

BTS Group Holdings Public Company Limited
and its subsidiaries
Report and consolidated financial statements
31 March 2017

Independent Auditor's Report

To the Shareholders of BTS Group Holdings Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of BTS Group Holdings Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 March 2017, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of BTS Group Holdings Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of BTS Group Holdings Public Company Limited and its subsidiaries and of BTS Group Holdings Public Company Limited as at 31 March 2017, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions under the Royal Patronage of His Majesty the King as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter

I draw attention to Note 56.8 g) to the 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 opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond for each matter are described below.

Dividend income and interest income

During the year, the Company recognised dividend income and interest income amounting to Baht 3,954 million and Baht 565 million, respectively, in the statement of comprehensive income. Since these transactions were significant, I attached importance to the recognition of dividend income and interest income in accordance with the Company's accounting policy, as stated in Note 4.1 to the financial statements.

I examined the recognition of dividend income and interest income by gaining an understanding of the Company's internal controls with respect to the recognition of these transactions and examining sample supporting documents for the transactions occurring during the year, as well as testing calculations related to the transactions, in order to determine whether recognition is in accordance with the Company's accounting policy.

Investments

As at 31 March 2017, the Company and its subsidiaries had investments in subsidiaries, joint ventures and associates totaling Baht 22,405 million (Separate financial statements: Baht 63,645 million), and current and other long-term investments totaling Baht 19,897 million (Separate financial statements: Baht 8,108 million), as discussed in Notes 8, 15, 16, 17 and 18 to the financial statements. These investments were significant to the statement of financial position. In addition, during the year, the Company and its subsidiaries had gains on sales of investments amounting to Baht 416 million (Separate financial statements: Baht 634 million) and share of profit from investments under the equity method amounting to Baht 387 million, which were significant to the statement of comprehensive income. The management also had to exercise significant judgment with respect to recognition of impairment of such investments.

I examined the investments by assessing and testing the internal controls with respect to the investments by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls. I also examined supporting documents, on a sampling basis, for the purchase and sale transactions, tested the calculation of gains and losses from sales of investments and the measurement of the value of various investments to determine their compliance with the Company's accounting policies. In addition, I examined the recognition of share of profit (loss) from investments under the equity method to determine its compliance with financial reporting standards. Moreover, I gained an understanding of the management's consideration of impairment of investments and reviewed the assumptions and methods used by the management in calculating the recoverable amount of investments.

Recognition of transactions under the Operation and Maintenance for Mass Transit System Agreements of subsidiary (Bangkok Mass Transit System Public Company Limited)

The subsidiary has the Operation and Maintenance for Mass Transit System Agreements, under which the subsidiary is to procure a number of trains for public service and provide maintenance under service concessions for a specified period, as discussed in Notes 1.2 b) and c) and 11 to the financial statements. As at 31 March 2017, the subsidiary had significant transactions relating to these agreements, including receivable under concession agreements amounting to Baht 4,305 million as presented in the consolidated financial statements. Moreover, during the year, the subsidiary had revenues from provision of operating services, interest income and train procurement service income under concession agreements totaling Baht 2,610 million. The management had to exercise significant judgment with respect to analysis of the contents of the agreements and the recording of the accounting transactions in accordance with the scope of Thai Financial Reporting Standard Interpretations 12 *Service Concession Arrangements*.

I examined the recognition of transactions under the Operation and Maintenance for Mass Transit System Agreements by gaining an understanding of the management's consideration of service concession arrangements to determine whether the management understood the agreements and exercised judgment with respect to analysis of the contents of the agreements and the recording of the transactions in accordance with the scope of Thai Financial Reporting Standard Interpretations 12 *Service Concession Arrangements*. I also examined the recognition of train procurement service income under concession agreements and tested the calculation of interest income using the effective interest rate method. In addition, I examined the recognition of revenues from provision of operating services to determine its compliance with the agreements.

Allocation of transactions relating to sale of net future fare box revenues of subsidiary (Bangkok Mass Transit System Public Company Limited)

In 2013, the subsidiary sold the rights to collect future fare box revenues to BTS Rail Mass Transit Growth Infrastructure Fund (“BTSGIF”), and the basis of recognition of the relevant transactions from an accounting and tax perspective is discussed in Note 1.2 a) to the financial statements. During the year, the subsidiary had significant transactions relating to the above transaction, consisting of allocations of assets, liabilities, revenues and expenses to BTSGIF (“Allocation transactions relating to sale of net future fare box revenues”). As discussed in Note 5 to the financial statements, in making these allocations the management needed to apply significant judgment to determine the basis and assumptions for recognition of the transactions in compliance with the terms and conditions stipulated in the agreements made with BTSGIF.

I examined the allocation transactions relating to the sale of net future fare box revenues by assessing and testing the internal controls with respect to the transactions by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls. On a sampling basis, I also tested allocation transactions relating to the sale of net future fare box revenues and sent a confirmation request to BTSGIF for the balance of net future fare box revenue remittance, consisting of the outstanding inter-company balance and the amount of fare box revenue remitted during the year.

Assessment of control of subsidiary (VGI Global Public Company Limited)

As described in Note 15.2.2 to the financial statements, the subsidiary additionally acquired 375 million ordinary shares of Master Ad Public Company Limited (“MACO”), representing 12.46% of all issued and paid-up shares of MACO, from existing shareholders. MACO also issued new ordinary shares to increase its capital, and the subsidiary acquired MACO’s shares through the Stock Exchange of Thailand during the current year. As a result, as at 31 March 2017, the subsidiary had 33.68% interest in MACO, and is deemed to have control over MACO since it has the rights, or is exposed to variable returns from its involvement with MACO. The subsidiary also has the ability to direct the activities that significantly affect the amount of its return, even though the subsidiary holds a percentage of shares and voting rights that are less than half of the total shares and voting rights. Management is required to exercise a high degree of judgement in reaching a decision on the issue of control, which has a significant impact on the preparation of the consolidated financial statements.

The subsidiary's auditor performed an audit of this matter. I gained an understanding of and assessed the auditor's work to obtain sufficient and appropriate audit evidence. The subsidiary's auditor reviewed the terms and conditions of the share purchase agreement and management's responses to the auditor's enquiries as to the nature and objectives of the acquisition, and assessed control to determine whether it meets the definition under financial reporting standards, taking into account the conditions and facts relevant to power, the rights to variable returns, and the ability to direct the activities that significantly affect the amount of the return.

Business combination and goodwill of subsidiary (VGI Global Public Company Limited)

During the year, the subsidiary acquired ordinary shares of Master Ad Public Company Limited ("MACO"), and Green Ad Company Limited, another subsidiary of MACO, invested in Multi Sign Company Limited. The subsidiaries recognised gain from the change in the status of these investments amounting to approximately Baht 207 million in the consolidated statement of income and, during the current year, the subsidiaries completed the measurement of the fair value at the acquisition date of the identifiable assets acquired, the liabilities assumed and the non-controlling interest in the subsidiaries, and the goodwill, as discussed in Note 15.2.2 to the financial statements. As at 31 March 2017, the subsidiary had goodwill at a carrying value of Baht 1,487 million in the consolidated statement of financial position. Management was required to exercise substantial judgment when appraising the fair value of the identifiable assets acquired and liabilities assumed and these business acquisitions are significant to the financial statements. In addition, the assessment of impairment of goodwill is a significant accounting estimate requiring management to exercise a high degree of judgment in identifying the cash generating units, estimating the cash inflows that are expected to be generated from that group of assets in the future, and setting an appropriate discount rate and long-term growth rate.

The subsidiary's auditor performed an audit of this matter. I gained an understanding of and assessed the auditor's work to obtain sufficient and appropriate audit evidence. The procedures carried out by the subsidiary's auditor related to the assessment of the business combination and goodwill were as follows:

- A review of the terms and conditions of the share purchase agreements and inquiries made with the management as to the nature and objectives of the acquisition in order to evaluate whether the acquisition meets the definition of a business combination, including a check of the consideration transferred for the acquisition of the business.
- Testing of the calculation of the gain from the change in the status of investments and the fair value of the identifiable assets acquired and liabilities assumed under the Purchase Price Allocation method prepared by the management, through assessment of the methods and significant assumptions used, tests of the calculation of fair value and a review of the recognition of goodwill and the disclosures related to the business combination in the notes to the financial statements.

- An assessment of the identification of cash generating units and the financial models selected by management based on an understanding of management's decision-making process.
- Testing of the significant assumptions applied by management in preparing estimates of the cash flows expected to be realised from the assets based on, comparison of those assumptions with information from both internal and external sources and comparison of the past cash flow projections with the actual operating results in order to evaluate the cash flow projections and the discount rate applied by the management of the subsidiary, through analysis of the moving average finance costs of the subsidiary and of the industry, and also testing of the calculation of the recoverable amount of the assets based on the financial model and determination of the impact of changes in key assumptions on those recoverable amounts, especially changes in the discount rate and long-term revenue growth rates.

Other Matter

The consolidated financial statements of BTS Group Holdings Public Company Limited and its subsidiaries (the Group) and the separate financial statements of BTS Group Holdings Public Company Limited for the year ended 31 March 2016 were audited by another auditor who expressed an unqualified opinion on those financial statements 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, under her report dated 27 May 2016.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Miss Waraporn Prapasirikul.

Waraporn Prapasirikul
Certified Public Accountant (Thailand) No. 4579

EY Office Limited
Bangkok: 29 May 2017

BTS Group Holdings Public Company Limited and its subsidiaries

Statement of financial position

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		As at	As at	As at	As at
		<u>31 March 2017</u>	<u>31 March 2016</u> (Restated)	<u>31 March 2017</u>	<u>31 March 2016</u>
Assets					
Current assets					
Cash and cash equivalents	7	15,094,507,172	2,362,232,654	1,775,464,755	381,354,351
Current investments	8	6,375,943,944	4,667,288,651	580,000,218	864,109,521
Bank account for advances from cardholders	9	375,228,953	284,785,698	-	-
Trade and other receivables	10	2,175,919,605	1,085,501,894	1,177,276,969	222,329,739
Current portion of receivable under concession agreements	11	97,093,367	94,584,365	-	-
Current portion of receivable under finance lease agreemer	12	2,550,431	29,645,535	-	-
Unbilled receivables		51,077,502	32,681,209	-	-
Accrued income		344,151,935	205,220,301	-	-
Short-term loans to related parties	6	-	14,317,951	-	-
Current portion of long-term loans to related parties	6	91,402,480	53,662,500	-	-
Current portion of loan to a cooperative	19	12,000,000	12,000,000	-	-
Real estate development costs	14	663,770,895	508,491,701	663,770,895	508,491,701
Assets awaiting transfer under rehabilitation plan	30	-	68,254,159	-	68,254,159
Investments in subsidiaries awaiting transfer under rehabilitation plan	30	-	224,342,586	-	197,438,333
Advances to contractors		648,447,321	28,847,640	-	7,381,908
Prepaid expenses		156,739,937	82,790,015	9,831,867	7,732,971
Withholding tax deducted at source and prepaid corporate tax		313,015,666	278,164,530	247,988,496	247,940,045
Other current assets		302,836,605	157,716,456	738,726	64,434
Total current assets		<u>26,704,685,813</u>	<u>10,190,527,845</u>	<u>4,455,071,926</u>	<u>2,505,097,162</u>

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

BTS Group Holdings Public Company Limited and its subsidiaries

Statement of financial position (continued)

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		As at	As at	As at	As at
		31 March 2017	31 March 2016 (Restated)	31 March 2017	31 March 2016
Non-current assets					
Restricted deposits		116,995,848	1,270,649,012	30,000,000	1,183,680,000
Cash deposited as collateral for debt settlement	30	50,560,781	170,918,686	50,560,781	170,918,686
Loans to related parties - net of current portion	6	9,225,535,061	5,948,521,149	13,772,594,679	9,834,508,376
Loan to a cooperative - net of current portion	19	59,000,000	-	-	-
Investments in subsidiaries	15	-	-	33,707,463,903	35,493,998,977
Investments in joint ventures	16	2,398,259,548	638,098,504	-	-
Investments in associates	17	20,006,847,907	21,019,678,097	29,937,464,416	30,060,920,416
Other long-term investments	18	13,520,948,111	9,751,429,135	7,527,740,114	7,106,864,929
Project costs - media	20	2,262,158,424	2,297,384,634	-	-
Reusable spare parts	21	89,757,909	91,255,725	-	-
Land and projects awaiting development		1,067,134,580	2,078,365,934	-	-
Investment properties	22	799,852,327	733,949,575	1,699,206,844	1,645,629,727
Property, plant and equipment	23	6,314,599,942	5,673,905,418	435,583,836	419,002,281
Leasehold rights	24	10,101,889	10,881,352	5,944,994	6,340,744
Intangible assets	25	707,511,425	358,287,191	510,306	266,420
Goodwill	15.2.2, 15.2.6	1,486,844,341	236,287,202	-	-
Deposit and advances for asset acquisitions	56.5 d), e)	2,466,535,628	128,807,192	-	-
Accrued income	33	506,110,669	447,691,360	-	-
Rights of claim from acquisition of debts per rehabilitation plan	26	255,514,861	255,514,861	-	-
Receivable under concession agreements - net of current portion	11	4,207,689,884	3,520,646,530	-	-
Receivable under finance lease agreement - net of current portion	12	-	2,550,432	-	-
Receivable under purchase and installation of operating system agreement	13	712,060,131	-	-	-
Prepaid expenses		505,783,327	317,931,000	-	-
Deferred tax assets	49	50,156,875	38,228,299	201,302,018	267,838,536
Other non-current assets		126,624,769	77,875,433	12,703,817	13,184,411
Total non-current assets		66,946,584,237	55,068,856,721	87,381,075,708	86,203,153,503
Total assets		93,651,270,050	65,259,384,566	91,836,147,634	88,708,250,665

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

BTS Group Holdings Public Company Limited and its subsidiaries

Statement of financial position (continued)

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		As at	As at	As at	As at
		31 March 2017	31 March 2016 (Restated)	31 March 2017	31 March 2016
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	27	778,000,000	3,750,000,000	-	3,510,000,000
Bills of exchange payables	29	13,374,278,158	2,917,307,254	13,374,278,158	2,917,307,254
Trade and other payables	28	2,802,267,311	1,622,733,576	1,031,231,158	516,737,381
Advances received from cardholders		374,921,300	280,669,072	-	-
Short-term loans from related parties	6	3,500,000	35,942,121	16,500,000,000	18,033,500,000
Current portion of creditors per rehabilitation plan	30	73,855,316	610,667,765	73,855,316	610,667,765
Current portion of long-term loans	31	245,893,326	1,095,222,000	-	1,062,222,000
Current portion of long-term debentures	32	-	1,347,471,024	-	-
Unearned revenues		108,341,919	133,284,074	-	-
Fare box revenues awaiting transfer		76,853,964	80,986,117	-	-
Income tax payable		327,778,196	294,872,892	-	-
Short-term provisions	34	83,940,932	58,952,543	-	-
Other current liabilities		386,576,860	331,401,921	44,437,657	40,741,570
Total current liabilities		18,636,207,282	12,559,510,359	31,023,802,289	26,691,175,970
Non-current liabilities					
Unearned revenues		565,675,958	589,488,488	-	-
Creditors per rehabilitation plan - net of current portion	30	1,437,212	26,951,953	1,437,212	26,951,953
Long-term loans - net of current portion	31	1,933,000,000	173,000,000	-	-
Long-term debentures - net of current portion	32	21,978,428,153	-	-	-
Retention payable		141,158,400	136,843,358	26,842,009	18,538,513
Provision for transaction under equity method of investments in joint ventures	16	646,684,513	455,510,391	-	-
Provision for long-term employee benefits	33	860,911,537	782,395,543	70,070,555	67,221,787
Long-term provisions	34	1,334,113,556	1,324,715,991	-	-
Deferred tax liabilities	49	2,239,453,119	2,218,479,448	-	-
Other non-current liabilities		132,116,810	91,533,558	6,155,863	8,107,645
Total non-current liabilities		29,832,979,258	5,798,918,730	104,505,639	120,819,898
Total liabilities		48,469,186,540	18,358,429,089	31,128,307,928	26,811,995,868

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

BTS Group Holdings Public Company Limited and its subsidiaries

Statement of financial position (continued)

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		As at	As at	As at	As at
		31 March 2017	31 March 2016 (Restated)	31 March 2017	31 March 2016
Shareholders' equity					
Share capital	35				
Registered					
15,928,911,087 ordinary shares of Baht 4 each		<u>63,715,644,348</u>	<u>63,715,644,348</u>	<u>63,715,644,348</u>	<u>63,715,644,348</u>
Issued and fully paid					
11,934,954,312 ordinary shares of Baht 4 each					
(2016: 11,929,349,186 ordinary shares of Baht 4 each)		47,739,817,248	47,717,396,744	47,739,817,248	47,717,396,744
Share premium	35	1,853,722,168	1,834,603,129	1,853,722,168	1,834,603,129
Deficit on business combination under common control	37	(3,371,978,137)	(3,371,978,137)	(3,657,783,711)	(3,715,435,231)
Surplus from business restructuring under common control	38	-	-	656,733,583	656,733,583
Adjustment of asset value as a result of business restructuring under common control	39	-	-	(479,140,100)	(479,140,100)
Surplus (deficit) from the changes in the ownership interests in subsidiaries	40	430,816,662	(59,586,583)	-	-
Surplus on sales of warrants of the subsidiary	41	494,317,120	494,317,120	-	-
Treasury shares	43	(925,479,618)	(925,479,618)	(925,479,618)	(925,479,618)
Retained earnings					
Appropriated - statutory reserve	44	2,384,922,325	2,163,731,005	2,384,922,325	2,163,731,005
Appropriated - treasury share reserve	43	925,479,618	925,479,618	925,479,618	925,479,618
Unappropriated (deficit)		(9,495,196,342)	(5,515,711,502)	11,454,944,325	13,229,896,076
Other components of shareholders' equity		<u>2,110,656,092</u>	<u>2,187,384,108</u>	<u>754,623,868</u>	<u>488,469,591</u>
Equity attributable to owners of the Company		42,147,077,136	45,450,155,884	60,707,839,706	61,896,254,797
Non-controlling interest of the subsidiaries		<u>3,035,006,374</u>	<u>1,450,799,593</u>	-	-
Total shareholders' equity		<u>45,182,083,510</u>	<u>46,900,955,477</u>	<u>60,707,839,706</u>	<u>61,896,254,797</u>
Total liabilities and shareholders' equity		<u>93,651,270,050</u>	<u>65,259,384,566</u>	<u>91,836,147,634</u>	<u>88,708,250,665</u>
		-	-	-	-

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

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Directors
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BTS Group Holdings Public Company Limited and its subsidiaries
Statement of comprehensive income
For the year ended 31 March 2017

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2017	2016 (Restated)	2017	2016
Profit or loss:					
Revenues					
Service income	45	5,803,948,110	4,959,782,665	145,769,603	136,470,771
Revenues from installation and construction services and train procurement service under concession agreement		1,748,348,005	94,369,301	-	-
Revenues from sales of real estate		33,169,500	297,680,390	120,055,500	43,228,600
Other income					
Management income		3,000,000	3,000,000	47,400,000	47,411,900
Dividend income		271,322,892	280,795,585	3,953,964,858	3,437,823,795
Interest income	46	763,775,179	501,404,458	565,033,482	241,225,287
Gain on sales of investments		416,225,508	183,403,766	634,074,046	142,248,881
Gain on swap of investments	15.1.6	-	3,458,509,914	-	4,714,767,694
Gain on change in status of investment	15.2.2	207,437,995	-	-	-
Gain on debt settlement/reversal of creditors per rehabilitation plan	30	149,381,616	95,568,422	176,285,870	95,568,422
Others		221,723,468	194,416,162	208,754,765	96,177,181
Total revenues		9,618,332,273	10,068,930,663	5,851,338,124	8,954,922,531
Expenses					
Cost of services and servicing expenses		2,686,620,746	2,191,211,310	155,376,066	140,581,919
Cost of installation and construction services and train procurement service under concession agreement		1,538,806,996	100,532,420	-	-
Cost of sales of real estate		23,531,633	178,207,074	50,365,038	30,639,677
Selling expenses		389,820,628	173,663,690	3,051,244	3,470,054
Administrative expenses		1,776,296,418	1,453,178,668	613,463,178	529,899,877
Other expenses	47	50,543,387	581,944,732	1,161,267	574,819,282
Total expenses		6,465,619,808	4,678,737,894	823,416,793	1,279,410,809
Profit before share of profit (loss) from investments in joint ventures and associates, finance cost and income tax expenses					
		3,152,712,465	5,390,192,769	5,027,921,331	7,675,511,722
Share of loss from investments in joint ventures	16.2	(400,253,375)	(339,633,490)	-	-
Share of profit from investments in associates	17.2	787,434,229	751,031,291	-	-
Profit before finance cost and income tax expenses		3,539,893,319	5,801,590,570	5,027,921,331	7,675,511,722
Finance cost		(646,614,476)	(289,694,082)	(592,733,740)	(313,840,858)
Profit before income tax expenses		2,893,278,843	5,511,896,488	4,435,187,591	7,361,670,864
Income tax expenses	49	(657,554,968)	(1,121,115,349)	(11,361,188)	(806,709,284)
Profit for the year		2,235,723,875	4,390,781,139	4,423,826,403	6,554,961,580
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to income statement in subsequent periods:</i>					
Exchange differences on translation of financial statements in foreign currencies		119,391	(278,821)	-	-
Exchange differences on translation of financial statements in foreign currencies of associate		(89,069,868)	-	-	-
Effect of exchange rate from cash flow hedges - net of income tax		(171,663,604)	-	-	-
Gain (loss) on changes in value of available-for-sale investments - net of income tax		227,024,637	(449,538,894)	268,912,566	(506,882,907)
Share of gain (loss) on changes in value of available-for-sale investments of associate		(45,804,485)	10,914,232	-	-
Other comprehensive income to be reclassified to income statement in subsequent periods - net of income tax		(79,393,929)	(438,903,483)	268,912,566	(506,882,907)
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial loss - net of income tax		-	(54,492,135)	-	(15,198,285)
Share of actuarial gain of associate		-	6,421,202	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		-	(48,070,933)	-	(15,198,285)
Other comprehensive income for the period		(79,393,929)	(486,974,416)	268,912,566	(522,081,192)
Total comprehensive income for the year		2,156,329,946	3,903,806,723	4,692,738,969	6,032,880,388

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

BTS Group Holdings Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the year ended 31 March 2017

(Unit: Baht)

Note	Consolidated financial statements		Separate financial statements	
	2017	2016 (Restated)	2017	2016
Profit attributable to:				
Equity holders of the Company	2,003,480,249	4,133,886,746	4,423,826,403	6,554,961,580
Non-controlling interests of the subsidiaries	<u>232,243,626</u>	<u>256,894,393</u>		
	<u>2,235,723,875</u>	<u>4,390,781,139</u>		
Total comprehensive income attributable to:				
Equity holders of the Company	1,929,510,522	3,648,686,226	4,692,738,969	6,032,880,388
Non-controlling interests of the subsidiaries	<u>226,819,424</u>	<u>255,120,497</u>		
	<u>2,156,329,946</u>	<u>3,903,806,723</u>		
Earnings per share				
Basic earnings per share				
Profit attributable to equity holders of the Company	<u>0.1692</u>	<u>0.3494</u>	<u>0.3737</u>	<u>0.5541</u>
Diluted earnings per share				
Profit attributable to equity holders of the Company	<u>0.1692</u>	<u>0.3492</u>	<u>0.3736</u>	<u>0.5538</u>

