-controlling interests in the subsidiaries at the acquisition-date and the measurement of goodwill, which have been completed during the nine-month period ended 31 December 2016. The subsidiaries then recorded goodwill from the acquisitions of the investments totaling approximately Baht 1,251 million. The subsidiary also recognised gain on change in status of investment amounting to approximately Baht 207 million in the first quarter of the current year.
- b) As discussed in Note 31.8.2 to the interim financial statements regarding litigation, a company filed petitions with the Central Bankruptcy Court relating to the land that a jointly controlled entity purchased through an auction.

My conclusion is not qualified in respect of these matters.

Other matters

The consolidated statement of financial position of BTS Group Holdings Public Company Limited and its subsidiaries, and the separate statement of financial position of BTS Group Holdings Public Company Limited as at 31 March 2016, presented herein as comparative information, were audited by another auditor of our office who expressed an unqualified opinion on those statements and drew attention to the land that a jointly controlled entity purchased through an auction as discussed under the preceding heading and the disposal of ordinary shares of subsidiaries and receipt of compensation in the form of newly issued ordinary shares and newly issued warrants to purchase the ordinary shares of an associate, and recording a gain on the transactions, under her report dated 27 May 2016. The consolidated statements of comprehensive income for the three-month and nine-month periods ended 31 December 2015, and the related consolidated statements of changes in shareholders' equity and cash flows for the nine-month period then ended of BTS Group Holdings Public Company Limited and its subsidiaries, and the separate financial statements of BTS Group Holdings Public Company Limited for the same periods, presented herein as comparative information, were also reviewed by the aforementioned auditor who concluded, under her report dated 11 February 2016, that nothing had come to her attention that caused her to believe that the interim financial information was not prepared, in all material respects, in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*

and drew attention to the fact that a jointly controlled entity purchased through an auction and the disposal of ordinary shares of subsidiaries and receipt of compensation in the form of newly issued ordinary shares and newly issued warrants to purchase the ordinary shares of an associate, and recording a gain on the transactions.

Waraporn Prapasirikul
Certified Public Accountant (Thailand) No. 4579

EY Office Limited
Bangkok: 10 February 2017

BTS Group Holdings Public Company Limited and its subsidiaries

Statement of financial position

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	As at	As at	As at	As at
	<u>Note</u> <u>31 December 2016</u> (Unaudited but reviewed)	<u>31 March 2016</u> (Audited) (Restated)	<u>31 December 2016</u> (Unaudited but reviewed)	<u>31 March 2016</u> (Audited)
Assets				
Current assets				
Cash and cash equivalents	20,955,493	2,364,654	514,834	381,354
Current investments	3 1,911,411	4,666,218	854,453	864,109
Bank account for advances from cardholders	336,283	284,786	-	-
Trade and other receivables	4 1,249,063	1,080,428	182,054	215,463
Current portion of receivable under concession agreement	96,454	94,584	-	-
Current portion of receivable under finance lease agreement	10,127	29,646	-	-
Unbilled receivables	125,285	30,842	-	-
Advances to contractors	842,270	28,848	15	7,382
Short-term loans to related parties	2 30,360	14,318	-	-
Current portion of long-term loan to related party	2 107,325	53,662	-	-
Current portion of loan to a cooperative	10 12,000	12,000	-	-
Real estate development costs	5 706,733	508,492	706,733	508,492
Assets awaiting transfer under rehabilitation plan	68,236	68,254	68,236	68,254
Investments in subsidiaries awaiting transfer under rehabilitation plan	224,343	224,343	197,438	197,438
Accrued income	302,502	205,607	-	-
Prepaid expenses	145,634	82,790	7,048	7,733
Withholding tax deducted at source and prepaid corporate tax	317,201	278,165	254,221	247,940
Other current assets	282,514	165,622	52	6,932
Total current assets	27,723,234	10,193,259	2,785,084	2,505,097

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

BTS Group Holdings Public Company Limited and its subsidiaries

Statement of financial position (continued)

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		As at	As at	As at	As at
		31 December 2016 (Unaudited but reviewed)	31 March 2016 (Audited) (Restated)	31 December 2016 (Unaudited but reviewed)	31 March 2016 (Audited)
Non-current assets					
Restricted deposits		116,306	1,269,299	30,000	1,183,680
Cash deposited as collateral for debt settlement		170,919	170,919	170,919	170,919
Loans to related parties - net of current portion	2	8,677,031	5,948,521	13,440,278	9,834,508
Loan to a cooperative - net of current portion	10	59,000	-	-	-
Investments in subsidiaries	6	-	-	34,530,706	35,493,999
Investments in joint ventures	7	1,484,498	638,098	-	-
Investments in associates	8	20,231,339	21,019,678	29,937,464	30,060,920
Other long-term investments	9	12,767,848	9,751,429	8,472,515	7,106,865
Project costs - media		2,276,079	2,297,385	-	-
Reusable spare parts		89,834	91,256	-	-
Land and projects awaiting development		2,458,970	2,078,365	-	-
Investment properties	11	802,255	733,950	1,700,905	1,645,630
Property, plant and equipment	12	6,262,674	5,673,905	427,667	419,002
Leasehold rights		10,295	10,881	6,043	6,341
Intangible assets	13	708,442	359,871	379	266
Goodwill	6.2.2, 6.2.5	1,486,845	236,287	-	-
Deposits and advances for asset acquisitions	31.5 d)	1,905,582	128,807	28,398	-
Accrued income		475,765	447,691	-	-
Rights of claim from acquisition of debts per rehabilitation plan		255,515	255,515	-	-
Receivable under concession agreement - net of current portion		3,448,069	3,520,647	-	-
Receivable under finance lease agreement - net of current portion		-	2,550	-	-
Prepaid expenses		485,622	317,931	-	-
Deferred tax assets		42,473	38,228	271,395	267,839
Other non-current assets		152,833	91,034	12,776	13,185
Total non-current assets		64,368,194	55,082,247	89,029,445	86,203,154
Total assets		92,091,428	65,275,506	91,814,529	88,708,251

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

BTS Group Holdings Public Company Limited and its subsidiaries

Statement of financial position (continued)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	As at	As at	As at	As at	
	<u>Note</u> <u>31 December 2016</u> (Unaudited but reviewed)	<u>31 March 2016</u> (Audited) (Restated)	<u>31 December 2016</u> (Unaudited but reviewed)	<u>31 March 2016</u> (Audited)	
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	15	940,000	3,750,000	-	3,510,000
Bills of exchange payables	16	12,898,568	2,917,307	12,898,568	2,917,307
Trade and other payables	14	2,001,446	1,622,989	716,397	516,737
Advances received from cardholders		333,101	280,669	-	-
Short-term loans from related parties	2	3,500	-	16,604,000	18,033,500
Current portion of long-term loan from related party	2	3,800	35,669	-	-
Current portion of creditors per rehabilitation plan	17	461,751	610,668	434,846	610,668
Current portion of long-term loans	18	47,945	1,095,222	-	1,062,222
Current portion of long-term debentures	19	-	1,347,471	-	-
Unearned revenues		104,266	133,284	-	-
Fare box revenues awaiting transfer		64,269	80,986	-	-
Income tax payable		150,480	294,873	-	-
Short-term provisions	21	65,303	58,953	-	-
Other current liabilities		436,798	331,287	53,182	40,742
Total current liabilities		17,511,227	12,559,378	30,706,993	26,691,176
Non-current liabilities					
Unearned revenues		566,917	589,488	-	-
Creditors per rehabilitation plan - net of current portion	17	1,437	26,952	1,437	26,952
Long-term loans - net of current portion	18	143,500	173,000	-	-
Debentures - net of current portion	19	21,977,408	-	-	-
Retention payable		139,428	136,843	26,049	18,538
Provision for transaction under equity method of investments in joint ventures	7	577,243	455,510	-	-
Provision for long-term employee benefits	20	849,535	782,396	67,440	67,222
Long-term provisions	21	1,387,776	1,324,716	-	-
Deferred tax liabilities		2,175,074	2,218,796	-	-
Other non-current liabilities		88,432	91,534	6,706	8,107
Total non-current liabilities		27,906,750	5,799,235	101,632	120,819
Total liabilities		45,417,977	18,358,613	30,808,625	26,811,995

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

BTS Group Holdings Public Company Limited and its subsidiaries

Statement of financial position (continued)

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		As at	As at	As at	As at
		31 December 2016	31 March 2016	31 December 2016	31 March 2016
		(Unaudited but reviewed)	(Audited) (Restated)	(Unaudited but reviewed)	(Audited)
Shareholders' equity					
Share capital	22				
Registered					
15,928,911,087 ordinary shares of Baht 4 each		63,715,644	63,715,644	63,715,644	63,715,644
Issued and fully paid					
11,934,879,312 ordinary shares of Baht 4 each					
(31 March 2016: 11,929,349,186 ordinary shares of Baht 4 each)		47,739,517	47,717,397	47,739,517	47,717,397
Share premium	22	1,853,122	1,834,603	1,853,122	1,834,603
Share subscriptions received in advance	23	900	-	900	-
Deficit on business combination under common control		(3,371,978)	(3,371,978)	(3,658,167)	(3,715,435)
Surplus from business restructuring under common control		-	-	656,734	656,734
Adjustment of asset value as a result of business restructuring under common control		-	-	(479,140)	(479,140)
Surplus (deficit) from the changes in the ownership interests in subsidiaries		1,214,749	(59,587)	-	-
Surplus on sales of warrants of the subsidiary		494,317	494,317	-	-
Treasury shares		(925,480)	(925,480)	(925,480)	(925,480)
Retained earnings					
Appropriated - statutory reserve		2,163,731	2,163,731	2,163,731	2,163,731
Appropriated - treasury share reserve		925,480	925,480	925,480	925,480
Unappropriated (deficit)		(7,968,695)	(5,508,518)	12,234,600	13,229,896
Other components of shareholders' equity		1,977,507	2,187,384	494,607	488,470
Equity attributable to owners of the Company		44,103,170	45,457,349	61,005,904	61,896,256
Non-controlling interest of the subsidiaries		2,570,281	1,459,544	-	-
Total shareholders' equity		46,673,451	46,916,893	61,005,904	61,896,256
Total liabilities and shareholders' equity		92,091,428	65,275,506	91,814,529	88,708,251
		-	-	-	-

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

Directors

(Unaudited but reviewed)

BTS Group Holdings Public Company Limited and its subsidiaries
Statement of comprehensive income
For the three-month period ended 31 December 2016

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

	Note	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
Profit or loss:					
Revenues					
Service income	24	1,671,824	1,276,811	35,142	30,801
Revenues from sales of real estate		-	10,802	-	10,802
Other income					
Management income		1,050	-	11,850	11,852
Dividend income		121,999	139,187	1,144,456	984,430
Interest income	25	191,709	123,115	173,225	64,652
Gain on sales of investments	3, 9	116,207	17,544	95,802	79,748
Others		44,334	57,647	40,366	27,120
Total revenues		2,147,123	1,625,106	1,500,841	1,209,405
Expenses					
Cost of services and servicing expense		967,536	641,206	38,175	30,836
Cost of sales of real estate		-	7,622	-	7,622
Selling expenses		116,319	22,745	250	1,012
Administrative expenses		411,143	391,498	149,386	104,290
Total expenses		1,494,998	1,063,071	187,811	143,760
Profit before share of profit (loss) from investments in joint ventures and associates, finance cost and income tax					
		652,125	562,035	1,313,030	1,065,645
Share of loss from investments in joint ventures		(59,754)	(70,834)	-	-
Share of profit from investments in associates		232,214	199,645	-	-
Profit before finance cost and income tax		824,585	690,846	1,313,030	1,065,645
Finance cost		(191,954)	(58,876)	(156,020)	(87,906)
Profit before income tax		632,631	631,970	1,157,010	977,739
Income tax	26	(144,475)	50,085	4,039	(25,407)
Profit for the period		488,156	682,055	1,161,049	952,332
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Exchange differences on translation of financial statements in foreign currencies		(72)	2	-	-
Exchange differences on translation of financial statements in foreign currencies of associate		(60,048)	-	-	-
Effect of exchange rate from cash flow hedges - net of income tax		(81,373)	-	-	-
Gain (loss) on changes in value of available-for-sale investments - net of income tax		29,999	(732,592)	71,095	(680,839)
Gain on changes in value of available-for-sale investments of associate		890	-	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax		(110,604)	(732,590)	71,095	(680,839)
Other comprehensive income for the period		(110,604)	(732,590)	71,095	(680,839)
Total comprehensive income for the period		377,552	(50,535)	1,232,144	271,493

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

(Unaudited but reviewed)

BTS Group Holdings Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the three-month period ended 31 December 2016

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

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
<u>Note</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Profit attributable to:				
Equity holders of the Company	468,096	607,353	1,161,049	952,332
Non-controlling interests of the subsidiaries	20,060	74,702		
	<u>488,156</u>	<u>682,055</u>		
Total comprehensive income attributable to:				
Equity holders of the Company	360,601	(123,923)	1,232,144	271,493
Non-controlling interests of the subsidiaries	16,951	73,388		
	<u>377,552</u>	<u>(50,535)</u>		
Earnings per share	27			
Basic earnings per share				
Profit attributable to equity holders of the Company	<u>0.03954</u>	<u>0.05132</u>	<u>0.09807</u>	<u>0.08048</u>
Diluted earnings per share				
Profit attributable to equity holders of the Company	<u>0.03953</u>	<u>0.05130</u>	<u>0.09805</u>	<u>0.08044</u>

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

BTS Group Holdings Public Company Limited and its subsidiaries**Statement of comprehensive income**

For the nine-month period ended 31 December 2016

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

	Note	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
Profit or loss:					
Revenues					
Service income	24	4,566,672	3,777,891	108,178	92,460
Revenues from sales of real estate		13,800	292,380	13,800	37,929
Other income					
Management income		5,800	-	35,550	35,562
Dividend income		263,108	258,061	2,831,127	2,992,884
Interest income	25	536,300	352,694	465,269	116,806
Gain on sales of investments	3, 6.2.1, 9	185,798	170,308	294,913	130,152
Gain on swap of investments		-	3,458,510	-	4,714,767
Gain on change in status of investment	6.2.2	207,438	-	-	-
Gain on sales of assets		4,598	74,837	2,292	12
Gain on reversal of creditors per rehabilitation plan	17	174,432	95,568	201,337	95,568
Others		73,789	92,445	54,073	74,069
Total revenues		6,031,735	8,572,694	4,006,539	8,290,209
Expenses					
Cost of services and servicing expenses		2,449,080	1,839,183	111,516	94,906
Cost of sales of real estate		9,070	174,411	9,070	26,844
Selling expenses		262,996	103,244	1,437	3,171
Administrative expenses		1,126,105	1,070,474	438,531	415,457
Reversal of provision for terminating agreements		-	(94,383)	-	-
Loss on provision for revenues being lower than the minimum guaranteed amounts		28,230	134,881	-	-
Total expenses		3,875,481	3,227,810	560,554	540,378
Profit before share of profit (loss) from investments in joint ventures and associates, finance cost and income tax expenses					
		2,156,254	5,344,884	3,445,985	7,749,831
Share of loss from investments in joint ventures		(220,448)	(245,625)	-	-
Share of profit from investments in associates		601,591	525,236	-	-
Profit before finance cost and income tax expenses		2,537,397	5,624,495	3,445,985	7,749,831
Finance cost		(369,606)	(208,567)	(420,781)	(196,084)
Profit before income tax expenses		2,167,791	5,415,928	3,025,204	7,553,747
Income tax	26	(427,284)	(1,102,215)	3,966	(909,683)
Profit for the period		1,740,507	4,313,713	3,029,170	6,644,064
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Exchange differences on translation of financial statements in foreign currencies		68	(340)	-	-
Exchange differences on translation of financial statements in foreign currencies of associate		(60,048)	-	-	-
Effect of exchange rate from cash flow hedges - net of income tax		(81,373)	-	-	-
Gain (loss) on changes in value of available-for-sale investments - net of income tax		(23,293)	(1,274,227)	11,645	(1,353,512)
Loss on changes in value of available-for-sale investments of associate		(42,677)	-	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax		(207,323)	(1,274,567)	11,645	(1,353,512)
Other comprehensive income for the period		(207,323)	(1,274,567)	11,645	(1,353,512)
Total comprehensive income for the period		1,533,184	3,039,146	3,040,815	5,290,552

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

BTS Group Holdings Public Company Limited and its subsidiaries**Statement of comprehensive income (continued)****For the nine-month period ended 31 December 2016**

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

	Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Profit attributable to:					
Equity holders of the Company		1,564,289	4,097,498	3,029,170	6,644,064
Non-controlling interests of the subsidiaries		176,218	216,215		
		<u>1,740,507</u>	<u>4,313,713</u>		
Total comprehensive income attributable to:					
Equity holders of the Company		1,359,920	2,820,917	3,040,815	5,290,552
Non-controlling interests of the subsidiaries		173,264	218,229		
		<u>1,533,184</u>	<u>3,039,146</u>		
Earnings per share					
27					
Basic earnings per share					
Profit attributable to equity holders of the Company		<u>0.13215</u>	<u>0.34641</u>	<u>0.25590</u>	<u>0.56170</u>
Diluted earnings per share					
Profit attributable to equity holders of the Company		<u>0.13211</u>	<u>0.34618</u>	<u>0.25582</u>	<u>0.56133</u>

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

(Unaudited but reviewed)

BTS Group Holdings Public Company Limited and its subsidiaries**Cash flow statement**

For the nine-month period ended 31 December 2016

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2016</u>	<u>2015</u> (Restated)	<u>2016</u>	<u>2015</u>
Cash flows from operating activities				
Profit before tax	2,167,791	5,415,928	3,025,204	7,553,747
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	412,142	329,538	59,320	63,378
Unrealised loss on exchange	2,147	89,621	3,817	89,530
Provision for maintenance or restoration of infrastructure	47,972	46,791	-	-
Provision for revenues being lower than the minimum guaranteed amounts	28,230	134,881	-	-
Reversal of terminating agreements	-	(94,383)	-	-
Share of loss from investments in joint ventures	220,448	245,625	-	-
Share of profit from investments in associates	(601,591)	(525,236)	-	-
Unearned revenue recognition	(27,789)	(27,789)	-	-
Provision for long-term employee benefits	39,139	32,994	5,922	4,538
Amortisation of premium on cross currency swap agreements	(438)	(12,420)	(438)	(12,420)
Allowance for doubtful account (reversal)	(18,181)	7,419	(4,181)	1,867
Gain on reversal of creditors per rehabilitation plan	(174,432)	(95,568)	(201,337)	(95,568)
Gain on sales of investments	(185,798)	(170,308)	(294,913)	(130,152)
Gain on swap of investments	-	(3,458,510)	-	(4,714,767)
Gain on change in status of investment	(207,438)	-	-	-
Allowance for impairment loss of assets	2,634	-	-	-
Allowance for impairment loss of other long-term investment	7,891	-	-	-
Unrealised loss (gain) on changes in value of current investments in trading securities	2,178	23,561	(1,518)	(6,602)
Gain on sales of assets	(4,136)	(56,848)	(2,292)	(12)
Gain on transfer of rights in land purchase	(5,914)	-	-	-
Dividend income	(263,108)	(258,061)	(2,831,127)	(2,992,884)
Share-based payment transaction	7,980	7,320	1,641	1,221
Interest income	(536,300)	(352,694)	(465,269)	(116,806)
Interest expenses	365,160	201,230	420,781	196,084
Profit (loss) from operating activities before changes in operating assets and liabilities	1,278,587	1,483,091	(284,390)	(158,846)

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

(Unaudited but reviewed)

BTS Group Holdings Public Company Limited and its subsidiaries**Cash flow statement (continued)**

For the nine-month period ended 31 December 2016

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2016</u>	<u>2015</u> (Restated)	<u>2016</u>	<u>2015</u>
Decrease (increase) in operating assets				
Bank account for advance from cardholders	(51,497)	(52,798)	-	-
Trade and other receivables	124,950	1,181	(32,804)	25,303
Receivable under concession agreement	70,708	68,936	-	-
Receivable under finance lease agreement	22,069	20,803	-	-
Unbilled receivables	(94,806)	-	-	-
Real estate development costs	(219,930)	155,725	(219,930)	22,721
Advances to contractors	(813,423)	3,182	7,367	5,075
Advance for acquisition of asset	(1,832,184)	-	-	-
Other current assets	(259,981)	469,274	493	(1,224)
Other non-current assets	(202,506)	(86,899)	407	(832)
Increase (decrease) in operating liabilities				
Trade and other payables	(279,076)	53,186	(62,358)	(144,390)
Advances received from cardholders	52,432	51,979	-	-
Retention payable	3,000	(23,484)	7,511	(16,585)
Unearned income	(39,321)	32,664	-	-
Fare box revenues awaiting transfer	(25,701)	(18,659)	-	-
Provision for long-term employee benefits	(24,434)	(1,576)	(5,704)	14,863
Other current liabilities	<u>42,731</u>	<u>(263,695)</u>	<u>(19,757)</u>	<u>(10,308)</u>
Cash from (used in) operating activities	(2,248,382)	1,892,910	(609,165)	(264,223)
Cash paid for interest expenses	(78,101)	(128,104)	(59,217)	(68,462)
Cash paid for corporate income tax	<u>(717,108)</u>	<u>(1,997,430)</u>	<u>(8,782)</u>	<u>(956,853)</u>
Net cash used in operating activities	<u>(3,043,591)</u>	<u>(232,624)</u>	<u>(677,164)</u>	<u>(1,289,538)</u>

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

(Unaudited but reviewed)

BTS Group Holdings Public Company Limited and its subsidiaries**Cash flow statement (continued)**

For the nine-month period ended 31 December 2016

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2016</u>	<u>2015</u> (Restated)	<u>2016</u>	<u>2015</u>
Cash flows from investing activities				
Decrease (increase) in restricted deposits	1,152,992	(81,823)	1,153,680	-
Increase in short-term loans to related parties	(5,721)	-	-	(61,200)
Cash received from repayment of short-term loans to related parties	14,318	-	-	41,200
Increase in loans to related parties	(8,964,330)	(6,085,341)	(15,922,520)	(7,075,748)
Cash received from repayment of loan to related parties	6,323,257	1,206,468	12,316,750	1,219,768
Increase in long-term loan to a cooperative	(59,000)	-	-	-
Interest income	634,217	354,687	584,833	67,394
Dividend received	1,355,028	1,228,992	2,846,442	2,368,903
Increase in current investments	(26,672,649)	(19,556,539)	(6,961,343)	(2,015,687)
Cash received from sales of current investments	29,671,397	23,613,712	7,023,955	2,234,314
Net cash paid for purchases of investments in subsidiaries	(466,259)	-	(314,969)	(2,048,109)
Net cash received from sales of investments in subsidiaries	-	690,228	1,486,861	769,019
Cash paid for purchases of investments in joint ventures	(1,101,712)	(450,000)	-	(450,000)
Cash received from sale of investment in a joint venture	-	38,750	-	-
Cash paid for purchases of investments in associates	(460,500)	(100,000)	-	-
Cash received from return of capital of subsidiary and associate	123,456	92,592	123,456	593,592
Cash paid for purchases of other long-term investments	(3,395,623)	(5,293,113)	(1,635,113)	(4,829,270)
Cash received from sales of other long-term investments	418,490	2,470,286	349,128	2,470,286
Increase in rights of claim from acquisition of debts per rehabilitation plan	-	(51,482)	-	-
Advance paid for purchase of land	(28,398)	(7,770)	(28,398)	-
Cash received from transfer of rights in land purchase	89,722	-	-	-
Cash paid for purchases of land and projects awaiting development	(380,604)	(975,661)	-	-
Cash paid for purchases of property, plant and equipment	(620,370)	(317,173)	(23,713)	(53,611)
Cash received from sales of property, plant and equipment	11,598	67,089	143	12
Cash paid for purchases of investment properties	-	(4,186)	(78,210)	(58,753)
Cash received from sales of investment properties	12,978	-	12,978	-
Cash paid for purchases of intangible assets	(31,217)	(29,874)	(17)	(53)
Cash received from sales of intangible assets	-	22,091	-	-
Net cash from (used in) investing activities	(2,378,930)	(3,168,067)	933,943	(6,827,943)

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

(Unaudited but reviewed)

BTS Group Holdings Public Company Limited and its subsidiaries**Cash flow statement (continued)**

For the nine-month period ended 31 December 2016

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2016</u>	<u>2015</u> (Restated)	<u>2016</u>	<u>2015</u>
Cash flows from financing activities				
Increase in short-term loans from financial institutions	5,200,000	1,490,000	3,740,000	970,000
Cash paid for short-term loans from financial institutions	(8,010,000)	(400,000)	(7,250,000)	-
Increase in bill of exchange payable	28,606,086	793,260	28,606,086	793,260
Cash paid for bills of exchange payables	(18,750,000)	-	(18,750,000)	-
Increase in long-term loans from financial institutions	300,000	-	-	-
Cash paid for long-term loans from financial institutions	(1,387,322)	(18,500)	(1,056,600)	-
Increase in short-term loans from related parties	3,500	13,200	-	17,285,500
Cash paid for short-term loans from related parties	-	(13,200)	(1,429,500)	(7,634,000)
Increase in long-term loans from related party	3,800	-	-	-
Cash paid for long-term loans from related party	(35,669)	-	-	-
Cash received from exercised warrants	28,051	46,458	28,051	46,458
Cash paid for liability awaiting final court order	-	(181,870)	-	(181,870)
Dividend paid	(4,011,336)	(3,546,684)	(4,011,336)	(3,546,684)
Increase in long-term debentures	21,976,837	-	-	-
Cash paid for long-term debentures	(1,348,450)	(1,468,900)	-	-
Cash paid for transaction cost of business restructuring under common control	-	-	-	(45,445)
Cash paid for purchases of investments in subsidiaries	(220,581)	(1,543,181)	-	-
Cash received from sales of investments in subsidiaries	1,491,749	-	-	-
Dividend paid of subsidiaries to non-controlling interests of subsidiaries	(205,739)	(84,755)	-	-
Cash received from non-controlling interests of subsidiary for exercised warrants	77	-	-	-
Cash received from non-controlling interests for issuance of ordinary shares of subsidiaries	470,367	55,740	-	-
Net cash from (used in) financing activities	24,111,370	(4,858,432)	(123,299)	7,687,219
Increase in translation adjustment	3,282	421	-	-
Net increase (decrease) in cash and cash equivalents	18,692,131	(8,258,702)	133,480	(430,262)
Effect of exchange rate for cash and cash equivalents	(101,292)	183	-	-
Cash and cash equivalents at beginning of the period	2,364,654	10,111,920	381,354	605,765
Cash and cash equivalents classified as assets held for sale at beginning of the period	-	67,820	-	-
Cash and cash equivalents at end of the period	20,955,493	1,921,221	514,834	175,503
	-	-	-	-

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

(Unaudited but reviewed)

BTS Group Holdings Public Company Limited and its subsidiaries**Cash flow statement (continued)**

For the nine-month period ended 31 December 2016

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2016</u>	<u>2015</u> (Restated)	<u>2016</u>	<u>2015</u>
Supplemental cash flow information				
Non-cash transactions				
Transfer real estate development costs to investment properties	21,689	-	21,689	-
Transfer equipment to intangible assets	17,361	19,571	268	51
Payable from acquisitions of investments	257,015	4,343	8,581	4,343
Receivable from sales of investments	60,388	35,605	60,388	35,605
Payable of acquisitions of equipment	108,710	16,731	-	7,725
Payable of acquisitions of intangible assets	1,878	-	-	-
Payable of acquisitions of investment properties	-	-	10,524	-
Receivable from sales of equipment	-	54,000	-	-
Increase in investment in associate from swap of investments in subsidiaries	-	9,468,845	-	9,468,845
Settle short-term loan from related party with dividend received	-	-	-	610,000
Settle interest payable with dividend received	-	-	-	11,963
Transfer equipment to settle other payables	-	31,232	-	-
Transfer intangible assets to settle other payables	-	26,632	-	-
Transfer other long-term investments to current investments	-	1,937,907	-	-
Transfer investments in subsidiary and associate to investment in joint venture	-	-	-	687,208
Transfer long-term loans to related parties and interest receivables to investments in subsidiaries	-	-	-	2,853,977
Transfer short-term loan to related party to long-term loan	-	-	-	114,000
Transfer land, investments, loans to related parties and interest receivables to subsidiary as a result of business restructuring	-	-	-	4,773,643
Settle return of capital of joint venture with long-term loan to related party	137,500	-	-	-

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

BTS Group Holdings Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the nine-month period ended 31 December 2016

(Unit: Thousand Baht)

	Consolidated financial statements																							
	Equity attributable to owners of the Company										Other components of equity													
	Issued and paid-up share capital	Share premium	Share subscriptions received in advance	Deficit on combination of business common control	Surplus (deficit) from the change in ownership interests in subsidiaries	Surplus on sales of warrants of the subsidiary	Retained earnings				Other comprehensive income				Share premium		Capital reserve for share-based payment	Total other components of shareholders' equity	Amount recognised in equities relating to assets held for sale	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total		
							Treasury shares	Statutory reserve	Treasury share reserve	Unappropriated	Translation adjustment	Revaluation surplus on assets	Effect of exchange rate from cash flow hedges	Deficit on changes in value of investments	Surplus on conversion	on consolidation							on sales of company's subsidiaries	
share capital	premium	in advance	common control	in subsidiaries	of the subsidiary	shares	reserve	reserve	Unappropriated	adjustment	on assets	cash flow hedges	value of investments	conversion	on consolidation	subsidaries	transaction	equity	as held for sale	the Company	the subsidiaries	equity		
Balance as at 1 April 2015	47,677,001	1,807,591	-	(3,371,978)	1,353,172	494,317	(925,480)	1,835,983	925,480	(2,286,690)	(121,419)	1,797,101	-	(440,969)	1,356,597	2,685	8,526	36,870	2,639,391	579,587	50,728,374	1,284,103	52,012,477	
Profit for the period	-	-	-	-	-	-	-	-	-	4,097,498	-	-	-	-	-	-	-	-	-	-	4,097,498	216,215	4,313,713	
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	-	(340)	-	-	(1,276,241)	-	-	-	-	-	(1,276,581)	-	(1,276,581)	2,014	(1,274,567)
Total comprehensive income for the period	-	-	-	-	-	-	-	-	-	4,097,498	(340)	-	-	(1,276,241)	-	-	-	-	-	(1,276,581)	-	2,820,917	218,229	3,039,146
Exercised warrants	40,396	27,012	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(20,950)	(20,950)	-	46,458	-	46,458	
Purchases of investments in subsidiaries	-	-	-	-	(1,418,673)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,418,673)	(124,508)	(1,543,181)	
Sale of investment in subsidiary with loss of control	-	-	-	-	-	-	-	-	-	579,587	-	-	-	-	-	-	-	-	-	(579,587)	-	-	-	
Issuance of ordinary shares of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	55,740	55,740	
Dividend paid by subsidiaries to non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(94,054)	(94,054)	
Dividend paid (Note 28)	-	-	-	-	-	-	-	-	-	(3,547,557)	-	-	-	-	-	-	-	-	-	-	(3,547,557)	-	(3,547,557)	
Share-based payment transaction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,320	7,320	-	7,320	-	7,320	
Balance as at 31 December 2015	47,717,397	1,834,603	-	(3,371,978)	(65,501)	494,317	(925,480)	1,835,983	925,480	(1,157,162)	(121,759)	1,797,101	-	(1,717,210)	1,356,597	2,685	8,526	23,240	1,349,180	-	48,638,839	1,339,510	49,978,349	
Balance as at 1 April 2016	47,717,397	1,834,603	-	(3,371,978)	(59,587)	494,317	(925,480)	2,163,731	925,480	(5,508,518)	(121,698)	1,797,101	-	(881,050)	1,356,597	2,685	8,526	25,223	2,187,384	-	45,457,349	1,459,544	46,916,893	
Profit for the period	-	-	-	-	-	-	-	-	-	1,564,289	-	-	-	-	-	-	-	-	-	-	1,564,289	176,218	1,740,507	
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	-	(59,980)	-	-	(79,306)	-	-	-	-	-	(204,369)	-	(204,369)	(2,954)	(207,323)
Total comprehensive income for the period	-	-	-	-	-	-	-	-	-	1,564,289	(59,980)	-	-	(79,306)	-	-	-	-	-	(204,369)	-	1,359,920	173,264	1,533,184
Exercised warrants (Note 22)	22,120	18,519	900	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(13,488)	(13,488)	-	28,051	-	28,051	
Purchases and sales of investments in subsidiaries and issuances of ordinary shares of the subsidiaries without loss of control (Note 6.2.1, 6.2.2 and 6.2.5)	-	-	-	-	1,274,259	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,274,259	437,303	1,711,562	
Exercised warrants of the subsidiary by non-controlling interests of the subsidiary	-	-	-	-	77	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	77	-	77	
Issuances of ordinary shares of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	30,090	30,090	
Change in non-controlling interests of the subsidiaries as a result of change in status of investment and purchase of investment in subsidiary (Note 6.2.1 and 6.2.2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	639,692	639,692	
Increase in non-controlling interests of the subsidiary as a result of adjustment of liability under loan agreement (Note 6.2.5)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	43,990	43,990	
Dividend paid by subsidiaries to non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(213,602)	(213,602)	
Dividend paid (Note 28)	-	-	-	-	-	-	-	-	-	(4,024,466)	-	-	-	-	-	-	-	-	-	-	(4,024,466)	-	(4,024,466)	
Share-based payment transaction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,980	7,980	-	7,980	-	7,980	
Balance as at 31 December 2016	47,739,517	1,853,122	900	(3,371,978)	1,214,749	494,317	(925,480)	2,163,731	925,480	(7,988,695)	(181,678)	1,797,101	-	(79,306)	(946,133)	1,356,597	2,685	8,526	19,715	1,977,507	-	44,103,170	2,570,281	46,673,451

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

BTS Group Holdings Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the nine-month period ended 31 December 2016

(Unit: Thousand Baht)

	Separate financial statements																
												Other components of equity					
	Share subscriptions		Deficit on	Surplus on	Adjustment of asset value			Retained earnings			Other comprehensive income	Capital reserve for	Total other	Amount recognised	Total		
	Issued and paid-up	Share	business	swap of investments	Surplus from business	as a result of	Treasury	Statutory	Treasury share	Unappropriated	Deficit on	Surplus on	share-based	components of	in equities relating to	Total	
share capital	premium	received	combination under	in subsidiaries under	restructuring under	shares	reserve	reserve		changes in	debtenture	payment	shareholders'	assets classified	shareholders'		
		in advance	common control	common control	common control	under common control				value of investments	conversion	transaction	equity	as held for sale	equity		
Balance as at 1 April 2015	47,677,001	1,807,591	-	(3,715,435)	325,065	-	(925,480)	1,835,983	925,480	14,262,722	(366,468)	1,356,597	36,870	1,006,999	(75,000)	63,124,926	
Profit for the period	-	-	-	-	-	-	-	-	-	6,644,064	-	-	-	-	-	6,644,064	
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	-	(1,353,512)	-	-	(1,353,512)	-	(1,353,512)	
Total comprehensive income for the period	-	-	-	-	-	-	-	-	-	6,644,064	(1,353,512)	-	-	(1,353,512)	-	5,290,552	
Exercised warrants	40,396	27,012	-	-	-	-	-	-	-	-	-	(20,950)	(20,950)	-	-	46,458	
Sale of investment in subsidiary	-	-	-	-	(325,065)	-	-	-	-	325,065	-	-	-	-	75,000	75,000	
Dividend paid (Note 28)	-	-	-	-	-	-	-	-	-	(3,547,557)	-	-	-	-	-	(3,547,557)	
Share-based payment transaction	-	-	-	-	-	-	-	-	-	-	-	7,320	7,320	-	-	7,320	
Business restructuring under common control	-	-	-	-	-	651,209	(479,141)	-	-	-	-	-	-	-	-	172,068	
Balance as at 31 December 2015	<u>47,717,397</u>	<u>1,834,603</u>	<u>-</u>	<u>(3,715,435)</u>	<u>-</u>	<u>651,209</u>	<u>(479,141)</u>	<u>(925,480)</u>	<u>1,835,983</u>	<u>925,480</u>	<u>17,684,294</u>	<u>(1,739,980)</u>	<u>1,356,597</u>	<u>23,240</u>	<u>(360,143)</u>	<u>65,168,767</u>	
Balance as at 1 April 2016	47,717,397	1,834,603	-	(3,715,435)	-	656,734	(479,140)	(925,480)	2,163,731	925,480	13,229,896	(893,350)	1,356,597	25,223	488,470	61,896,256	
Profit for the period	-	-	-	-	-	-	-	-	-	3,029,170	-	-	-	-	-	3,029,170	
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	-	11,645	-	-	11,645	-	11,645	
Total comprehensive income for the period	-	-	-	-	-	-	-	-	-	3,029,170	11,645	-	-	11,645	-	3,040,815	
Exercised warrants (Note 22)	22,120	18,519	900	-	-	-	-	-	-	-	-	(13,488)	(13,488)	-	-	28,051	
Sale of investment in subsidiary (Note 6.2.1)	-	-	-	57,268	-	-	-	-	-	-	-	-	-	-	-	57,268	
Dividend paid (Note 28)	-	-	-	-	-	-	-	-	-	(4,024,466)	-	-	-	-	-	(4,024,466)	
Share-based payment transaction	-	-	-	-	-	-	-	-	-	-	-	7,980	7,980	-	-	7,980	
Balance as at 31 December 2016	<u>47,739,517</u>	<u>1,853,122</u>	<u>900</u>	<u>(3,658,167)</u>	<u>-</u>	<u>656,734</u>	<u>(479,140)</u>	<u>(925,480)</u>	<u>2,163,731</u>	<u>925,480</u>	<u>12,234,600</u>	<u>(881,705)</u>	<u>1,356,597</u>	<u>19,715</u>	<u>494,607</u>	<u>61,005,904</u>	

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

BTS Group Holdings Public Company Limited and its subsidiaries

Notes to consolidated interim financial statements

For the three-month and nine-month periods ended 31 December 2016

1. General information

1.1 Corporate information

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

1.2 Basis for preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (revised 2015) "Interim Financial Reporting", with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in shareholders' equity and cash flows in the same format as that used for the annual financial statements.

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

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

1.3 Basis of consolidation

These consolidated interim financial statements include the financial statements of BTS Group Holdings Public Company Limited and its subsidiaries and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 March 2016. However, during the period, there were changes in the composition of the Group, as follows:

- a) As discussed in Note 6.1.2 to the interim financial statements, on 8 April 2016, the Company established KMJ 2016 Company Limited to engage in restaurant, food and beverage businesses, with a registered share capital of Baht 41 million (410,000 ordinary shares with a par value of Baht 100 each), with the Company to hold a 51% interest.
- b) As discussed in Note 6.1.3 to the interim financial statements, on 18 May 2016, the Company established Man Food Products Company Limited to engage in producing and selling food, with a registered share capital of Baht 100 million (1,000,000 ordinary shares with a par value of Baht 100 each), with the Company to hold a 100% interest.
- c) As discussed in Note 6.2.2 to the interim financial statements, on 31 May 2016, a subsidiary (VGI Global Media Public Company Limited) acquired 375 million additional ordinary shares of Master Ad Public Company Limited (“MACO”), or 12.46% of all issued shares of MACO, from existing shareholders. Following the acquisition, combined with the 750,967,400 shares of MACO already held by the subsidiary, the subsidiary held 1,125,967,400 shares of MACO, or 37.42% of all issued shares. Consequently, the subsidiary has rights, or is exposed, to variable returns from its involvement with MACO, and it has the ability to direct the activities that affect the amount of its returns; therefore, it is deemed to have control over MACO and MACO has been fully consolidated since 31 May 2016, which was the date on which the subsidiary obtained control.