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

BTS Group Holdings Public Company Limited and its subsidiaries

Cash flow statement

For the year ended 31 March 2017

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2017</u>	<u>2016</u> (Restated)	<u>2017</u>	<u>2016</u>
Cash flows from operating activities				
Profit before tax	2,893,278,843	5,511,896,488	4,435,187,591	7,361,670,864
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	577,410,387	452,507,536	80,450,753	83,408,178
Unrealised loss (gain) on exchange	21,005,616	(5,136,857)	(25,847,768)	(7,708,247)
Share of loss from investments in joint ventures	400,253,375	339,633,490	-	-
Share of profit from investments in associates	(787,434,229)	(751,031,291)	-	-
Unearned revenue recognition	(36,883,863)	(36,984,914)	-	-
Provision for long-term employee benefits	51,171,284	45,521,578	7,896,445	6,112,216
Loss on provisions	40,248,456	75,394,663	-	-
Allowance for impairment of investments	-	497,205,281	-	497,205,281
Written off withholding tax	-	16,476,431	-	16,476,431
Amortisation of premium on cross currency swap agreements	(437,722)	(16,408,574)	(437,722)	(16,408,574)
Gain on debt settlement/reversal of creditors per rehabilitation plan	(149,381,616)	(95,568,422)	(176,285,870)	(95,568,422)
Allowance for doubtful account (reversal)	(18,026,835)	9,344,787	(6,236,819)	77,614,001
Gain from sales of investments	(416,225,508)	(183,403,766)	(634,074,046)	(142,248,881)
Gain on swap of investments	-	(3,458,509,914)	-	(4,714,767,694)
Gain on change in status of investment	(207,437,995)	-	-	-
Revenue from investment in foreign party	(85,608,404)	-	(85,608,404)	-
Unrealised loss (gain) on changes in value of current investments in trading securities	20,599,127	14,269,191	13,418,089	(11,443,968)
Allowance for impairment loss of other long-term investment	7,890,866	-	-	-
Loss (gain) on sales of assets	3,458,290	(68,991,186)	(2,293,363)	5,511,982
Gain on transfer of rights in land purchase	(5,914,383)	-	-	-
Dividend income	(271,322,892)	(280,795,585)	(3,953,964,858)	(3,437,823,795)
Share-based payment transaction	10,729,083	9,302,498	2,230,025	1,551,199
Interest income	(763,775,179)	(501,404,458)	(565,033,482)	(241,225,287)
Interest expenses	<u>642,043,742</u>	<u>283,013,132</u>	<u>592,733,740</u>	<u>313,840,858</u>
Profit (loss) from operating activities before changes in operating assets and liabilities	1,925,640,443	1,856,330,108	(317,865,689)	(303,803,858)

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

BTS Group Holdings Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the year ended 31 March 2017

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016 (Restated)	2017	2016
Decrease (increase) in operating assets				
Bank account for advance from cardholders	(90,443,255)	(74,252,575)	-	-
Trade and other receivables	(406,921,992)	273,224,757	(28,686,865)	42,778,668
Receivable under concession agreements	(659,247,853)	92,205,164	-	-
Receivable under finance lease agreement	29,645,536	27,944,785	-	-
Receivable under purchase and installation of operating system agreement	(712,060,131)	-	-	-
Unbilled receivables	(18,396,293)	(32,681,209)	-	-
Real estate development costs	(178,634,962)	159,520,955	(178,634,962)	26,516,635
Advances to contractors	(619,599,681)	(8,163,611)	7,381,907	20,931,738
Advances for acquisitions of assets	(2,421,535,628)	-	-	-
Other current assets	(286,551,172)	371,695,434	(2,995,737)	3,425,895
Other non-current assets	(261,013,466)	(21,887,252)	480,594	(985,437)
Increase (decrease) in operating liabilities				
Trade and other payables	140,971,056	(184,335,008)	(58,020,944)	(150,860,056)
Advances received from cardholders	94,252,228	69,595,833	-	-
Retention payable	4,582,189	(18,943,604)	8,303,496	6,070,296
Unearned income	(27,391,099)	39,114,830	-	-
Fare box revenues awaiting transfer	30,794,236	(1,949,504)	-	-
Provision for long-term employee benefits	(34,697,466)	(11,006,792)	(5,047,677)	14,863,173
Provisions	(69,114,346)	(264,088,023)	-	-
Other current liabilities	75,675,876	(24,011,479)	(10,398,861)	6,466,529
Cash from (used in) operating activities	(3,484,045,780)	2,248,312,809	(585,484,738)	(334,596,417)
Cash paid for interest expenses	(91,298,687)	(175,000,212)	(63,728,967)	(74,599,244)
Cash paid for corporate income tax	(747,458,812)	(1,808,319,038)	(12,101,262)	(961,282,149)
Net cash from (used in) operating activities	(4,322,803,279)	264,993,559	(661,314,967)	(1,370,477,810)

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

BTS Group Holdings Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the year ended 31 March 2017

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016 (Restated)	2017	2016
Cash flows from investing activities				
Decrease (increase) in restricted deposits	1,153,653,164	(81,800,592)	1,153,680,000	-
Increase in short-term loans to related parties	-	(4,238,000)	(10,200,000)	(61,200,000)
Cash received from repayment of short-term loans to related parties	14,317,951	-	10,200,000	41,200,000
Increase in long-term loans to related parties	(9,018,440,832)	(6,751,170,380)	(20,023,905,844)	(7,690,158,208)
Cash received from repayment of long-term loans to related parties	5,873,798,620	1,514,792,731	16,041,943,741	2,033,367,730
Increase in long-term loan to a cooperative	(59,000,000)	-	-	-
Interest income	645,764,762	437,873,571	537,987,780	92,479,074
Dividend received	1,727,066,823	1,580,613,399	3,264,401,030	2,799,367,806
Increase in current investments	(46,468,861,913)	(22,356,472,436)	(8,414,316,207)	(2,967,466,736)
Cash received from sales of current investments	44,907,829,338	26,108,189,185	8,741,816,463	3,604,335,720
Net cash paid for purchases of investments in subsidiaries	(466,258,815)	-	(608,321,016)	(2,848,108,984)
Net cash received from sales of investments in subsidiaries	627,471,827	690,227,513	2,995,562,010	769,018,703
Cash paid for purchases of investments in associates	(492,424,890)	(100,000,000)	-	-
Cash paid for purchases of investments in joint ventures	(1,214,212,100)	(500,000,000)	-	(450,000,000)
Cash received from sale of investment in a joint venture	-	38,750,000	-	-
Cash received from return of capital of subsidiary, joint venture and associate	123,456,000	655,092,000	123,456,000	593,592,000
Cash paid for purchases of other long-term investments	(6,867,865,497)	(6,014,809,136)	(1,994,061,539)	(5,550,966,221)
Cash received from sales of other long-term investments	3,401,866,815	2,886,892,369	2,012,020,969	2,886,892,369
Cash received from investment in foreign party	97,999,300	-	97,999,300	-
Increase in rights of claim from acquisition of debts per rehabilitation plan	-	(51,482,228)	-	-
Cash received from transfer of rights in land purchase	89,721,575	-	-	-
Cash paid for purchases of land and projects awaiting development	(493,181,681)	(1,019,270,237)	-	-
Cash paid for purchases of property, plant and equipment	(852,808,504)	(559,929,991)	(27,567,396)	(150,958,553)
Cash received from sales of property, plant and equipment	5,261,635	56,463,667	143,598	62,701
Cash paid for purchases of investment properties	-	(4,292,501)	(106,969,407)	(90,421,956)
Cash received from sales of investment properties	12,978,000	31,500,000	12,978,000	-
Cash paid for purchases of intangible assets	(46,052,304)	(50,287,878)	(321,289)	(53,232)
Cash received from sales of intangible assets	-	22,096,531	-	-
Net cash from (used in) investing activities	(7,297,920,726)	(3,471,262,413)	3,806,526,193	(6,989,017,787)
Cash flows from financing activities				
Increase in short-term loans from financial institutions	10,301,732,240	8,134,000,000	8,741,732,240	7,614,000,000
Cash paid for short-term loans from financial institutions	(12,973,732,240)	(4,914,000,000)	(12,251,732,240)	(4,104,000,000)
Increase in bills of exchange payables	41,553,261,595	3,405,688,907	41,553,261,595	3,405,688,907
Cash paid for bills of exchange payables	(31,280,000,000)	(500,000,000)	(31,280,000,000)	(500,000,000)
Increase in long-term loans from financial institutions	2,000,000,000	-	-	-
Cash paid for long-term loans from financial institutions	(1,399,874,000)	(26,000,000)	(1,056,600,000)	-
Increase in short-term loans from related parties	3,499,464	14,200,000	28,000,000	17,525,500,000
Cash paid for short-term loans from related parties	(35,941,585)	(36,469,112)	(1,561,500,000)	(8,067,000,000)
Cash received from exercised warrants	28,052,171	46,459,126	28,052,171	46,459,126
Cash paid for liability awaiting final court order	-	(181,869,687)	-	(181,869,687)
Dividend paid	(5,951,434,908)	(7,557,430,618)	(5,951,434,908)	(7,557,430,618)
Increase in long-term debentures	21,976,836,992	-	-	-
Cash paid for long-term debentures	(1,348,450,000)	(1,468,900,000)	-	-
Cash paid for transaction cost of business restructuring under common control	-	-	-	(45,445,002)
Cash paid for purchases of investments in subsidiaries	(368,190,044)	(1,543,182,388)	-	-
Cash received from sales of investments in subsidiaries	1,649,788,526	-	-	-
Dividend paid by subsidiaries to non-controlling interests of subsidiaries	(275,963,890)	(173,714,541)	-	-
Cash received from non-controlling interests of subsidiary for exercised warrants	77,350	-	-	-
Cash received from non-controlling interests for issuance of ordinary shares of subsidiaries	480,167,394	190,740,000	-	-
Net cash from (used in) financing activities	24,359,829,065	(4,610,478,313)	(1,750,221,142)	8,135,902,726
Increase in translation adjustment	119,391	481,883	-	-
Net increase (decrease) in cash and cash equivalents	12,739,224,451	(7,816,265,284)	1,394,990,084	(223,592,871)
Effect of exchange rate for cash and cash equivalents	(6,949,933)	(1,241,919)	(879,680)	(818,000)
Cash and cash equivalents at beginning of the year	2,362,232,654	10,111,920,166	381,354,351	605,765,222
Cash and cash equivalents classified as assets held for sale at beginning of the year	-	67,819,691	-	-
Cash and cash equivalents at end of the year	15,094,507,172	2,362,232,654	1,775,464,755	381,354,351

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

BTS Group Holdings Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the year ended 31 March 2017

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016 (Restated)	2017	2016
Supplemental cash flow information				
Non-cash transactions				
Transfer equipment to intangible assets	38,235,088	18,912,726	160,500	50,932
Transfer real estate development cost to investment properties	23,355,769	-	23,355,769	-
Transfer real estate development cost to land and projects awaiting development	-	118,565,628	-	-
Transfer investment properties to property, plant and equipment	-	6,046,381	9,829,020	11,912,873
Transfer investment properties to land and projects awaiting development	-	676,552,478	-	-
Payable of acquisition of equipment	64,210,438	51,507,430	-	48,193,148
Receivable of sales of equipment	-	54,000,000	-	-
Payable of acquisition of investment properties	-	-	3,330,360	6,384,134
Payable of acquisition of intangible assets	1,894,959	2,915,491	-	-
Payable of acquisition of investments	422,128,885	28,532,345	206,629,885	28,532,345
Receivable of sales of investments	201,405,608	1,176,607	201,405,608	1,176,607
Increase in investment in associate from swap of investments in subsidiaries	-	9,468,845,000	-	9,468,845,000
Transfer short-term loan to long-term loan from financial institution	300,000,000	-	-	-
Settle short-term loan from related party with dividend received	-	-	-	610,000,000
Settle interest payable with dividend received	-	-	-	11,963,019
Settle return of capital of joint venture with long-term loan to related party	137,500,000	-	-	-
Transfer equipment to settle other payables	-	31,231,951	-	-
Transfer intangible assets to settle other payables	-	26,631,430	-	-
Transfer other long-term investments to current investments	-	1,937,907,063	-	-
Transfer long-term loans to related parties and interest receivables to investments in subsidiaries	-	-	339,457,129	2,853,977,404
Transfer short-term loan to related party to long-term loan	-	-	-	114,000,000
Transfer land, investments, loans, to related parties and interest receivables to subsidiary as a result of business restructuring	-	-	-	4,773,642,216

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

Consolidated financial statements																						
Equity attributable to owners of the Company																						
											Other components of equity											
Issued and paid-up share capital	Share premium	Deficit on business combination under common control	Surplus (deficit) from the change in the ownership interests in subsidiaries	Surplus on sales of warrants of the subsidiary	Treasury shares	Retained earnings			Other comprehensive income			Share premium			Capital reserve for share-based components of shareholders' equity	Total other components of shareholders' equity	Amount recognised in equities relating to assets classified as held for sale	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity		
						Statutory reserve	Treasury share reserve	Unappropriated (Deficit)	Translation adjustment	Revaluation surplus on assets	Deficit on changes in value of investments	Surplus on debenture conversion	Capital reserve on consolidation	on sales of company's shares held by subsidiaries							on consolidation	
Balance as at 1 April 2015	47,677,000,644	1,807,590,613	(3,371,978,137)	1,353,171,672	494,317,120	(925,479,618)	1,835,982,926	925,479,618	(2,286,690,380)	(121,418,801)	1,797,101,317	(440,969,226)	1,356,596,955	2,685,013	8,525,682	36,870,181	2,639,391,121	579,587,121	50,728,372,700	1,284,103,202	52,012,475,902	
Profit for the year - restated	-	-	-	-	-	-	-	-	4,133,886,746	-	-	-	-	-	-	-	-	-	4,133,886,746	256,894,393	4,390,781,139	
Other comprehensive income for the year	-	-	-	-	-	-	-	-	(44,840,499)	(278,821)	-	(440,081,200)	-	-	-	-	-	-	(440,360,021)	(485,200,520)	(1,773,896)	
Total comprehensive income for the year	-	-	-	-	-	-	-	-	4,089,046,247	(278,821)	-	(440,081,200)	-	-	-	-	-	-	(440,360,021)	3,648,686,226	255,120,497	3,903,806,723
Exercised warrants (Note 35)	40,396,100	27,012,516	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(20,949,490)	(20,949,490)	-	46,459,126	-	46,459,126
Purchases of investments in subsidiaries	-	-	-	(1,418,672,691)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,418,672,691)	(98,898,591)	(1,517,571,282)
Sales of investment in subsidiary without loss of control	-	-	-	5,914,436	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,914,436	2,005,564	7,920,000
Transfer of revaluation surplus on assets to retained earnings (Note 15.1.6)	-	-	-	-	-	-	-	-	579,587,121	-	-	-	-	-	-	-	-	-	(579,587,121)	-	-	-
Issuance of ordinary shares of subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	190,740,000	190,740,000
Dividend paid by subsidiaries to non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(182,271,079)	(182,271,079)
Dividend paid (Note 54)	-	-	-	-	-	-	-	-	(7,569,906,411)	-	-	-	-	-	-	-	-	-	-	(7,569,906,411)	-	(7,569,906,411)
Share-based payment transaction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9,302,498	9,302,498	-	9,302,498	-	9,302,498
Retained earnings transferred to statutory reserve (Note 44)	-	-	-	-	-	-	327,748,079	-	(327,748,079)	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2016	47,717,396,744	1,834,603,129	(3,371,978,137)	(59,586,583)	494,317,120	(925,479,618)	2,163,731,005	925,479,618	(5,515,711,502)	(121,697,622)	1,797,101,317	(881,050,426)	1,356,596,955	2,685,013	8,525,682	25,223,189	2,197,384,108	-	45,450,155,884	1,450,799,593	46,900,955,477	

The accompanying notes are an integral part of financial statements.

BTS Group Holdings Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 March 2017

(Unit: Baht)

Consolidated financial statements																						
Equity attributable to owners of the Company																						
Equity attributable to owners of the Company											Other components of equity											
Issued and paid-up share capital	Share premium	Deficit on business combination under common control	Surplus (deficit) from the change in the ownership interests in subsidiaries	Surplus on sales of warrants of the subsidiary	Treasury shares	Retained earnings			Other comprehensive income				Surplus on debenture conversion	Share premium on sales of company's shares held by subsidiaries	Capital reserve for share-based payment transaction	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity			
						Statutory reserve	Treasury share reserve	Unappropriated (Deficit)	Translation adjustment	Revaluation surplus	Effect of exchange rate from cash flow hedges	Deficit on changes in value of investments										
Balance as at 31 March 2016 - as previously reported	47,717,396,744	1,834,603,129	(3,371,978,137)	(59,586,583)	494,317,120	(925,479,618)	2,163,731,005	925,479,618	(5,508,518,273)	(121,697,622)	1,797,101,317	-	(881,050,426)	1,356,596,955	2,685,013	8,525,682	25,223,189	2,187,384,108	45,457,349,113	1,459,543,893	46,916,892,806	
Fair value adjustment of assets acquired and liabilities assumed of subsidiaries (Note 15.2.6)	-	-	-	-	-	-	-	-	(7,193,229)	-	-	-	-	-	-	-	-	-	(7,193,229)	(8,744,100)	(15,937,329)	
Balance as at 31 March 2016 - as restated	47,717,396,744	1,834,603,129	(3,371,978,137)	(59,586,583)	494,317,120	(925,479,618)	2,163,731,005	925,479,618	(5,515,711,502)	(121,697,622)	1,797,101,317	-	(881,050,426)	1,356,596,955	2,685,013	8,525,682	25,223,189	2,187,384,108	45,450,155,884	1,450,799,593	46,900,955,477	
Profit for the year	-	-	-	-	-	-	-	-	2,003,480,249	-	-	-	-	-	-	-	-	-	-	2,003,480,249	232,243,626	2,235,723,875
Other comprehensive income for the year	-	-	-	-	-	-	-	-	(88,950,477)	-	(167,303,349)	-	(167,303,349)	-	-	-	-	-	-	(73,969,727)	(73,969,727)	(79,393,929)
Total comprehensive income for the year	-	-	-	-	-	-	-	-	2,003,480,249	(88,950,477)	(167,303,349)	-	(167,303,349)	-	-	-	-	-	(73,969,727)	1,929,510,522	226,819,424	2,156,329,946
Exercised warrants (Note 35)	22,420,504	19,119,039	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(13,487,372)	(13,487,372)	28,052,171	-	28,052,171
Purchases and sales of investments in subsidiaries and issuances of ordinary shares of the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
without loss of control (Note 15.2.1, 15.2.2 and 15.2.6)	-	-	-	706,138,960	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	706,138,960	917,945,783	1,624,084,743
Transfer of surplus from the changes in the ownership interests in subsidiaries to retained earnings	-	-	-	(215,813,065)	-	-	-	-	215,813,065	-	-	-	-	-	-	-	-	-	-	-	-	-
Exercised warrants of the subsidiary by non-controlling interests of the subsidiary	-	-	-	77,350	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	77,350	-	77,350
Issuances of ordinary shares of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	39,890,000	39,890,000
Change in non-controlling interests of the subsidiaries as a result of change in status of investment and purchase of investment in subsidiary (Note 15.2.2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	639,692,687	639,692,687
Increase in non-controlling interests of the subsidiary as a result of adjustment of liability under loan agreement (Note 15.2.6)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	61,699,206	61,699,206
Dividend paid by subsidiaries to non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(301,840,319)	(301,840,319)
Dividend paid (Note 54)	-	-	-	-	-	-	-	-	(5,977,586,834)	-	-	-	-	-	-	-	-	-	-	(5,977,586,834)	-	(5,977,586,834)
Share-based payment transaction	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10,729,083	10,729,083	10,729,083	-	10,729,083	
Retained earnings transferred to statutory reserve (Note 44)	-	-	-	-	-	-	221,191,320	-	(221,191,320)	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2017	47,739,817,248	1,853,722,168	(3,371,978,137)	430,816,662	494,317,120	(925,479,618)	2,384,922,325	925,479,618	(9,495,196,342)	(210,648,099)	1,797,101,317	(167,303,349)	(698,766,327)	1,356,596,955	2,685,013	8,525,682	22,464,900	2,110,656,092	42,147,077,136	3,035,006,374	45,182,083,510	

The accompanying notes are an integral part of financial statements.

BTS Group Holdings Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity (continued)
For the year ended 31 March 2017

(Unit: Baht)

Separate financial statements																				
											Other components of equity									
		Deficit on business combination		Surplus on swap of investments in subsidiaries		Surplus from business restructuring		Adjustment of asset value as a result of business restructuring		Retained earnings			Other comprehensive income		Capital reserve for share-based payment		Total other components of shareholders' equity	Amount recognised in equities relating to assets classified as held for sale		Total shareholders' equity
		under common control		under common control		under common control		under common control		Treasury shares	Appropriated		Deficit on changes in value of investments	Surplus on debenture conversion	share-based payment transaction	equity	as held for sale		equity	
Issued and paid-up share capital	Share premium	common control	common control	common control	under common control	shares	reserve	reserve	Unappropriated	value of investments	conversion	transaction	equity	as held for sale		equity				
Balance as at 1 April 2015	47,677,000,644	1,807,590,613	(3,715,435,231)	325,065,107	-	(925,479,618)	1,835,982,926	925,479,618	14,262,722,164	(386,467,646)	1,356,596,955	36,870,181	1,006,999,490	(75,000,000)			63,124,925,713			
Profit for the year	-	-	-	-	-	-	-	-	6,554,961,580	-	-	-	-	-	-	-	6,554,961,580			
Other comprehensive income for the year	-	-	-	-	-	-	-	-	(15,198,285)	(506,882,907)	-	-	(506,882,907)	-	-	-	(522,081,192)			
Total comprehensive income for the year	-	-	-	-	-	-	-	-	6,539,763,295	(506,882,907)	-	-	(506,882,907)	-	-	-	6,032,880,388			
Exercised warrants (Note 35)	40,396,100	27,012,516	-	-	-	-	-	-	-	-	-	(20,949,490)	(20,949,490)	-	-	-	46,459,126			
Sale of investments in subsidiaries with loss of control	-	-	-	(325,065,107)	-	-	-	-	325,065,107	-	-	-	-	-	-	-	75,000,000			
Dividend paid (Note 54)	-	-	-	-	-	-	-	-	(7,569,906,411)	-	-	-	-	-	-	-	(7,569,906,411)			
Share-based payment transaction	-	-	-	-	-	-	-	-	-	-	-	9,302,498	9,302,498	-	-	-	9,302,498			
Business restructuring under common control	-	-	-	-	656,733,583	(479,140,100)	-	-	-	-	-	-	-	-	-	-	177,593,483			
Retained earnings transferred to statutory reserve (Note 44)	-	-	-	-	-	-	327,748,079	-	(327,748,079)	-	-	-	-	-	-	-	-			
Balance as at 31 March 2016	47,717,396,744	1,834,603,129	(3,715,435,231)	-	656,733,583	(479,140,100)	(925,479,618)	2,163,731,005	925,479,618	13,229,896,076	(893,350,553)	1,356,596,955	25,223,189	488,469,591	-	-	61,896,254,797			
Balance as at 1 April 2016	47,717,396,744	1,834,603,129	(3,715,435,231)	-	656,733,583	(479,140,100)	(925,479,618)	2,163,731,005	925,479,618	13,229,896,076	(893,350,553)	1,356,596,955	25,223,189	488,469,591	-	-	61,896,254,797			
Profit for the year	-	-	-	-	-	-	-	-	4,423,826,403	-	-	-	-	-	-	-	4,423,826,403			
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-	268,912,566	-	-	268,912,566	-	-	-	268,912,566			
Total comprehensive income for the year	-	-	-	-	-	-	-	-	4,423,826,403	268,912,566	-	-	268,912,566	-	-	-	4,692,738,969			
Exercised warrants (Note 35)	22,420,504	19,119,039	-	-	-	-	-	-	-	-	-	(13,487,372)	(13,487,372)	-	-	-	28,052,171			
Sale of investments in subsidiaries without loss of control	-	-	57,651,520	-	-	-	-	-	-	-	-	-	-	-	-	-	57,651,520			
Dividend paid (Note 54)	-	-	-	-	-	-	-	-	(5,977,586,834)	-	-	-	-	-	-	-	(5,977,586,834)			
Share-based payment transaction	-	-	-	-	-	-	-	-	-	-	-	10,729,083	10,729,083	-	-	-	10,729,083			
Retained earnings transferred to statutory reserve (Note 44)	-	-	-	-	-	-	221,191,320	-	(221,191,320)	-	-	-	-	-	-	-	-			
Balance as at 31 March 2017	47,739,817,248	1,853,722,168	(3,657,783,711)	-	656,733,583	(479,140,100)	(925,479,618)	2,384,922,325	925,479,618	11,454,944,325	(624,437,987)	1,356,596,955	22,464,900	754,623,868	-	-	60,707,839,706			

The accompanying notes are an integral part of financial statements.