In addition, on 1 October 2016, Green Ad Company Limited (“Green Ad”) (a MACO’s subsidiary) acquired 98,000 ordinary shares with a par value of Baht 100 each of Multi Sign Company Limited (“MTS”), representing 70% of all issued shares of MTS, from its existing shareholders in accordance with a resolution passed by MACO’s Board of Directors meeting No. 8/2016 on 3 August 2016. MTS has therefore been fully consolidated since the date on 1 October 2016 which the subsidiary obtained control.

1.4 New financial reporting standards

During the period, the Company and its subsidiaries have adopted the revised and new financial reporting standards and accounting treatment guidance issued by the Federation of Accounting Professions which became effective for fiscal years beginning on or after 1 January 2016 (beginning on or after 1 April 2016 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 standards. The adoption of these financial reporting standards did not have any significant impact on the financial statements of the Company and its subsidiaries.

1.5 Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 March 2016, except for the additional accounting policies as follows:

Revenues from installation services for system works

Revenues from installation services for system works are recognised on a percentage of completion basis. The percentage of completion is measured based on comparison of actual installation costs incurred up to the end of the period and total anticipated installation costs to be incurred to completion. The recognised revenue which is not yet due per the contracts has been presented under the caption of “Unbilled receivables” in the statement of financial position.

Cost of installation services for system works

The cost of installation comprises the costs of materials, labor, subcontractors’ charges, consultation, other services and overhead, which are recognised on an accrual basis.

Provision for anticipated losses on installation projects is made in the accounts in full when the possibility of loss is ascertained.

Hedge accounting - Cash flow hedges of firm commitment of train and related equipment acquisition agreements

A subsidiary applies hedge accounting when the risk that has been hedged can be clearly identified and the effectiveness of the hedge can be measured. Gains or losses arising from changes in the fair value of hedging instruments or derivatives that effectively hedge exposure to fluctuations in cash flows that are either attributable to a particular risk associated with a recognised financial asset or financial liability, or to a highly probable forecast transaction, are recognised directly in other comprehensive income and transferred to be recognised in profit or loss when the hedged cash flow transaction occurs. However, if the hedge instrument is not effective, any gain or loss from a change in the fair value of the derivative financial instrument is recognised immediately to profit or loss.

(Unaudited but reviewed)

2. Related party transactions

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

(Unit: Million Baht)

	For the three-month periods ended 31 December				Pricing policy
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	
<u>Transactions with subsidiaries</u>					
(Eliminated from the consolidated financial statements)					
Interest income	-	-	135	10	At cost of funds plus margin
Management income	-	-	12	12	Contract price
Utility income	-	-	3	3	Contract price
Revenue from guarantee	-	-	14	14	Contract price
Rental income	-	-	14	12	Contract price
Dividend income	-	-	783	626	Announce rate
Purchases of fixed assets and investment properties	-	-	-	35	Contract price
Management fee	-	-	2	2	Contract price
Consultant fee	-	-	4	-	Contract price
Rental expenses	-	-	3	3	Contract price
Interest expenses	-	-	101	84	At cost of funds plus margin
<u>Transactions with jointly controlled entities and associates</u>					
Interest income	102	48	-	42	At cost of funds plus margin
Service income	29	17	-	-	Contract price
Management income	1	-	-	-	Contract price
Rental income	1	-	-	-	Contract price
Dividend income	365	345	362	345	Announce rate
Administrative expense	7	-	-	-	Contract price
Management fee	9	9	-	4	Contract price
Special business tax paid	12	11	-	-	Mutual agreement
Net fare box revenues transferred	1,102	1,156	-	-	Mutual agreement
<u>Transactions with related parties</u>					
Interest income	2	2	9	4	At cost of funds plus margin
Service income	13	10	-	-	Contract price
Revenue from installation service for system work	4	25	-	-	Contract price
Revenue from construction service	195	-	-	-	Contract price
Revenue sharing paid	-	13	-	-	Contract price
Purchases of fixed assets	4	9	-	1	Contract price
Management fee	3	3	4	-	Contract price
Rental expenses	1	1	-	-	Contract price

(Unaudited but reviewed)

(Unit: Million Baht)

	For the nine-month periods ended 31 December				Pricing policy
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	
<u>Transactions with subsidiaries</u>					
(Eliminated from the consolidated financial statements)					
Interest income	-	-	280	17	At cost of funds plus margin
Management income	-	-	36	36	Contract price
Utility income	-	-	9	8	Contract price
Revenue from guarantee	-	-	41	43	Contract price
Rental income	-	-	42	37	Contract price
Dividend income	-	-	1,654	1,921	Announce rate
Purchases of fixed assets and investment properties	-	-	19	63	Contract price
Return of capital	-	-	-	501	Announce rate
Management fee	-	-	5	6	Contract price
Consultant fee	-	-	17	-	Contract price
Rental expenses	-	-	9	9	Contract price
Interest expenses	-	-	282	192	At cost of funds plus margin
<u>Transactions with jointly controlled entities and associates</u>					
Interest income	277	66	-	60	At cost of funds plus margin
Service income	77	65	-	-	Contract price
Management income	6	-	-	-	Contract price
Rental income	4	-	-	-	Contract price
Dividend income	1,091	973	1,049	949	Announce rate
Return of capital	261	93	123	93	Announce rate
Administrative expense	7	-	-	-	Contract price
Management fee	25	23	-	13	Contract price
Special business tax paid	42	37	-	-	Mutual agreement
Net fare box revenues transferred	3,362	3,412	-	-	Mutual agreement
<u>Transactions with related parties</u>					
Interest income	4	3	107	4	At cost of funds plus margin
Service income	26	18	-	-	Contract price
Revenue from installation service for system work	9	26	-	-	Contract price
Revenue from construction service	195	-	-	-	Contract price
Revenue sharing paid	-	18	-	-	Contract price
Purchase of fixed assets	11	24	-	3	Contract price
Management fee	8	8	13	-	Contract price
Rental expenses	4	3	-	-	Contract price

(Unaudited but reviewed)

As at 31 December 2016 and 31 March 2016, the balances of the accounts between the Company and those related parties are as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate financial statements	
	31 December 2016	31 March 2016	31 December 2016	31 March 2016
		(Audited)		(Audited)
<u>Trade and other receivables - related parties (Note 4)</u>				
Subsidiary companies	-	-	80,708	50,714
Jointly controlled entities and associated companies	40,668	160,604	-	-
Related companies (held by subsidiary/associated companies/shareholders of related companies)	32,997	2,643	6,816	101,156
Total trade and other receivables - related parties	<u>73,665</u>	<u>163,247</u>	<u>87,524</u>	<u>151,870</u>
<u>Advance to contractor - related party</u>				
Subsidiary company	-	-	-	3,186
Total advance to contractor - related party	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,186</u>
<u>Unbilled receivables - related parties</u>				
Jointly controlled entities	244	-	-	-
Related company (shareholder of subsidiary)	21,657	28,243	-	-
Total unbilled receivables - related party	<u>21,901</u>	<u>28,243</u>	<u>-</u>	<u>-</u>
<u>Accrued income - related parties</u>				
Jointly controlled entities and associated companies	476,498	447,723	-	-
Related companies (shareholders of jointly controlled entities)	10,502	14	-	-
Total accrued income - related parties	<u>487,000</u>	<u>447,737</u>	<u>-</u>	<u>-</u>
<u>Prepaid expenses - related parties</u>				
Subsidiary company	-	-	518	-
Associated company	12,148	-	-	-
Related company (shareholder of subsidiary)	1,691	-	-	-
Total prepaid expenses - related parties	<u>13,839</u>	<u>-</u>	<u>518</u>	<u>-</u>
<u>Refundable deposit - related parties</u>				
Subsidiary company	-	-	3,082	3,112
Related company (shareholder of subsidiary held by associated company)	3,000	1,000	-	-
Total refundable deposit - related parties	<u>3,000</u>	<u>1,000</u>	<u>3,082</u>	<u>3,112</u>
<u>Investments in debt securities - related parties</u>				
Jointly controlled entities	951,667	497,405	951,667	497,405
Total investments in debt securities - related parties	<u>951,667</u>	<u>497,405</u>	<u>951,667</u>	<u>497,405</u>
<u>Retention receivable - related parties</u>				
Related company (co-director)	7,731	-	-	-
Total retention receivable - related parties	<u>7,731</u>	<u>-</u>	<u>-</u>	<u>-</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 December 2016	31 March 2016	31 December 2016	31 March 2016
		(Audited)		(Audited)
<u>Trade and other payables - related parties (Note 14)</u>				
Subsidiary companies	-	-	508,083	316,941
Associated companies	41,736	274	316	-
Related companies (held by associated company/shareholders of related companies)	12,315	25,383	395	1,168
Total trade and other payables - related parties	<u>54,051</u>	<u>25,657</u>	<u>508,794</u>	<u>318,109</u>
<u>Unearned revenue - related party</u>				
Associated company	477,065	504,854	-	-
Total unearned revenue - related party	<u>477,065</u>	<u>504,854</u>	<u>-</u>	<u>-</u>
<u>Deposit payable - related parties</u>				
Subsidiary company	-	-	2,246	2,097
Associated company	1,029	1,029	-	-
Total deposit payable - related parties	<u>1,029</u>	<u>1,029</u>	<u>2,246</u>	<u>2,097</u>
<u>Retention payable - related parties</u>				
Subsidiary company	-	-	16,304	13,017
Related company (shareholder of subsidiary)	6,255	16,679	-	-
Total retention payable - related parties	<u>6,255</u>	<u>16,679</u>	<u>16,304</u>	<u>13,017</u>
<u>Provision - related party (Note 21)</u>				
Associated company	1,197,801	1,171,299	-	-
Total provision - related party	<u>1,197,801</u>	<u>1,171,299</u>	<u>-</u>	<u>-</u>

Loans to related parties and loans from related parties

As at 31 December 2016 and 31 March 2016, the balances of loans between the Company and those related individual and parties and the movements are as follows:

	Related by	Consolidated financial statements			
		Balance as at 31 March 2016	Increase during the period	Decrease during the period	Balance as at 31 December 2016
Short-term loans to related parties					
EGV Co., Ltd.	Related company	4,018	-	-	4,018
Eyeballs Channel SDN. BHD.	Associated company	-	30,360 ⁽¹⁾	-	30,360
Related individual	Director of subsidiaries	14,318	-	(14,318)	-
		<u>18,336</u>	<u>30,360</u>	<u>(14,318)</u>	<u>34,378</u>
Less: Allowance for doubtful debt		<u>(4,018)</u>	<u>-</u>	<u>-</u>	<u>(4,018)</u>
Net		<u>14,318</u>	<u>30,360</u>	<u>(14,318)</u>	<u>30,360</u>

⁽¹⁾ Increase from acquisition of subsidiary by Baht 28 million as discussed in Note 6.2.2 to the interim financial statements.

(Unaudited but reviewed)

(Unit: Thousand Baht)

Short-term loan to related party	Related by	Separate financial statements			
		Balance as at 31 March 2016	Increase during the period	Decrease during the period	Balance as at 31 December 2016
EGV Co., Ltd.	Related company	4,018	-	-	4,018
Less: Allowance for doubtful debts		(4,018)	-	-	(4,018)
Net		-	-	-	-

(Unit: Thousand Baht)

Long-term loans to related parties	Related by	Consolidated financial statements			
		Balance as at 31 March 2016	Increase during the period	Decrease during the period	Balance as at 31 December 2016
Hwa Kay Thai (Thailand) Co., Ltd.	Related company	20,100	-	(3,600)	16,500
Midas Global Media Co., Ltd.	Related company	107,325	-	-	107,325
BTS Sansiri Holding One Ltd.	Jointly controlled entity	320,000	545,000	(570,000)	295,000
BTS Sansiri Holding Two Ltd.	Jointly controlled entity	126,688	-	-	126,688
BTS Sansiri Holding Three Ltd.	Jointly controlled entity	270,000	61,000	(174,000)	157,000
BTS Sansiri Holding Four Ltd.	Jointly controlled entity	222,000	874,000	(415,000)	681,000
BTS Sansiri Holding Five Ltd.	Jointly controlled entity	28,000	-	-	28,000
BTS Sansiri Holding Six Ltd.	Jointly controlled entity	450,000	820,000	(450,000)	820,000
BTS Sansiri Holding Seven Ltd.	Jointly controlled entity	5,000	165,000	(110,000)	60,000
BTS Sansiri Holding Eight Ltd.	Jointly controlled entity	209,000	20,000	(30,000)	199,000
BTS Sansiri Holding Nine Ltd.	Jointly controlled entity	36,000	155,000	(111,000)	80,000
BTS Sansiri Holding Eleven Ltd.	Jointly controlled entity	63,000	140,000	-	203,000
BTS Sansiri Holding Twelve Ltd.	Jointly controlled entity	174,000	473,000	(209,000)	438,000
BTS Sansiri Holding Fourteen Ltd.	Jointly controlled entity	10,000	15,000	-	25,000
BTS Sansiri Holding Fifteen Ltd.	Jointly controlled entity	-	314,000	-	314,000
BTS Sansiri Holding Sixteen Ltd.	Jointly controlled entity	-	626,500	(250,000)	376,500
BTS Sansiri Holding Nineteen Ltd.	Jointly controlled entity	-	359,000	-	359,000
BTS Sansiri Holding Twenty One Ltd.	Jointly controlled entity	-	50,000	-	50,000
Nuvo Line Agency Co., Ltd.	Jointly controlled entity	50,000	201,500	-	251,500
ATS Rabbit Special Purpose Vehicle Co., Ltd.	Jointly controlled entity	29,870	111,830	(99,357)	42,343
Bayswater Co., Ltd.	Jointly controlled entity	3,901,300	4,171,000	(3,901,300)	4,171,000
		6,022,283	9,101,830	(6,323,257)	8,800,856
Less: Allowance for doubtful debts		(20,100)	-	3,600	(16,500)
		6,002,183	9,101,830	(6,319,657)	8,784,356
Less: Current portion		(53,662)	(53,663)	-	(107,325)
Net		5,948,521	9,048,167	(6,319,657)	8,677,031

(Unaudited but reviewed)

(Unit: Thousand Baht)

		Separate financial statements			
Long-term loans to related parties	Related by	Balance as at 31 March 2016	Increase during the period	Decrease during the period	Balance as at 31 December 2016
Tanayong International Ltd.	Subsidiary company	442,681	60	(1,209)	441,532
Tanayong Hong Kong Ltd.	Subsidiary company	3,818	50	-	3,868
Unicorn Enterprise Co., Ltd.	Subsidiary company	6,082,309	15,922,410	(8,415,450)	13,589,269
Rabbit Rewards Co., Ltd.	Subsidiary company	326,500	-	-	326,500
Bayswater Co., Ltd.	Jointly controlled entity	3,901,300	-	(3,901,300)	-
		10,756,608	15,922,520	(12,317,959)	14,361,169
Less: Allowance for doubtful debts		(922,100)	-	1,209	(920,891)
Net		9,834,508	15,922,520	(12,316,750)	13,440,278

(Unit: Thousand Baht)

		Consolidated financial statements			
Short-term loan from related party	Related by	Balance as at 31 March 2016	Increase during the period	Decrease during the period	Balance as at 31 December 2016
Inteltion Co.,Ltd.	Shareholder of subsidiary company	-	3,500	-	3,500
Total		-	3,500	-	3,500

(Unit: Thousand Baht)

		Separate financial statements			
Short-term loans from related parties	Related by	Balance as at 31 March 2016	Increase during the period	Decrease during the period	Balance as at 31 December 2016
Bangkok Mass Transit System Plc.	Subsidiary company	17,929,500	-	(1,429,500)	16,500,000
BSS Holdings Co., Ltd.	Subsidiary company	104,000	-	-	104,000
Total		18,033,500	-	(1,429,500)	16,604,000

(Unit: Thousand Baht)

		Consolidated financial statements			
Long-term loan from related party	Related by	Balance as at 31 March 2016	Increase during the period	Decrease during the period	Balance as at 31 December 2016
Theory Ltd.	Shareholder of subsidiary company	35,669	3,800	(35,669)	3,800
Total (Current portion)		35,669	3,800	(35,669)	3,800

(Unaudited but reviewed)

The loans to related individual and parties and loans from related parties are not collateralised, 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 managements' benefits

During the three-month and nine-month periods ended 31 December 2016 and 2015, the Company and its subsidiaries had employee benefit expenses payable to their directors and managements as below.

(Unit: Million Baht)

	For the three-month periods ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Short-term employee benefits	120	78	21	26
Post-employment benefits	5	8	1	1
Share-based payment	1	1	-	1
Total	<u>126</u>	<u>87</u>	<u>22</u>	<u>28</u>

(Unit: Million Baht)

	For the nine-month periods ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Short-term employee benefits	300	241	62	87
Post-employment benefits	15	22	3	2
Share-based payment	2	2	-	1
Total	<u>317</u>	<u>265</u>	<u>65</u>	<u>90</u>

Guarantee obligations with related parties

The Company and its subsidiary have outstanding guarantee obligations with its related parties, as described in Note 31.7 d) and e) to the interim financial statements.

(Unaudited but reviewed)

3. Current investments

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 December	31 March	31 December	31 March
	2016	2016	2016	2016
		(Audited)		(Audited)
Fixed deposits and certificates of deposits				
with maturity date due more than 3 months	758,789	1,779,694	268,153	589,761
Held to maturity securities				
Domestic private debt securities	229,760	1,348,000	229,760	-
Foreign private debt securities	-	15,291	-	7,655
	229,760	1,363,291	229,760	7,655
Investments in trading securities				
Investments in fixed income funds	379,532	891,963	70,000	-
Domestic marketable equity securities	273,578	255,249	273,578	255,249
Derivative warrants	129,983	129,983	-	-
Government and state-owned enterprise bonds	20,931	47,847	-	-
Domestic private debt securities	98,171	175,346	-	-
	902,195	1,500,388	343,578	255,249
Allowance for change in value	20,667	22,845	12,962	11,444
	922,862	1,523,233	356,540	266,693
Total	1,911,411	4,666,218	854,453	864,109

(Unaudited but reviewed)

The Company and its subsidiaries had sale and purchase transactions of investments in trading securities. The details were as follows:

(Unit: Million Baht)

For the three-month periods ended 31 December

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Purchases of investments	18,390	1,710	1,792	556
Sales of investments	18,332	6,314	1,881	587

(Unit: Million Baht)

For the nine-month periods ended 31 December

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Purchases of investments	25,233	17,641	6,049	1,191
Sales of investments	25,832	17,458	5,961	934

The Company and its subsidiaries recognised gain and loss on the sales of investments in trading securities in the profit or loss. The details were as follows:

(Unit: Million Baht)

For the three-month periods ended 31 December

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Gain (loss) on sales	68	33	47	(11)

(Unit: Million Baht)

For the nine-month periods ended 31 December

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Gain (loss) on sales	116	72	85	(11)

(Unaudited but reviewed)

4. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 December 2016	31 March 2016	31 December 2016	31 March 2016
	(Audited)		(Audited)	
<u>Trade receivables - related parties</u>				
Not yet due	9,690	2,514	-	-
Past due				
Up to 3 months	22,199	413	-	-
Total trade receivables - related parties	31,889	2,927	-	-
<u>Trade receivables - unrelated parties</u>				
Not yet due	573,316	585,370	-	-
Past due				
Up to 3 months	411,140	159,606	-	-
3 - 6 months	17,659	27,926	-	-
6 - 12 months	675	16,139	-	-
Over 12 months	66,489	63,808	-	-
Total	1,069,279	852,849	-	-
Less: Allowance for doubtful debts	(62,710)	(59,054)	-	-
Total trade receivables - unrelated parties - net	1,006,569	793,795	-	-
Total trade receivables - net	1,038,458	796,722	-	-
<u>Other receivables</u>				
Advances	20,462	12,535	8,754	1,169
Interest receivables - related parties	16,989	110,777	36,627	142,951
Interest receivables	33,797	29,702	1,619	6,786
Dividend receivables - related parties	20,897	7,500	6,500	7,500
Dividend receivables	-	17,975	-	17,975
Other receivables - related parties	3,890	42,043	44,397	1,419
Other receivables	54,182	61,997	23,769	36,486
Receivable from sales of investments	60,388	1,177	60,388	1,177
Total other receivables	210,605	283,706	182,054	215,463
Total trade and other receivables - net	1,249,063	1,080,428	182,054	215,463

(Unaudited but reviewed)

5. Real estate development costs

	(Unit: Thousand Baht)
	Consolidated and separate financial statements
Balance as at 1 April 2016	508,492
Increase	229,000
Recognised in cost of sales of real estate	(9,070)
Transfer to investment properties	(21,689)
Balance as at 31 December 2016	<u>706,733</u>

6. Investments in subsidiaries

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

Company's name	Paid-up capital		Percentage owned by the Company		Cost		Dividend income during the nine-month periods ended 31 December	
	31 December	31 March	31 December	31 March	31 December	31 March	2016	2015
	2016	2016	2016	2016	2016	2016	2016	2015
		(Audited)		(Audited)		(Audited)		
Bangkok Mass Transit System Public Co., Ltd. ("BTSC")	4,016,783	4,016,783	97.46	97.46	29,937,253	29,937,253	1,565,938	1,252,751
VGI Global Media Public Co., Ltd. (51% held by BTSC)	686,433	686,432	19.90	23.30	6,728,805	7,850,276	87,729	39,159
Tanayong International Ltd.	25	25	100	100	25	25	-	-
Tanayong Hong Kong Limited	42	42	100	100	42	42	-	-
Rabbit Rewards Co., Ltd.	2,000	2,000	100	100	2,000	2,000	-	-
Man Kitchen Co., Ltd.	165,800	165,800	70	70	116,060	116,060	-	-
Primary Kitchen Co., Ltd.	93,844	93,844	100	100	93,844	93,844	-	-
BSS Holdings Co., Ltd.	1,200,000	1,200,000	100	100	1,200,000	1,200,000	-	-
Unicorn Enterprise Co., Ltd.	10,000	10,000	100	100	10,000	10,000	-	-
KMJ 2016 Co., Ltd.	41,000	-	51	-	20,910	-	-	-
Man Food Products Co., Ltd.	80,000	-	100	-	80,000	-	-	-
Total					38,188,939	39,209,500		
Less: Surplus on business combination under common control					(3,658,167)	(3,715,435)		
					34,530,772	35,494,065		
Less: Provision for loss on diminution in value					(66)	(66)		
Net					<u>34,530,706</u>	<u>35,493,999</u>		

6.1 Subsidiaries directly owned by the Company

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

On 8 July 2016, the Annual General Meeting of BTSC’s shareholders passed a resolution to approve of dividends of Baht 1,446 million in respect of its operating results for the year ended 31 March 2016. BTSC has paid interim dividend totaling approximately Baht 643 million. The outstanding dividend of Baht 803 million (at a rate of Baht 0.05 per share) will be paid to the shareholders. On 15 July 2016, BTSC already paid the dividend to its shareholders (Baht 783 million paid to the Company).

On 4 November 2016, the Board of Directors of BTSC passed a resolution to approve payment of interim dividend of Baht 803 million (at a rate of Baht 0.05 per share) to the shareholders, in respect of the profit for the six-month period ended 30 September 2016. On 28 November 2016, BTSC already paid the dividend to the shareholders (Baht 783 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.

6.1.2 KMJ 2016 Company Limited

On 8 April 2016, the Company established KMJ 2016 Company Limited to engage in restaurant, food and beverage businesses, with a registered share capital of Baht 41 million (410,000 ordinary shares with a par value of Baht 100 each), with the Company to hold a 51% interest. This company registered its incorporation on 8 April 2016.

6.1.3 Man Food Products Company Limited

On 18 May 2016, the Company established Man Food Products Company Limited to engage in producing and selling food, with a registered share capital of Baht 100 million (1,000,000 ordinary shares with a par value of Baht 100 each) (60% called up), with the Company to hold a 100% interest. This company registered its incorporation on 18 May 2016. Subsequently, on 28 November 2016, the subsidiary called up a further 20 % of the registered share capital, amounting to Baht 20 million. The Company acquired all additional ordinary shares of the subsidiary, and as a result, its shareholding in the subsidiary is unchanged at 100%.

6.2 Subsidiaries indirectly owned by the Company

6.2.1 VGI Global Media Public Company Limited (“VGI” or “a subsidiary”)

Dividend

On 5 July 2016, the Annual General Meeting of the shareholders of VGI approved the payment of a dividend of Baht 0.06 per share, or a total of Baht 412 million, in respect of the operating results for the year ended 31 March 2016 (the dividend remaining after the interim dividend payment). VGI paid the dividend on 29 July 2016 (Baht 88 million paid to the Company).

Warrants

On 30 June 2016, the warrant holders exercised warrants to acquire 11,050 ordinary shares with a par value of Baht 0.1 each, at an exercise price of Baht 7 per share, or for a total share subscriptions received in advance of Baht 77,350. VGI registered the corresponding increase in its issued and fully paid-up share capital with the Ministry of Commerce on 7 July 2016.

Subsequently, on 5 July 2016, VGI’s Board of Directors meeting No. 6/2016 passed a resolution to adjust the exercise ratio and the number of the warrants. Details are as follows:

	Before the adjustment	After the adjustment
Exercise price	Baht 7 per share	Baht 7 per share
Exercise ratio	1 warrant per 2 ordinary shares	1 warrant per 1 ordinary share
Number of warrants that remained after the exercise of warrants on 30 June 2016	857,786,164 warrants	1,715,572,328 warrants

The adjustment of the exercise ratio and the number of the warrants is effective from 15 July 2016 and the warrant holders received the allocation of the newly issued warrants at an allocation ratio of 1 newly issued warrant to 1 existing warrant on the same date.

Share capital

On 7 November 2016, the Extraordinary General Meeting of VGI’s shareholders No. 2/2016 passed the following significant resolutions.

- a) Approved a resolution to decrease the registered share capital by Baht 2,730, from Baht 857,993,253 (8,579,932,530 ordinary shares of Baht 0.1 each) to Baht 857,990,523 (8,579,905,230 ordinary shares of Baht 0.1 each), through the cancellation of 27,300 unissued ordinary shares with a par value of Baht 0.1 each.

(Unaudited but reviewed)

VGI registered the corresponding decrease in its registered share capital with the Ministry of Commerce on 17 November 2016.

- b) Approved a resolution to increase the registered share capital by Baht 34 million, from Baht 857,990,523 (8,579,905,230 ordinary shares of Baht 0.1 each) to Baht 891,990,523 (8,919,905,230 ordinary shares of Baht 0.1 each), through the issue of 340 million additional ordinary shares with a par value of Baht 0.1 each under a general mandate.

VGI registered the corresponding increase in its registered share capital with the Ministry of Commerce on 18 November 2016.

- c) Approved a resolution to allocate not more than 340 million additional ordinary shares with a par value of Baht 0.1 each issued under a general mandate to private placement offerings to made to up to 50 institutional investors and/or specific investors over a twelve-month period. The investors are not to be related parties and the offer price of the shares is to be the best price based on market conditions at the time that the shares are offered. The offer price may be discounted, but by no more than 10% of market price, which is defined as the weighted average price of the shares in trading on the Stock Exchange of Thailand during a period covering no less than the 7 business days immediately preceding and the 15 working days immediately following the date on which the Board of Directors and/or individuals assigned by the Board of Directors set the offer price for the particular allocation of additional ordinary shares.

Purchase transactions of investment in the subsidiary

The Company purchased 42.2 million ordinary shares of the subsidiary at prices of Baht 4.46 - 5.20 per share and 9.8 million warrants at prices of Baht 0.35 - 0.41 per warrant. The accounting records are detailed below.

	(Unit: Thousand Baht)
	Consolidated
	<u>financial statements</u>
Purchase price	214,059
Less: Non-controlling interests of subsidiary adjusted	<u>(14,749)</u>
Deficit from the change in the ownership interests in subsidiary	<u><u>199,310</u></u>

(Unaudited but reviewed)

Sale transactions of investment in the subsidiary

The Company sold 275.5 million ordinary shares of the subsidiary at a price of Baht 4.63 - 6.18 per share. The accounting records are detailed below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Selling price of investments in the subsidiary	1,488,838	1,488,838
Less: Selling expenses relating to the sales of investments in the subsidiary	(1,977)	(1,977)
Cash receipt from the sales of investments in the subsidiary	1,486,861	1,486,861
Less: Cost of investments in the subsidiary	-	(1,335,530)
Cash receipt from the sales of investments in the subsidiary / Gain on sales of investments in subsidiary	1,486,861	151,331
Less: Non-controlling interests of subsidiary	(93,208)	-
Surplus from the changes in the ownership interests in a subsidiary / Gain on sales of investments in subsidiary	1,393,653	151,331

Due to the sales of investments above, the Company reversed the surplus on business combination under common control of approximately Baht 57 million under shareholders' equity in the separate financial statements.

As a result of purchases and sales of ordinary shares of the subsidiary, the Company's shareholding in the subsidiary decreased from 23.30% to 19.90% (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.

Purchases of ordinary shares of BSS Holdings Company Limited ("BSSH") and Bangkok Smartcard System Company Limited ("BSS")

On 7 November 2016, the Extraordinary General Meeting of VGI's shareholders No. 2/2016 passed a resolution to approve transactions relating to the purchases of ordinary shares of BSSH and BSS, in line with the resolutions of the meeting of the Company's shareholders discussed in Note 6.3 to the interim financial statements.

6.2.2 Master Ad Public Company Limited (“MACO”) (held by VGI)

On 12 May 2014, VGI invested in 73.5 million ordinary shares of MACO, at a price of Baht 9 per share, or for a total of Baht 661.5 million, through the big lot board of the Stock Exchange of Thailand, in accordance with a resolution passed by the VGI’s Board of Directors meeting No. 3/2014 on 9 May 2014. VGI gradually invested in a further number of MACO’s shares through the Stock Exchange of Thailand during the year ended 31 March 2015. Furthermore, during the same year, VGI 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 VGI’s Board of Directors meeting No. 9/2014 on 28 November 2014. As a result, VGI held 24.96% of all issued shares of MACO and 28,351,500 warrants to purchase the newly issued ordinary shares of MACO, acquired for a total of Baht 11 million. VGI included its investment in these warrants in investment in MACO.

Subsequently, on 31 May 2016 (the acquisition date), in accordance with a resolution passed by the Extraordinary General Meeting of the VGI’s shareholders No. 1/2016 on 30 May 2016, VGI acquired 375 million additional shares of MACO at a price of Baht 1.1 per share, or for a total of Baht 412.5 million, from existing shareholders, through the big lot board of the Stock Exchange of Thailand. This acquisition was made in accordance with a conditional share purchase and sale agreement based on the forms, agreements and conditions that the counterparties mutually agreed, which VGI had entered into with 3 sellers who were the existing shareholders of MACO on 17 March 2016. Significant details of the conditions were as follows:

- 1) VGI is granted approval by a meeting of its shareholders to acquire shares of MACO in accordance with the share purchase and sale agreement.
- 2) No changes occur that will have a significant adverse impact on the status of the business, operating results, assets and/or financial position of the MACO Group.

In addition, VGI submitted a mandatory tender offer for all securities of MACO to the Securities and Exchange Commission on 1 June 2016, with an offer period commencing as from 3 June 2016 to 8 July 2016 since, following the VGI's acquisition of shares of MACO in accordance with the share purchase and sale agreement, then together with the 750,967,400 shares of MACO already held by VGI, VGI held 1,125,967,400 shares of MACO, or 37.42% of all issued shares. In accordance with the Notification of the Capital Market Supervisory Board No. Thor Jor. 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers (Chain Principle) dated 13 May 2011 and relevant amendments, VGI thus had to make a mandatory tender offer for all securities of MACO. This mandatory tender offer was for all of 1,883,002,100 remaining shares of MACO, or 62.58% of all issued shares, at a price of Baht 1.1 per share, or for a total of Baht 2,071 million. However, when the tender offer period ended, no existing shareholders had accepted the offer for the shares of MACO that they held.

As a result of the acquisition of additional shares, the shareholding of VGI increased from 24.96% to 37.42% of all issued shares of MACO. VGI's management determined that VGI has control over MACO, even though the VGI's holding of 37.42% of shares and voting rights is less than half of all shares and voting rights. This is because VGI is a major shareholder and has the ability to direct the significant activities of MACO, while other shareholders are only minor shareholders with dispersion of holdings. Consequently, MACO is deemed to be a subsidiary of VGI and has to be included in the consolidated financial statements from the date on which VGI assumed control. On the acquisition date, the classification of the investment therefore changed from investment in an associate to investment in a subsidiary. The fair value at the acquisition date of the existing interests in MACO held before the acquisition date was Baht 825 million and a gain of Baht 207 million from measuring the existing interests at their fair value was recognised as a separate item under the caption of "Gain on change in status of investment" in the consolidated statement of comprehensive income for the nine-month period ended 31 December 2016.

(Unaudited but reviewed)

The values of the identifiable assets acquired, the liabilities assumed and non-controlling interests in MACO at the acquisition date were summarised below.

	(Unit: Thousand Baht)	
	Fair value	Carrying value
Cash and cash equivalents	117,991	117,991
Trade and other receivables	281,450	281,450
Other current assets	201,685	201,685
Investment properties	64,920	35,317
Plant and equipment	150,961	150,961
Goodwill	-	13,998
Intangible assets	319,073	780
Other non-current assets	86,233	86,233
Trade and other payables	(106,458)	(106,458)
Other current liabilities	(39,831)	(39,831)
Deferred tax liabilities	(69,579)	-
Other non-current liabilities	(37,329)	(37,329)
Non-controlling interests of the subsidiaries	(14,779)	(14,779)
Net assets of the subsidiary	954,337	690,018
Less: Non-controlling interests' proportionate share of identifiable net assets of the acquiree	(597,220)	
VGI's proportionate share of identifiable net assets of the acquiree	357,117	
Costs of the acquisition of investment in a subsidiary *	1,237,292	
Less: VGI's proportionate share of identifiable net assets of the acquiree	(357,117)	
Goodwill	880,175	
* Carrying amount based on equity method of VGI's previous holding before business combination	617,354	
Gain on change in status of investment	207,438	
VGI's previous holding before business combination	824,792	
Cash paid for purchase of investment in a subsidiary	412,500	
Costs of the acquisition of investment in a subsidiary	1,237,292	
Cash paid for purchase of investment in a subsidiary	412,500	
Less: Cash and cash equivalents of a subsidiary	(117,991)	
Net cash paid for purchase of investment in a subsidiary	294,509	

(Unaudited but reviewed)

During the first quarter at the current year, VGI has completed the process of measuring at the acquisition date of the identifiable assets acquired, the liabilities assumed, non-controlling interests in the subsidiary, and goodwill. VGI recorded goodwill amounting to approximately Baht 880 million in its account.

VGI incurred expenses related to the acquisition of additional shares totaling approximately Baht 12 million, which were recorded and included in administrative expenses in the consolidated statement of income.

Revenues and losses of MACO as from 1 June 2016, amounting to Baht 189 million and Baht 18 million, respectively, and Baht 402 million and Baht 20 million, respectively, were included in the consolidated statements of income for the three-month and nine-month periods ended 31 December 2016, respectively.

MACO is a public company incorporated and domiciled in Thailand and is principally engaged in advertising, leasing of property and the purchase/sale of electronic billboards.

Subsidiaries of MACO that were consolidated as of the acquisition date were as follows.

<u>Company's name</u>	<u>Nature of business</u>	<u>Country of incorporation</u>	<u>Percentage of shareholding</u> (Percent)
<u>Subsidiaries held by MACO</u>			
Master and More Company Limited	Production and provision of outdoor advertising media services	Thailand	100
Eye On Ads Company Limited (formerly known as "Maco Rite Sign Company Limited")	Production and sales of tri-vision equipment	Thailand	100
Green Ad Company Limited	Provision of advertising services through the supply of tree wall-panel	Thailand	100
Inkjet Images (Thailand) Company Limited	Production of advertising media and billboards	Thailand	50
Maco Outdoor Company Limited	Holding company	Malaysia	100
<u>Subsidiary held by Master and More Company Limited</u>			
Open Play Company Limited	Provision of outdoor advertising media services	Thailand	80

Eye On Ads Company Limited registered a change of its name from Maco Rite Sign Company Limited to Eye On Ads Company Limited on 28 October 2016.

On 3 August 2016, MACO's Board of Directors meeting No. 8/2016 passed a resolution to approve Green Ad Company Limited ("Green Ad") (MACO's subsidiary)'s acquisition of 98,000 ordinary shares with a par value of Baht 100 each of Multi Sign Company Limited ("MTS") from its existing shareholders ("the Sellers") at a cost of not more than Baht 439 million by increasing Green Ad's registered share capital and arranging for Green Ad to use cash received from the increase in Green Ad's share capital to acquire MTS's shares. This represents 70% of all issued shares of MTS, and the price is that agreed between MACO and the Sellers under the terms and conditions stipulated in a share purchase and sale agreement dated 3 August 2016 between Green Ad and the Sellers.

Under the conditions of the share purchase and sale agreement, the acquisition price is divided into 2 parts as follows:

- 1) A preliminary purchase price of Baht 373.15 million to be paid under the terms and conditions stipulated in the share purchase and sale agreement.
- 2) An additional purchase price of not more than Baht 65.85 million, which may be reduced depending on the operating results and other conditions stipulated in the share purchase and sale agreement.

MTS is a limited company incorporated and domiciled in Thailand and is principally engaged in the provision of services for out of home media business.

Subsequently, Green Ad completed the acquisition of 98,000 shares of MTS with a par value of Baht 100 each on 1 October 2016, and on 3 October 2016, Green Ad received all shares and paid Baht 219.50 million to the Sellers. The remainder of the purchase price will be paid in accordance with the conditions stipulated in the share purchase and sale agreement and is shown, at a net of deferred interest expenses, as payable for purchase of investment in a subsidiary, under the caption of "Trade and other payables" in the consolidated statement of financial position.

(Unaudited but reviewed)

The values of the identifiable assets acquired and the liabilities assumed of MTS at the acquisition date were summarised below.

	(Unit: Thousand Baht)	
	Fair value	Carrying value
Cash and cash equivalents	47,750	47,750
Trade and other receivables	31,545	31,545
Other current assets	27,342	27,342
Plant and equipment	22,634	22,634
Intangible assets	59,370	49
Other non-current assets	10,760	10,760
Trade and other payables	(86,955)	(86,955)
Other current liabilities	(4,970)	(4,970)
Deferred tax liabilities	(11,864)	-
Other non-current liabilities	(3,302)	(3,302)
Net assets of the subsidiary	92,310	44,853
Less: Non-controlling interests' proportionate share of identifiable net assets of the acquiree	(27,693)	
Green Ad's proportionate share of identifiable net assets of the acquiree	64,617	
Costs of the acquisition of investment in a subsidiary *	434,999	
Less: Green Ad's proportionate share of identifiable net assets of the acquiree	(64,617)	
Goodwill	370,382	
* Cash paid for purchase of investment in a subsidiary	219,500	
Liabilities from purchase of investment in a subsidiary under the share purchase and sale agreement	219,500	
Purchase price of investment in a subsidiary	439,000	
Less: Deferred interest expenses	(4,001)	
Costs of the acquisition of investment in a subsidiary	434,999	
Cash paid for purchase of investment in a subsidiary	219,500	
Less: Cash and cash equivalents of the subsidiary	(47,750)	
Net cash paid for purchase of investment in a subsidiary	171,750	

During the current quarter, Green Ad completed the process of measuring the fair value at the acquisition date of the identifiable assets acquired, the liabilities assumed and goodwill. Therefore, recorded goodwill amounting to approximately Baht 370 million in their accounts.

Revenues and profit of MTS as from 1 October 2016, amounting to Baht 41 million and Baht 3 million, respectively, were included in the consolidated statements of comprehensive income for the three-month and nine-month periods ended 31 December 2016.