BTS Group Holdings Public Company Limited and its subsidiaries
Notes to consolidated financial statements
For the year ended 31 March 2017

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 Additional information of the mass transit business

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

- a) The operation of an elevated mass transit system in prime business areas in Bangkok over two routes (“the Core BTS Sky Train System”), which covers a distance of 23.5 km, comprising the 17 km of the Sukhumvit line from Mo-Chit to On-Nut stations, and the 6.5 km of the Silom line from National Stadium to Taksin Bridge stations, under the concession agreement dated 9 April 1992 and the amendment to the concession agreement between the Bangkok Metropolitan Administration (“BMA”) and the subsidiary, for 30 years after commissioning under the concession granted by BMA. The commercial operations commenced on 5 December 1999. The concession stipulates that the civil works are to be structured on a build-transfer-operate basis whereby the subsidiary will transfer legal title of the assets to BMA as they are brought into service. The electrical and mechanical works are to be transferred to BMA on a build-operate-transfer basis at the expiry of the concession.

On 17 April 2013, the subsidiary and BTS Rail Mass Transit Growth Infrastructure Fund (“BTSGIF”) entered into the Net Revenue Purchase and Transfer Agreement in relation to the Bangkok Mass Transit System Concession Agreement, covering the remainder of the concession. From an accounting perspective, the subsidiary carefully and thoroughly considered these transactions and concluded that the sale of the rights to collect future fare box revenues was a true sale of an intangible asset (project cost). As a result, the subsidiary derecognised project cost and the related accounts from its books and recognised a gain on sale of future net fare box revenues in the financial statements for the year ended 31 March 2014. The agreement stipulates that the subsidiary continues to be the operator of the train services, overseen by BTSGIF, while decision-making authority as the owner belongs to BTSGIF. The subsidiary submits cash receipts of net fare box revenues to BTSGIF, as a middleman responsible only for the collection of fare box revenue. The subsidiary receives fees as the operator under the conditions as stipulated in the agreement.

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

- b) The provision of operation and maintenance services for the extension to the Core BTS Sky Train System under the Operation and Maintenance for Bangkok Mass Transit System Agreement dated 3 May 2012 made with Krungthep Thanakom Company Limited (“Krungthep Thanakom”) (established by the Bangkok Metropolitan Authority) and the amendment to the agreement, for 30 years from 8 May 2012 to 2 May 2042.
- c) The provision of operation and maintenance services for the Green Line under the Operating and Maintenance Agreement for the Green Line (Mochit-Sapanmai-Kukot and Bearing-Sumutprakan) dated 1 August 2016 made with Krungthep Thanakom and the amendment to the agreement, for 26 years from 1 August 2016 to 2 May 2042.
- d) The provision of operation and maintenance services under an operating and bus procurement (BRT) agreement dated 10 February 2010 with Krungthep Thanakom and the amendment to the agreement, for 7 years from 15 May 2010 to 28 May 2017.

2. Basis of preparation

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

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

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

2.2. Basis of consolidation

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

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2017	2016
<u>Subsidiaries directly owned by the Company</u>				
Bangkok Mass Transit System Public Co., Ltd. ("BTSC")	Mass transit business	Thailand	97.46	97.46
Tanayong International Ltd.	Dormancy	Cayman Island	100	100
Tanayong Hong Kong Ltd.	Investment in securities	Hong Kong	100	100
Rabbit Rewards Co., Ltd.	CRM Loyalty Program and Coupon Kiosks	Thailand	-	100
Man Kitchen Co., Ltd.	Restaurant and related businesses	Thailand	70	70
Primary Kitchen Co., Ltd.	Restaurant and related businesses	Thailand	100	100
BSS Holdings Co., Ltd.	Investment in the securities of other companies	Thailand	-	100
Unicorn Enterprise Co., Ltd.	Investment in the securities of other companies	Thailand	100	100
KMJ 2016 Co., Ltd.	Restaurant and related businesses	Thailand	51	-
Man Food Products Co., Ltd.	Producing and selling food	Thailand	100	-
RB Services Co., Ltd.	Investment in the securities of other companies	Thailand	100	-
<u>Subsidiaries indirectly owned by the Company</u>				
Held by BTSC				
VGI Global Media Public Co., Ltd. (20.57% held by the Company (2016: 23.30%))	Advertising services on Bangkok Mass Transit System (BTS), in department stores, in office buildings and others	Thailand	51	51
Bangkok Smartcard System Co., Ltd.	Provision for electronic payment services	Thailand	-	90

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2017	2016
Held by VGI Global Media Public Co., Ltd.				
Master Ad Public Co., Ltd.	Advertising, leasing of property and the purchase/sale of electronic billboards	Thailand	33.68	-
VGI Advertising Media Co., Ltd.	Management of advertising in department stores	Thailand	100	100
888 Media Co., Ltd.	Management of advertising in department stores	Thailand	100	100
Point Of View (POV) Media Group Co., Ltd.	Managing and providing of the advertising	Thailand	100	100
VGI Global Media (Malaysia) Sdn Bhd	Advertising media	Malaysia	100	-
BSS Holdings Co., Ltd.	Investment in the securities of other companies	Thailand	90	-
Bangkok Smartcard System Co., Ltd.	Provision of electronic payment services	Thailand	90	-
Held by Master Ad Public Co., Ltd.				
Master and More Co., Ltd.	Production and provision of outdoor advertising media services	Thailand	100	-
Eye On Ads Co., Ltd.	Production and sales of tri-vision equipment	Thailand	100	-
Green Ad Co., Ltd.	Provision of advertising services through the supply of tree wall-panel	Thailand	100	-
Inkjet Images (Thailand) Co., Ltd.	Production of advertising media and billboards	Thailand	50	-
Maco Outdoor Co., Ltd.	Holding company	Thailand	100	-
Held by Master and More Co., Ltd.				
Open Play Co., Ltd.	Provision of outdoor advertising media services	Thailand	80	-
Held by Green Ad Co., Ltd.				
Multi Sign Co., Ltd.	Provision of service for out of home media	Thailand	70	-
Held by BSS Holdings Co., Ltd.				
Bangkok Payment Solutions Co., Ltd.	Developing software and providing technology services, including technology associated with Thailand's mass transit and payment systems	Thailand	-	60
RabbitPay System Co., Ltd.	Electronic payment services through any devices or networks, bill payment service, and investment in the securities of other companies	Thailand	80	80
Rabbit Internet Co., Ltd.	Data management and processing	Thailand	25	25
ASK Direct Group Co., Ltd. ¹	Provision of direct sales services for all types of product via telesales and online channels	Thailand	51	51
ASK Broker Association Co., Ltd. ¹	Insurance broker	Thailand	51	51
¹ 49% held by Rabbit Internet Co., Ltd.				
Held by RB Services Co., Ltd.				
Bangkok Payment Solutions Co., Ltd.	Developing software and providing technology services, including technology associated with Thailand's mass transit and payment systems	Thailand	60	-
Rabbit Rewards Co., Ltd.	CRM Loyalty Program and Coupon Kiosks	Thailand	100	-
Held by Man Kitchen Co., Ltd.				
Little Corner Co., Ltd.	Restaurant and related businesses	Thailand	69	69

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2017	2016
Held by Unicorn Enterprise Co., Ltd.				
Dnal Co., Ltd.	Office rental	Thailand	100	100
Muangthong Assets Co., Ltd.	Hotel	Thailand	100	100
PrannaKiri Assets Co., Ltd.	Property development	Thailand	100	100
Yong Su Co., Ltd.	Dormancy	Thailand	100	100
Tanayong Food and Beverage Co., Ltd.	Property development	Thailand	100	100
Thana City Golf & Sports Club Co., Ltd.	Management of golf course and club house	Thailand	100	100
Siam Paging and Communication Co., Ltd.	Property development	Thailand	100	100
Tanayong Property Management Co., Ltd.	Building management	Thailand	100	100
HHT Construction Co., Ltd.	Construction services	Thailand	51	51
BTS Land Co., Ltd.	Trademark development for property development and service businesses	Thailand	100	100
Mak8 Co., Ltd.	Property development	Thailand	100	100
Ratburana Property Co., Ltd.	Property development	Thailand	100	100
Kingkaew Assets Co., Ltd.	Property development	Thailand	100	100
The Community One Co., Ltd.	Property development	Thailand	100	100
The Community Two Co., Ltd.	Property development	Thailand	100	100
Nine Square Property Co., Ltd.	Property development	Thailand	100	100
Keystone Estate Co., Ltd.	Property development	Thailand	-	100

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

2.3 The separate financial statements present investments in subsidiaries, joint venture and associates under the cost method.

3. New financial reporting standards

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

During the year, the Company and subsidiaries have adopted the revised (revised 2015) 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 Company and its subsidiaries' financial statements

(b) Financial reporting standard that will become effective in the future

During the current year, the Federation of Accounting Professions issued a number of the revised financial reporting standards and interpretations (revised 2016) and new accounting treatment guidance which is effective for fiscal years beginning on or after 1 January 2017 (beginning on or after 1 April 2017 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 management of the Company and its subsidiaries believe that the revised and new financial reporting standards and interpretations will not have any significant impact on the financial statements when they are initially applied. However, one standard involves changes to key principles, which are summarised below.

TAS 27 (revised 2016) Separate Financial Statements

This revised standard stipulates an additional option to account for investments in subsidiaries, joint ventures and associates in separate financial statements under the equity method, as described in TAS 28 (revised 2016) Investments in Associates and Joint Ventures. However, the entity is to apply the same accounting treatment for each category of investment. If an entity elects to account for such investments using the equity method in the separate financial statements, it has to adjust the transaction retrospectively.

At present, the management of the Company and its subsidiaries is evaluating the impact of this standard to the financial statements in the year when it is adopted.

4. Significant accounting policies

4.1 Revenue recognition

Service income

Advertising income

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

Revenues from provision of operating services

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

Revenues from provision of space

Space rental income is income from the rental of advertising space and retail space. Space rental income is recognised on a straight-line basis over the lease term. The rental charge depends on the area rented, the rental rate charged per area, and the rental period stipulated in the contract.

Revenues from hotel and restaurant operations

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

Other service income

Insurance brokerage income is recognised on the date the insurance policy comes into effect, net of discounts, and when services have been rendered. In cases where it is highly uncertain that such income will be received, as a result of policy cancellation, the brokerage income is recorded as advance brokerage income, and recognised as income over the coverage period of the policy.

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

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

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

Revenues from installation and construction services

Revenues from installation and construction services are recognised on a percentage of completion basis. The percentage of completion is measured based on comparison of actual installation and construction costs incurred up to the end of the period and total anticipated installation and construction 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.

Train procurement service income under concession agreement

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

Revenues from sales of real estate

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

Other income

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

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

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

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

4.2 Expenses

Cost of installation and construction services

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

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

Cost of train procurement service under concession agreement

The cost of train procurement service under concession agreement comprises the costs of trains, related equipment and other expenses, which are recognised on an accrual basis.

Cost of sales of real estate

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

4.3 Cash and cash equivalents

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

4.4 Accounts receivable

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

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

4.5 Real estate development costs

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

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

4.6 Investments

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

- e) Investments in joint venture and associates are accounted for in the consolidated financial statements using the equity method.
- f) Investments in subsidiaries, joint ventures and associates are accounted for in the separate financial statements using the cost method.

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

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

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

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

4.7 Project costs - media

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

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

Amortisation is included in determining income.

4.8 Spare parts and amortisation

Spare parts are consisted as follows:

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

4.9 Investment properties

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

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

Golf course and construction for rent	5 - 30 years or period of lease
Buildings and hotel for rent	period of lease

Depreciation of the investment properties is included in determining income.

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

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

4.10 Property, plant and equipment and depreciation

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

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

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

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

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

Buildings and improvements	5 - 30 years or period of lease
Golf course development costs	5 - 30 years
Machinery and equipment	2 - 10 years and remaining period of concession
Furniture and office equipment	2 - 5 years
Motor vehicles	5 years

Depreciation is included in determining income.

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

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

4.11 Leasehold rights and amortisation

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

Amortisation is included in determining income.

4.12 Intangible assets

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

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

A summary of the intangible assets with finite useful lives is as follows:

<u>Useful lives</u>	
Intangible assets acquired through business combination	3 years - 7 years 7 months and remaining contract period
Computer software	3 - 5 years

No amortisation is provided on computer software under development.

4.13 Goodwill

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

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

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

4.14 Borrowing costs

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

4.15 Impairment of assets

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

An impairment loss is recognised in profit or loss.

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

4.16 Provisions

General

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

Major maintenance or restoration of elevated trains under service concession

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

4.17 Equity-settled share-based payment transactions

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

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

4.18 Long-term leases

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

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

4.19 Related party transactions

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

They also include shareholders, associated companies, joint ventures, and enterprises or individuals who have significant influence over the Company and its subsidiaries, key management personnel, directors and officers with authority in the planning and direction of the Company and its subsidiaries' operations, including their family members.

4.20 Foreign currencies

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

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

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

Gains and losses on exchange are included in determining income.

4.21 Employee benefits

Short-term employee benefits

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

Post-employment benefits and other long-term employee benefits

Defined contribution plans

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

Defined benefit plans and other long-term employee benefits

The Company and its subsidiaries have obligations in respect of the severance payments they must make to employees upon retirement under labor law. The Company and its subsidiaries treat these severance payment obligations as a defined benefit plan. In addition, the Company and its subsidiaries provide other long-term employee benefit plan, namely long service awards.

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

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

Actuarial gains and losses arising from other long-term benefits are recognised immediately in profit and loss.

4.22 Treasury share

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

4.23 Service Concession Arrangements

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

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

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

4.24 Income tax

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

Current tax

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

Deferred tax

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

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

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

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

4.25 Derivatives

Cross currency swap agreement/Forward exchange agreement

Payables and receivables arising from cross currency swap agreement/ forward exchange agreement are translated into Baht at the rates of exchange ruling at the end of reporting period. Unrecognised gains and losses from the translation are recognised in profit or loss. Premiums or discounts on cross currency swap agreement/forward exchange agreement are amortized on a straight-line basis over the contract periods.

Interest rate swap contracts

The net amount of interest to be received from or paid to the counterparty under an interest rate swap contract is recognised as income or expenses on an accrual basis.

4.26 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company and its subsidiaries apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company and its subsidiaries measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement 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

At the end of each reporting period, the Company and its subsidiaries determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

4.27 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.

5. Significant accounting judgments and estimates

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

Consolidation of subsidiaries holding less than half of shares

The management of the subsidiary determined that the subsidiary has control over Master Ad Public Company Limited (“MACO”), even though the subsidiary holds 33.68% of shares and voting rights, which represent less than half of the total shares and voting rights. In addition, MACO has control over Inkjet Images (Thailand) Company Limited (“Inkjet”), even though MACO holds 50% of shares and voting rights. This is because the subsidiaries are major shareholders with the power to direct significant activities of such companies. Furthermore, the other shareholders of MACO are only minor shareholders. As a result, MACO and Inkjet are deemed to be subsidiaries of the Group and have to be included in the consolidated financial statements from the date on which the subsidiaries assumed control.

In addition, the subsidiary’s management determined that BSS Holdings Company Limited (“BSSH”) has control over Rabbit Internet Company Limited (“RI”), even though BSSH holds 25% of shares and voting rights, which represents less than half of shares and voting rights. This is because the subsidiary 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. As a result, RI is deemed to be a subsidiary of the Group and has to be included in the consolidated financial statements from the date on which the subsidiary assumed control.

Leases

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

Allowance for doubtful accounts

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

Impairment of investments

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

Property, plant and equipment and depreciation

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

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

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

Goodwill and intangible assets

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

Deferred tax assets

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

Post-employment benefits under defined benefit plans and other long-term employee benefits

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

Provisions

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

Allocation of assets and liabilities and revenues and expenses to BTSGIF of a subsidiary (BTSC)

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

Corporate income tax of a subsidiary (BTSC)

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

Litigations

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

6. Related party transactions

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

(Unit: Million Baht)

	For the years ended 31 March				Pricing policy
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	
<u>Transactions with subsidiaries</u>					
(Eliminated from the consolidated financial statements)					
Sales of land and investments	-	-	1,440	2,992	Contract price
Interest income	-	-	431	73	At cost of funds plus margin
Management income	-	-	47	47	Contract price
Utility income	-	-	11	12	Contract price
Revenue from guarantee	-	-	54	57	Contract price
Rental income	-	-	56	50	Contract price
Dividend income	-	-	2,406	2,001	Announce rate
Purchases of fixed assets and investment properties	-	-	22	207	Contract price
Return of capital	-	-	-	501	Announce rate
Management fee	-	-	42	7	Contract price
Rental expenses	-	-	12	12	Contract price
Interest expenses	-	-	393	284	At cost of funds plus margin
<u>Transactions with jointly controlled entities and associates</u>					
Service income	80	88	-	-	Contract price
Management income	3	-	-	-	Contract price
Interest income	392	145	-	119	At cost of funds plus margin
Rental income	5	-	-	-	Contract price
Dividend income	1,471	1,316	1,412	1,292	Announce rate
Other income	5	-	-	-	Contract price
Return of capital	261	656	123	93	Announce rate
Administrative expenses	10	-	-	-	Contract price
Management fee	35	34	-	13	Contract price
Special business tax paid	60	57	-	-	Contract price
Shortfall in revenues being lower than the minimum guaranteed amounts paid	28	135	-	-	Contract price
Net fare box revenues transferred	4,576	4,475	-	-	Contract price

(Unit: Million Baht)

	For the years ended 31 March				Pricing policy
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	2017	2016	2017	2016	
<u>Transactions with related parties</u>					
Sale of investment	-	769	-	769	Contract price
Interest income	5	4	115	9	At cost of funds plus margin
Service income	43	31	-	-	Contract price
Revenue from installation and construction services	222	33	-	-	Contract price
Revenue sharing paid	-	25	-	-	Contract price
Purchases of fixed assets and investment properties	14	24	-	4	Contract price
Management fee	13	12	17	4	Contract price
Rental expenses	5	4	-	-	Contract price

As at 31 March 2017 and 2016, the balances of the accounts between the Company and those related parties are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2017	2016	2017	2016
<u>Trade and other receivables - related parties (Note 10)</u>				
Subsidiary companies	-	-	887,069	50,714
Jointly controlled entities and associated companies	155,435	160,604	-	-
Related companies (common shareholders/ shareholder of related company)	17,979	2,643	1,840	101,156
Total trade and other receivables - related parties	173,414	163,247	888,909	151,870
<u>Unbilled receivables - related parties</u>				
Jointly controlled entities	286	-	-	-
Related company (shareholder of subsidiary)	22,102	28,243	-	-
Total unbilled receivables - related parties	22,388	28,243	-	-
<u>Accrued income - related parties</u>				
Jointly controlled entities and associated companies	506,502	447,723	-	-
Related companies (shareholders of jointly controlled entities)	1,288	14	-	-
Total accrued income - related parties	507,790	447,737	-	-

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
<u>Prepaid expenses - related parties</u>				
Associated company	13,892	-	-	-
Related company (shareholder of related companies)	5,401	-	-	-
Total prepaid expenses - related parties	<u>19,293</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Investments in debt securities - related parties</u>				
Jointly controlled entities	1,010,694	497,405	774,473	497,405
Total investments in debt securities - related parties	<u>1,010,694</u>	<u>497,405</u>	<u>774,473</u>	<u>497,405</u>
<u>Retention receivable - related party</u>				
Related company (co-director)	11,036	-	-	-
Total retention receivable - related party	<u>11,036</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Trade and other payables - related parties (Note 28)</u>				
Subsidiary companies	-	-	614,862	316,941
Jointly controlled entities and associated companies	46,709	274	281	-
Related companies (common shareholders/ shareholder of related company)	20,679	25,383	309	1,168
Total trade and other payables - related parties	<u>67,388</u>	<u>25,657</u>	<u>615,452</u>	<u>318,109</u>
<u>Unearned revenue - related party</u>				
Associated company	467,970	504,854	-	-
Total unearned revenue - related party	<u>467,970</u>	<u>504,854</u>	<u>-</u>	<u>-</u>
<u>Retention payable - related parties</u>				
Subsidiary company	-	-	16,304	13,017
Related company (shareholder of subsidiary company)	-	16,679	-	-
Total retention payable - related party	<u>-</u>	<u>16,679</u>	<u>16,304</u>	<u>13,017</u>

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
<u>Provision - related parties (Note 34)</u>				
Associated companies	1,202,938	1,171,299	-	-
Total provision - related parties	1,202,938	1,171,299	-	-

Loans to individuals and related parties and loans from related individuals and parties

As at 31 March 2017 and 2016, the balances of loans between the Company and those related individuals and parties and the movements are as follows:

		(Unit: Thousand Baht)			
		Consolidated financial statements			
Short-term loans to related parties	Related by	Balance as at 31 March 2016	Increase during the year	Decrease during the year	Balance as at 31 March 2017
EGV Co., Ltd.	Related company	4,018	-	-	4,018
Related individual	Director of subsidiaries	14,318	-	(14,318)	-
		18,336	-	(14,318)	4,108
Less: Allowance for doubtful debt		(4,018)	-	-	(4,018)
Net		14,318	-	(14,318)	-

		(Unit: Thousand Baht)			
		Separate financial statements			
Short-term loans to related parties	Related by	Balance as at 31 March 2016	Increase during the year	Decrease during the year	Balance as at 31 March 2017
KMJ 2016 Co., Ltd.	Subsidiary company	-	10,200	(10,200)	-
EGV Co., Ltd.	Related company	4,018	-	-	4,018
		4,018	10,200	(10,200)	4,018
Less: Allowance for doubtful debts		(4,018)	-	-	(4,018)
Net		-	10,200	(10,200)	-

(Unit: Thousand Baht)

Long-term loans to related parties	Related by	Consolidated financial statements			
		Balance as at 31 March 2016	Increase during the year	Decrease during the year	Balance as at 31 March 2017
BTS Sansiri Holding One Ltd.	Jointly controlled entity	320,000	286,000	(275,000)	331,000
BTS Sansiri Holding Two Ltd.	Jointly controlled entity	126,688	-	-	126,688
BTS Sansiri Holding Three Ltd.	Jointly controlled entity	270,000	61,000	(331,000)	-
BTS Sansiri Holding Four Ltd.	Jointly controlled entity	222,000	606,000	-	828,000
BTS Sansiri Holding Five Ltd.	Jointly controlled entity	28,000	-	-	28,000
BTS Sansiri Holding Six Ltd.	Jointly controlled entity	450,000	565,000	-	1,015,000
BTS Sansiri Holding Seven Ltd.	Jointly controlled entity	5,000	195,000	(110,000)	90,000
BTS Sansiri Holding Eight Ltd.	Jointly controlled entity	209,000	100,000	(30,000)	279,000
BTS Sansiri Holding Nine Ltd.	Jointly controlled entity	36,000	205,000	(111,000)	130,000
BTS Sansiri Holding Eleven Ltd.	Jointly controlled entity	63,000	140,000	(70,000)	133,000
BTS Sansiri Holding Twelve Ltd.	Jointly controlled entity	174,000	376,000	-	550,000
BTS Sansiri Holding Fourteen Ltd.	Jointly controlled entity	10,000	15,000	-	25,000
BTS Sansiri Holding Fifteen Ltd.	Jointly controlled entity	-	341,000	-	341,000
BTS Sansiri Holding Sixteen Ltd.	Jointly controlled entity	-	677,500	(250,000)	427,500
BTS Sansiri Holding Nineteen Ltd.	Jointly controlled entity	-	379,000	(265,000)	114,000
BTS Sansiri Holding Twenty One Ltd.	Jointly controlled entity	-	780,000	(495,000)	285,000
BTS Sansiri Holding Twenty Two Ltd.	Jointly controlled entity	-	39,000	-	39,000
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	15,393	-	45,263
Bayswater Co., Ltd.	Jointly controlled entity	3,901,300	4,171,000	(3,901,300)	4,171,000
Eyeballs Channel SDN. BHD.	Associated company	-	30,360 ⁽¹⁾	(3,867)	26,493
Hwa Kay Thai (Thailand) Co., Ltd.	Related company	20,100	-	(4,800)	15,300
Midas Global Media Co., Ltd.	Related company	107,325	-	(26,831)	80,494
		6,022,283	9,183,753	(5,873,798)	9,332,238
Less: Allowance for doubtful debts		(20,100)	-	4,800	(15,300)
		6,002,183	9,183,753	(5,868,998)	9,316,938
Less: Current portion		(53,662)	(53,663)	15,923	(91,402)
Net		5,948,521	9,130,090	(5,853,075)	9,225,536

⁽¹⁾ Increase from acquisition of subsidiary by Baht 28 million as discussed in Note 15.2.2 to the financial statements.