In addition, on 28 September 2016, the Extraordinary General Meeting of Green Ad's shareholders passed a resolution to increase its registered share capital of Baht 495 million, from Baht 5 million (1 million ordinary shares of Baht 5 each) to Baht 500 million (100 million ordinary shares of Baht 5 each), by issuing 99 million ordinary shares with a par value of Baht 5 each to MACO at a price of Baht 5 per share. Green Ad issued the additional shares and registered the corresponding increase in its share capital with the Ministry of Commerce on 30 September 2016.

On 21 September 2016, the Extraordinary General Meeting of MACO's shareholders No. 1/2016 passed a resolution to approve the increase in its registered share capital of Baht 33.4 million, from Baht 376,121,187.50 (3,761,211,875 ordinary shares of Baht 0.1 each) to Baht 409,521,187.50 (4,095,211,875 ordinary shares of Baht 0.1 each) by issuing 334 million additional ordinary shares with a par value of Baht 0.1 each, to be offered to Ashmore Special Opportunities Fund Limited Partnership ("ASOF") and Asset Holder PCC Limited for Ashmore Emerging Markets Liquid Investment Portfolio ("ASHEMLI") (together referred to as "Ashmore") by way of private placement at a price of Baht 1.28 per share, or for a total of Baht 427.52 million, in order to fund additional investment in out of home media business, including the acquisition of MTS's shares. The offer price represents a 10% discount on market price. This represents a discount of not more than 10% of the weighted average price of MACO's shares in trading on the Stock Exchange of Thailand over the 15 consecutive business days preceding the date that MACO's Board of Directors passed a resolution to propose that the Extraordinary General Meeting of MACO's shareholders No. 1/2016 approve the sale of MACO's additional ordinary shares. This corresponds to the period as from 11 July 2016 to 2 August 2016 and the relevant price is Baht 1.42 per share, in accordance with Stock Exchange of Thailand regulations.

In addition, the above offer price is not less than 90% of market price, which is defined as the weighted average price of MACO's shares in trading on the Stock Exchange of Thailand over the 15 consecutive business days preceding the first offer of shares, corresponding as from 3 October 2016 to 21 October 2016, which was Baht 1.08 per share. This meets Stock Exchange of Thailand regulations and so there is no requirement for Ashmore to observe a silent period of one year from the first date that the shares were offered.

(Unaudited but reviewed)

However, following the restructuring of Ashmore Group, Ashmore OOH Media Limited was incorporated and domiciled in Hong Kong. ASHEMLI and ASOF hold 71.48% and 28.57%, respectively, of all issued shares of Ashmore OOH Media Limited which instead acquired and paid for MACO's additional shares.

MACO registered the corresponding increase in its registered share capital with the Ministry of Commerce on 30 September 2016, and issued 334 million additional shares and received payment from Ashmore OOH Media Limited on 25 October 2016.

In addition, during the current quarter, VGI acquired 7,022,500 shares of MACO through the Stock Exchange of Thailand, at an average price of Baht 0.9 per share, or for a total of Baht 6.5 million and sold 4,164,400 shares of MACO through the Stock Exchange of Thailand, at an average price of Baht 1.2 per share, or for a total of Baht 4.9 million.

As a result of the increase in MACO's share capital and VGI's acquisition of MACO's shares, VGI's shareholding in MACO decreased from 37.42% to 33.77% of all issued shares of MACO. The accounting records are detailed below.

	(Unit: Thousand Baht)
	Consolidated
	<u>financial statements</u>
Purchase and sale of investments and capital increase	425,886
Less: Non-controlling interests of subsidiary adjusted	<u>(349,160)</u>
Surplus from the change in the ownership interests in subsidiary	<u>76,726</u>

6.2.3 Mak8 Company Limited (held by Unicorn Enterprise Company Limited)

On 9 May 2016, the Annual General Meeting of the subsidiary's shareholders passed a resolution to decrease the subsidiary's registered and issued share capital by Baht 89 million from Baht 240 million to Baht 151 million by decreasing number of ordinary shares from 2,400,000 ordinary shares to 1,510,000 ordinary shares with a par value of Baht 100 each.

6.2.4 Bangkok Payment Solutions Company Limited (held by BSS Holdings Company Limited ("BSSH"))

On 23 August 2016, the Extraordinary General Meeting of the subsidiary's shareholders passed a resolution to increase its share capital from Baht 25 million (5 million ordinary shares with a par value of Baht 5 each) to Baht 50 million (10 million ordinary shares with a par value of Baht 5 each). The subsidiary registered its incorporation with the Ministry of Commerce on 15 November 2016. BSSH acquired ordinary shares of the subsidiary in proportion to its existing holding, and as a result its shareholding in the subsidiary remains unchanged at 60%.

6.2.5 Rabbit Internet Company Limited (“RI”) (held by BSS Holdings Company Limited (“BSSH”))

On 23 November 2015, BSSH, RI and the existing shareholders of RI entered into Share Subscription Agreement, Investment Agreement and Loan Agreement (“Agreements”) and on 27 November 2015, BSSH invested in 1,001 newly issued preferred shares of RI, at a price of Baht 87,975 per share, or for a total of Baht 88 million. As a result, BSSH holds 25% of all issued and paid-up shares of RI.

BSSH also invested in ordinary shares of RI’s subsidiaries as follows:

- a) 510 ordinary shares of ASK Direct Group Company Limited (“ASKD”), at a price of Baht 1 per share, or for a total of Baht 510. As a result, BSSH holds 51% of all issued and paid-up shares of ASKD. RI holds 489 shares in ASKD, representing 49% of all issued and paid-up shares.
- b) 21,900 ordinary shares of Rabbit Insurance Broker Company Limited (“RIB”) (Formerly known as “ASK Broker Association Co., Ltd.”), at a price of Baht 1 per share, or for a total of Baht 21,900. As a result, BSSH holds 51% of all issued and paid-up shares of RIB. RI holds 21,000 shares in RIB, representing 49% of all issued and paid-up shares.

The Agreements stipulate that BSSH agrees to grant a credit facility of Baht 234,775,958 to RI to be used as working capital, and in settlement of this loan BSSH will exercise its call option to subscribe to 2,666 additional preferred shares of RI, at a price of Baht 234,775,958. BSSH also has call options to subscribe to shares of the existing shareholder of RI within September 2019 (sum of existing shares held by BSSH and new shares to be exercised will not exceed 70% of all shares), and the existing shareholder of RI has a put option to sell shares of RI to BSSH within September 2022 under the conditions stipulated in the Agreements.

The Agreements stipulate that BSSH is entitled to nominate 3 of 5 directors of RI. Since BSSH has the power to direct the policies, management or operations of RI through RI’s board of directors, and the rights to variable returns from RI, BSSH has classified this investment as investment in subsidiary.

During the current period, BSSH completed fair value measurement of the identifiable assets acquired and liabilities assumed at the acquisition date, which was 27 November 2015. During the measurement period, BSSH obtained further information on the fair value of the assets and liabilities and has retrospectively adjusted the provisional amount recognised at the acquisition date. The adjustments caused goodwill to increase by approximately Baht 158 million, intangible assets to increase by approximately Baht 14 million, other current assets to increase by approximately Baht 15 million, other current liabilities to increase by approximately Baht 104 million, deferred tax liabilities to increase by approximately Baht 3 million and unallocated costs of business acquisition to decrease by approximately Baht 80 million.

(Unaudited but reviewed)

Details of the fair and book values of identifiable assets and liabilities of RI Group as at 27 November 2015 were as follows.

	(Unit: Thousand Baht)	
	Fair value	Book value
Cash and cash equivalents	94,173	94,173
Trade and other receivables	3,458	3,458
Short-term loans to related parties	12,892	12,892
Receivable under loan agreement with BSSH	230,989	-
Other current assets	1,673	1,673
Intangible assets	14,337	-
Other non-current assets	12,656	12,656
Trade and other payables	(19,074)	(19,074)
Other current liabilities	(1,121)	(1,121)
Deferred tax liabilities	(2,867)	-
Long-term loans from related parties	(57,938)	(57,938)
Net asset value	289,178	46,719
Less: Non-controlling interests' proportionate share of identifiable net assets of the acquire (45%)	(25,791)	
Less: Liability under loan agreement of non-controlling interests' proportionate share ¹ (45%)	(103,945)	
BSSH's proportionate share of identifiable net assets of the acquiree ²	159,442	
¹ BSSH recorded liability under loan agreement of non-controlling interests under other current liabilities in the consolidated statement of financial position and will reclassify this to non-controlling interests in shareholders' equity when BSSH provides loans to RI.		
² BSSH calculated its proportionate share of identifiable net assets at 55%, including its interest in the 2,666 preferred shares to be converted from the loan when settlement is called.		
Cost of acquisition of investment in subsidiary	317,073	
Less: BSSH's proportionate share of identifiable net assets of the acquiree	(159,442)	
Goodwill	157,631	
Cash	88,085	
Loans under the agreements ³	230,989	
Less: cost of options to purchase shares from the existing shareholders	(2,001)	
*Total cost of acquisition of investment in subsidiary	317,073	
³ Loans under the agreement are included in the costs of acquisition of investment in subsidiary because, as stipulated in the agreement, the loans are to be converted to 2,666 preferred shares when settlement is due.		
Cash and cash equivalents of the subsidiaries at the acquisition date	94,173	
Less: Cash paid for purchase of investment in subsidiary	(88,085)	
Net cash received from purchase of investment in subsidiary	6,088	

(Unaudited but reviewed)

As at 31 December 2016, BSSH reclassified Baht 44 million of liability under loan agreement of non-controlling interests, in proportion to the loan to RI, as non-controlling interests in shareholders' equity in the consolidated statement of financial position.

On 26 October 2016, RI issued 1 additional ordinary share with a par value of Baht 1,000 to the existing shareholder at a price of Baht 12,757,394. The accounting records are detailed below.

	(Unit: Thousand Baht)
	Consolidated financial statements
Capital increase in subsidiary	12,757
Less: Non-controlling interests of subsidiary adjusted	(9,567)
Surplus from the change in the ownership interests in subsidiary	<u>3,190</u>

6.3 Sale of ordinary shares in BSS Holdings Company Limited and Bangkok Smartcard System Company Limited

On 22 August 2016, the Board of Directors meeting of the Company passed the following significant resolutions:

1. Approved that the Company sell 90.00% of its ordinary shares in BSS Holdings Company Limited ("BSSH") and that Bangkok Mass Transit System Public Company Limited ("BTSC") sell 90.00% of its ordinary shares in Bangkok Smartcard System Company Limited ("BSS") to VGI Global Media Public Company Limited ("VGI"), which is a subsidiary of the Company, as detailed as follows:

- 1.1 Approved that the Company sell its 10,800,000 ordinary shares in BSSH, with a par value of THB 100 per share, equivalent to 90.00% of the total issued shares in BSSH, to VGI at the purchase price of THB 119.69 per share, totaling THB 1,292,652,000 (the "BSSH Share Sale Transaction"). The Company currently holds 100.00% of the shares in BSSH and the Company will sell the remaining 10.00% of the ordinary shares in BSSH to Bangkok Bank Public Company Limited ("BBL").

BSSH conducts its business as a holding company by investing in the securities of other companies. Therefore, the acquisition of the shares in BSSH will allow VGI to indirectly hold shares in 6 companies as follows:

- a) RabbitPay System Company Limited
- b) Rabbit-LINE Pay Company Limited
- c) ATS Rabbit Special Purpose Vehicle Company Limited
- d) Rabbit Internet Company Limited

- e) Rabbit Insurance Broker Company Limited (Formerly known as “ASK Broker Association Company Limited”)
- f) ASK Direct Group Company Limited

1.2 Approved that BTSC, the Company’s subsidiary in which the Company holds 97.46% of its shares, sell its entire 3,600,000 ordinary shares in BSS, with a par value of THB 100 per share, equivalent to 90.00% of the total issued shares in BSS, to VGI at the purchase price of THB 184.39 per share, totaling THB 663,804,000.

In this regard, the Company and BTSC will enter into a share sale and purchase agreement with VGI where such agreement will contain certain conditions precedent, i.e. the sale and purchase of shares will take place only after the conditions precedent as designated in the agreement are fully satisfied or waived in writing by the relevant parties.

2. Approved that the Company sell its 1,200,000 ordinary shares in BSSH, with a par value of THB 100 per share, equivalent to 10.00% of the total issued shares in BSSH to BBL, a strategic investor, which will support and strengthen the business of the BSSH group, at the purchase price of THB 119.69 per share, totaling THB 143,628,000.

In this regard, the Company will enter into a share sale and purchase agreement with BBL where such agreement will contain certain conditions precedent, i.e. the sale and purchase of shares will take place only after the conditions precedent as designated in the agreement are fully satisfied or waived in writing by the relevant parties.

3. Approved that the Company purchase 3,000,000 ordinary shares in BPS, with a par value of THB 5 per share, equivalent to 60.00% of the total issued shares in BPS, from BSSH, at the purchase price that is not lower than the book value per share of BPS.

The BPS Share Acquisition Transaction is one of the conditions precedent in the BSSH Share Sale Transaction and will take place only after VGI obtains approval for the acquisition of 90.00% of the ordinary shares in BSSH and 90.00% of the ordinary shares in BSS at its general meeting of shareholders.

4. Approved that the Company grant a loan in the amount of not exceeding THB 2,000 million to VGI in order for VGI to use as an alternative source of fund for the acquisition of the ordinary shares in BSSH and BSS, the details of which are as follows:

Loan purpose	: To provide VGI an alternative source of fund for the acquisition of the ordinary shares in BSSH and BSS
Loan amount	: Not exceeding THB 2,000 million
Interest rate	: Not more than the average minimum loan interest rates of 5 commercial banks, i.e. Bangkok Bank Public Company Limited, Krungthai Bank Public Company Limited, The Siam Commercial Bank Public Company Limited, Kasikornbank Public Company Limited and Bank of Ayudhya Public Company Limited (the "Average MLR")
Term	: Not more than 5 years
Repayment	: Payable in annual installments at the rate of 10.00% of the principal sum per year with the outstanding balance payable in the last year
Interest period	: Every 3 months
Other key terms	: The Company will not provide the loan to VGI if its financial costs for providing such loan is higher than the Average MLR.

Nevertheless, VGI will procure the loan from the Company on the condition that the interest rate and terms offered to VGI by the Company must be the most favorable interest rate and terms or the same as those offered to VGI by the financial institutions.

7. Investments in joint ventures

7.1 Details of investments in joint ventures

Investments in joint ventures were as follows:

Company's name	(Unit: Thousand Baht)	
	Consolidated financial statements	
	Equity method	
	31 December 2016	31 March 2016
		(Audited)
BTS Sansiri Holding Two Ltd.	26,674	36,811
BTS Sansiri Holding Three Ltd	146,562	-
BTS Sansiri Holding Four Ltd.	16,783	46,395
BTS Sansiri Holding Five Ltd.	44,239	47,308
BTS Sansiri Holding Six Ltd.	40,984	46,171
BTS Sansiri Holding Seven Ltd.	12,355	49,577
BTS Sansiri Holding Eight Ltd.	556	-
BTS Sansiri Holding Nine Ltd.	-	49,610
BTS Sansiri Holding Eleven Ltd.	29,721	49,340
BTS Sansiri Holding Twelve Ltd.	22,218	49,305
BTS Sansiri Holding Fourteen Ltd.	45,487	49,726
BTS Sansiri Holding Fifteen Ltd. (Formerly known as "Pattanasiri Estate Ltd.)	38,796	-
BTS Sansiri Holding Sixteen Ltd.	26,715	-
BTS Sansiri Holding Seventeen Ltd.	49,830	-
BTS Sansiri Holding Eighteen Ltd.	49,402	-
BTS Sansiri Holding Nineteen Ltd.	49,807	-
BTS Sansiri Holding Twenty Ltd. (Formerly known as "Ava Holding Ltd.")	49,853	-
BTS Sansiri Holding Twenty one Ltd.	49,836	-
Nuvo Line Agency Co., Ltd.	59,989	205,304
ATS Rabbit Special Purpose Vehicle Co., Ltd.	22	8,551
Rabbit - Line Pay Co., Ltd.	723,003	-
Titanium Compass SDN. BHD.	1,666	-
Total	1,484,498	638,098

Investments under equity method presented under "Provision for transaction under equity method of investments in joint ventures" were detailed as follows:

Company's name	(Unit: Thousand Baht)	
	Consolidated financial statements	
	31 December 2016	31 March 2016
		(Audited)
BTS Sansiri Holding One Ltd.	384,584	371,287
BTS Sansiri Holding Three Ltd.	-	12,274
BTS Sansiri Holding Eight Ltd.	-	5,018
BTS Sansiri Holding Nine Ltd.	38,252	-
Bayswater Co., Ltd.	154,407	66,931
Total	577,243	455,510

(Unaudited but reviewed)

The negative investment value based on equity method was presented under the heading of “Provision for transaction under equity method of investments in joint ventures” in the consolidated statement of financial position. The negative investment value was resulted from elimination of gain on related party transactions in proportion to the subsidiary’s shareholding in jointly controlled entities.

7.1.1 Jointly controlled entities between Unicorn Enterprise Company Limited and Sansiri Public Company Limited (“SIRI”)

On 3 August 2016, a meeting of the Executive Committee of the Company passed a resolution to approve a subsidiary (“UE”) establishing 10 additional joint venture companies with SIRI, held 50:50, to develop residential projects for sale. Each company has a registered share capital of Baht 100 million (1,000,000 ordinary shares with a par value of Baht 100 each). Details of the joint venture companies above already established are as follows:

	<u>Registered date</u>
BTS Sansiri Holding Sixteen Ltd.	1 September 2016
BTS Sansiri Holding Seventeen Ltd.	1 September 2016
BTS Sansiri Holding Eighteen Ltd.	1 September 2016
BTS Sansiri Holding Nineteen Ltd.	30 November 2016
BTS Sansiri Holding Twenty One Ltd.	19 December 2016

In addition, on 31 August 2016, UE acquired 500,000 ordinary shares with a par value of Baht 100 each of BTS Sansiri Holding Fifteen Ltd. (Formerly known as “Pattanasiri Estate Ltd.”) from SIRI, at a price of Baht 50 million.

Subsequently, on 7 October 2016, UE acquired 500,000 ordinary shares with a par value of Baht 100 each of BTS Sansiri Holding Twenty Ltd. (Formerly known as “Ava Holding Ltd.”) from SIRI, at a price of Baht 50 million.

These 2 companies are included in the above resolution regarding the establishment of additional joint venture companies.

(Unaudited but reviewed)

**7.1.2 Rabbit - Line Pay Company Limited (Formerly known as “Line Biz Plus Limited”)
(held by RabbitPay System Company Limited (“RabbitPay”))**

On 31 March 2016, a subsidiary (“RabbitPay”) has executed a Share Subscription Agreement for the subscription of shares in Rabbit - Line Pay Company Limited (“Rabbit - Line Pay”) entered into among the subsidiary, Rabbit - Line Pay, and the existing shareholders of Rabbit - Line Pay (i.e., Line Biz+ PTE. Ltd. and Line Company (Thailand) Co., Ltd.) (the “Share Subscription Agreement”) where the subsidiary will subscribe 1,999,998 newly issued shares from Rabbit - Line Pay and purchase 1 share from an existing shareholder, i.e., 1,999,999 shares in total, which is equivalent to 50% of the total shares, totaling Baht 750 million, in Rabbit - Line Pay, a company engaging in the business of accepting electronic and online payments. The subscription of shares was completed on 25 April 2016.

The subsidiary’s management estimated that the assets and liabilities of jointly controlled entity as at 25 April 2016 and 30 April 2016 were not materially different. The subsidiary has therefore assumed that the date of the share acquisition was 30 April 2016.

Details of the book values of identifiable assets and liabilities of the jointly controlled entity as at 30 April 2016 were as follows.