(Unit: Thousand Baht)

		Separate financial statements			
Long-term loans to related parties	Related by	Balance as at 31 March 2016	Increase during the year	Decrease during the year	Balance as at 31 March 2017
Tanayong International Ltd.	Subsidiary company	442,681	60	(1,615)	441,126
Tanayong Hong Kong Ltd.	Subsidiary company	3,818	50	-	3,868
Unicorn Enterprise Co., Ltd.	Subsidiary company	6,082,309	20,013,796	(12,140,644)	13,955,461
Rabbit Rewards Co., Ltd.	Subsidiary company	326,500	-	(326,500)	-
RB Services Co., Ltd.	Subsidiary company	-	10,000	-	10,000
Bayswater Co., Ltd.	Jointly controlled entity	3,901,300	-	(3,901,300)	-
		10,756,608	20,023,906	(16,370,059)	14,410,455
Less: Allowance for doubtful debts		(922,100)	(110)	284,349	(637,861)
Net		9,834,508	20,023,796	(16,085,710)	13,772,594

(Unit: Thousand Baht)

		Consolidated financial statements			
Short-term loans from related parties	Related by	Balance as at 31 March 2016	Increase during the year	Decrease during the year	Balance as at 31 March 2017
Theory Ltd.	Shareholder of subsidiary company	35,669	-	(35,669)	-
Intelton Co., Ltd.	Shareholder of subsidiary company	-	3,500	-	3,500
Related individuals	Director of subsidiaries	273	-	(273)	-
Total		35,942	3,500	(35,942)	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 year	Decrease during the year	Balance as at 31 March 2017
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)	-
RB Services Co., Ltd.	Subsidiary company	-	28,000	(28,000)	-
Total		18,033,500	28,000	(1,561,500)	16,500,000

Directors' and management's benefits

During the years ended 31 March 2017 and 2016, the Company and its subsidiaries had employee benefit expenses to their directors and management as below.

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Short-term employee benefits	418	322	113	113
Post-employment benefits	17	27	4	2
Share-based payment	2	3	1	1
Total	437	352	118	116

Guarantee obligations with related parties

The Company and its subsidiary have outstanding guarantee obligations with its related parties, as described in Note 56.7 d) and e) to the financial statements.

7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Cash	44,096	36,237	184	183
Current deposits and saving deposits	5,073,977	2,080,407	1,775,277	240,883
Fixed deposits with maturity date				
due not more than 3 months	9,955,122	35,096	4	4
Certificates of deposits	-	140,284	-	140,284
Bills of exchange	21,312	70,209	-	-
Total	15,094,507	2,362,233	1,775,465	381,354

As at 31 March 2017, cash and cash equivalents carried interests between -0.60 and 3.00% per annum (2016: 0.01 and 3.00% per annum) (Separate financial statements: between 0.01 and 1.40% per annum (2016: 0.01 and 1.25% per annum)).

8. Current investments

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Fixed deposits and certificates of deposits				
with maturity date due more than 3 months	1,625,243	1,170,779	154,285	589,761
Held to maturity securities				
Foreign government and state-owned				
enterprise bonds	783,213	-	-	-
Domestic private debt securities	1,770,000	1,368,225	-	-
Foreign private debt securities	1,125,361	605,052	-	7,655
	<u>3,678,574</u>	<u>1,973,277</u>	<u>-</u>	<u>7,655</u>
Investments in trading securities				
Unit trust in fixed income funds	353,783	891,963	-	-
Domestic marketable equity securities	427,689	255,249	427,689	255,249
Derivative warrants	129,983	129,983	-	-
Domestic government and state-owned				
enterprise bonds	-	47,847	-	-
Domestic private debt securities	88,138	175,346	-	-
	999,593	1,500,388	427,689	255,249
Allowance for change in value	2,246	22,845	(1,974)	11,444
	<u>1,001,839</u>	<u>1,523,233</u>	<u>425,715</u>	<u>266,693</u>
Investments in available for sale securities				
Unit trust in fixed income funds	70,033	-	-	-
Allowance for change in value	255	-	-	-
	<u>70,288</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>6,375,944</u>	<u>4,667,289</u>	<u>580,000</u>	<u>864,109</u>

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 years ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Purchases of investments	40,359	20,287	7,599	2,167
Sales of investments	40,860	19,462	7,426	1,912

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

(Unit: Million Baht)

	For the years ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Gain on sales	153	90	87	5

9. Bank account for advances from cardholders

In order to comply with the Notification of the Bank of Thailand applicable to electronic card businesses, the subsidiary (Bangkok Smartcard System Co., Ltd.) has to deposit cash received in advance from cardholders with a financial institution in an amount not less than the outstanding balance of the advance receipts at the end of each day. These funds cannot be used for any purposes other than making payment to goods or service providers on behalf of the cardholder. As at 31 March 2017, the balance of cash received in advance from cardholders was Baht 375 million (2016: Baht 285 million).

10. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
		(Restated)		
<u>Trade receivables - related parties</u>				
Not yet due	2,092	2,514	-	-
Past due				
Up to 3 months	1,959	413	-	-
3-6 months	12,104	-	-	-
Total trade receivables - related parties	<u>16,155</u>	<u>2,927</u>	<u>-</u>	<u>-</u>
<u>Trade receivables - unrelated parties</u>				
Not yet due	733,692	585,370	-	-
Past due				
Up to 3 months	569,030	159,606	-	-
3 - 6 months	199,862	27,926	-	-
6 - 12 months	2,152	16,139	-	-
Over 12 months	68,061	63,808	-	-
Total	<u>1,572,797</u>	<u>852,849</u>	<u>-</u>	<u>-</u>
Less: Allowance for doubtful debts	<u>(64,051)</u>	<u>(59,054)</u>	<u>-</u>	<u>-</u>
Net	1,508,746	793,795	-	-
Cheques awaiting deposit	712	-	-	-
Total trade receivables - unrelated parties - net	<u>1,509,458</u>	<u>793,795</u>	<u>-</u>	<u>-</u>
Total trade receivables - net	<u>1,525,613</u>	<u>796,722</u>	<u>-</u>	<u>-</u>
<u>Other receivables</u>				
Advances	8,130	12,535	5,837	1,169
Interest receivables - related parties	115,150	110,777	156,149	142,951
Interest receivables	132,724	29,702	2,969	6,786
Dividend receivables - related parties	32,335	7,500	706,172	7,500
Dividend receivables	5,207	17,975	5,206	17,975
Other receivables - related parties	9,774	42,043	26,588	1,419
Other receivables	145,581	67,071	72,949	43,353
Receivables from sales of investments	201,406	1,177	201,406	1,177
Total other receivables	<u>650,307</u>	<u>288,780</u>	<u>1,177,276</u>	<u>222,330</u>
Total trade and other receivables - net	<u>2,175,920</u>	<u>1,085,502</u>	<u>1,177,276</u>	<u>222,330</u>

11. Receivable under concession agreement

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>	
	<u>2017</u>	<u>2016</u>
Balance at beginning of year	3,615,231	3,707,436
Increase	784,136	-
Repayment	<u>(94,584)</u>	<u>(92,205)</u>
Balance at end of year	<u>4,304,783</u>	<u>3,615,231</u>
Current	97,093	94,584
Non-current	<u>4,207,690</u>	<u>3,520,647</u>
	<u>4,304,783</u>	<u>3,615,231</u>

The receivable represents receivables from the provision of train procurement services. The details are as follows:

- a) A receivable from the provision of train procurement services for extension line - Silom and Sukhumvit, and the core line after the expiry of the existing concession, in accordance with an arrangement under the Operating and Maintenance of Bangkok Mass Transit System Agreement dated 3 May 2012 between Krungthep Thanakom Company Limited ("Krungthep Thanakom") and a subsidiary (BTSC), and the amendment to that agreement, with a term of 30 years from 8 May 2012 to 2 May 2042.
- b) A receivable from the provision of train procurement services for the Green Line under the Operating and Maintenance Agreement for the Green Line (Mochit-Sapanmai-Kukot and Bearing-Sumutprakan) dated 1 August 2016 between Krungthep Thanakom and the subsidiary, and the amendment to that agreement, with a term of 26 years from 1 August 2016 to 2 May 2042.

The agreements stipulate that the subsidiary is to procure a number of trains for a specified period and will receive a monthly fixed payment. In addition, the subsidiary has obligations to perform major maintenance or restoration of the trains, and these are recorded under the provision accounts, as discussed in Note 34 to the financial statements. Krungthep Thanakom has a call option to purchase the trains at the end of the agreement at the rates stipulated in the agreement mentioned in a) above.

The receivable under the concession agreement, which is due over 5 years, amounts to Baht 3,254 million (2016: Baht 3,116 million), and this is subject to interest at rates of 0.58%, 3.60% and 6.12% per annum (2016: 0.58% and 6.12% per annum).

12. Receivable under financial lease agreement

(Unit: Thousand Baht)

	Consolidated financial statements		
	2017		
	Amounts due under the agreements		
	Less than		
	1 year	1 - 5 years	Total
Gross investment in the agreement	2,563	-	2,563
Less: Deferred revenue	(13)	-	(13)
Receivable under finance lease agreement	2,550	-	2,550
Current portion of receivable under finance lease agreement			2,550

(Unit: Thousand Baht)

	Consolidated financial statements		
	2016		
	Amounts due under the agreements		
	Less than		
	1 year	1 - 5 years	Total
Gross investment in the agreement	30,756	2,563	33,319
Less: Deferred revenue	(1,110)	(13)	(1,123)
Receivable under finance lease agreement	29,646	2,550	32,196
Current portion of receivable under finance lease agreement			29,646
Receivable under finance lease agreement - net of current portion			2,550

The receivable represents a receivable from the provision of bus procurement services in accordance with an arrangement under the Operating and Bus Procurement (BRT) Agreement dated 10 February 2010 between a subsidiary (BTSC) and Krungthep Thanakom Company Limited and the amendment to the agreement, for 7 years, from 15 May 2010 to 28 May 2017.

13. Receivable under purchase and installation of operating system agreement

On 28 June 2016, a subsidiary (BTSC) entered into the purchase and installation of operating system (Electric and Mechanic) agreement for the Green Line (Mochit-Sapanmai-Kukot and Bearing-Sumutprakan) with Krungthep Thanacom Company Limited (“Krungthep Thanacom”). The agreement stipulates that Krungthep Thanacom has an option to make payment within a 4 year period after payment is due and can extend this period by another 2 years, with interest to be charged at the rate stipulated in the agreement as from the date the option is exercised. As at 31 March 2017, the subsidiary has issued billing letters to Krungthep Thanacom to bill a total of Baht 1,256 million (the subsidiary presented a balance of Baht 712 million receivable from Krungthep Thanacom in the statement of financial position, consisting of the balances per the billing letters and unbilled receivable together totaling Baht 1,700 million, net of advances from Krungthep Thanacom amounting to Baht 988 million). Krungthep Thanacom has exercised the payment option above and the subsidiary has charged interest at the rate stipulated in the agreement as from the date the option was exercised and recorded this in its accounts.

14. Real estate development costs

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Land and construction development	665,043	509,764	665,043	509,764
Less: Reduce cost to net realisable value	<u>(1,272)</u>	<u>(1,272)</u>	<u>(1,272)</u>	<u>(1,272)</u>
Real estate development costs - net	<u>663,771</u>	<u>508,492</u>	<u>663,771</u>	<u>508,492</u>
Mortgaged as collateral for credit facilities	822	822	822	822

15. Investments in subsidiaries

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

(Unit: Thousand Baht)

Company's name	Paid-up capital		Percentage owned by the Company		Cost		Dividend income	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Bangkok Mass Transit System Public Co., Ltd. ("BTSC")	4,016,783	4,016,783	97.46	97.46	29,937,253	29,937,253	2,270,611	1,879,126
VGI Global Media Public Co., Ltd. (51% held by BTSC)	686,433	686,432	20.57	23.30	6,961,980	7,850,276	135,474	119,127
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	-	100	-	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	-	100	-	1,200,000	-	-
Unicom Enterprise Co., Ltd.	10,000	10,000	100	100	10,000	10,000	-	-
KMJ 2016 Co., Ltd.	61,000	-	51	-	31,110	-	-	-
Man Food Products Co., Ltd.	80,000	-	100	-	80,000	-	-	-
RB Services Co., Ltd.	135,000	-	100	-	135,000	-	-	-
Total					37,365,314	39,209,500		
Less: Surplus on business combination under common control					(3,657,784)	(3,715,435)		
					33,707,530	35,494,065		
Less: Provision for loss on diminution in value					(66)	(66)		
Net					33,707,464	35,493,999		

Details of investments in subsidiaries that have material non-controlling interests were as follows:

(Unit: Million Baht)

Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit allocated to non- controlling interests during the year		Dividend paid to non- controlling interests during the year	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
	(%)	(%)						
Bangkok Mass Transit System Public Co., Ltd.	2.54	2.54	609	632	43	40	59	49
VGI Global Media Public Co., Ltd. ⁽¹⁾	28.43	25.70	716	576	238	247	184	133
Master Ad Public Co., Ltd. ⁽²⁾	66.32	-	964	-	39	-	34	-

⁽¹⁾ 20.57% (2016: 23.30%) held by the Company and 51% (2016: 51%) held by BTSC

⁽²⁾ held by VGI

Summarised financial information that based on amounts before inter-company elimination about subsidiaries that have material non-controlling were as follows:

Summarised information about financial position

(Unit: Million Baht)

	Bangkok Mass Transit		VGI Global Media		Master Ad Public Co., Ltd.	
	System Public Co., Ltd.		Public Co., Ltd.		Master Ad Public Co., Ltd.	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Current assets	39,342	25,483	2,613	2,647	826	-
Non-current assets	22,200	12,299	5,372	2,916	860	-
Current liabilities	(5,180)	(4,086)	(2,808)	(1,506)	(454)	-
Non-current liabilities	(30,046)	(6,351)	(2,072)	(222)	(38)	-

Summarised information about comprehensive income

(Unit: Million Baht)

	For the years ended 31 March					
	Bangkok Mass Transit		VGI Global Media		Master Ad Public Co., Ltd.	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Revenue	7,610	5,077	3,358	2,585	643	-
Profit	2,016	2,013	768	933	68	-
Other comprehensive income	(213)	18	1	(14)	1	-
Total comprehensive income	1,803	2,031	769	919	69	-

Summarised information about cash flow

(Unit: Million Baht)

	For the years ended 31 March					
	Bangkok Mass Transit System		VGI Global Media		Master Ad	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Cash flow from (used in) operating activities	(3,668)	1,507	957	732	147	-
Cash flow used in investing activities	(6,568)	(6,537)	(3,685)	(209)	(276)	-
Cash flow from (used in) financing activities	21,577	(2,071)	2,213	432	363	-
Increase in translation adjustment	1	-	4	-	5	-
Net increase (decrease) in cash and cash equivalents	(11,342)	(7,101)	(511)	955	239	-

15.1 Subsidiaries directly owned by the Company

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

All of BTSC's ordinary shares (excluding the ordinary shares of VGI Global Media Public Company Limited held by BTSC, benefits and rights on an Operating and Maintenance of 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.

15.1.2 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. On 2 February 2017, the Extraordinary General Meeting of the subsidiary's shareholders passed a resolution to increase its share capital from Baht 41 million (410,000 ordinary shares with a par value of Baht 100 each) to Baht 61 million (610,000 ordinary shares with a par value of Baht 100 each). The Company acquired ordinary shares of the subsidiary in proportion to its existing holding, and as a result, its shareholding in the subsidiary is unchanged at 51%.

15.1.3 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. Subsequently, on 28 November 2016, the subsidiary called up a further 20% of the registered share capital, amounting to Baht 20 million. The Company made a payment for the share capital.

15.1.4 RB Services Company Limited (“RBS”)

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 holding a 100% interest. On 1 March 2017, the Extraordinary General Meeting of RBS's shareholders approved a resolution to increase the registered share capital Baht 35 million (350,000 ordinary shares of Baht 100 each) to Baht 135 million (1,350,000 ordinary shares with a par value of Baht 100 each). The Company acquired all additional ordinary shares of the subsidiary, and as a result, its shareholding in the subsidiary is unchanged at 100%.

In accordance with a resolution of the meeting of Board of Directors of the Company on 22 August 2016 regarding the acquisition of ordinary shares in Bangkok Payment Solution Company Limited (“BPS”) from BSS Holdings Company Limited (“BSSH”), in February 2017 RBS acquired ordinary shares in BPS from BSSH at a price of Baht 40 million. As a result, RBS holds a 60% interest in BPS.

In addition, a meeting of the Board of Directors of the Company on 10 February 2017 passed resolutions to approve the restructuring of debt between the Company and Rabbit Rewards Company Limited (“RR”), by converting loans and interest payable of the Company to equity, and the restructuring of the service business unit. In March 2017, the Company transferred ordinary shares of RR to RBS at a price of Baht 61 million.

15.1.5 Nuvo Line Agency Company Limited

On 25 September 2015, a meeting of the Executive Committee of the Company passed a resolution to approve the Company’s disposal of 7,500,000 shares of the subsidiary with a par value of Baht 100 per share, representing a 50% shareholding, to Sansiri Public Company Limited. On 6 October 2015, the Company sold the shares for a total price of Baht 769 million.

As a result of the disposal of the investment in subsidiary, the Company remained a 50% shareholding in this company and it was considered as investment in a jointly controlled entity, held by the Company and Sansiri Public Company Limited. The Company recorded loss on the sale of investment amounting to Baht 28 million in the profit and loss in the consolidated financial statements for the year ended 31 March 2016 (Separate financial statements: Gain by Baht 87 million).

15.1.6 BTS Assets Company Limited (“BTSA”) and Kamkoong Property Company Limited (“Kamkoong”)

Subsequently on 20 April 2015, the Company transferred all of the ordinary shares it held in BTSA and Kamkoong to U City Public Company Limited (“U City”) in accordance with the Share Purchase Agreement between the Company and U City dated 9 December 2014. In return, the Company has received compensation in the form of (i) the allotment of 200,086,877,212 new ordinary shares of U City (representing 35.64% of the total issued shares of U City), and (ii) 100,043,438,606 units of the newly issued warrants to purchase the ordinary shares of U City No. 2, at no cost (1 unit of warrant can be exercised to purchase 1 ordinary share of U City at a price of Baht 0.047 per share and the warrants are non-listed securities that cannot be traded on the Stock Exchange of Thailand).

In order to appropriately reflect the value of its investment in U City, the Company recorded the investment in U City as investment in associate at a fair value of ordinary shares and warrants of U City as at 20 April 2015, calculated based on the valuation report from an independent valuer, at a price of Baht 9,469 million. It also de-recognised its investments in BTSA and Kamkoong as at 20 April 2015 in the separate financial statements and de-recognised the net assets values of BTSA and Kamkoong as at 20 April 2015 from the consolidated financial statements. The Company recorded a gain on swap of investments in the profit or loss for the year ended 31 March 2016, as detailed below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Fair value of investment in U City	9,468,845	9,468,845
Less: Book value of investment in BTSA	-	(3,579,078)
Book value of investment in Kamkoong	-	(1,175,000) ⁽²⁾
Net assets of BTSA and Kamkoong per books	<u>(4,095,151)</u>	<u>-</u>
Gain on swap of investments	5,373,694	4,714,767
Less: Deferred gain on swap of investments	<u>(1,915,184)⁽¹⁾</u>	<u>-</u>
Gain on swap of investments - net	<u><u>3,458,510</u></u>	<u><u>4,714,767</u></u>

⁽¹⁾ Gain on swap of investments was eliminated in proportion to the Company's 35.64% shareholding in U City.

⁽²⁾ After adjustment of deficit on swap of investment in subsidiary under common control.

The Company transferred revaluation surplus on assets of BTSA amounting to Baht 580 million to retained earnings in the consolidated financial statements.

15.2 Subsidiaries indirectly owned by the Company

15.2.1 VGI Global Media Public Company Limited (“VGI”) (51% held by BTSC)

Transactions for the year ended 31 March 2016

Purchase transactions of investment in the subsidiary

The Company purchased 324 million ordinary shares of the subsidiary at prices of Baht 4.22 - 5.05 per share. The purchase transactions are detailed below.

	(Unit: Thousand Baht) Consolidated financial statements
Purchase price	1,513,181
Less: Non-controlling interests of subsidiary adjusted	(94,518)
Deficit from the change in the ownership interests in subsidiary	1,418,663

Transactions for the year ended 31 March 2017

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.

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 90.3 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	456,452
Less: Non-controlling interests of subsidiary adjusted	(28,969)
Deficit from the change in the ownership interests in subsidiary	<u>427,483</u>

Sale transactions of investment in the subsidiary

The Company sold 277.4 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	1,499,828	1,499,828
Less: Selling expenses relating to the sales of investments in the subsidiary	(1,988)	(1,988)
Cash receipt from the sales of investments in the subsidiary	1,497,840	1,497,840
Less: Cost of investments in the subsidiary	-	(1,344,749)
Cash receipt from the sales of investments in the subsidiary / Gain on sales of investments in subsidiary	1,497,840	153,091
Less: Non-controlling interests of subsidiary	(93,928)	-
Surplus from the changes in the ownership interests in a subsidiary / Gain on sales of investments in subsidiary	1,403,912	153,091

Due to the sales of investments above, the Company reversed the surplus on business combination under common control of approximately Baht 58 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 20.57% (51% held by BTSC).