	(Unit: Thousand Baht)
	<u>Book value</u>
Assets	
Cash and cash equivalents	896,597
Trade and other receivables	3,722
Other current assets	2,237
Restricted deposits	4,925
Property, plant and equipment	7,866
Other non-current assets	877
Total assets	<u>916,224</u>
Liabilities	
Trade and other payables	9,207
Other current liabilities	13,206
Provision for long-term employee benefits	342
Long-term provision	985
Total liabilities	<u>23,740</u>
Net asset value	<u>892,484</u>

The subsidiary is in the process of assessing the fair values of the identifiable assets and liabilities of the jointly controlled entity.

7.1.3 Titanium Compass SDN. BHD. (held by VGI)

On 13 June 2016, VGI Global Media Public Company Limited (“VGI”) entered into a joint venture agreement, in accordance with a resolution passed by VGI’s Board of Directors meeting No. 5/2016 on 13 June 2016, in order to jointly invest with Puncak Berlian SDN. BHD., Ikatan Asli SDN. BHD. and Utusan Airtime SDN. BHD., which were incorporated and domiciled in Malaysia. On the same date, VGI invested in 190,000 ordinary shares of Titanium Compass SDN. BHD. (“TCSB”), which was incorporated and domiciled in Malaysia, at a price of MYR 1 per share, or for a total of MYR 190,000, equivalent to Baht 1.7 million. As a result, VGI’s shareholding in TCSB is 19% of all issued shares, as stipulated in the joint venture agreement dated 13 June 2016. The agreement stipulated the shareholdings of VGI, Puncak Berlian SDN. BHD., Ikatan Asli SDN. BHD. and Utusan Airtime SDN. BHD. in TCSB at 19%, 51%, 10% and 20%, respectively. Furthermore, in accordance with a resolution passed by VGI’s Board of Directors meeting No. 5/2016 on 13 June 2016, after TCSB is granted the right to advertise in the mass rapid transit (MRT) system, Lembah Kelang - Jajaran Sungai Buloh - Kajang line (KVMRT-SBK line (MRT1)) in Malaysia by Mass Rapid Transit Corporation SDN. BHD. (“MRT Corp”), VGI will increase its shareholding in TCSB to 30%. However, since the agreement stipulates that VGI, Puncak Berlian SDN. BHD., Ikatan Asli SDN. BHD. and Utusan Airtime SDN. BHD. Jointly control TCSB, VGI classified this investment as an investment in a joint venture.

On 28 September 2016, MRT Corp announced that TCSB had been selected to manage advertising on the mass rapid transit (MRT) system, Lembah Kelang - Jajaran Sungai Buloh - Kajang line (KVMRT-SBK line (MRT1)) in Malaysia, both on elevated trains and inside skytrain stations.

TCSB is principally engaged in the provision of advertising media in the mass rapid transit (MRT) system, Lembah Kelang - Jajaran Sungai Buloh - Kajang line (KVMRT-SBK line (MRT1)) in Malaysia, with a registered share capital of MYR 5 million (5 million ordinary shares of MYR 1 each), issued and fully paid-up amounting to MYR 1 million (1 million ordinary shares of MYR 1 each).

(Unaudited but reviewed)

7.2 Dividend received and return of capital

Dividend received from the joint venture was as follows:

(Unit: Thousand Baht)

Company's name	For the three-month periods ended 31 December	
	Consolidated financial statements	
	<u>2016</u>	<u>2015</u>
ATS Rabbit Special Purpose Vehicle Co., Ltd.	2,278	-
Total	2,278	-

(Unit: Thousand Baht)

Company's name	For the nine-month periods ended 31 December	
	Consolidated financial statements	
	<u>2016</u>	<u>2015</u>
ATS Rabbit Special Purpose Vehicle Co., Ltd.	19,097	-
Total	19,097	-

Return of capital from the joint venture was as follows:

(Unit: Thousand Baht)

Company's name	For the nine-month periods ended 31 December	
	Consolidated financial statements	
	<u>2016</u>	<u>2015</u>
Nuvo Line Agency Co., Ltd.	137,500	-
Total	137,500	-

(Unaudited but reviewed)

8. Investments in associates**8.1 Details of investments in associates**

Investments in associates were as follows:

Company's name	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	Equity method		Cost method	
	31 December	31 March	31 December	31 March
	2016	2016	2016	2016
		(Audited)		(Audited)
BTS Rail Mass Transit Growth Infrastructure Fund	12,364,243	12,833,187	20,468,619	20,592,075
U City Public Co., Ltd.	7,213,426	7,427,043	9,468,845	9,468,845
Absolute Hotel Services Co., Ltd.	21,880	17,255	-	-
Absolute Hotel Services Hong Kong Ltd.	-	-	-	-
Master Ad Public Co., Ltd. ⁽¹⁾	-	635,778	-	-
Aero Media Group Co., Ltd.	184,060	106,415	-	-
Demo Power (Thailand) Co., Ltd.	412,500	-	-	-
Landy Development Co., Ltd. ⁽²⁾	34,944	-	-	-
Eyeballs Channel SDN. BHD. ⁽²⁾	286	-	-	-
Total	20,231,339	21,019,678	29,937,464	30,060,920

⁽¹⁾ Change status from associate to subsidiary as discussed in Note 6.2.2 to the interim financial statements.⁽²⁾ Increase from acquisition of subsidiary as discussed in Note 6.2.2 to the interim financial statements.**8.1.1 BTS Rail Mass Transit Growth Infrastructure Fund (“BTSGIF”) (held by the Company)**

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	Equity method		Cost method	
	31 December	31 March	31 December	31 March
	2016	2016	2016	2016
		(Audited)		(Audited)
Cost	20,833,200	20,833,200	20,833,200	20,833,200
Add (less): Gain on sale of future net fare box revenues in proportion to the Company's investment	(6,748,791)	(6,748,791)	-	-
Accumulated share of profit	4,724,856	3,631,056	-	-
Adjustment under equity method	(1,732,475)	(1,342,563)	-	-
Accumulated dividend income	(4,347,966)	(3,298,590)	-	-
Accumulated return of capital	(364,581)	(241,125)	(364,581)	(241,125)
Net	12,364,243	12,833,187	20,468,619	20,592,075

(Unaudited but reviewed)

8.1.2 U City Public Co., Ltd. (“U City”) (held by the Company)

Investment in U City under equity/cost method was detailed below.

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	Equity method		Cost method	
	31 December 2016	31 March 2016	31 December 2016	31 March 2016
Cost	9,468,845	9,468,845	9,468,845	9,468,845
Add (less): Gain on swap of investments in proportion to the Company's investment	(1,915,184)	(1,915,184)	-	-
Accumulated share of loss	(271,231)	(161,969)	-	-
Accumulated share of other comprehensive income	(85,390)	17,335	-	-
Adjustment under equity method	16,386	18,016	-	-
Net	<u>7,213,426</u>	<u>7,427,043</u>	<u>9,468,845</u>	<u>9,468,845</u>

8.1.3 Aero Media Group Company Limited (“Aero”) (held by VGI)

On 15 May 2015 (the acquisition date), VGI invested in 15,000 ordinary shares of Aero, at a price of Baht 6,667 per share, or for a total of Baht 100 million, in accordance with a resolution passed by VGI's Board of Directors meeting No. 6/2015 on 6 May 2015. As a result, VGI holds 20% of all issued shares of Aero, and classifies this investment as investment in an associate.

VGI's management made estimates of the assets and liabilities of Aero as at 31 May 2015 and the acquisition date that were not significantly different. The values of the assets and liabilities of Aero as at 31 May 2015 were summarised below.

	(Unit: Thousand Baht)	
	Fair value	Carrying value
Cash and cash equivalents	117,563	117,563
Trade and other receivables	41,893	41,893
Other current assets	125,797	125,797
Equipment and intangible assets	226,377	124,618
Other non-current assets	3,771	3,771
Trade and other payables	(36,456)	(36,456)
Other current liabilities	(155,524)	(155,524)
Deferred tax liabilities	(20,352)	-
Other non-current liabilities	(56,794)	(56,794)
Net assets	<u>246,275</u>	<u>164,868</u>
Shareholding percentage (%)	<u>20</u>	
Share of net assets	49,255	
Goodwill	<u>50,745</u>	
Cash paid for purchase of investment in an associate	<u>100,000</u>	

Aero is a limited company incorporated and domiciled in Thailand and is principally engaged in the provision of advertising media in 13 domestic airports.

In addition, on 15 August 2016, VGI purchased 10,700 additional ordinary shares of Aero, at a price of Baht 7,477 per share, or for a total of Baht 80 million, in accordance with a resolution passed by VGI's Board of Directors meeting No. 7/2016 on 3 August 2016. As a result, the shareholding of VGI increased from 20% to 30% of all issued shares of Aero.

Subsequently, on 31 October 2016, Aero issued 6,080 additional ordinary shares with a par value of Baht 1,000 each and registered the increase in its share capital by Baht 6.08 million, from Baht 85.7 million (85,700 ordinary shares of Baht 1,000 each) to Baht 91.78 million (91,780 ordinary shares of Baht 1,000 each), with the Ministry of Commerce on the same date. However, VGI did not buy any additional shares in accordance with a resolution passed by VGI's Board of Directors meeting No. 7/2016 on 3 August 2016. As a result, the shareholding of VGI decreased from 30% as described in the above paragraph to 28% of all issued shares of Aero.

8.1.4 Demo Power (Thailand) Company Limited (“DPT”)

On 23 November 2016 (the acquisition date), VGI invested in 12,000 ordinary shares of DPT, at a price of Baht 34,375, or for a total of Baht 412.5 million, in accordance with a resolution passed by VGI's Board of Directors meeting No. 13/2016 on 15 November 2016, by which VGI entered into a conditional share purchase and sale agreement with Demo Power Limited (“DPL”) who was the existing shareholder on 16 November 2016. Significant details of the conditions were as follows:

- 1) VGI enters into an agreement with DPT granted a solely license to use space for the provision of marketing activity and sales promotion services, including public relations of goods and services of DPT's customers, on 23 main BTS stations, which VGI has been granted a license of use from the subsidiary (BTSC).
- 2) No changes occur that will have a significant adverse impact on the status of the business, operating results, assets and/or financial position of DPT.

VGI received all of the shares on 23 November 2016 and paid Baht 380.5 million to the seller. The remainder of the purchase price will be paid in accordance with the conditions stipulated in the share purchase and sale agreement, which is shown as payable for purchase of investment in an associate under the caption of “Trade and other payables” in the consolidated statement of financial position. As a result of the acquisition, VGI held 40% of all issued shares of DPT, and classified this investment as investment in an associate.

(Unaudited but reviewed)

In addition, VGI incurred expenses related to the acquisition totaling approximately Baht 4 million, which were recorded and included in administrative expenses in the statement of comprehensive income.

However, the VGI's management is currently in process of measuring fair value and book value of assets and liabilities of DPT at the acquisition date. Moreover, VGI did not record share of profit or loss from DPT during the current period since amount of the share profit or loss does not have a significant impact on the consolidated financial statements.

DPT is a limited company incorporated and domiciled in Thailand and is principally engaged in the arrangement of marketing activities, including the distribution of sampling and the demonstration of product usage for sales promotion.

8.2 Dividends received and return of capital

Dividends received from the associates were as follows:

(Unit: Thousand Baht)

Company's name	For the three-month periods ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
BTS Rail Mass Transit Growth Infrastructure Fund	362,652	345,291	362,652	345,291
Total	<u>362,652</u>	<u>345,291</u>	<u>362,652</u>	<u>345,291</u>

(Unit: Thousand Baht)

Companies's name	For the nine-month periods ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
BTS Rail Mass Transit Growth Infrastructure Fund	1,049,376	935,565	1,049,376	935,565
Absolute Hotel Services Co., Ltd.	-	13,500	-	13,500
Master Ad Public Co., Ltd. ⁽¹⁾	22,529	24,003	-	-
Total	<u>1,071,905</u>	<u>973,068</u>	<u>1,049,376</u>	<u>949,065</u>

⁽¹⁾ Before change in status of investment from associate to subsidiary, as discussed in Note 6.2.2 to the interim financial statements.

(Unaudited but reviewed)

Return of capital from the associate was as follows:

(Unit: Thousand Baht)

Company's name	For the nine-month periods ended 31 December	
	Consolidated and separate financial statements	
	2016	2015
BTS Rail Mass Transit Growth Infrastructure Fund	123,456	92,592
Total	123,456	92,592

9. Other long-term investments

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 December 2016	31 March 2016	31 December 2016	31 March 2016
		(Audited)		(Audited)
Held-to-maturity securities				
Domestic private debt securities	2,671,962	697,405	821,907	597,405
Foreign private debt securities	1,034,105	323,850	1,034,105	323,850
	3,706,067	1,021,255	1,856,012	921,255
Investments in available for sale				
Domestic marketable equity securities	5,568,596	5,593,720	5,208,867	5,186,334
Foreign marketable equity securities	3,633,283	3,629,624	1,527,883	1,524,224
	9,201,879	9,223,344	6,736,750	6,710,558
Less: Allowance for change in value	(1,144,091)	(1,114,911)	(1,102,132)	(1,116,689)
Allowance for impairment	(497,205)	(497,205)	(497,205)	(497,205)
	7,560,583	7,611,228	5,137,413	5,096,664
Other investments				
Domestic non-marketable equity securities	153,575	153,575	123,575	123,575
Foreign non-marketable equity securities	1,359,306	969,162	1,359,306	969,162
	1,512,881	1,122,737	1,482,881	1,092,737
Less: Allowance for impairment	(11,683)	(3,791)	(3,791)	(3,791)
	1,501,198	1,118,946	1,479,090	1,088,946
Total	12,767,848	9,751,429	8,472,515	7,106,865

(Unaudited but reviewed)

The Company sold available for sale investments and recognised gains on the sales in the profit or loss. The details were as follows:

(Unit: Million Baht)

For the three-month periods ended 31 December

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Sales of investments	203	59	201	59
Gain on sales	49	4	48	4

(Unit: Million Baht)

For the nine-month periods ended 31 December

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Sales of investments	357	2,415	299	2,415
Gain on sales	70	55	59	55

10. Loans to a cooperative

(Unit: Thousand Baht)

	Consolidated financial statements	
	31 December	31 March
	<u>2016</u>	<u>2016</u>
Long-term loans	71,000	12,000
Less: Current portion	(12,000)	(12,000)
Long-term loans - net of current portion	<u>59,000</u>	<u>-</u>

(Audited)

Movements in the loans to cooperative account during the nine-month period ended 31 December 2016 were summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements
Balance as at 1 April 2016	12,000
Increase	59,000
Balance as at 31 December 2016	<u>71,000</u>

These loans represent loans to BTS Group cooperative, of which Baht 12 million are interest-free and are to be repaid within February 2017 and Baht 59 million are subject to interest at a rate of 2.75% per annum and are to be repaid within August 2026.

(Unaudited but reviewed)

11. Investment properties

Movements of the investment property account during the nine-month period ended 31 December 2016 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 April 2016	733,950	1,645,630
Additions during the period - at cost	-	88,734
Disposals / write-off during the period		
- net book value at disposal / write-off date	(11,096)	(11,096)
Transfer in	21,689	21,254
Acquisition of subsidiary during the period (Note 6.2.2)	64,920	-
Depreciation for the period	(7,208)	(43,617)
Net book value as at 31 December 2016	<u>802,255</u>	<u>1,700,905</u>

The Company and its subsidiaries have pledged investment properties as collateral guarantee facilities received from a financial institution and a creditor per rehabilitation plan, as detailed below.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 December	31 March	31 December	31 March
	2016	2016	2016	2016
		(Audited)		(Audited)
Book values	-	56	566	537

12. Property, plant and equipment

Movements of the property, plant and equipment account during the nine-month period ended 31 December 2016 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 April 2016	5,673,905	419,002
Additions during the period - at cost	729,080	23,713
Disposal / write-off during the period - net book value		
of disposal / write-off date	(9,592)	-
Acquisition of subsidiary during the period (Note 6.2.2)	173,644	-
Transfer in (out)	(4,803)	167
Depreciation for the period	(296,926)	(15,215)
Increase in allowance for impairment	(2,634)	-
Net book value as at 31 December 2016	6,262,674	427,667

The Company has mortgaged land and construction thereon with net book value as at 31 December 2016 of Baht 2,813 million (31 March 2016: Baht 2,742 million) as collateral for guarantee facilities from a financial institution.

On 22 August 2016, the Company's Board of Directors' meeting passed a resolution to approve the Company entering into long-term sublease agreement for certain areas (bare shell condition) of the residential building that is located on the Company's leasehold land under an agreement with the Treasury Department. The sub-lease would expire the same date as the land lease agreement with the Treasury Department, which is 19 November 2044 and the lease cost will be approximately Baht 234 million, payable on the lease date, which is expected to be in March 2017.

(Unaudited but reviewed)

13. Intangible assets

Movements of the intangible asset account during the nine-month period ended 31 December 2016 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 31 March 2016 - Restated	359,871	266
Additions during the period - at cost	33,095	17
Disposal during the period - net book value of disposal date	(18)	-
Acquisition of subsidiary during the period (Note 6.2.2)	378,457	-
Transfer in	17,361	268
Amortisation for the period	(80,324)	(172)
Net book value as at 31 December 2016	<u>708,442</u>	<u>379</u>

14. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 December	31 March	31 December	31 March
	2016	2016	2016	2016
		(Audited)		(Audited)
Trade payables - related parties	2,662	12,710	-	-
Trade payables	303,430	330,487	-	-
Other payables - related parties	46,099	12,335	3,367	55,134
Other payables	87,581	104,150	20,241	11,726
Payables from acquisitions of investments	257,015	28,532	8,581	28,532
Accrued interest expenses - related parties	108	612	492,218	254,390
Accrued interest expenses	103,859	11,414	-	1,439
Retention payable - related party	-	-	181	7,835
Retention payable	13,537	17,800	3,488	6,291
Deposit payable	232,290	234,193	30,000	30,000
Accrued expenses - related parties	5,182	-	13,028	750
Accrued expenses	639,035	581,020	43,043	31,520
Dividend payable	310,648	289,736	102,250	89,120
Total trade and other payables	<u>2,001,446</u>	<u>1,622,989</u>	<u>716,397</u>	<u>516,737</u>

(Unaudited but reviewed)

15. Short-term loans from financial institutions

Movements of the short-term loans from financial institution account during the nine-month period ended 31 December 2016 were summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 1 April 2016	3,750,000	3,510,000
Add: Issuance of promissory notes	5,200,000	3,740,000
Less: Repayment	(8,010,000)	(7,250,000)
Balance as at 31 December 2016	<u>940,000</u>	<u>-</u>

The promissory notes are subject to interest at rates of 2.08% per annum and due at call and in February 2017.

16. Bills of exchange payable

	(Unit: Thousand Baht)
	Consolidated and separate financial statements
Balance as at 1 April 2016	2,917,307
Add: Increase	28,740,000
Less: Repayment	(18,750,000)
Add: Amortisation of prepaid interest expenses	125,175
Less: Prepaid interest expenses	<u>(133,914)</u>
Balance as at 31 December 2016	<u>12,898,568</u>

Bills of exchange are subject to interest at rates of 1.62% - 1.85% per annum, not collateralised and mature during January to June 2017.

(Unaudited but reviewed)

17. Creditors per rehabilitation plan

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 December 2016	31 March 2016	31 December 2016	31 March 2016
		(Audited)		(Audited)
Creditors per rehabilitation plan	463,188	637,620	436,283	637,620
Less: Current portion	(461,751)	(610,668)	(434,846)	(610,668)
Creditors per rehabilitation plan - net of current portion	<u>1,437</u>	<u>26,952</u>	<u>1,437</u>	<u>26,952</u>

Movement of the creditors per rehabilitation plan account during the nine-month period ended 31 December 2016 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Balance as at 1 April 2016	637,620	637,620
Reversal	(174,432)	(201,337)
Balance as at 31 December 2016	<u>463,188</u>	<u>436,283</u>

On 24 August 2016, the Central Bankruptcy Court read the Supreme Court's order regarding the debt settlement entitlement of a creditor per the rehabilitation plan, as discussed in Note 31.8.1 to the interim financial statements. The amount of the debt per the Supreme Court's order is lower than the amount recorded by the Company in respect of this creditor per the rehabilitation plan in the past. The Company therefore reversed part of the debt of this creditor, such that balance is equal to the book value of the collateral and recorded a gain on the transaction of Baht 174 million (Separate financial statements: Baht 201 million) under the heading of "Gain on reversal of creditor per rehabilitation plan" in profit or loss. Currently, the Company is in the process of transfer of assets awaiting transfer under rehabilitation plan, investments in subsidiaries awaiting transfer under rehabilitation plan and cash deposited as collateral for debt settlement ("Assets awaiting transfer"). The Company will record settlement of the remaining debt of creditors per rehabilitation plan and the assets awaiting transfer when the Company transfers the assets awaiting transfer to the creditors.

(Unaudited but reviewed)

18. Long-term loans

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 December	31 March	31 December	31 March
	2016	2016	2016	2016
		(Audited)		(Audited)
Long-term loans	191,445	1,268,222	-	1,062,222
Less: Current portion	(47,945)	(1,095,222)	-	(1,062,222)
Long-term loans - net of current portion	143,500	173,000	-	-

Movements of the long-term loan account during the nine-month period ended 31 December 2016 are summarised below.

(Unit: Thousand Baht)

	Consolidated	Separate
	financial statements	financial statements
Balance as at 1 April 2016	1,268,222	1,062,222
Acquisition of subsidiary during the period (Note 6.2.2)	16,167	-
Add: Increase	300,000	-
Less: Gain on exchange rate	(5,622)	(5,622)
Less: Repayment	(1,387,322)	(1,056,600)
Balance as at 31 December 2016	191,445	-

On 17 August 2016, a subsidiary (VGI Global Media Public Company Limited) entered into a loan agreement with a local commercial bank, granting a credit facility of Baht 2,000 million to fund its acquisition of shares of Master Ad Public Company Limited. The loan carries interest at a fixed rate stipulated in the agreement, is a clean loan, and could be drawn down until 19 August 2016. Loan principal and interest are payable every six-months, beginning on the last working day of the sixth month from the first drawdown date, and the loan is due within 5 years from the first drawdown date. Principal installments are equal to 10 percent of the amount drawn-down. As at 31 December 2016, the subsidiary has no outstanding balance of the loan.

Loan agreements of the subsidiary 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 the Company 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.

(Unaudited but reviewed)

19. Long-term debentures

(Unit: Thousand Baht)

Consolidated financial statements

	31 December 2016	31 March 2016
		(Audited)
Unsecured debentures No. 1/2009#5	-	1,348,450
Unsecured debentures No. 1/2016#1	5,500,000	-
Unsecured debentures No. 1/2016#2	2,200,000	-
Unsecured debentures No. 1/2016#3	4,100,000	-
Unsecured debentures No. 1/2016#4	10,200,000	-
Total debentures	22,000,000	1,348,450
Less: Issuing costs	(22,592)	(979)
Total debentures - net of issuing costs	21,977,408	1,347,471
Less: Current portion	-	(1,347,471)
Debentures - net of current portion	21,977,408	-

Movements in the debenture account during the nine-month period ended 31 December 2016 were summarised below.

(Unit: Thousand Baht)

Consolidated
financial statements

Balance as at 1 April 2016	1,347,471
Add: Issuance of debentures	22,000,000
Add: Amortisation of deferred debenture issuing costs	1,550
Less: Repayment	(1,348,450)
Less: deferred debenture issuing costs	(23,163)
Balance as at 31 December 2016	21,977,408

(Unaudited but reviewed)

During the period, the subsidiary (BTSC) issued and offered the debentures in accordance with the resolution of the General Meeting of the subsidiary's shareholders as detailed below.

Debentures	Unit	Unit par (Baht)	Total value (Baht)	Issue date	Term	Maturity Date	Coupon rate (% per annum)
Unsecured debentures No. 1/2016#1	5,500,000	1,000	5,500,000,000	10 November 2016	3 years	10 November 2019	2.46
Unsecured debentures No. 1/2016#2	2,200,000	1,000	2,200,000,000	10 November 2016	5 years	10 November 2021	2.85
Unsecured debentures No. 1/2016#3	4,100,000	1,000	4,100,000,000	10 November 2016	7 years	10 November 2023	3.30
Unsecured debentures No. 1/2016#4*	10,200,000	1,000	10,200,000,000	10 November 2016	10 years	10 November 2026	3.87

* The subsidiary has a call option to fully or partially redeem the debentures before the maturity date, effective from 10 November 2021. Details of this are stipulated in the agreement.

The debenture agreement contains several covenants which, among other things, require the subsidiary to maintain interest bearing debt to equity ratio at the rates prescribed in the agreements.

In addition, on 22 July 2016, the Annual General Meeting of the Company's shareholders passed a resolution to approve the issue and offer of up to Baht 30,000 million of debentures, or the equivalent amount in other currencies. The Company's Board of Directors or authorised persons have the authority to stipulate details of the debentures. The Company currently has not issued and offered the debentures.

20. Provision for long-term employee benefits

Movements in the provision for long-term employee benefit account during the nine-month period ended 31 December 2016 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 1 April 2016	782,396	67,222
Current service cost	53,244	4,781
Interest cost	13,969	1,141
Benefits paid during the period	(24,434)	(5,704)
Acquisition of subsidiary during the period (Note 6.2.2)	24,360	-
Balance as at 31 December 2016	<u>849,535</u>	<u>67,440</u>

Long-term employee benefit expenses included in the profit or loss for the three-month and nine-month period ended 31 December 2016 amounted to Baht 23 million and Baht 67 million, respectively (Separate financial statements: Baht 2 million and Baht 6 million, respectively) (2015: Baht 20 million and Baht 60 million, respectively (Separate financial statements: Baht 1 million and Baht 4 million, respectively)).

During the three-month and nine-month periods ended 31 December 2016, long-term employee benefits that can be claimed from BTS Rail Mass Transit Growth Infrastructure Fund in the future, in accordance with the bases and assumptions of the management, amounted to Baht 10 million and Baht 29 million, respectively (2015: Baht 10 million and Baht 28 million, respectively).

(Unaudited but reviewed)

21. Provisions

Movements in provision account during the nine-month period ended 31 December 2016 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements		
	Special business tax	Major maintenance or restoration of elevated trains under service concession	Total
Balance as at 1 April 2016	1,171,299	212,370	1,383,669
Increase during the period	68,393	47,972	116,365
Decrease during the period	(41,891)	(5,064)	(46,955)
Balance as at 31 December 2016	1,197,801	255,278	1,453,079
As at 31 December 2016			
Current	65,303	-	65,303
Non-current	1,132,498	255,278	1,387,776
	1,197,801	255,278	1,453,079

22. Share capital/Share premium

As at 31 December 2016, the Company's issued and fully paid share capital has increased from Baht 47,717,396,744 (11,929,349,186 ordinary shares with a par value of Baht 4 each) to Baht 47,739,517,248 (11,934,879,312 ordinary shares with a par value of Baht 4 each) as a result of the exercises of the warrants (BTS-WA) to ordinary shares amounting to Baht 2,803,748 (700,937 ordinary shares with a value of Baht 4 each) and the warrants (BTS-WB) to ordinary shares amounting to Baht 19,316,756 (4,829,189 ordinary shares with a value of Baht 4 each), resulting in an increase in total share premium to Baht 1,853,122,168 (including adjustment to transfer amounting to Baht 13,487,372 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 7 July 2016.

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

In June 2016, the Company received advance subscription of Baht 4.22 per share to 700,937 of the additional ordinary shares arising from the exercise of the warrants to purchase new ordinary shares of the Company issued to the employees of the Company and its subsidiaries (BTS-WA) of 4,222,600 units, a total of Baht 2,957,954. As at 31 December 2016, there were a total of 2,003,150 outstanding unexercised warrants.

After the approval of dividend payment as discussed in Note 28 to the interim financial statements, the exercise price of the warrants will be adjusted from Baht 4.220 per share to Baht 4.117 per share and the exercise ratio will be adjusted from 1 unit : 0.166 share to 1 unit : 0.170 share. The adjustment is effective on 28 July 2016.

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

In June 2016, the Company received advance subscription of Baht 5.01 per share to 4,829,189 of the additional ordinary shares arising from the exercise of the warrants to purchase new ordinary shares of the Company issued to the employees of the Company and its subsidiaries (BTS-WB) of 4,829,189 units, a total of Baht 24,194,237. As at 31 December 2016, there were a total of 6,308,481 outstanding unexercised warrants.

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

On 24 July 2015, the Annual General Meeting of the shareholders of the Company passed a resolution to approve the issue of warrants to employees of the Company and its subsidiaries under the BTS Group ESOP 2015 Scheme (BTS-WC), at no cost. Details of the warrants are below.

Date of grant	30 May 2016
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	Baht 10.19
Exercise ratio (warrant to ordinary shares)	1:1

(Unaudited but reviewed)

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

In December 2016, the Company received advance subscription of Baht 12 per share to 75,000 of the additional ordinary shares arising from the exercise of the warrants to purchase new ordinary shares of the Company issued to the employees of the Company and its subsidiaries (BTS-W3) of 75,000 units, a total of Baht 900,000. The Company registered the increase in its paid-up capital with the Ministry of Commerce on 10 January 2017. As at 31 December 2016, there were a total of 3,944,551,464 outstanding unexercised warrants.

24. Service income

Details of service income are as follows:

(Unit: Thousand Baht)

For the three-month periods ended 31 December

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Advertising income	500,788	403,937	-	-
Revenues from providing of train operation services	420,202	404,157	-	-
Revenues from installation services for system works	41,886	-	-	-
Revenues from construction service	195,732	6,499	-	-
Revenues from hotel and restaurant operations	154,217	158,659	-	-
Revenues from servicing of spaces	126,692	88,203	16,634	16,288
Other service income	232,307	215,356	18,508	14,513
Total	<u>1,671,824</u>	<u>1,276,811</u>	<u>35,142</u>	<u>30,801</u>

(Unit: Thousand Baht)

For the nine-month periods ended 31 December

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Advertising income	1,469,231	1,248,464	-	-
Revenues from providing of train operation services	1,266,938	1,211,596	-	-
Revenues from installation services for system works	145,593	-	-	-
Revenues from construction service	197,252	59,779	-	-
Revenues from hotel and restaurant operations	465,059	433,599	-	-
Revenues from servicing of spaces	362,846	279,756	51,221	48,435
Other service income	659,753	544,697	56,957	44,025
Total	<u>4,566,672</u>	<u>3,777,891</u>	<u>108,178</u>	<u>92,460</u>

25. Interest income

Details of interest income are as follows:

(Unit: Thousand Baht)

For the three-month periods ended 31 December

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Interest income under concession agreement	31,829	32,428	-	-
Interest income under financial lease agreement	224	652	-	-
Interest income from financial institutions	54,988	39,653	29,027	7,617
Interest income from related parties	104,668	50,382	144,198	57,035
Total	191,709	123,115	173,225	64,652

(Unit: Thousand Baht)

For the nine-month periods ended 31 December

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Interest income under concession agreement	95,944	97,717	-	-
Interest income under financial lease agreement	998	2,264	-	-
Interest income from financial institutions	157,750	183,628	77,635	34,803
Interest income from related parties	281,608	69,085	387,634	82,003
Total	536,300	352,694	465,269	116,806

(Unaudited but reviewed)

26. Income tax

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

Income tax for the three-month and nine-month periods ended 31 December 2016 and 2015 are made up as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Current income tax:				
Interim corporate income tax charge	193,662	(52,919)	1,788	19,569
Adjustment in respect of income tax of previous year	499	-	714	-
Deferred tax:				
Relating to origination and reversal of temporary differences	(49,686)	2,834	(6,541)	5,838
Income tax expense (benefits) reported in the statements of comprehensive income	<u>144,475</u>	<u>(50,085)</u>	<u>(4,039)</u>	<u>25,407</u>

(Unit: Thousand Baht)

	For the nine-month periods ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Current income tax:				
Interim corporate income tax charge	544,264	1,193,915	1,788	946,354
Adjustment in respect of income tax of previous year	499	-	714	-
Deferred tax:				
Relating to origination and reversal of temporary differences	(117,479)	(91,700)	(6,468)	(36,671)
Income tax expense (benefits) reported in the statements of comprehensive income	<u>427,284</u>	<u>1,102,215</u>	<u>(3,966)</u>	<u>909,683</u>

(Unaudited but reviewed)

The amounts of income tax relating to each component of other comprehensive income for the three-month and nine-month periods ended 31 December 2016 and 2015 are as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Deferred tax relating to				
gain (loss) on changes in value of				
available-for-sale investments	<u>7,498</u>	<u>(183,148)</u>	<u>17,773</u>	<u>(170,210)</u>

(Unit: Thousand Baht)

	For the nine-month periods ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Deferred tax relating to				
gain (loss) on changes in value of				
available-for-sale investments	<u>(5,825)</u>	<u>(318,557)</u>	<u>2,911</u>	<u>(338,378)</u>

27. Basic earnings per share

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

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

(Unaudited but reviewed)

Details of calculation of earnings per share for the three-month and nine-month periods ended 31 December 2016 and 2015 are as below.

Consolidated financial statements						
For the three-month periods ended 31 December						
Profit		Weighted average number of ordinary shares		Earnings per share		
<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	
Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht	
Basic earnings per share						
Profit attributable to equity holders of the Company	468,096	607,353	11,839,041	11,833,509	0.03954	0.05132
Effect of dilutive potential ordinary shares						
Warrants (BTS-WA)	-	-	167	570		
Warrants (BTS-WB)	-	-	2,414	4,463		
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	468,096	607,353	11,841,622	11,838,542	0.03953	0.05130
Separate financial statements						
For the three-month periods ended 31 December						
Profit		Weighted average number of ordinary shares		Earnings per share		
<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	
Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht	
Basic earnings per share						
Profit attributable to equity holders of the Company	1,161,049	952,332	11,839,041	11,833,509	0.09807	0.08048
Effect of dilutive potential ordinary shares						
Warrants (BTS-WA)	-	-	167	570		
Warrants (BTS-WB)	-	-	2,414	4,463		
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	1,161,049	952,332	11,841,622	11,838,542	0.09805	0.08044

(Unaudited but reviewed)

Consolidated financial statements						
For the nine-month periods ended 31 December						
		Weighted		Earnings per share		
Profit		average number of				
		ordinary shares				
<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	
Thousand	Thousand	Thousand	Thousand	Baht	Baht	
Baht	Baht	shares	shares			
Basic earnings per share						
Profit attributable to equity holders of the Company	1,564,289	4,097,498	11,837,391	11,828,589	<u>0.13215</u>	<u>0.34641</u>
Effect of dilutive potential ordinary shares						
Warrants (BTS-WA)	-	-	287	2,493		
Warrants (BTS-WB)	-	-	3,254	5,142		
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	<u>1,564,289</u>	<u>4,097,498</u>	<u>11,840,932</u>	<u>11,836,224</u>	<u>0.13211</u>	<u>0.34618</u>

Separate financial statements						
For the nine-month periods ended 31 December						
		Weighted		Earnings per share		
Profit		average number of				
		ordinary shares				
<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	
Thousand	Thousand	Thousand	Thousand	Baht	Baht	
Baht	Baht	shares	shares			
Basic earnings per share						
Profit attributable to equity holders of the Company	3,029,170	6,644,064	11,837,391	11,828,589	<u>0.25590</u>	<u>0.56170</u>
Effect of dilutive potential ordinary shares						
Warrants (BTS-WA)	-	-	287	2,493		
Warrants (BTS-WB)	-	-	3,254	5,142		
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	<u>3,029,170</u>	<u>6,644,064</u>	<u>11,840,932</u>	<u>11,836,224</u>	<u>0.25582</u>	<u>0.56133</u>

An exercise price of the warrant to purchase the ordinary shares of the Company (BTS-W3) and the warrant to purchase the ordinary shares of the Company issued to the employees of the Company and its subsidiaries (BTS-WC) was higher than the average market price of the Company's shares for the three-month and nine-month periods ended 31 December 2016 and 2015. Therefore, the Company has not assumed conversion of the warrant in the calculation of diluted earnings per share.

(Unaudited but reviewed)

28. Dividends

<u>Dividends</u>	<u>Approved by</u>	<u>Total dividends</u> (Million Baht)	<u>Dividend per share</u> (Baht)
Final dividends for 2014/2015	Annual General Meeting of the shareholders on 24 July 2015	3,548	0.30
Total for the nine-month period ended 31 December 2015		<u>3,548</u>	
Final dividends for 2015/2016	Annual General Meeting of the shareholders on 22 July 2016	4,024	0.34
Total for the nine-month period ended 31 December 2016		<u>4,024</u>	

29. Contracts in progress

As at 31 December 2016, the aggregate amount of installation and construction costs incurred and recognised profits or losses to date for contracts in progress of the subsidiaries was approximately Baht 361 million (31 March 2016: Baht 49 million) and gross amounts due from customers for contracts in progress were approximately Baht 125 million (31 March 2016: Baht 32 million).

30. Foreign currency assets/liabilities

As at 31 December 2016 and 31 March 2016, the Company and its subsidiaries had financial assets and liabilities in foreign currency as follows:

Consolidated financial statements					
Foreign currency	31 December 2016		31 March 2016		Average exchange rate as at 31 December 2016 (Baht per 1 Foreign currency unit)
	Financial assets	Financial liabilities	Financial assets (Audited)	Financial liabilities (Audited)	
	(Million)	(Million)	(Million)	(Million)	
USD	94	-	76	30	35.8307
EUR	191	-	31	1	37.7577
SGD	-	-	-	1	24.8010
RMB	32	-	247	-	5.1498

Separate financial statements					
Foreign currency	31 December 2016		31 March 2016		Average exchange rate as at 31 December 2016 (Baht per 1 Foreign currency unit)
	Financial assets	Financial liabilities	Financial assets (Audited)	Financial liabilities (Audited)	
	(Million)	(Million)	(Million)	(Million)	
USD	68	-	51	30	35.8307
RMB	-	-	215	-	5.1498

As at 31 December 2016, the Company has entered into cross currency swap and forward exchange agreements amounting to USD 54 million under which the contractual rates are Baht 35.62 - 35.69 per USD (31 March 2016: USD 24 million and RMB 215 million under which the contractual rates are Baht 31.25 - 32.69 per USD and Baht 5.3772 per RMB, respectively).

A subsidiary (BTSC) has used cash at bank of EUR 159 million as hedging instrument to provide a cash flow hedge against foreign exchange risk arising from firm commitments to purchase trains and related equipment.

31. Commitments and contingent liabilities

As at the date of the statements of financial position, the Company and its subsidiaries had commitments and contingent liabilities as follows:

31.1 Capital commitments

- a) The Company and its subsidiaries (HHT Construction Company Limited, BTS Land Company Limited, Muangthong Assets Company Limited and Man Food Products Company Limited) had outstanding commitments of approximately Baht 367 million (31 March 2016: Baht 491 million and HKD 2 million) in respect of agreements of consultation, design and construction projects and machinery.
- b) The Company and its subsidiaries (Nine Square Property Company Limited, BTS Land Company Limited and Mak 8 Company Limited) had outstanding commitments with a subsidiary (HHT Construction Company Limited) approximately Baht 128 million (31 March 2016: Baht 53 million) in respect of renovation and development of golf course and hotel construction.
- c) The Company had outstanding commitments of USD 24 million (31 March 2016: USD 29 million) in respect of overseas investments.
- d) The subsidiaries (Dnal Company Limited and Keystone Estate Company Limited) had outstanding commitments of approximately Baht 512 million (31 March 2016: Baht 953 million) relating to the agreements to purchase and to sell of land and building.
- e) A subsidiary (BTSC) had capital commitments totaling Baht 12 million (31 March 2016: Baht 30 million) in respect of improvements of BTS Sky train System.
- f) A subsidiary (BTSC) had capital commitments of Baht 3 million (31 March 2016: Baht 13 million) in respect of the renovation of office building.
- g) A subsidiary (Bangkok Smartcard System Company Limited) had capital commitments of Baht 7 million (31 March 2016: Baht 14 million) relating to the installation of common ticketing systems, management information system and development of website.