BTSC pledged all ordinary shares of VGI Global Media Public 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 21 March 2017, VGI acquired 90% of the ordinary shares of BSSH from the Company and 90% of the ordinary shares of BSS from BTSC, in accordance with resolution passed by the Extraordinary General Meeting of VGI's shareholders No. 2/2016 on 7 November 2016, as detailed below.

- 1) VGI acquired 3.6 million ordinary shares in BSS with a par value of Baht 100 each, representing 90% of all issued shares of BSS, from BTSC, at a price of Baht 184.39 per share, or for a total of Baht 663,804,000.
- 2) VGI acquired 10.8 million ordinary shares of BSSH with a par value of Baht 100 each, representing 90% of all issued shares of BSSH, from the Company, at a price of Baht 119.69 per share, or for a total of Baht 1,292,652,000.

As a result of the acquisition of shares in BSSH, VGI became an indirect shareholder in 6 other 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

Before the date on which VGI completed the acquisition of BSSH’s shares, BSSH sold all shares it held in Bangkok Payment Solutions Company Limited (“BPS”), which is a software developer and provides technology services, including technology related to mass transit systems and domestic payment systems, representing 60% shareholding, to a subsidiary of the Company. As a result, BPS was not included in the acquisition of BSSH’s shares this time.

In addition, the Company sold the remaining 1.2 million shares in BSSH with a par value of Baht 100 each, representing 10% of all issued shares of BSSH, to Bangkok Bank Public Company Limited at a price of Baht 144 million.

Moreover, if the Company has to sell all or some of the shares of Rabbit Rewards Company Limited (“RR”), which is a provider of CRM loyalty program and coupon kiosks, to another party in the future, the Company agrees to offer VGI first right of refusal to purchase RR’s shares, under conditions and at a price to be agreed between the counterparties in the future.

The Company recorded gains from sales of investment in BSSH totaling to Baht 236 million in the profit or loss in the separate financial statements.

As a result of the sales of investments in BSSH and BSS, the Group’s shareholding in BSSH and BSS decreased to 63.25% and 63.25% (held through VGI), respectively. The Company recorded the effects of the changes in its shareholding in BSSH and BSS, amounting to Baht 350 million, under the heading of “Deficit from changes in the ownership interests in subsidiaries” under shareholders’ equity in the consolidated statements of financial position.

In addition, the Extraordinary General Meeting of VGI’s shareholders No. 2/2016 on 7 November 2016 passed a resolution to borrow from BTSG in order to provide an alternative source of funds for the acquisitions of BSSH and BSS shares. However, VGI did not borrow from the Company for the acquisitions of BSSH and BSS shares.

15.2.2 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 year ended 31 March 2017.

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	<u>690,018</u>
Less: Non-controlling interests' proportionate share of identifiable net assets of the acquiree	<u>(597,220)</u>	
VGI's proportionate share of identifiable net assets of the acquiree	<u>357,117</u>	
Costs of the acquisition of investment in a subsidiary *	1,237,292	
Less: VGI's proportionate share of identifiable net assets of the acquiree	<u>(357,117)</u>	
Goodwill	<u>880,175</u>	
* Carrying amount based on equity method of VGI's previous holding before business combination	617,354	
Gain on change in status of investment	<u>207,438</u>	
VGI's previous holding before business combination	824,792	
Cash paid for purchase of investment in a subsidiary	<u>412,500</u>	
Costs of the acquisition of investment in a subsidiary	<u>1,237,292</u>	
Cash paid for purchase of investment in a subsidiary	412,500	
Less: Cash and cash equivalents of a subsidiary	<u>(117,991)</u>	
Net cash paid for purchase of investment in a subsidiary	<u>294,509</u>	

During 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 comprehensive income.

Revenues and losses of MACO as from 1 June 2016, amounting to Baht 576 million and Baht 20 million, respectively, were included in the consolidated statements of income for the year ended 31 March 2017.

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.

Company's name	Nature of business	Country of incorporation	Percentage of shareholding (%)
<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, under the caption of "Trade and other payables" in the consolidated statement of financial position.

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 year, 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 65 million and Baht 4 million, respectively, were included in the consolidated statements of comprehensive income for the year ended 31 March 2017.

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.

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 year, 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 ordinary 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 8.3 million.

As a result of the increase in MACO's share capital and VGI's acquisitions and sales of MACO's shares, VGI's shareholding in MACO decreased from 37.42% to 33.68% of all issued shares of MACO. As a result of these events, the Company recorded surplus from changes in the ownership interest in a subsidiary of Baht 79 million under shareholders' equity in the consolidated statements of financial position.

In addition, on 24 April 2017, the Annual General Meeting of MACO's shareholders passed a resolution to pay to the shareholders a cash dividend for 2016 of Baht 0.011 per share, or a total of Baht 37 million. The dividend was paid on 12 May 2017.

15.2.3 VGI Global Media (Malaysia) Sdn Bhd (held by VGI)

On 14 March 2017, VGI received the transfer of 2 ordinary shares of VGI Global Media (Malaysia) Sdn Bhd, which registered its incorporation in Malaysia on 26 January 2017, at a price of MYR 1 per share, for a total of MYR 2, or equivalent to Baht 16.07, from VGI's representative, who established VGI with a registered share capital of MYR 1 million (1 million ordinary shares with a par value of MYR 1 each), in accordance with a resolution passed by VGI's Executive Committee Meeting No. 15/2016 on 19 December 2016. VGI paid for 999,998 ordinary shares, at a price of MYR 1 per share, for a total of MYR 999,998, or equivalent to Baht 8 million, in order to increase the share capital of the subsidiary from MYR 2 (2 ordinary shares with a par value of MYR 1 each) to MYR 1 million (1 million ordinary shares with a par value of MYR 1 each) on 5 April 2017, and holds 100% of all issued shares.

15.2.4 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.

15.2.5 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%. Subsequently, as discussed in Note 15.1.4 to the financial statements, BSSH sold the ordinary shares of the subsidiary to RBS.

15.2.6 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 has 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 year, 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 liabilities to increase by approximately Baht 104 million, deferred tax liabilities to increase by approximately Baht 3 million, unallocated costs of business acquisition to decrease by approximately Baht 80 million, deficit to increase by approximately Baht 7 million, non-controlling interests of the subsidiaries to decrease by approximately Baht 9 million, cost of services and servicing expenses to decrease by approximately Baht 4 million and administrative expenses to increase by approximately Baht 20 million.

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	<u>(57,938)</u>	<u>(57,938)</u>
Net asset value	289,178	<u>46,719</u>
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 ⁽¹⁾ proportionate share ⁽¹⁾ (45%)	<u>(103,945)</u>	
BSSH's proportionate share of identifiable net assets of the acquire ⁽²⁾	<u>159,442</u>	
⁽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 which are able 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	<u>(159,442)</u>	
Goodwill	<u>157,631</u>	
Cash	88,085	
Loans under the agreements ⁽³⁾	230,989	
Less: cost of options to purchase shares from the existing shareholders	<u>(2,001)</u>	
Total cost of acquisition of investment in subsidiary	<u>317,073</u>	
⁽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 able 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	<u>(88,085)</u>	
Net cash received from purchase of investment in subsidiary	<u>6,088</u>	

As at 31 March 2017, BSSH reclassified Baht 62 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
	<u>financial statements</u>
Capital increase in subsidiary	12,757
Less: Non-controlling interests of subsidiary adjusted	<u>(9,567)</u>
Surplus from the change in the ownership interests in subsidiary	<u>3,190</u>

15.2.7 Keystone Estate Company Limited (“Keystone Estate”) (held by Unicorn Enterprise Company Limited (“UE”))

On 14 March 2017, UE sold 9,370,000 ordinary shares of the subsidiary with a par value of Baht 100 per share, representing a 50% interest, to co-investors for a total price of Baht 946 million. The assessment of the management was that, as a result of the disposal of ordinary shares, UE had lost control over the subsidiary. Therefore, the Company has excluded the financial statements of the subsidiary from the consolidated financial statements since 14 March 2017.

Details of the book values of the assets and liabilities of the subsidiary as at 14 March 2017 are as follows:

	(Unit: Thousand Baht)
Assets	
Cash and cash equivalents	318,898
Land and projects awaiting development	1,504,413
Other current assets	<u>29</u>
Total assets	<u>1,823,340</u>
Liabilities	
Trade and other payables	<u>479</u>
Total liabilities	<u>479</u>
Net asset value	<u>1,822,861</u>

As a result of the disposal of this interest in the subsidiary, UE retained a 50% shareholding and the investment was considered an investment in a jointly controlled entity, held by the Company and co-investors. The management assessed that the acquisition of the jointly controlled entity was an asset acquisition because, applying the definition in TFRS 3 (revised 2015) Business Combinations, the assets acquired do not constitute a business.

UE recorded a gain on the sale of the investment in the profit and loss in the consolidated financial statements for the year ended 31 March 2017, as detailed below.

	(Unit: Thousand Baht)
Selling price of investment in subsidiary	946,370
Fair value of investment in jointly controlled entity	913,699
Less: Book value of subsidiary's net assets as at selling date	<u>(1,822,861)</u>
Gain on sale of investment	<u>37,208</u>

16. Investments in joint ventures

16.1 Details of investments in joint ventures

Investments in joint ventures were as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	Equity method	
Company's name	2017	2016
BTS Sansiri Holding Two Ltd.	23,263	36,811
BTS Sansiri Holding Three Ltd	166,353	-
BTS Sansiri Holding Four Ltd.	6,208	46,395
BTS Sansiri Holding Five Ltd.	43,119	47,308
BTS Sansiri Holding Six Ltd.	37,819	46,171
BTS Sansiri Holding Seven Ltd.	-	49,577
BTS Sansiri Holding Nine Ltd.	-	49,610
BTS Sansiri Holding Eleven Ltd.	-	49,340
BTS Sansiri Holding Twelve Ltd.	-	49,305
BTS Sansiri Holding Fourteen Ltd.	43,957	49,726
BTS Sansiri Holding Fifteen Ltd. (Formerly known as "Pattanasiri Estate Ltd.)	40,483	-
BTS Sansiri Holding Sixteen Ltd.	3,045	-
BTS Sansiri Holding Seventeen Ltd.	49,806	-
BTS Sansiri Holding Eighteen Ltd.	49,015	-
BTS Sansiri Holding Nineteen Ltd.	49,273	-
BTS Sansiri Holding Twenty Ltd. (Formerly known as "Ava Holding Ltd.")	48,927	-
BTS Sansiri Holding Twenty One Ltd.	46,215	-
BTS Sansiri Holding Twenty Two Ltd.	49,830	-
Nuvo Line Agency Co., Ltd.	55,308	205,304
Keystone Estate Co., Ltd. (Note 15.2.7)	913,699	-
Keystone Management Co., Ltd.	62,336	-
ATS Rabbit Special Purpose Vehicle Co., Ltd.	22	8,551
Rabbit - Line Pay Co., Ltd.	709,332	-
The ICON VGI Co., Ltd.	250	-
Titanium Compass Sdn Bhd	-	-
Total	<u>2,398,260</u>	<u>638,098</u>

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

(Unit: Thousand Baht)

Company's name	Consolidated financial statements	
	<u>2017</u>	<u>2016</u>
BTS Sansiri Holding One Ltd.	387,500	371,287
BTS Sansiri Holding Three Ltd.	-	12,274
BTS Sansiri Holding Seven Ltd.	1,280	-
BTS Sansiri Holding Eight Ltd.	10,994	5,018
BTS Sansiri Holding Nine Ltd.	39,927	-
BTS Sansiri Holding Eleven Ltd.	5,165	-
BTS Sansiri Holding Twelve Ltd.	16,985	-
Bayswater Co., Ltd.	184,833	66,931
Total	<u>646,684</u>	<u>455,510</u>

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.

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

Meetings of the Executive Committee of the Company passed a resolution approving the establishment of 50:50 joint venture companies between UE and SIRI for the residential projects for sale under a strategic alliance framework agreement with SIRI. Each company has a registered share capital of Baht 100 million (1,000,000 ordinary shares with a par value of Baht 100 each). The details were as follows:

	<u>Registered date</u>
BTS Sansiri Holding One Ltd.	19 December 2014
BTS Sansiri Holding Two Ltd.	13 March 2015
BTS Sansiri Holding Three Ltd.	12 June 2015
BTS Sansiri Holding Four Ltd.	12 June 2015
BTS Sansiri Holding Five Ltd.	12 June 2015
BTS Sansiri Holding Six Ltd.	12 June 2015
BTS Sansiri Holding Seven Ltd.	14 July 2015
BTS Sansiri Holding Eight Ltd.	8 September 2015
BTS Sansiri Holding Nine Ltd.	28 September 2015
BTS Sansiri Holding Eleven Ltd.	14 December 2015
BTS Sansiri Holding Twelve Ltd.	14 December 2015
BTS Sansiri Holding Fourteen Ltd.	4 February 2016
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
BTS Sansiri Holding Twenty Two Ltd.	22 February 2017

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.

In addition, Nuvo Line Agency Co., Ltd. and these 2 companies are joint venture companies under the strategic alliance framework agreement.

16.1.2 Bayswater Company Limited (“Bayswater”) (held by UE)

Bayswater engaged in the property development business which was 50% held by UE.

On 15 October 2015, Bayswater entered into a sale and purchase of land agreement with the Legal Execution Department, with a price of Baht 7,350 million, and Bayswater has now received transfer of ownership of the land. UE has loans to Bayswater totaling to Baht 4,171 million (Note 6). However, a company filed petitions with the Central Bankruptcy Court relating to the land as discussed in Note 56.8 g) to the financial statements.

16.1.3 Keystone Management Company Limited (“Keystone Management”) (held by UE)

On 14 March 2017, UE established 50:50 joint venture company with an investor for engaging in international school business, which has a registered share capital of Baht 500 million (5,000,000 ordinary shares with a par value of Baht 100 each).

16.1.4 ATS Rabbit Special Purpose Vehicle Company Limited (“ATS Rabbit”) (held by BSS Holdings Company Limited) (“BSSH”)

On 2 February 2015, BSSH and AEON Thana Sinsap (Thailand) Public Company Limited (“AEONTS”) entered into Memorandum of Understanding for Business Cooperation for the joint issue of the Co-Branded Rabbit Program, the securitisation project and the establishment of a special purpose vehicle (“SPV”). SPV is to be established under the securitisation project in a form of a jointly controlled entity between BSSH and AEONTS, to carry out the securitization project in accordance with the Emergency Decree regarding Securitization B.E. 2540 (1997). This securitization project has a term of up to 10 years and a funding size of up to Baht 5,000 million. The Company will invest up to Baht 4,500 million in the debentures to be issued by the SPV, while BSSH and AEONTS, the shareholders of the SPV, will provide the SPV with subordinated loans in equal amounts, up to an aggregate amount of Baht 500 million.

Subsequently, on 20 March 2015, ATS Rabbit was registered as a special purpose vehicle for the securitization project under the Civil and Commercial Code of Thailand with a registered capital of Baht 40,000. This consisted of 2 preferred shares with a par value of Baht 100 per share and 398 ordinary shares with a par value of Baht 100 per share, with 51% of shares held by BSSH and the remaining 49% held by AEONTS. ATS Rabbit was granted approval for the securitization project by the SEC on 2 October 2015.

In accordance with the conditions stipulated in the Memorandum of Understanding for Business Cooperation, on 22 October 2015 the Company, ATS Rabbit and AEONTS entered into the Subscription Agreement, and on 31 March 2017 the Company invested approximately Baht 497 million in unsubordinated secured long-term debentures, bearing interest at a rate of 4% per annum for the 3-year period after the first issuance date, and thereafter an interest rate equal to the corporate bond yield per annum as prescribed in the conditions, which is to be paid monthly commencing from 18 December 2015. The debentures will be redeemed beginning from 2023 and mature in 2025, with conditions permitting early redemption. In the event that a Put Trigger Event occurs, as defined in the agreement, AEONTS is to purchase and the Company is to sell the debentures at a price equal to the outstanding principal amount plus accrued interest at the selling date.

In addition, on 22 October 2015, BSSH entered into an agreement to provide a subordinated term loan to ATS Rabbit. The term loan matures in the year 2025 and carries interest at a rate of 12% per annum, payable monthly.

16.1.5 Rabbit - Line Pay Company Limited (“Rabbit - Line Pay”) (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 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)
	Book value
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	916,224
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	23,740
Net asset value	892,484

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

16.1.6 Titanium Compass SDN. BHD. (“TCSB”) (held by VGI)

On 13 June 2016, 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 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 registered its incorporation 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).

16.1.7 The ICON VGI Company Limited (held by VGI)

On 2 February 2017, VGI entered into a joint venture's shareholder agreement to invest in a joint venture with ICONSIAM Retail Company Limited ("IRC"), which is incorporated and domiciled in Thailand. Subsequently, on 28 March 2017, VGI and IRC made a joint investment to incorporate The ICON VGI Company Limited in Thailand, with a registered share capital of Baht 1 million (10,000 ordinary shares with a par value of Baht 100 each). VGI acquired 2,500 ordinary shares of The ICON VGI Company Limited, at a price of Baht 100 per share, or for a total of Baht 250,000, in accordance with a resolution passed by VGI's Executive Committee Meeting No. 3/2017 on 3 February 2017. As a result, VGI and IRC held 25% and 75%, respectively, of all issued shares of such company, as stipulated in the joint venture's shareholder agreement. However, the agreement stipulates that VGI and IRC jointly control The ICON VGI Company Limited.

As at 31 March 2017, VGI was in the process of making payment for the shares of Baht 250,000, which was presented as other payable from purchase of investment, under the caption of "Trade and other payables" in the statement of financial position.

16.2 Share of profit (loss)

During the year, the subsidiaries recognised their share of profit (loss) from investments in the joint ventures in the consolidated financial statements as follows:

	(Unit: Thousand Baht)	
<u>Jointly controlled entities</u>	<u>2017</u>	<u>2016</u>
BTS Sansiri Holding One Ltd.	(16,213)	(127,086)
BTS Sansiri Holding Two Ltd.	(13,548)	(12,863)
BTS Sansiri Holding Three Ltd.	178,628	(62,274)
BTS Sansiri Holding Four Ltd.	(40,187)	(3,605)
BTS Sansiri Holding Five Ltd.	(4,190)	(2,692)
BTS Sansiri Holding Six Ltd.	(8,352)	(3,829)
BTS Sansiri Holding Seven Ltd.	(50,857)	(423)
BTS Sansiri Holding Eight Ltd.	(5,977)	(55,018)
BTS Sansiri Holding Nine Ltd.	(89,537)	(390)
BTS Sansiri Holding Eleven Ltd.	(54,505)	(661)
BTS Sansiri Holding Twelve Ltd.	(66,290)	(695)
BTS Sansiri Holding Fourteen Ltd.	(5,769)	(274)
BTS Sansiri Holding Fifteen Ltd. (Formerly known as "Pattanasiri Estate Ltd.)	(9,517)	-
BTS Sansiri Holding Sixteen Ltd.	(46,955)	-
BTS Sansiri Holding Seventeen Ltd.	(194)	-
BTS Sansiri Holding Eighteen Ltd.	(985)	-
BTS Sansiri Holding Nineteen Ltd.	(727)	-
BTS Sansiri Holding Twenty Ltd. (Formerly known as "Ava Holding Ltd.")	(1,073)	-
BTS Sansiri Holding Twenty One Ltd.	(3,785)	-
BTS Sansiri Holding Twenty Two Ltd.	(170)	-
Nuvo Line Agency Co., Ltd.	(12,496)	(1,215)
Keystone Management Co., Ltd.	(164)	-
Midas Global Media Co., Ltd. ⁽¹⁾	-	(5,244)
ATS Rabbit Special Purpose Vehicle Co., Ltd.	12,885	8,531
Rabbit-LINE Pay Co., Ltd.	(40,668)	-
Bayswater Co., Ltd.	(117,902)	(71,896)
Titanium Compass Sdn Bhd	(1,705)	-
Total	<u>(400,253)</u>	<u>(339,634)</u>

⁽¹⁾ Change status from investment in joint venture to general investment on 1 July 2015.

16.3 Dividend received and return of capital

Dividend received from the joint venture was as follows:

(Unit: Thousand Baht)

Company's name	For the year ended 31 March	
	Consolidated financial statements	
	<u>2017</u>	<u>2016</u>
ATS Rabbit Special Purpose Vehicle Co., Ltd.	21,413	-
Total	21,413	-

Return of capital from the joint venture was as follows:

(Unit: Thousand Baht)

Company's name	For the year ended 31 March	
	Consolidated financial statements	
	<u>2017</u>	<u>2016</u>
Nuvo Line Agency Co., Ltd.	137,500	562,500
Total	137,500	562,500

16.4 Summarised financial information about material joint ventures

Summarised information about financial position

(Unit: Million Baht)

	Jointly controlled entities between							
	UE and SIRI		Bayswater		Keystone Estate		Rabbit - Line Pay	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Cash and cash equivalents	1,644	768	9	74	319	-	159	-
Current assets	19,701	12,331	-	9	-	-	688	-
Land and projects awaiting development	-	-	-	-	1,504	-	-	-
Non-current assets	5,160	158	8,382	7,824	-	-	10	-
Current liabilities	(5,310)	(1,565)	(128)	(203)	-	-	(45)	-
Long-term loans	(20,064)	(10,590)	(8,342)	(7,803)	-	-	-	-
Other non-current liabilities	-	-	-	-	-	-	(2)	-
Net assets	<u>1,131</u>	<u>1,102</u>	<u>(79)</u>	<u>(99)</u>	<u>1,823</u>	<u>-</u>	<u>810</u>	<u>-</u>
Shareholding percentage (%)	<u>50</u>	<u>50</u>	<u>50</u>	<u>50</u>	<u>50</u>	<u>-</u>	<u>50</u>	<u>-</u>
Share of net assets	<u>566</u>	<u>551</u>	<u>(40)</u>	<u>(50)</u>	<u>912</u>	<u>-</u>	<u>405</u>	<u>-</u>
Elimination of inter-transactions under equity method	(315)	(310)	(145)	(17)	-	-	-	-
Fair value adjustment of assets acquired assumed	-	-	-	-	2	-	-	-
Estimated amount by which cost of the acquisition of investment in a joint venture exceed identifiable net assets of the acquiree	-	-	-	-	-	-	304	-
Carrying amounts of joint ventures based on equity method	<u>251</u>	<u>241</u>	<u>(185)</u>	<u>(67)</u>	<u>914</u>	<u>-</u>	<u>709</u>	<u>-</u>

Profit or Loss

(Unit: Million Baht)

	Jointly controlled entities between							
	UE and SIRI		Bayswater		Keystone Estate		Rabbit - Line Pay	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	
Revenue	1,736	65	-	-	-	-	29	-
Loss	(445)	(515)	(20)	(108)	(41)	-	(81)	-

Jointly controlled entities between UE and SIRI has mortgaged land and construction with a total net book value as at 31 March 2017 of approximately Baht 23,604 million (the Company's proportion: Baht 11,802 million) (2016: Baht 12,200 million (the Company's proportion: Baht 6,100 million)) as collateral for credit facilities granted by banks.

17. Investments in associates

17.1 Details of associates

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Consolidated financial statements			
			Shareholding percentage		Carrying amounts based on equity method	
			2017	2016	2017	2016
BTS Rail Mass Transit Growth Infrastructure Fund	Investment in infrastructure businesses	Thai	33.33	33.33	12,242,684	12,833,187
U City Public Co., Ltd.	Property development	Thai	35.64	35.64	7,113,266	7,427,043
Absolute Hotel Services Co., Ltd.	Hotel management	Thai	50.00	50.00	9,475	17,255
Absolute Hotel Services Hong Kong Ltd. ¹	Hotel management	Hong Kong	50.00	50.00	-	-
Master Ad Public Co., Ltd. ²	Advertising, leasing of property and the purchase/sale of electronic billboards	Thai	-	24.96	-	635,778
Aero Media Group Co., Ltd.	Advertising media in domestic airports	Thai	28.00	20.00	183,417	106,415
Demo Power (Thailand) Co., Ltd.	Arrangement of marketing activities, including distribution of samples and carrying out product demonstrations to promote sales	Thai	40.00	-	420,476	-
Landy Development Co., Ltd. ³	Provision of office building rental service	Thai	48.87	-	36,327	-
Eyeballs Channel SDN. BHD. ³	Provision of outdoor advertising media service in Malaysia	Malaysia	40.00	-	1,203	-
Total					20,006,848	21,019,678

¹ 12.26% held by Tanayong Hong Kong Limited and 75.47% held by Absolute Hotel Services Co., Ltd.

² Change status from associate to subsidiary as discussed in Note 15.2.2 to the financial statements.

³ Increase from acquisition of subsidiary as discussed in Note 15.2.2 to the financial statements.

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Separate financial statements			
			Shareholding percentage		Cost	
			<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
BTS Rail Mass Transit Growth Infrastructure Fund	Investment in infrastructure businesses	Thai	33.33	33.33	20,468,619	20,592,075
U City Public Co., Ltd.	Property development	Thai	35.64	35.64	9,468,845	9,468,845
Total					<u>29,937,464</u>	<u>30,060,920</u>

17.1.1 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	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
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	5,125,256	3,631,056	-	-
Adjustment under equity method	(1,891,782)	(1,342,563)	-	-
Accumulated dividend income	(4,710,618)	(3,298,590)	-	-
Accumulated return of capital	(364,581)	(241,125)	(364,581)	(241,125)
Net	<u>12,242,684</u>	<u>12,833,187</u>	<u>20,468,619</u>	<u>20,592,075</u>

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

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	Equity method		Cost method	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
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	(259,854)	(161,969)	-	-
Accumulated share of other comprehensive income	(117,539)	17,335	-	-
Adjustment under equity method	(63,002)	18,016	-	-
Net	<u>7,113,266</u>	<u>7,427,043</u>	<u>9,468,845</u>	<u>9,468,845</u>

17.1.3 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)	
	<u>Fair value</u>	<u>Carrying value</u>
Cash and cash equivalents	117,563	117,563
Trade and other receivables	63,172	63,172
Other current assets	104,518	104,518
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	246,275	<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.

17.1.4 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 a total of Baht 412.5 million, in accordance with a resolution passed by VGI's Executive Committee Meeting No. 13/2016 on 15 November 2016. To effect the purchase, VGI entered into a conditional share purchase and sale agreement with the former shareholder, Demo Power Limited (“DPL”), on 16 November 2016. Significant details of the agreement are as follows:

- 1) VGI entered into an agreement transferring to DPT the exclusive rights to use space at 23 main BTS stations that had been granted to VGI by BTSC, for carrying on marketing and promotional activities for the goods and services of DPT's clients.
- 2) No changes will occur that would 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 the purchase price to the seller in accordance with the conditions stipulated in the share purchase and sale agreement. As a result of the acquisition, VGI held 40% of all issued shares of DPT, and classified its investment as investment in an associate.

VGI's management made estimates of the assets and liabilities of DPT as at 30 November 2016 and the acquisition date and determined that they were not significantly different. The carrying value of the assets and liabilities of DPT as at 30 November 2016 were summarised below.

	(Unit: Thousand Baht)
Cash and cash equivalents	65,433
Trade and other receivables	521,417
Other current assets	99,759
Equipment	29,178
Other non-current assets	124,683
Trade and other payables	(382,697)
Other current liabilities	(78,757)
Non-current liabilities	(63,631)
Net assets	<u>315,385</u>

VGI's management is currently in the process of determining the fair value of the assets and liabilities of DPT at the acquisition date.

17.2 Share of comprehensive income

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

	(Unit: Thousand Baht)			
	Consolidated financial statements			
Associates	Share of profit (loss)		Share of other comprehensive income	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
BTS Rail Mass Transit Growth Infrastructure Fund	944,981	847,359	-	-
U City Public Co., Ltd.	(178,902)	(143,953)	(134,874)	17,335
Absolute Hotel Services Co., Ltd.	7,719	12,006	-	-
Master Ad Public Co., Ltd.	4,105	29,204	-	-
Aero Media Group Co., Ltd.	(2,999)	6,415	-	-
Demo Power (Thailand) Co., Ltd.	7,976	-	-	-
Landy Development Co., Ltd.	3,156	-	-	-
Eyeballs Channel SDN. BHD.	1,398	-	-	-
Total	<u>787,434</u>	<u>751,031</u>	<u>(134,874)</u>	<u>17,335</u>

Share of profit (loss) from investments in Aero and DPT was determined based on the financial statements prepared by management.

17.3 Dividends received and return of capital

Dividends received from the associates were as follows:

(Unit: Thousand Baht)

Company's name	For the years ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
BTS Rail Mass Transit Growth Infrastructure Fund	1,412,028	1,278,927	1,412,028	1,278,927
Absolute Hotel Services Co., Ltd.	15,500	13,500	-	13,500
Master Ad Public Co., Ltd.	22,529	24,003	-	-
Total	1,450,057	1,316,430	1,412,028	1,292,427

Return of capital from the associate was as follows:

(Unit: Thousand Baht)

Company's name	For the years ended 31 March	
	Consolidated and separate financial statements	
	2017	2016
BTS Rail Mass Transit Growth Infrastructure Fund	123,456	92,592
Total	123,456	92,592

17.4 Fair value of the investments in the associates

Fair value based on the latest bid price of the investments in the associates, which are listed on the Stock Exchange of Thailand was as follows:

(Unit: Million Baht)

Company's name	2017	2016
BTS Rail Mass Transit Growth Infrastructure Fund	21,605	22,183
U City Public Co., Ltd.	4,002 ⁽¹⁾	6,003 ⁽¹⁾

⁽¹⁾ Excluding fair value of warrants which are not listed on the Stock Exchange of Thailand.

17.5 Summarised financial information about material associates

Summarised information about financial position

(Unit: Million Baht)

	BTS Rail Mass Transit		U City Public Co., Ltd.	
	Growth Infrastructure Fund			
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Current assets	-	-	4,496	4,987
Non-current assets	67,042	66,836	20,623	17,075
Current liabilities	-	-	(3,930)	(228)
Non-current liabilities	(16)	(52)	(2,384)	(2,376)
Net assets	<u>67,026</u>	<u>66,784</u>	<u>18,805</u>	<u>19,458</u>
Shareholding percentage (%)	<u>33.33</u>	<u>33.33</u>	<u>35.64</u>	<u>35.64</u>
Share of net assets	<u>22,342</u>	<u>22,261</u>	<u>6,702</u>	<u>6,935</u>
Accumulated net unrealised gain on investments	(1,456)	(1,344)	-	-
Fair value adjustment of assets acquired and liabilities assumed	-	-	60	141
Goodwill	-	-	2,266	2,266
Elimination of inter-transactions under equity method	(8,644)	(8,084)	(1,915)	(1,915)
Carrying amounts of associates based on equity method	<u>12,242</u>	<u>12,833</u>	<u>7,113</u>	<u>7,427</u>

Note: Assets and liabilities of BTS Rail Mass Transit Growth Infrastructure Fund presented under non-current assets and non-current liabilities.

Summarised information about comprehensive income

(Unit: Million Baht)

	BTS Rail Mass Transit		U City Public Co., Ltd.	
	Growth Infrastructure Fund			
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Revenue	4,594	4,497	1,305	1,075
Profit (loss)	4,483	4,020	(275)	(454)
Other comprehensive income	-	-	(378)	49
Total comprehensive income	4,483	4,020	(653)	(405)

18. Other long-term investments

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Held-to-maturity securities				
Foreign government and state-owned enterprise bonds	1,962,678	-	-	-
Domestic private debt securities	2,724,523	697,405	874,473	597,405
Foreign private debt securities	969,021	-	-	-
	<u>5,656,222</u>	<u>697,405</u>	<u>874,473</u>	<u>597,405</u>
Investments in available for sale securities				
Domestic marketable equity securities	4,615,184	5,593,720	4,255,456	5,186,334
Foreign marketable equity securities	1,885,404	3,629,624	1,005,147	1,524,224
	6,500,588	9,223,344	5,260,603	6,710,558
Less: Allowance for change in value	(831,184)	(1,114,911)	(780,549)	(1,116,689)
Allowance for impairment	(497,205)	(497,205)	(497,205)	(497,205)
	<u>5,172,199</u>	<u>7,611,228</u>	<u>3,982,849</u>	<u>5,096,664</u>
Other investments				
Domestic non-marketable equity securities	153,575	153,575	123,575	123,575
Foreign non-marketable equity securities	2,550,634	1,293,012	2,550,634	1,293,012
	2,704,209	1,446,587	2,674,209	1,416,587
Less: Allowance for impairment	(11,682)	(3,791)	(3,791)	(3,791)
	<u>2,692,527</u>	<u>1,442,796</u>	<u>2,670,418</u>	<u>1,412,796</u>
Total	<u>13,520,948</u>	<u>9,751,429</u>	<u>7,527,740</u>	<u>7,106,865</u>

Foreign non-marketable equity securities were detailed as follows:

	(Unit: Thousand Baht)	
	Consolidated and separate financial statements	
	<u>2017</u>	<u>2016</u>
Investment funds	1,527,527	969,162
Participant vehicles	1,023,107	323,850
Total	2,550,634	1,293,012

During the year, the Company had revenues from participant vehicle amounting to Baht 85 million.

In addition, 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 years ended 31 March			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Sales of investments	3,202	2,426	1,919	2,426
Gain on sales	226	50	158	50

19. Loans to a cooperative

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	<u>2017</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	59,000	-

These loans represent loans to BTS Group cooperative, of which Baht 12 million are interest-free and are to be repaid within June 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.

22. Investment properties

The net book value of investment properties as at 31 March 2017 and 2016 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements			
	Land awaiting sales	Buildings for rent	Total	Land awaiting sales	Buildings and Hotel for rent	Golf course and construction for rent	Total
31 March 2017:							
Cost	1,070,540	269,898	1,340,438	808,169	902,402	1,561,281	3,271,852
<u>Less</u> Accumulated depreciation	-	(133,886)	(133,886)	-	(219,220)	(787,835)	(1,007,055)
<u>Less</u> Allowance for impairment	(372,928)	(33,772)	(406,700)	(353,657)	(41,817)	(170,116)	(565,590)
Net book value	<u>697,612</u>	<u>102,240</u>	<u>799,852</u>	<u>454,512</u>	<u>641,365</u>	<u>603,330</u>	<u>1,699,207</u>
31 March 2016:							
Cost	999,899	269,898	1,269,797	840,991	902,402	1,459,143	3,202,536
<u>Less</u> Accumulated depreciation	-	(121,135)	(121,135)	-	(182,745)	(755,816)	(938,561)
<u>Less</u> Allowance for impairment	(377,799)	(36,913)	(414,712)	(397,071)	(45,707)	(175,567)	(618,345)
Net book value	<u>622,100</u>	<u>111,850</u>	<u>733,950</u>	<u>443,920</u>	<u>673,950</u>	<u>527,760</u>	<u>1,645,630</u>

A reconciliation of the net book value of investment properties for the years 2017 and 2016 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Net book value at beginning of year	733,950	1,479,951	1,645,630	2,299,752
Acquisition of assets	-	4,292	110,300	96,806
Transfer in (out)	21,688	(682,598)	13,527	(10,381)
Disposals - net book value	(11,097)	(27,919)	(11,096)	(5,562)
Depreciation charged	(9,609)	(10,130)	(59,154)	(58,432)
Sale of investment in subsidiary	-	(29,646)	-	-
Acquisition of subsidiary during the period (Note 15.2.2)	64,920	-	-	-
Transfer land to a subsidiary for the restructuring of the business	-	-	-	(676,553)
Net book value at end of year	<u>799,852</u>	<u>733,950</u>	<u>1,699,207</u>	<u>1,645,630</u>

The fair value of the investment properties as at 31 March 2017 stated below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Land awaiting sales	2,804,072	2,596,172
Buildings and hotel for rent	198,000	888,000
Golf course and construction for rent	-	1,243,000

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

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

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

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 March 2017	31 March 2016	31 March 2017	31 March 2016
		(Audited)		(Audited)
Book values	-	56	573	537

23. Property, plant and equipment

(Unit: Thousand Baht)

Consolidated financial statements

	Land (revalued)	Buildings and improvements	Golf course development costs	Machinery and equipment	Furniture and office equipment	Motor vehicles	Construction in progress and assets under installation	Total
Cost								
1 April 2015	103,830	1,616,857	534,381	2,122,243	611,054	130,005	597,961	5,716,331
Additions	-	7,188	-	39,936	30,653	8,903	524,171	610,851
Acquisition of subsidiaries	-	3,149	-	-	5,369	465	-	8,983
Disposals	-	(11,240)	-	(376,070)	(15,166)	(866)	(105,144)	(508,486)
Transfer in (out)	-	89,110	-	241,774	34,458	-	(384,292)	(18,950)
Sale of investment in subsidiary	-	-	-	(11,599)	(8,297)	-	(177)	(20,073)
31 March 2016	103,830	1,705,064	534,381	2,016,284	658,071	138,507	632,519	5,788,656
Additions	32,250	81,660	-	109,199	28,797	6,739	658,372	917,017
Acquisition of subsidiaries	-	13,799	-	477,482	51,520	20,773	13,519	577,093
Disposals	-	(9,281)	-	(72,321)	(13,657)	(6,523)	(313)	(102,095)
Transfer in (out)	1,668	79,794	120,232	258,738	17,445	229	(501,941)	(23,835)
31 March 2017	137,748	1,871,036	654,613	2,789,382	742,176	159,725	802,156	7,156,836

(Unit: Thousand Baht)

Consolidated financial statements

	Land (revalued)	Buildings and improvements	Golf course development costs	Machinery and equipment	Furniture and office equipment	Motor vehicles	Construction in progress and assets under installation	Total
Accumulated depreciation								
1 April 2015	-	498,790	282,682	799,143	460,306	101,946	-	2,142,867
Depreciation for the year	-	55,209	5,662	206,815	59,786	9,718	-	337,190
Acquisition of subsidiaries	-	312	-	-	1,323	7	-	1,642
Depreciation on disposals	-	(8,113)	-	(320,492)	(14,370)	(866)	-	(343,841)
Depreciation on transfers	-	(581)	-	(2,103)	1,109	-	-	(1,575)
Sale of investment in subsidiary	-	-	-	(5,871)	(6,111)	-	-	(11,982)
31 March 2016	-	545,617	288,344	677,492	502,043	110,805	-	2,124,301
Depreciation for the year	-	67,851	6,841	260,418	60,927	12,508	-	408,545
Acquisition of subsidiaries	-	4,535	-	341,378	44,457	13,078	-	403,448
Depreciation on disposals	-	(4,654)	-	(61,941)	(12,780)	(5,133)	-	(84,508)
31 March 2017	-	613,349	295,185	1,217,347	594,647	131,258	-	2,851,786

(Unit: Thousand Baht)

Consolidated financial statements

	Land (revalued)	Buildings and improvements	Golf course development costs	Machinery and equipment	Furniture and office equipment	Motor vehicles	Construction in progress and assets under installation	Total
Revaluation surplus on assets								
1 April 2015	2,246,377	-	-	-	-	-	-	2,246,377
31 March 2016	2,246,377	-	-	-	-	-	-	2,246,377
31 March 2017	2,246,377	-	-	-	-	-	-	2,246,377
Allowance for impairment								
1 April 2015	-	12,405	208,426	88,601	-	-	-	309,432
Disposal	-	-	-	(72,605)	-	-	-	(72,605)
31 March 2016	-	12,405	208,426	15,996	-	-	-	236,827
31 March 2017	-	12,405	208,426	15,996	-	-	-	236,827
Net book value								
31 March 2016	2,350,207	1,147,042	37,611	1,322,796	156,028	27,702	632,519	5,673,905
31 March 2017	2,384,125	1,245,282	151,002	1,556,039	147,529	28,467	802,156	6,314,600
Depreciation for the years								
2016								337,190
2017								408,545

(Unit: Thousand Baht)

Separate financial statements

	Buildings and improvements	Machinery and equipment	Furniture and office equipment	Motor vehicles	Construction in progress and assets under installation	Total
Cost						
1 April 2015	44,721	40,166	95,725	98,444	171,179	450,235
Additions	53	-	6,702	914	191,482	199,151
Transfer in (out)	-	-	10,784	-	(51)	10,733
Disposals	(1,084)	-	(282)	(295)	-	(1,661)
31 March 2016	43,690	40,166	112,929	99,063	362,610	658,458
Additions	456	-	6,042	-	21,071	27,569
Transfer in (out)	-	9,829	-	-	(161)	9,668
Disposals	(2,847)	-	(1,261)	-	-	(4,108)
31 March 2017	41,299	49,995	117,710	99,063	383,520	691,587
Accumulated depreciation						
1 April 2015	35,271	39,442	62,612	79,022	-	216,347
Depreciation for the year	2,397	559	14,809	6,591	-	24,356
Depreciation for transfer	-	-	403	-	-	403
Depreciation on disposals	(1,084)	-	(270)	(296)	-	(1,650)
31 March 2016	36,584	40,001	77,554	85,317	-	239,456
Depreciation for the year	889	569	12,605	6,591	-	20,654
Depreciation on disposals	(2,847)	-	(1,260)	-	-	(4,107)
31 March 2017	34,626	40,570	88,899	91,908	-	256,003
Net book value						
31 March 2016	7,106	165	35,375	13,746	362,610	419,002
31 March 2017	6,673	9,425	28,811	7,155	383,520	435,584
Depreciation for the years						
2016						24,356
2017						20,654

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

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Costs of services	284	224	7	8
Administrative expenses	125	113	14	16
Total	<u>409</u>	<u>337</u>	<u>21</u>	<u>24</u>

The Company has mortgaged land and construction with net book value in consolidated financial statements as at 31 March 2017 of Baht 2,820 million (2016: Baht 2,742 million) as collateral for credit and guarantee facilities from a financial institution.

As at 31 March 2017, certain assets have been fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation and allowance for impairment loss) of those assets amounted to approximately Baht 1,525 million (2016: Baht 1,132 million) (Separate financial statements: Baht 182 million (2016: Baht 183 million)).

On 22 August 2016, the Company's Board of Directors' meeting passed a resolution to approve the Company entering into a long-term sublease agreement for certain areas (bare shell condition) of the residential building that is located on land that the Company has leased from the Treasury Department. The sub-lease would expire on the same date as the land lease agreement with the Treasury Department, which is 19 November 2044, and the Company will charge a total of approximately Baht 234 million, payable on the lease date. The Company has not yet executed this transaction.

24. Leasehold rights

	(Unit: Thousand Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Cost		
1 April 2015	33,494	26,004
31 March 2016	33,494	26,004
31 March 2017	33,494	26,004
Accumulated amortisation		
1 April 2015	21,832	19,266
Amortisation for the year	781	397
31 March 2016	22,613	19,663
Amortisation for the year	779	396
31 March 2017	23,392	20,059
Net book value		
31 March 2016	10,881	6,341
31 March 2017	10,102	5,945
Amortisation included in administrative expenses		
2016	781	397
2017	779	396

25. Intangible assets

(Unit: Thousand Baht)

	Consolidated financial statements			
	Intangible assets acquired through business combination	Computer software	Computer software under development	Total
Cost:				
1 April 2015 - restated	-	529,082	62,090	591,172
Additions	-	12,753	40,955	53,708
Disposals	-	(1,756)	(50,324)	(52,080)
Transfer in (out)	-	26,026	(7,113)	18,913
Acquisitions of subsidiaries	14,337	-	-	14,337
Sale of a subsidiary	-	(398)	-	(398)
31 March 2016 - restated	14,337	565,707	45,608	625,652
Additions	-	10,212	37,736	47,948
Disposal	-	(545)	-	(545)
Transfer in (out)	-	17,901	20,364	38,265
Acquisitions of subsidiaries	377,614	10,806	-	388,420
31 March 2017	391,951	604,081	103,708	1,099,740
Accumulated amortisation:				
1 April 2015 - restated	-	205,377	-	205,377
Amortisation for the year	1,584	60,604	-	62,188
Amortisation on disposal	-	(106)	-	(106)
Sale of a subsidiary	-	(94)	-	(94)
31 March 2016 - restated	1,584	265,781	-	267,365
Amortisation for the year	50,624	64,651	-	115,275
Depreciation on disposals	-	(404)	-	(404)
Depreciation for transfer	-	29	-	29
Acquisitions of subsidiaries	-	9,963	-	9,963
31 March 2017	52,208	340,020	-	392,228
Net book value				
31 March 2016 - restated	12,753	299,926	45,608	358,287
31 March 2017	339,743	264,061	103,708	707,512
Amortisation included in servicing and administrative expenses				
2016 - restated				62,188
2017				115,275

	(Unit: Thousand Baht)
	Separate
	financial statements
	<u>Computer software</u>
Costs	
1 April 2015	8,145
Additions	53
Disposals	(102)
Transfer in	51
	<hr/>
31 March 2016	8,147
Additions	321
Disposals	(49)
Transfer in	161
	<hr/>
31 March 2017	8,580
	<hr/>
Accumulated amortisation	
1 April 2015	7,778
Amortisation for the year	205
Amortisation on disposals	(102)
	<hr/>
31 March 2016	7,881
Amortisation for the year	238
Amortisation on disposals	(49)
	<hr/>
31 March 2017	8,070
	<hr/>
Net book value	
31 March 2016	266
	<hr/> <hr/>
31 March 2017	510
	<hr/> <hr/>
Amortisation included in administrative expenses	
2016	205
	<hr/> <hr/>
2017	238
	<hr/> <hr/>

Intangible assets acquired through business combination

Details of intangible assets acquired through business combination are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Useful lives
	Cost		
	<u>2017</u>	<u>2016</u>	
		(Restated)	
Customer list	9,145	9,145	3 years
Internally-developed software	5,192	5,192	3 years
Customer relationship	369,260	-	6 years 3 months and 7 years 7 months
Backlog	8,354	-	Remaining contract period
Total	<u>391,951</u>	<u>14,337</u>	

26. Rights of claim from acquisition of debts per rehabilitation plan

In order to comply with the rehabilitation plan, in 2009 the Company held an open auction of assets mortgaged as collateral with a group of creditors per the rehabilitation plan and a company successfully bid to purchase all of these assets.

In 2011, a subsidiary purchased rights of claim from a group of creditors and made payment totaling Baht 816 million for these rights. The subsidiary recorded this transaction under the heading of "Rights of claim from acquisition of debts per rehabilitation plan" in the consolidated statement of financial position. Subsequently, in 2012 and 2013, there were gradual transfers of ownership and redemption from mortgage of certain secured assets. The subsidiary, as a creditor holding rights of claim over debts and other rights under the rehabilitation plan, received proportionate settlement of debt, leaving a balance of "Rights of claim from acquisition of debts per rehabilitation plan" of Baht 256 million in the consolidated statement of financial position as at 31 March 2017 (2016: Baht 256 million).