(Unaudited but reviewed)

- h) A subsidiary (VGI Global Media Public Company Limited) had capital commitments of Baht 17 million (31 March 2016: Baht 47 million), relating to the acquisition of equipment and software computer.
- i) A subsidiary (Rabbit 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.

Obligations as discussed in e) and f) will be allocated for collection from BTS Rail Mass Transit Growth Infrastructure Fund in accordance with bases and assumptions determined by BTSC's management. BTSC's management believes that these bases and assumptions are appropriate under the current circumstances.

31.2 Operating lease commitments

The Company and its subsidiaries have entered into several lease agreements in respect of the lease of land, office building space, motor vehicles and equipment.

The Company and its subsidiaries have future minimum lease payments required under these non-cancellable operating lease contracts were as follows:

	Consolidated		(Unit: Million Baht) Separate	
	financial statements		financial statements	
	31 December	31 March	31 December	31 March
	2016	2016	2016	2016
		(Audited)		(Audited)
Payable:				
Up to 1 year	147	53	43	40
Over 1 and up to 5 years	257	158	111	119
Over 5 years	291	297	201	222

Under the conditions of the lease agreements for advertising space, the subsidiaries are committed to pay rental on a monthly basis. One-month deposits were made and will be refunded when the agreements are terminated with the consent of the lessor. The agreements are renewable for every 3 years with rental adjustment made based on current market conditions.

Obligations will be allocated for collection from BTS Rail Mass Transit Growth Infrastructure Fund in accordance with bases and assumptions determined by BTSC's management. BTSC's management believes that these bases and assumptions are appropriate under the current circumstances.

31.3 Service contract commitments

- a) A subsidiary (BTSC) had commitments of approximately Baht 20 million (31 March 2016: Baht 53 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).
- b) A subsidiary (BTSC) had commitments under service agreements with contractors relating to the procurement and installation of electronic and mechanical systems for the Mass Transit System - Green Line (Mochit-Sapanmai-Kukot and Bearing-Sumutprakan).
- c) A subsidiary (BTSC) had commitments of approximately Baht 49 million (31 March 2016: Baht 48 million) under service agreements with the subsidiaries (Bangkok Payment Solutions Company Limited and Bangkok Smartcard System Company Limited) relating to compliance with the Establishment Central Clearing House Project (CCH) Agreement.
- d) A subsidiary (BTSC) had commitments amounting to approximately Baht 371 million under service agreements with a contractor for the design and construction of Suksawittaya Station (S4), relating to a memorandum of agreement for the construction of S4 station between the subsidiary, BTSGIF and another company dated 10 August 2016. The subsidiary is responsible for procurement and is the counterparty with the contractor, while BTSGIF and the other company are responsible for construction costs totaling not more than Baht 650 million.
- e) The Company and its subsidiaries had committed to pay fees totaling Baht 111 million (31 March 2016: Baht 270 million) (Separate financial statements: Baht 9 million (31 March 2016: Baht 21 million)) relating to service agreements.

Certain obligations as discussed in d) and e) will be allocated for collection from BTS Rail Mass Transit Growth Infrastructure Fund in accordance with bases and assumptions determined by BTSC's management. The subsidiary's management believes that these bases and assumptions are appropriate under the current circumstances.

31.4 Commitments under maintenance contract

On 15 September 2014, a subsidiary (BTSC) entered into a fifteen-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 15 years. The amount to be paid for the first year is approximately Baht 253 million and EUR 3 million, while in subsequent 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.

Subsequently, on 23 May 2016, the subsidiary entered into a maintenance contract for 22 of the 46 4-car trains (as discussed in Note 31.5 d) to the interim financial statements) 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 16 years. Charges for the first 16 months are approximately Baht 67 million and the annual maintenance fees to be paid for the first year are approximately Baht 73 million and EUR 1.3 million, while in future years, the amount to be paid will be adjusted upwards with reference to the consumer price index. The subsidiary has not yet begun making payment of this cost.

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. The subsidiary's management believes that these bases and assumptions are appropriate under the current circumstances.

31.5 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 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.
- b) The Company entered into a management agreement with its subsidiary (Tanayong Property Management Company Limited), which is to furnish the Company with systems management services. Under the conditions of the agreement, the Company is to pay service fees at the rate specified in the agreement.
- c) A subsidiary (Muangthong Assets Company Limited) entered into service agreements with an associate (Absolute Hotel Services Company Limited), which is to furnish the subsidiary with royalty and hotel business management - related services. The subsidiary are to pay service fees at a rate as stipulated in the agreement.
- d) A subsidiary (BTSC) had commitments totaling EUR 171 million and Baht 504 million in respect of the acquisitions of 46 4-car trains and related equipment, and spare parts for 22 4-car trains, for which agreements have already been concluded (under the agreements concerning the purchases of the trains and related equipment, the subsidiary paid advances amounting to Euro 47 million, equivalent to Baht 1,820 million, and Baht 260 million (As at 31 December 2016, the subsidiary presented the outstanding balance of the advances of Baht 1,832 million under "Deposits and advance for asset acquisitions" in the consolidated statement of financial position. This is the net amount after allocation of amounts charged to BTS Rail Mass Transit Growth Infrastructure Fund)).

Obligations will be allocated to and collected from BTS Rail Mass Transit Growth Infrastructure Fund, in accordance with bases and assumptions determined by the subsidiary's management. The subsidiary's management believes that these bases and assumptions are appropriate under the current circumstances.

(Unaudited but reviewed)

In addition, under the operation and maintenance contract for a mass transit system in Bangkok, dated 3 May 2012, the subsidiary also has future commitments in respect of acquisitions of elevated trains, totaling 70 cars. The trains must be in operation by 2030.

- e) A subsidiary (BTSC) had outstanding commitments under the concession agreements of the Bangkok Mass Transit System project for extension line - Silom (S7-S8) and Sukhumvit (E10-E14), for a period of 15 years as from the year 2015 to the year 2029. Compensation which is payable throughout the terms of the agreements expected to be risen every three years in accordance with the passenger growth rate, but at least 10%. The amount to be paid for the 1-3 year is approximately Baht 79 million.
- f) A subsidiary (VGI Global Media Public Company Limited) had outstanding commitments as stipulated in the agreements as follows:
- 1) Concession agreements for the installation and management of advertising media in buildings with a related company and unrelated companies, whereby it is to install, and manage the provision of advertising through, LCD screens in these buildings.
 - 2) Concession agreements for the management and provision of advertising space, and other related agreements.

The subsidiary had outstanding commitments with respect to minimum guarantees under concession agreements. Fees are payable as follows:

	(Unit: Million Baht)	
	<u>31 December 2016</u>	<u>31 March 2016</u>
		(Audited)
Fees payable:		
Up to 1 year	51	59
Over 1 and up to 5 years	93	117
Over 5 years	-	10

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

In addition, on 23 November 2016, the subsidiary entered into an agreement with an associate (Demo Power (Thailand) Company Limited (“DPT”)) granted a solely license to use space for the provision of marketing activity and sales promotion services, including public relations of goods and services of DPT’s customers, on 23 main BTS stations, which the subsidiary has been granted a license of use from BTSC. Under the conditions of the agreement, the subsidiary is to receive a license fee in accordance with actual performance, based on a certain rate as stipulated in the agreement.

31.6 Other commitments

- a) The Company and its subsidiary (BTSC) had commitments in respect of compliance with the Net Revenue Purchase and Transfer Agreement and other agreements relating to infrastructure fund transaction.
- b) The Company had commitments in respect of compliance with the Securities Borrowing and Lending Agreements that the Company had already entered into with the security companies.
- c) A subsidiary (BTSC) has commitments in respect of its performance in accordance with the Purchase and Installation of Operating System (Electric and Mechanic) Agreement for the Green Line (Mochit-Sapanmai-Kukot and Bearing-Sumutprakan) dated 28 June 2016 that the subsidiary and Krungthep Thanacom Company Limited (“Krungthep Thanacom”) signed. The agreement stipulates that Krungthep Thanacom has an option to make payment within the end of a 4 year period after payment is due and can extend this period by another 2 years, with interest charged at the rate stipulated in the agreement as from the date the option is exercised.
- d) A subsidiary (BTSC) has commitments in respect of its performance in accordance with the Operating and Maintenance Agreement for the Green Line (Mochit-Sapanmai-Kukot and Bearing-Sumutprakan) dated 1 August 2016 that the subsidiary and Krungthep Thanacom Company Limited. (“Krungthep Thanacom”) signed. (Currently, Krungthep Thanacom is in the process of finalising the fees for the Operating and Maintenance Agreement for the Green Line (Mochit-Sapanmai-Kukot and Bearing-Sumutprakan) based on a price per car-km).

31.7 Guarantees

- a) There is a bank guarantee of Baht 23 million (31 March 2016: 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 and a bank guarantee of Baht 66 million (31 March 2016: Nil) issued to the Central Bankruptcy Court as collateral, in accordance with the Company’s business rehabilitation plan.
- 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 (31 March 2016: Baht 57 million) and Baht 100 million (31 March 2016: Nil) to guarantee compliance with the Purchase and Installation of Operating System (Electric and Mechanic) Agreement for the Green Line (Mochit-Sapanmai-Kukot and Bearing-Samutprakan). In addition, there was an outstanding bank guarantee of Baht 40 million (31 March 2016: Baht 40 million) 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.

(Unaudited but reviewed)

BTS Rail Mass Transit Growth Infrastructure Fund will be responsible for the bank guarantees amounting to Baht 38 million (31 March 2016: Baht 38 million) issued by a bank on behalf of the subsidiary to the Metropolitan Electricity Authority to guarantee electricity use.

- c) The Company and its subsidiaries had additional bank guarantees issued by banks as required in their normal operations of approximately Baht 273 million (Separate financial statements: Baht 53 million) (31 March 2016: Baht 274 million (Separate financial statements: Baht 3 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.
- e) A subsidiary (Master Ad Public Company Limited) had guaranteed bank credit facilities of its associate (Landy Development Company Limited) amounting to Baht 89 million.

31.8 Litigations

During the period, there was no significant progress in the litigation described in Note 55.8 to the financial statements for the year ended 31 March 2016, except the following:

- 31.8.1** As described in Note 55.8 b) to the financial statements for the year ended 31 March 2016, 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 the creditor is entitled to receive. The Central Bankruptcy Court ordered the amendment of the amounts of the debt settlement entitlements and the creditor appealed the order of the Central Bankruptcy Court to the Supreme Court. On 24 August 2016, the Central Bankruptcy Court read the Supreme Court's order regarding the debt settlement entitlement of the creditor per the rehabilitation plan. The amount of the debt per the Supreme Court's order is lower than the amount recorded by the Company in respect of this creditor per the rehabilitation plan in the past. The Company therefore reversed part of the debt of this creditor and is in the process of transfer of assets awaiting transfer under rehabilitation plan, investments in subsidiaries awaiting transfer under rehabilitation plan and cash deposited as collateral for debt settlement, as described in Note 17 to the interim financial statements.

31.8.2 As described in Note 55.8 h) to the financial statements for the year ended 31 March 2016, on 15 October 2015, a jointly controlled company (Bayswater Co., Ltd.) purchased land through an auction organized by the official receiver for a price of Baht 7,350 million. However, a company who is a debtor under the bankruptcy action and the original landowner (not related to the Company and its subsidiaries) (“Debtor”) petitioned the Central Bankruptcy Court (“the Court”) seeking an order to cease the auction of assets of the debtor. On 22 September 2015, the Court dismissed the petition on the grounds that there was no legal basis to permit the petition. Subsequently, on 23 September 2015, the debtor lodged an appeal of the Court’s order with the Supreme Court, asking for permission to appeal. The Supreme Court denied the debtor leave to appeal.

Subsequently, on 14 October 2015 the debtor company filed petitions asking the Court to order the official receiver to accept an application for a composition of debt for processing in accordance with the law, and to order the postponement or cessation of the auction that was to be held on 15 October 2015 and the following day, based on the auction announcement. The Court dismissed the petition on 28 January 2016. Subsequently, on 4 March 2016, the debtor lodged an appeal of the Court’s order with the Supreme Court, asking for permission to appeal. Currently, the Supreme Court is considering whether to order the official receiver to accept an application for a composition of debt and to order the cancelation of the auction.

In addition, on 29 October 2015 the debtor company and its 2 unsecured creditors (“Creditors”) filed petitions asking the Court to order the cancelation of the auction of assets and to cease compulsory of litigation result during consideration of the petitions of cancelation of the auction of assets. The Court dismissed the petition on 28 January 2016. Subsequently, on 18 February 2016, the debtor and its creditors lodged an appeal of the Court’s order with the Supreme Court, asking for permission to appeal. Currently, the Supreme Court is considering whether to order the Central Bankruptcy Court to accept the petition to investigate and order the cancelation of the auction.

The Company and the jointly controlled company believe that no significant losses will result from these cases.

32. Segment information

The Company and its subsidiaries are organised into business units based on its products and services. For this period, there is an additional installation service segment which the Company and its subsidiaries have included in the service segment.

The following table presents revenue and profit information regarding the Company and its subsidiaries' operating segments for the three-month and nine-month periods ended 31 December 2016 and 2015.

(Unit: Million Baht)

	For the three-month periods ended 31 December								Consolidated	
	Media segment		Property segment		Service segment		Elimination		financial statements	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Revenues from external customers	655	512	-	11	1,017	764	-	-	1,672	1,287
Inter-segment revenues	18	8	-	-	271	87	(289)	(95)	-	-
Total revenues	<u>673</u>	<u>520</u>	<u>-</u>	<u>11</u>	<u>1,288</u>	<u>851</u>	<u>(289)</u>	<u>(95)</u>	<u>1,672</u>	<u>1,287</u>
Segment profit	428	374	-	3	276	262			704	639
Unallocated revenues and expenses:										
Management income									1	-
Dividend income									122	139
Interest income									191	124
Gain on sales of investments									116	17
Other income									44	57
Selling expenses									(116)	(23)
Administrative expenses									(411)	(391)
Share of loss from investments in joint ventures									(59)	(71)
Share of profit from investments in associates									232	200
Finance cost									(192)	(59)
Income tax									(144)	50
Profit for the period									<u>488</u>	<u>682</u>
Non-controlling interests of the subsidiaries									<u>(20)</u>	<u>(75)</u>
Profit attributable to equity holders of the Company									<u>468</u>	<u>607</u>

(Unaudited but reviewed)

(Unit: Million Baht)

	For the nine-month periods ended 31 December								Consolidated	
	Media segment		Property segment		Service segment		Elimination		financial statements	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Revenues from external customers	1,901	1,583	14	293	2,665	2,194	-	-	4,580	4,070
Inter-segment revenues	34	23	-	-	596	293	(630)	(316)	-	-
Total revenues	<u>1,935</u>	<u>1,606</u>	<u>14</u>	<u>293</u>	<u>3,261</u>	<u>2,487</u>	<u>(630)</u>	<u>(316)</u>	<u>4,580</u>	<u>4,070</u>
Segment profit	1,290	1,118	5	118	827	820			2,122	2,056
Unallocated revenues and expenses:										
Management income									6	-
Dividend income									263	258
Interest income									536	353
Gain on sales of investments									186	170
Gain on swap of investments									-	3,459
Gain on change in status of investment									207	-
Gain on sales of assets									5	75
Gain on reversal of creditors per rehabilitation plan									174	96
Other income									74	92
Selling expenses									(263)	(103)
Administrative expenses									(1,126)	(1,070)
Reversal of provision for terminating agreements									-	94
Loss on provision for revenues being lower than the minimum guaranteed amounts									(28)	(135)
Share of loss from investments in joint ventures									(221)	(246)
Share of profit from investments in associates									602	525
Finance cost									(370)	(209)
Income tax									<u>(427)</u>	<u>(1,102)</u>
Profit for the period									1,740	4,313
Non-controlling interests of the subsidiaries									<u>(176)</u>	<u>(216)</u>
Profit attributable to equity holders of the Company									<u>1,564</u>	<u>4,097</u>

33. Fair value of financial instruments

The Company and its subsidiaries use the market approach to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards, except that the cost approach or income approach is used when there is no active market or when a quoted market price is not available.

Fair value hierarchy

In applying the above-mentioned valuation techniques, the Company and its subsidiaries endeavor to use relevant observable inputs as much as possible. TFRS 13 *Fair Value Measurement* establishes a fair value hierarchy categorising such inputs into three levels as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

As of 31 December 2016, the Company and its subsidiaries had the following financial assets that were measured at fair value using different levels of inputs as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		
	Level 1	Level 2	Total
Held for trade investments			
Investments in fixed income funds	-	317,233	317,233
Equity instruments	286,534	-	286,534
Debt instruments	-	190,679	190,679
Derivative warrants	-	128,416	128,416
Available-for-sale investments			
Equity instruments	4,355,732	3,204,851	7,560,583

(Unit: Thousand Baht)

	Separate financial statements		
	Level 1	Level 2	Total
Held for trade investments			
Equity instruments	286,535	-	286,535
Debt instruments	-	70,005	70,005
Available-for-sale investments			
Equity instruments	4,036,725	1,100,689	5,137,414

Valuation techniques and inputs to Level 2 valuations

The fair value of investments in debt instruments has been determined by using the yield curve as announced by the Thai Bond Market Association or by other relevant bodies.

The fair value of investments in unit trusts of fund has been determined using net asset value at the reporting date.

The fair value of investments in preferred shares classified as equity instruments has been determined using bid prices derived from a reliable financial information provider.

The fair value of derivative warrants has been determined by using a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as underlying price, exercise price and interest rate.

34. Bids for the MRT Pink Line Project (Khae Rai - Min Buri) and the MRT Yellow Line Project (Lat Phrao - Samrong)

On 7 November 2016, the Company, Sino-Thai Engineering & Construction Public Company Limited and Ratchaburi Electricity Generating Holding Public Company Limited jointly submitted the proposals under the name of “BSR Joint Venture” (in which they have interests of 75%, 15% and 10%, respectively) to the Mass Rapid Transit Authority of Thailand (“MRTA”) for the MRT Pink Line Project (Khae Rai - Min Buri) (“MRT Pink Line Project”) and the MRT Yellow Line Project (Lat Phrao - Samrong) (“MRT Yellow Line Project”). BSR Joint Venture has placed bank guarantees of Baht 2,000 million to guarantee the bid. Subsequently, MRTA has issued letter nos. MRTA 004/3227 and MRTA 004/3228 announcing that the bid submitted by BSR Joint Venture was the best proposed for the MRT Pink Line Project and MRT Yellow Line Project. The next step is for BSR Joint Venture to enter into further negotiations pursuant to the procedures stated in the Private Investments in State Undertakings Act B.E. 2556 (2013).

Currently, BSR Joint Venture is in the process of being established.

35. Events after the reporting period

- 35.1** On 9 January 2017, the Board of Directors of the Company passed a resolution to approve payment of interim dividend of Baht 1,953 million (at a rate of Baht 0.165 per share) to the shareholders, in respect of the profit for the six-month period ended 30 September 2016.
- 35.2** On 1 February 2017, the Board of Directors of a subsidiary (VGI Global Media Public Company Limited) passed a resolution to approve payment of interim dividend of Baht 240 million (at a rate of Baht 0.035 per share) to the shareholders, in respect of the profit for the six-month period ended 30 September 2016.
- 35.3** On 9 February 2017, the Company established RB Services Company Limited to engage in investment in the securities of other companies, with a registered share capital of Baht 100 million (1,000,000 ordinary shares with a par value of Baht 100 each), with the Company to hold a 100% interest.
- 35.4** On 9 February 2017, the Board of Directors of a subsidiary (Master Ad Public Company Limited) passed a resolution to approve acquisitions of the leasehold rights, billboards and investment in construction, LED screens and control system totaling Baht 310 million.

36. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 10 February 2017.