27. Short-term loans from financial institutions

The short-term loans from financial institutions are subject to interest at the rates of 2.08% and 2.10% per annum and due at call and in May 2017.

28. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u> (Restated)	<u>2017</u>	<u>2016</u>
Trade payables - related parties	10,673	12,710	-	-
Trade payables	475,987	330,487	-	-
Other payables - related parties	53,003	12,335	13,119	55,134
Other payables	139,588	103,895	19,215	11,726
Payables from acquisitions of investments	424,047	28,532	206,630	28,532
Accrued interest expenses - related parties	23	612	601,106	254,390
Accrued interest expenses	284,969	11,414	-	1,439
Retention payable - related party	-	-	334	7,835
Retention payable	15,619	17,800	3,530	6,291
Deposit payable	232,395	234,193	30,000	30,000
Accrued expenses - related parties	3,689	-	893	750
Accrued expenses	759,902	581,020	41,132	31,520
Dividend payable	402,372	289,736	115,272	89,120
Total trade and other payables	<u>2,802,267</u>	<u>1,622,734</u>	<u>1,031,231</u>	<u>516,737</u>

29. Bills of exchange payables

	(Unit: Thousand Baht)
	Consolidated and separate financial statements
Balance as at 1 April 2016	2,917,307
Add: Increase	41,750,000
Less: Repayment	(31,280,000)
Add: Amortisation of prepaid interest expenses	183,728
Less: Prepaid interest expenses	(196,757)
Balance as at 31 March 2017	<u>13,374,278</u>

Bills of exchange are subject to interest at rates of 1.70% - 1.85% per annum, not collateralised and mature during April to September 2017.

In April 2017 and up to 29 May 2017, the Company issued bills of exchange with a total value of Baht 9,040 million, and redeemed bills of exchange amounting to Baht 6,940 million.

30. Creditors per rehabilitation plan

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Creditors per rehabilitation plan	75,292	637,620	75,292	637,620
Less: Current portion	(73,855)	(610,668)	(73,855)	(610,668)
Creditors per rehabilitation plan - net of current portion	1,437	26,952	1,437	26,952

Movement of the creditors per rehabilitation plan account during the year ended 31 March 2017 are summarised below.

(Unit: Thousand Baht)

	Consolidated and separate financial statements
Balance as at 1 April 2016	637,620
Decrease from asset deposit for debt settlement	(587,378)
Record interest from court	25,050
Balance as at 31 March 2017	75,292

In 2006, a creditor under the Company's business rehabilitation plan filed a petition with the Central Bankruptcy Court, asking the court to overturn the order of the official receiver regarding the revocation of claims for settlement of debt. However, the Central Bankruptcy Court dismissed the claim. The creditor filed an appeal with the Supreme Court, who has now issued an order dismissing the creditor's petition. The Company therefore reversed creditors per the rehabilitation plan amounting to Baht 96 million, and presented this under the heading of "Gain on reversal of creditors per rehabilitation plan" in profit or loss in the financial statements for the year ended 31 March 2016.

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 56.8 b) to the financial statements, and the case was deemed to be finalised. The Company was to repay debts to the creditor as specified in the rehabilitation plan. The Company deposited assets (recorded under assets awaiting transfer under rehabilitation plan and investments in subsidiaries awaiting transfer under rehabilitation plan in its accounts) at the Deposit of Property Office, Legal Execution Department for debt settlement. In addition, the Company deposited cash with the Central Bankruptcy Court as a guarantee of debt settlement with the creditor. Therefore, the Company recorded the transfer of assets awaiting transfer under rehabilitation plan, investments in subsidiaries awaiting transfer under rehabilitation plan and cash deposited as collateral for debt settlement to settle the debt with the creditor.

Subsequently, on 15 February 2017, the Central Bankruptcy Court read the Supreme Court's order regarding the debt settlement entitlement of another creditor per the rehabilitation plan, as discussed in Note 56.8 c) to the financial statements, the case was deemed to be finalised. The Company was required to repay debts to the creditor amounting to Baht 49 million, together with interest at a rate of 7.5% per annum, for a total of Baht 74 million. The Company also recorded additional debt amounting to 25 million, resulting in total liabilities of Baht 74 million.

Based on the orders of the Supreme Court, the Company recorded net gains on the transactions, under the heading of "Gain on debt settlement with creditors per rehabilitation plan" in profit and loss in the financial statements for current year. Details are as follows:

	(Unit: Thousand Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Creditors per rehabilitation plan	587,378	587,378
Less: Deposit of assets for debt settlement		
Assets awaiting transfer under rehabilitation plan	(68,245)	(68,245)
Investments in subsidiaries awaiting transfer		
under rehabilitation plan	(224,343)	(197,439)
Cash deposited as collateral for debt settlement	<u>(120,358)</u>	<u>(120,358)</u>
Gain on debt settlement with creditors per rehabilitation plan	174,432	201,336
Less: Adjustment according to the Court's order	<u>(25,050)</u>	<u>(25,050)</u>
Gain on debt settlement with creditors per rehabilitation plan - net	<u><u>149,382</u></u>	<u><u>176,286</u></u>

31. Long-term loans

Loan	Interest rate	Repayment schedule	(Unit: Thousand Baht)			
			Consolidated		Separate	
			financial statements		financial statements	
			2017	2016	2017	2016
1	One-month London Inter-bank offered Rate (1M LIBOR) plus a certain margin specified in the agreement	Repayemnt at maturity date on April 2016	-	1,062,222	-	1,062,222
2	Three-month Bangkok Inter-bank Offered Rate (3M BIBOR) plus a certain margin specified in the agreement	Annual installments as from March 2018 to March 2020	300,000	-	-	-
3	6M THBFIX plus a certain margin specified in the agreement	Annual installments as from February 2021 to February 2022	700,000	-	-	-
4	Three-month Mizuho Bank's Bangkok Inter-bank Offered Rate (3M Mizuho BIBOR) plus a certain margin specified in the agreement	Annual installments as from March 2018 to March 2020	300,000	-	-	-
5	Zenginkyo Tokyo Interbank Offered Rate (ZTIBOR) plus a certain margin specified in the agreement	Annual installments as from March 2021 to March 2022	700,000	-	-	-
6	Minimum Loan Rate (MLR) minus a certain spread specified in the agreement	Monthly installments as from November 2015 to October 2021	173,000	206,000	-	-
7	Minimum Loan Rate (MLR) minus a certain spread specified in the agreement	Monthly installments as from June 2015 to September 2017	5,893	-	-	-
Total			2,178,893	1,268,222	-	1,062,222
Less: Current portion			(245,893)	(1,095,222)	-	(1,062,222)
Long-term loans from financial institutions - net of current portion			1,933,000	173,000	-	-

A subsidiary's loan is guaranteed by another subsidiary.

The loan agreements contain several covenants which, among other things, require the subsidiary to maintain a certain interest bearing debt-to-equity ratio and debt service coverage ratio at the rate prescribed in the agreements, and maintain incurrence of additional indebtedness, the major shareholder structure and management structure, and the combined direct and indirect shareholdings in the subsidiary of the Company, BTSC and individuals stipulated in the agreements.

As at 31 March 2017, the credit facilities of the Company and subsidiary which have not been drawn down amounted to Baht 30,520 million, USD 60 million and Euro 67 million (2016: Baht 6,040 million and USD 30 million).

32. Long-term debentures

(Unit: Thousand Baht)

	Consolidated financial statements	
	<u>2017</u>	<u>2016</u>
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	(21,572)	(979)
Total debentures - net of issuing costs	21,978,428	1,347,471
Less: Current portion	-	(1,347,471)
Debentures - net of current portion	<u>21,978,428</u>	<u>-</u>

Movements in the debenture account during the year ended 31 March 2017 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	2,570
Less: Repayment	(1,348,450)
Less: deferred debenture issuing costs	(23,163)
Balance as at 31 March 2017	<u>21,978,428</u>

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.

33. Provision for long-term employee benefits

Provision for long-term employee benefits as at 31 March 2017 and 2016, which is compensations on employees' retirement and other long-term benefits, was as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Balance at beginning of year	782,395	575,701	67,222	27,249
Current service cost	71,435	57,637	6,375	4,367
Interest cost	18,625	24,613	1,521	1,745
Included in other comprehensive income:				
Actuarial loss (gain) arising from				
Demographic assumptions changes	-	(31,733)	-	(2,422)
Financial assumptions changes	-	156,414	-	9,886
Experience adjustments	-	(3,345)	-	11,534
Benefits paid during the year	<u>(34,697)</u>	<u>(11,007)</u>	<u>(5,048)</u>	<u>-</u>
	837,758	768,280	70,070	52,359
Increase from acquisitions of subsidiaries	24,360	683	-	-
Transfer from related company	-	14,863	-	14,863
Decrease from sale of investment in subsidiary	-	(1,431)	-	-
Reversal	<u>(1,206)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Balance at end of year	<u>860,912</u>	<u>782,395</u>	<u>70,070</u>	<u>67,222</u>

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

	(Unit: Thousand Baht)			
	For the years ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Current service cost	71,435	57,637	6,375	4,367
Interest cost	18,625	24,613	1,521	1,745
Total expense recognised in profit or loss	<u>90,060</u>	<u>82,250</u>	<u>7,896</u>	<u>6,112</u>
Line items under which such expenses are included in profit or loss				
Cost of services	49,369	48,799	-	-
Administrative expenses	40,691	33,451	7,896	6,112

The Net Revenue Purchase and Transfer Agreement stipulates that a subsidiary (BTSC) can claim costs related to short-term and long-term employee benefits of employees, which represents compensation payable to employees when they retire from BTSGIF, since BTSGIF will be responsible for the short-term and long-term employee benefits of employees who retire during the remaining period of the Core Mass Transit System. Therefore, the subsidiary recorded these transactions as assets, presenting them as accrued income in the statement of financial position, in accordance with bases and assumptions that were determined by the subsidiary's management. The subsidiary's management believes that these bases and assumptions are appropriate under the current circumstances. The details are as follows:

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	<u>2017</u>	<u>2016</u>
Balance as at beginning of year	447,691	357,299
Increase	62,309 ⁽¹⁾	36,728
Payment from BTSGIF	(3,889)	-
Recognised in other comprehensive income	-	53,664
Balance as at end of year	<u>506,111</u>	<u>447,691</u>

⁽¹⁾ Including short-term benefits of Baht 24 million

Long-term employee benefits that can be claimed from BTSGIF in the future (presented net of long-term employee benefit expenses in profit or loss) amounted to Baht 38 million (2016: Baht 37 million).

The Company and its subsidiaries expect to pay Baht 27 million of long-term employee benefits during the next year (Separate financial statements: Baht 16 million) (2016: Baht 15 million (separate financial statements: Baht 5 million)).

As at 31 March 2017, the weighted average duration of the liabilities for long-term employee benefit is 16 to 31 years (Separate financial statements: 19 years) (2016: 19 to 32 years (Separate financial statements: 19 years)).

Significant actuarial assumptions are summarised below:

(Unit: % per annum)

	For the years ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Discount rate	2.4 - 4.3	2.4 - 3.4	2.4	2.4
Salary increase rate	5.0 - 10.0	5.0 - 10.0	5.0 - 6.0	5.0 - 6.0

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 March 2017 are summarised below:

(Unit: million Baht)

	Consolidated financial statements		Separate financial statements	
	Increase by 1%	Decrease by 1%	Increase by 1%	Decrease by 1%
Discount rate	(108)	130	(6)	7
Salary increase rate	124	(106)	7	(6)

34. Provisions

(Unit: Thousand Baht)

	Consolidated financial statements			
	Special business tax	Major maintenance or restoration of elevated trains under service concession	Damage loss	Total
Balance as at 1 April 2015	1,154,725	149,982	166,729	1,471,436
Increase during the year	100,925	62,388	-	163,313
Decrease during the year	(56,860)	-	(207,228)	(264,088)
Revision of provision	(27,491)	-	40,499	13,008
Balance as at 31 March 2016	1,171,299	212,370	-	1,383,669
Increase during the year	91,482	47,972	28,230	167,684
Decrease during the year	(59,843)	(9,271)	(28,230)	(97,344)
Revision of provision	-	(35,954)	-	(35,954)
Balance as at 31 March 2017	1,202,938	215,117	-	1,418,055
As at 31 March 2017				
Current	67,503	16,438	-	83,941
Non-current	1,135,435	198,679	-	1,334,114
	1,202,938	215,117	-	1,418,055
As at 31 March 2016				
Current	58,953	-	-	58,953
Non-current	1,112,346	212,370	-	1,324,716
	1,171,299	212,370	-	1,383,669

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

A subsidiary (BTSC) recognised a provision for future special business tax liabilities of BTSGIF over the remaining period of the Core Bangkok Mass Transit System, since under the Net Revenue Purchase and Transfer Agreement, the subsidiary is responsible for this tax. In calculating the provision for special business tax, the subsidiary referred to projections of future revenues prepared by an independent valuer and amortisation of BTSGIF’s investment in rights to receive fare box revenue of the Core Bangkok Mass Transit System of BTSGIF, discounted to present value. The subsidiary’s management believes that the assumptions are appropriate under the current circumstances.

Major maintenance or restoration of elevated trains under service concession

A subsidiary (BTSC) recognises a provision for its contractual obligation to perform major maintenance or restoration on elevated trains under the service concession.

During the current year, the subsidiary reversed Baht 36 million of the provision since the subsidiary revised the assumptions used in the projection of expenses for the major maintenance or restoration of elevated trains under the service concession. The subsidiary’s management believes that the assumptions are appropriate under the current circumstances.

Damage loss

Damage loss is provisions set aside by the subsidiary for losses resulting from the termination of agreements with a counterpart company that is the owner of a department store and for the shortfall in revenues compared to the minimum guaranteed compensation under another agreement that the subsidiary made with a related company.

Loss on provisions presented in the profit or loss was detailed below.

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	<u>2017</u>	<u>2016</u>
Reversal of provision for special business tax	-	(27,491)
Loss on provision for major maintenance or restoration of elevated trains under service concession	12,018	62,388
Reversal of provision for terminating agreements (reversal)	-	(94,382)
Loss on provision for shortfall in revenues being lower than the minimum guaranteed amounts	28,230	134,881
Total loss on provisions	<u>40,248</u>	<u>75,396</u>

35. Share capital / Share premium

As at 31 March 2016, the Company's issued and fully paid share capital has increased from Baht 47,677,000,644 (11,919,250,161 ordinary shares with a par value of Baht 4 each) to Baht 47,717,396,744 (11,929,349,186 ordinary shares with a par value of Baht 4 each) as a result of the exercise of the warrants (BTS-WA) to ordinary shares amounting to Baht 20,946,780 (5,236,695 ordinary shares with a value of Baht 4 each) and the warrants (BTS-WB) to ordinary shares amounting to Baht 19,449,320 (4,862,330 ordinary shares with a value of Baht 4 each), resulting in an increase in total share premium to Baht 1,834,603,129 (including adjustment to transfer amounting to Baht 20,949,490 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 2015 and 13 October 2015.

As at 31 March 2017, 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 47,739,817,248 (11,934,954,312 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), 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) and the warrants (BTS-W3) to ordinary shares amounting to Baht 300,000 (75,000 ordinary shares with a value of Baht 4 each), resulting in an increase in total share premium to Baht 1,853,722,168 (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 and 10 January 2017.

36. Warrants

The warrants are detailed as follows:

	BTS-W3	BTS-WA	BTS-WB	BTS-WC
	Units	Units	Units	Units
Outstanding as at 31 March 2015	3,944,626,464	37,772,175	16,000,000	-
Exercised during the year	-	(31,546,425)	(4,862,330)	-
Outstanding as at 31 March 2016	3,944,626,464	6,225,750	11,137,670	-
Issued during the year	-	-	-	16,000,000
Exercised during the year	(75,000)	(4,222,600)	(4,829,189)	-
Outstanding as at 31 March 2017	3,944,551,464	2,003,150	6,308,481	16,000,000

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

On 11 October 2013, the Extraordinary Meeting No.1/2013 of the Company's shareholders passed a resolution to issue the warrants to purchase new ordinary shares of the Company issued to the Company's existing shareholders (BTS-W3) in a ratio of 1 warrant for every 3 existing ordinary shares, without specifying the offer price. Details are as follows:

Date of grant	1 November 2013
Number granted (Units)	3,944,626,464
Contractual lives	5 years from the issued date
Exercisable	Last business day of each quarter, after completion of a 3-year period from the issued date
Exercise price per 1 ordinary share	12 Baht
Exercise ratio (warrant to ordinary share)	1:1

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

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

Date of grant	18 August 2011
Number granted (Units)	100,000,000
Contractual lives	5 years from the issued date
Exercisable	Last business day of each quarter, after completion of a 2-year period from the issued date
Exercise price per 1 ordinary share	4.22 Baht
Exercise ratio (warrant to ordinary shares)	1:0.166

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

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

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

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

The estimated fair value of each warrant granted is Baht 2.56. This was calculated by applying the Black-Scholes-Merton formula. The model inputs were the share price at price determination date of Baht 7.90, exercise price of Baht 5.01, expected volatility of 27.348%, expected dividend yield of 5%, contractual life of five years, and a risk-free interest rate of 2.90 - 3.37%.

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

The estimated fair value of each warrant granted is Baht 1.34. This was calculated by applying the Black-Scholes-Merton formula. The model inputs were the share price at price determination date of Baht 9.07, exercise price of Baht 10.19, expected volatility of 37.73%, expected dividend yield of 8.55%, contractual life of five years, and a risk-free interest rate of 2.03%.

37. Deficit on business combination under common control

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

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

The details were as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Balance at beginning of year	3,371,978	3,371,978	3,715,435	3,715,435
Sales of investment in subsidiary under common control	-	-	(57,651)	-
Balance at end of year	<u>3,371,978</u>	<u>3,371,978</u>	<u>3,657,784</u>	<u>3,715,435</u>

38. Surplus from business restructuring under common control

A meeting of the Board of Directors of the Company on 9 November 2015 passed resolution to approve the restructuring of the property business unit. In December 2015, the Company transferred certain plots of land, and its investments in subsidiaries, associates and jointly controlled entities to a subsidiary (Unicorn), and also novated loans to related companies together with interest receivables to the subsidiary.

Surplus from business restructuring under common control represents the difference between the selling price of the assets and the value of the loans and interest receivables transferred to the subsidiary, and the book values as at transaction date of the assets and loans and interest receivables net of transaction costs.

39. Adjustment of asset value as a result of business restructuring under common control

To reflect the value of the existing assets before business restructuring under common control, as discussed in Note 38 to the financial statements, the Company presented the loans to Unicorn at a value equivalent to the net book values of the land, investments and loans and interest receivables before business restructuring under common control. The Company recorded the adjustment under the heading of "Adjustment of asset value as a result of business restructuring under common control" under shareholders' equity in the separate financial statements.

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

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

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

	(Unit: Thousand Baht)	
	<u>Consolidated financial statements</u>	
	<u>2017</u>	<u>2016</u>
Balance at beginning of year	(59,587)	1,353,172
Purchases and sales of investments in subsidiaries and issuances of ordinary shares of the subsidiaries without loss of control (Note 15.2.1, 15.2.2 and 15.2.6)	706,139	(1,412,759)
Transfer to retained earnings	(215,813)	-
Warrants exercised of the subsidiary	77	-
Balance at end of year	<u>430,816</u>	<u>(59,587)</u>

41. Surplus from sales of warrants of the subsidiary

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

42. Revaluation surplus on assets

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

43. Treasury shares / Appropriated retained earnings for treasury shares

On 8 August 2014, the Board of Directors of the Company passed a resolution to approve a program to repurchase up to 600 million shares (par value of Baht 4 each), or 5% of the total number of shares in issue, with a budget of Baht 6,000 million, for liquidity surplus management purposes. The shares are to be repurchased on the Stock Exchange of Thailand within the period of 6 months, starting from 25 August 2014 to 24 February 2015, and can be resold more than 6 months after completing the repurchase. As at 31 March 2017, the Company had purchased back 95.8 million ordinary shares, for a total of approximately Baht 925.4 million (2016: Baht 925.4 million) or 0.8% of the total number of shares in issue.

According to letter No. Gor Lor Tor. Chor Sor. (Vor) 2/2548 of the Office of the Securities and Exchange Commission, dated 14 February 2005, concerning the acquisition of treasury shares, a public limited company may purchase back treasury shares in an amount not exceeding the amount of its retained earnings and is to appropriate an equal amount of retained earnings to a reserve for treasury shares, which must be maintained until the Company either sells the treasury shares or reduces its paid-up share capital by an amount equal to the value of the treasury shares which it could not sell. As at 31 March 2017, the Company appropriated the full required amount of retained earnings to a reserve for the treasury shares.

44. Statutory reserve

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

45. Service income

Details of service income are as follows:

	Consolidated		(Unit: Thousand Baht) Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Advertising income	2,069,064	1,620,116	-	-
Revenues from provision of operating services	1,697,901	1,630,291	-	-
Revenues from hotel and restaurant operations	634,225	561,338	-	-
Revenues from provision of spaces	454,355	363,139	67,800	64,807
Other service income	948,403	784,899	77,969	71,664
Total	<u>5,803,948</u>	<u>4,959,783</u>	<u>145,769</u>	<u>136,471</u>

46. Interest income

Details of interest income are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Interest income under concession agreements	157,924	129,998	-	-
Interest income under finance lease agreement	1,111	2,811	-	-
Interest income under purchase and installation of operating system agreement	26,891	-	-	-
Interest income from financial institutions	181,292	219,330	18,604	41,321
Interest income from related parties	396,557	149,265	546,429	199,904
Total	<u>763,775</u>	<u>501,404</u>	<u>565,033</u>	<u>241,225</u>

47. Other expenses

Details of other expenses are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Allowance for doubtful accounts	-	9,344	1,161	77,614
Allowance for impairment loss of assets	2,404	-	-	-
Allowance for diminution in value of investment	7,891	497,205	-	497,205
Loss on provisions	40,248	75,396	-	-
Total	<u>50,543</u>	<u>581,945</u>	<u>1,161</u>	<u>574,819</u>

48. Expenses by nature

Significant expenses by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
		(Restated)		
Salaries, wages and other benefits	1,657,628	1,325,909	261,351	225,465
Depreciation and amortisation	577,410	452,507	80,451	83,408
Consultation, project management and professional fee	215,020	154,490	137,451	56,185
Allowance for doubtful accounts	-	9,344	1,161	77,614
Allowance for impairment loss of assets	2,404	-	-	-
Allowance for impairment loss of investment	7,891	497,205	-	497,205
Loss on provisions	40,248	75,396	-	-
Premise tax and other taxes	123,396	109,602	33,154	28,906
Rental expenses from operating lease agreements	145,888	86,869	46,439	41,827
Repair and maintenance expenses	227,680	206,175	13,661	6,290
Utility expenses	208,257	219,470	22,228	23,196
Advertising and promotional expenses	251,455	88,040	506	261
Subcontractor expenses for train operating service	18,234	20,077	-	-
Concession fee	155,142	190,993	-	-
Costs of advertising services	162,444	83,622	-	-
Real estate development during the year	229,000	18,686	229,000	4,123
Change in real estate development costs	(205,468)	159,521	(178,635)	26,517
Cost of installation and construction services and train procurement service under concession agreement	1,538,807	100,532	-	-
Billboard rental expenses	112,659	-	-	-

49. Income tax

Income tax expenses for the years ended 31 March 2017 and 2016 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
		(Restated)		
Current income tax:				
Current income tax charge	782,627	1,364,458	11,339	916,192
Adjustment in respect of income tax of previous year	714	(4,620)	714	893
Deferred tax:				
Relating to origination and reversal of temporary differences	(125,786)	(238,723)	(692)	(110,376)
Income tax expense reported in the statement of comprehensive income	<u>657,555</u>	<u>1,121,115</u>	<u>11,361</u>	<u>806,709</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 March 2017 and 2016 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Deferred tax relating to:				
Gain (loss) on change in value of available-for-sale investments	56,756	(112,385)	67,228	(126,721)
Loss from actuarial loss	-	(13,180)	-	(3,799)
	<u>56,756</u>	<u>(125,565)</u>	<u>67,228</u>	<u>(130,520)</u>

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
		(Restated)		
Accounting profit before income tax expenses	2,893,279	5,511,896	4,435,188	7,361,671
Applicable tax rate at 20%	578,656	1,102,379	887,038	1,472,334
Tax effect of:				
Unrecognised deferred tax on temporary differences	78,673	49,135	2,050	21,928
Utilisation of previously unrecognised deferred tax on temporary differences	(74,184)	(17,104)	(62,007)	(11,299)
Non-deductible expenses	27,900	15,111	9,605	8,100
Deductible expenses	(2,301)	(2,015)	(102)	(1,239)
Non-taxable income	(114,097)	(58,236)	(825,277)	(693,596)
Taxable income	5,999	16,130	158	16,130
Difference of tax rates in group companies	-	(58)	-	-
Adjustments in respect of deferred tax assets	(7,396)	-	-	-
Effect of eliminated entries on consolidated financial statements	155,586	11,185	-	-
Others	8,719	4,588	(104)	(5,649)
Income tax expenses	<u>657,555</u>	<u>1,121,115</u>	<u>11,361</u>	<u>806,709</u>

The tax rate enacted at the end of the reporting period of the Company and its subsidiaries is 20% (2016: 20% and 25%).

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

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2017</u>	<u>2016</u> (Restated)	<u>2017</u>	<u>2016</u>
Deferred tax assets				
Allowance for doubtful accounts	11,096	12,908	1,484	1,259
Allowance for asset impairment	133,222	140,400	-	-
Allowance for impairment of investment	99,441	99,441	99,441	99,441
Unrealised loss on changes in value of investments	171,774	224,685	156,504	221,049
Provision for long-term employee benefits	171,475	148,083	11,920	10,472
Transactions under concession and finance lease agreements	13,645	38,529	-	-
Unused tax loss	22,483	18,354	-	-
Others	20,798	18,050	371	508
Total	643,934	700,450	269,720	332,729
Deferred tax liabilities				
Revaluation surplus on land	449,275	449,275	-	-
Prepaid duty stamp	61,104	30,407	-	-
Transactions relating to sale of future net fare box revenues	2,173,732	2,333,579	-	-
Differences of forward and closing exchange rates	6,415	1,339	6,415	1,339
Differences of tax and accounting from depreciation calculation of assets	57,915	58,879	57,915	58,879
Fair value adjustment of assets as at business combination date	73,868	2,551	-	-
Others	10,921	4,672	4,088	4,672
Total	2,833,230	2,880,702	68,418	64,890
Net	(2,189,296)	(2,180,252)	201,302	267,839
Presented as				
Deferred tax assets - net	50,157	38,228	201,302	267,839
Deferred tax liabilities - net	(2,239,453)	(2,218,480)	-	-
Net	(2,189,296)	(2,180,252)	201,302	267,839

As at 31 March 2017, the Company and its subsidiaries have deductible temporary differences and unused tax losses totaling Baht 3,109 million (2016: Baht 3,199 million) (Separate financial statements: Baht 2,329 million (2016: Baht 2,653 million)), on which deferred tax assets have not been recognised as the Company and its subsidiaries believe they may not utilise the deferred tax asset or their future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

The unused tax losses of the subsidiaries amounting to Baht 770 million (2016: Baht 548 million) will expire by 2022.

50. Earnings per share

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

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

Details of calculation of earnings per share for the years ended 31 March 2017 and 2016 are as below.

	Consolidated financial statements					
	Profit		Weighted average number of ordinary shares		Earnings per share	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
	Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht
Basic earnings per share						
Profit attributable to equity holders of the Company	2,003,480	4,133,887	11,837,816	11,829,813	0.1692	0.3494
Effect of dilutive potential ordinary shares						
Warrants (BTS-WA)	-	-	257	1,971		
Warrants (BTS-WB)	-	-	3,138	5,168		
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	<u>2,003,480</u>	<u>4,133,887</u>	<u>11,841,211</u>	<u>11,836,952</u>	<u>0.1692</u>	<u>0.3492</u>
	Separate financial statements					
	Profit		Weighted average number of ordinary shares		Earnings per share	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
	Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht
Basic earnings per share						
Profit attributable to equity holders of the Company	4,423,826	6,554,962	11,837,816	11,829,813	0.3737	0.5541
Effect of dilutive potential ordinary shares						
Warrants (BTS-WA)	-	-	257	1,971		
Warrants (BTS-WB)	-	-	3,138	5,168		
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	<u>4,423,826</u>	<u>6,554,962</u>	<u>11,841,211</u>	<u>11,836,952</u>	<u>0.3736</u>	<u>0.5538</u>

The exercise price of the warrants (BTS-W3) is higher than the average market price of the Company's ordinary shares for the years ended 31 March 2017 and 2016. Therefore, the Company has not assumed conversion of the warrants in the calculation of diluted earnings per share in the consolidated and separate financial statements for the years ended 31 March 2017 and 2016.

In addition, the exercise price of the warrant (BTS-WC) is higher than the average market price of the Company's ordinary shares for the year ended 31 March 2017. Therefore, the Company has not assumed conversion of the warrants in the calculation of diluted earnings per share in the consolidated and separate financial statements for the years ended 31 March 2017.

51. Promotional privileges

Bangkok Payment Solutions Company Limited

A subsidiary (Bangkok Payment Solutions Company Limited) has received promotional privileges from the Board of Investment for the software development, pursuant to the investment promotion certificate No. 58-2513-1-00-2-0 issued on 24 November 2015. Subject to certain imposed conditions, the privileges include an exemption from corporate income tax for a period of 5 years from the date the promoted operations begin generating revenues (15 December 2015).

The subsidiary's revenues of promoted operations and non-promoted operations for the year ended 31 March 2017 amounted to Baht 52 million and Baht 74 million, respectively (2016: revenues of promoted operations and non-promoted operations amounting to Baht 20 million and Baht 56 million, respectively).

52. Segment information

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

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

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

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

The following table presents revenue and profit information regarding the Company and its subsidiaries' operating segments for the years ended 31 March 2017 and 2016.

(Unit: Million Baht)

	For the years ended 31 March											
	Mass Transit segment		Media segment		Property segment		Service segment		Elimination		Consolidated Financial statements	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Revenues from external customers	3,247	1,713	2,680	2,083	33	298	1,625	1,258	-	-	7,585	5,352
Inter-segment revenues	242	176	185	35	87	-	608	208	(1,122)	(419)	-	-
Total revenues	3,489	1,889	2,865	2,118	120	298	2,233	1,466	(1,122)	(419)	7,585	5,352
Segment profit	962	808	1,772	1,494	10	119	593	461	-	-	3,337	2,882
Unallocated revenues and expenses:												
Management income											3	3
Dividend income											271	281
Interest income											764	501
Gain from sales of investments											416	183
Gain on sale of warrants											-	3,459
Gain on change in status of investment											207	-
Gain on debt settlement/reversal of creditors per rehabilitation plan											149	96
Other income											222	194
Selling expenses											(390)	(174)
Administrative expenses											(1,776)	(1,452)
Other expenses											(50)	(582)
Share of loss from investments in joint ventures											(400)	(340)
Share of profit from investments in associates											787	751
Finance cost											(647)	(290)
Income tax expenses											(657)	(1,121)
Profit for the year											2,236	4,391
Non-controlling interests of the subsidiaries											(232)	(257)
Profit attributable to equity holders of the Company											2,004	4,134

Geographic information

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

During the year ended 31 March 2017, a subsidiary (VGI Global Media Public Company Limited) has revenues from top 10 major customers in total amount of Baht 1,618 million, arising from media segment (2016: Baht 1,403 million).

53. Provident fund

The Company, its subsidiaries and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company and its subsidiaries contributed to the fund monthly at the rate of 5% of basic salary. The fund, which is managed by BBL Asset Management Company Limited, and SCB Asset Management Company Limited will be paid to employees upon termination in accordance with the fund rules. During the year ended 31 March 2017, the Company and its subsidiaries recognized the contributions as expenses amounting to Baht 56 million (2016: Baht 40 million) (Separate financial statements: Baht 5 million (2016: Baht 4 million)) (Baht 24 million (2016: Baht 12 million) claimed from BTSGIF).

54. 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
Interim dividends for 2015/2016	Board of Directors' meeting on 11 January 2016	<u>4,022</u>	0.34
Total for the year ended 31 March 2016		<u>7,570</u>	
Final dividends for 2015/2016	Annual General Meeting of the shareholders on 22 July 2016	4,024	0.34
Interim dividends for 2016/2017	Board of Directors' meeting on 9 January 2017	<u>1,953</u>	0.165
Total for the year ended 31 March 2017		<u>5,977</u>	

55. Contracts in progress

As at 31 March 2017, the aggregate amount of installation and construction services cost incurred and recognised profits or losses to date for contracts of installation and construction services of the subsidiary was approximately Baht 1,026 million (2016: Baht 49 million), and gross amounts due from customers for contracts of installation and construction services were approximately Baht 51 million (2016: Baht 32 million), and gross amounts due to customers for contracts in progress were approximately Baht 3 million (2016: Baht 14 million).

56. 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:

56.1 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 339 million and HKD 2 million (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 Mak8 Company Limited) had outstanding commitments with a subsidiary (HHT Construction Company Limited) approximately Baht 779 million (2016: Baht 53 million) in respect of renovation and development of golf course and hotel construction.
- c) The Company had outstanding commitments of USD 19 million (2016: USD 29 million) in respect of overseas investments.
- d) The subsidiary (Dnal Company Limited) had outstanding commitments of approximately Baht 255 million (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 10 million (2016: Baht 30 million) in respect of improvements of BTS Sky train System.
- f) A subsidiary (Bangkok Smartcard System Company Limited) had capital commitments of Baht 11 million (2016: Baht 14 million) relating to the installation of common ticketing systems, management information system and development of website.

- g) The subsidiaries had capital commitments of Baht 97 million (2016: Baht 47 million), relating to the acquisition of equipment and software computer leasehold rights and billboards.
- h) 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) 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.

56.2 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:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Payable:				
Up to 1 year	149	53	45	40
Over 1 and up to 5 years	241	158	108	119
Over 5 years	282	297	195	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.

56.3 Service contract commitments

- a) A subsidiary (BTSC) had commitments of approximately Baht 10 million (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 26 million (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 340 million (2016: Baht 270 million) (Separate financial statements: Baht 15 million (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.

56.4 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 56.5 d) to the 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.

56.5 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 146 million and Baht 402 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 72 million, equivalent to Baht 2,777 million, and Baht 274 million (As at 31 March 2017, the subsidiary presented an outstanding balance of advances for acquisitions of assets of Baht 2,384 million, which was the balance net of the amounts allocated to be charged to BTS Rail Mass Transit Growth Infrastructure Fund and the amounts recorded as cost of train procurement service income under concession agreement)).

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.

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 commitments amounting to Baht 336 million in respect of the acquisitions of 3 2-car trains for the Gold Line Monorail Mass Rapid Transit System project (under the agreement concerning the purchase of the trains, the subsidiary paid advance amounting to Baht 37 million).
- f) 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.
- g) 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>2017</u>	<u>2016</u>
Fees payable:		
Up to 1 year	58	59
Over 1 and up to 5 years	99	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, the subsidiary entered into an agreement with an associate (Demo Power (Thailand) Company Limited), transferring to DPT the rights to use space at BTS stations for carrying on marketing activities, as discussed in Note 17.1.4 to the financial statements. Under the conditions of the agreement, the subsidiary is to receive compensation on the basis of the actual revenue generated, at rates stipulated in the agreement.

56.6 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 signed.
- 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 signed.

56.7 Guarantees

- a) There is a bank guarantee of Baht 23 million (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.
- b) A subsidiary (BTSC) had outstanding bank guarantees issued by a bank on behalf of the subsidiary amounting to Baht 57 million (2016: Baht 57 million) to guarantee electricity use and Baht 100 million (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 (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.

BTS Rail Mass Transit Growth Infrastructure Fund will be responsible for the bank guarantees amounting to Baht 38 million (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 338 million (Separate financial statements: Baht 52 million) (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 19 million.

56.8 Litigations

- a) The Company and its subsidiaries (Yong Su Company Limited and Dnal Company Limited), as mortgagors of the assets placed as security for the Company's bonds, were sued by a local bank, for payment of the secured bonds, together with interest charges and other related expenses, totaling approximately Baht 4,251 million. The Court of First Instance ordered the two subsidiaries to make payment of such amount. The two subsidiaries appealed the decision and the Appeals Court found in accordance with the Court of First Instance. However, the bank has submitted settlement claims under the Company's business rehabilitation plan and the Company held an open auction of such assets in order to make payment to the bank. Therefore, the subsidiaries have not set aside provision for the contingent liability in their accounts.
- b) A creditor under the Company's business rehabilitation plan filed a petition with the Central Bankruptcy Court, asking the court to overturn the order of the official receiver regarding the amount of debt settlement it is entitled to receive. The Central Bankruptcy Court ordered the amendment of the amounts of the debt settlement entitlements. The creditor appealed the order of the Central Bankruptcy Court to the Supreme Court. Subsequently, 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 and the case was deemed to be finalised. The Company was to repay debts to the creditor as specified in the rehabilitation plan with interest at a rate of 7.5% per annum (According to the rehabilitation plan, a creditor will receive amount of debt exclude interest.) The Company deposited assets (recorded under assets awaiting transfer under rehabilitation plan and investments in subsidiaries awaiting transfer under rehabilitation plan in its accounts) at the Deposit of Property Office, Legal Execution Department for debt settlement. In addition, the Company deposited cash with the Central Bankruptcy Court as a guarantee of debt settlement with the creditor. Therefore, the Company recorded the transfer of assets awaiting transfer under rehabilitation plan, investments in subsidiaries awaiting transfer under rehabilitation plan and cash deposited as collateral for debt settlement to settle the debt with the creditor, as discussed in Note 30 to the financial statements.

- c) A creditor under the Company's business rehabilitation plan filed a petition with the Central Bankruptcy Court, asking the court to order the Company to make payment of debt under the rehabilitation plan amounting to Baht 49 million, together with interest at a rate of 7.5% per annum. The Central Bankruptcy Court ordered the Company to make such payment but both the creditor and the Company subsequently filed separate appeals with the Supreme Court. Subsequently, on 15 February 2017, the Central Bankruptcy Court read the Supreme Court's order regarding the debt settlement entitlement of the creditor per the rehabilitation plan, and the case was deemed to be finalised. The Company was required to repay debts to the creditor per the rehabilitation plan amounting to Baht 49 million, together with interest at a rate of 7.5% per annum, for a total of Baht 74 million. The Company has already recorded the liability in its accounts, as discussed in Note 30 to the financial statements.
- d) Creditors under the business rehabilitation plan of a subsidiary (BTSC) have filed petitions with the Central Bankruptcy Court with respect to their claims totaling approximately Baht 307 million, of which the official receiver ordered the subsidiary to pay approximately Baht 21 million. However, the Court dismissed the petitions and currently, the cases are being considered by the Supreme Court. The subsidiary believes that no significant loss will result from this case.
- e) Bangkok Metropolitan Administration called for a subsidiary (BTSC) to pay Baht 93 million for the use of state owned land, together with penalties and surcharges on the outstanding amount at a rate of 18% per annum, and fees for land use and a letter of guarantee for a building construction contract totaling approximately Baht 21 million. The subsidiary argued that it had no obligation to pay these expenses because, under its concession agreement, the subsidiary has the right to use such land of the Bangkok Mass Transit System without liability for payment of any rental, fees and any other expenses incurred. On 3 May 2017, the Central Bankruptcy Court read the Supreme Court's order regarding the debt settlement entitlement of the creditor, and the case was deemed to be finalised. The subsidiary was required to pay debt totaling Baht 114 million, together with interest at a rate of 7.5% per annum. However, the business rehabilitation plan stipulates that the creditor will receive settlement without interest. The subsidiary recorded the debt (excluding interest) in its accounts.

- f) A subsidiary (BTSC) was sued together with Bangkok Metropolitan Administration and the Bangkok Governor in an administrative case seeking to have elevators and facilities for the disabled installed at 23 elevated train stations and on elevated trains. The Administrative Court of First Instance dismissed the case since, in their opinion, when the Concession Agreement was concluded there were no laws requiring that the defendants build elevators and facilities for the disabled. Subsequently, the plaintiffs appealed to the Supreme Administrative Court and on 21 January 2015, the Supreme Administrative Court issued an order reversing the decision of the Administrative Court of First Instance and ordering the Bangkok Governor, on behalf of the Bangkok Metropolitan Administration, to provide elevators and facilities for the disabled at 23 elevated train stations within 1 year and ordered the subsidiary to cooperate. Currently, the Bangkok Metropolitan Administration is implementing these actions.
- g) 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.

57. Fair value hierarchy

As at 31 March 2017, the Company and its subsidiaries had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated Financial Statements			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Held for trade investments				
Unit trust in fixed income funds	-	363	-	363
Equity instruments	426	-	-	426
Derivative warrants	-	123	-	123
Debt instruments	-	90	-	90
Available-for-sale investments				
Unit trust in fixed income funds	-	70	-	70
Equity instruments	3,830	1,342	-	5,172
Assets for which fair value are disclosed				
Held to maturity securities				
Foreign government and state-owned				
enterprise bonds	-	2,728	-	2,728
Domestic private debt securities	-	2,744	-	2,744
Foreign private debt securities	-	2,099	-	2,099
Investment properties	-	2,804	198	3,002
Investments in listed associates	25,607	-	-	25,607
Derivative				
Forward exchange agreements to sell	-	61	-	61

(Unit: Million Baht)

Consolidated Financial Statements

	Level 1	Level 2	Level 3	Total
Liabilities for which fair value are disclosed				
Debentures	-	21,919	-	21,919
Derivatives				
Cross currency and interest rate swap agreement	-	6	-	6
Interest rate swap agreement	-	3	-	3

(Unit: Million Baht)

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	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Held for trade investments				
Equity instruments	426	-	-	426
Available-for-sale investments				
Equity instruments	3,480	503	-	3,983
Assets for which fair value are disclosed				
Held to maturity securities				
Domestic private debt securities	-	891	-	891
Investment properties	-	2,596	2,131	4,727
Investments in listed associates	25,607	-	-	25,607
Derivatives				
Forward exchange agreements to sell	-	44	-	44

58. Financial instruments

58.1 Financial risk management

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

<u>Financial assets</u>	<u>Financial liabilities</u>
- Cash and cash equivalents	- Short-term loans from financial institutions
- Current investments	- Bills of exchange payables
- Bank account for advances from cardholders	- Trade and other payables
- Trade and other receivables	- Advance received from cardholders
- Receivable under concession agreements	- Short-term loans
- Receivable under purchase and installation of operating system agreement	- Creditors per rehabilitation plan
- Short-term loans	- Long-term loans
- Accrued income	- Long-term debentures
- Restricted deposits	- Retention payable
- Cash deposited as collateral for debt settlement	
- Long-term loans	
- Other long-term investments	
- Deposits and advances for asset acquisitions	

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

Credit risk

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

Interest rate risk

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

Significant financial assets and liabilities as at 31 March 2017 and 2016 classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the re-priced date (if this occurs before the maturity date).

(Unit: Million Baht)

	As at 31 March 2017						
	Consolidated financial statements						
	Fixed interest rates			Floating	Non-interest	Total	Interest rate
	Within 1 year	1-5 years	Over 5 years	interest rate	bearing		(% p.a.)
Financial assets							
Cash and cash equivalents	9,977	-	-	5,074	44	15,095	-0.60 to 3.00
Current investments	5,393	-	-	-	983	6,376	0.85 to 5.10
Bank account for advances from cardholders	-	-	-	375	-	375	0.50 to 1.65
Trade and other receivables	-	-	-	-	2,176	2,176	-
Receivable under concession agreements	97	953	3,254	-	-	4,304	0.58 to 6.12
Receivable under purchase and installation of operating system agreement	-	712	-	-	-	712	5.20
Accrued income	-	-	-	-	850	850	-
Restricted deposits	87	-	-	-	30	117	0.55 to 1.75
Cash deposited as collateral for debt settlement	-	-	-	-	51	51	-
Long-term loans to related parties	92	9,180	45	-	-	9,317	MLR - 0.5, 3.85 to 12.00
Other long-term investments	-	4,682	974	-	7,865	13,521	2.71 to 10.75
Deposits and advances for asset acquisitions	-	-	-	-	2,422	2,422	-
	<u>15,646</u>	<u>15,527</u>	<u>4,273</u>	<u>5,449</u>	<u>14,421</u>	<u>55,316</u>	
Financial liabilities							
Short-term loans from financial institutions	778	-	-	-	-	778	2.08 to 2.10
Bills of exchange payables	13,374	-	-	-	-	13,374	1.70 to 1.85
Trade and other payables	-	-	-	-	2,802	2,802	-
Advance received from cardholders	-	-	-	-	375	375	-
Short-term loan to related party	4	-	-	-	-	4	6.50
Creditors per rehabilitation plan	-	-	-	-	75	75	-
Long-term loans from financial institutions	-	-	-	2,179	-	2,179	Note 31
Long-term debentures	-	7,693	14,285	-	-	21,978	2.46 to 3.87
Retention payable	-	-	-	-	141	141	-
	<u>14,156</u>	<u>7,693</u>	<u>14,285</u>	<u>2,179</u>	<u>3,393</u>	<u>41,706</u>	

(Unit: Million Baht)

As at 31 March 2016 (Restated)

Consolidated financial statements

	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Interest rate (% p.a.)
	Within 1 year	1-5 years	Over 5 years				
Financial assets							
Cash and cash equivalents	246	-	-	2,080	36	2,362	0.01 to 3.00
Current investments	3,319	-	-	-	1,348	4,667	0.90 to 4.98
Bank account for advances from cardholders	-	-	-	285	-	285	0.38 to 2.00
Trade and other receivables	-	-	-	-	1,086	1,086	-
Receivable under concession agreement	94	405	3,116	-	-	3,615	0.58 and 6.12
Short-term loan to related party	-	-	-	-	14	14	-
Accrued income	-	-	-	-	653	653	-
Restricted deposits	1,154	-	-	-	117	1,271	5.20
Cash deposited as collateral for debt settlement	-	-	-	-	171	171	-
Long-term loans to related parties	54	5,948	-	-	-	6,002	MLR-0.5
Other long-term investments	-	-	697	-	9,054	9,751	4.38
	<u>4,867</u>	<u>6,353</u>	<u>3,813</u>	<u>2,365</u>	<u>12,479</u>	<u>29,877</u>	
Financial liabilities							
Short-term loans from financial institutions	3,750	-	-	-	-	3,750	1.96 to 2.60
Bills of exchange payables	2,917	-	-	-	-	2,917	2.18 to 2.65
Trade and other payables	-	-	-	-	1,623	1,623	-
Advance received from cardholders	-	-	-	-	281	281	-
Short-term loan to related party	-	-	-	-	36	36	-
Creditors per rehabilitation plan	-	-	-	-	638	638	-
Long-term loans from financial institutions	-	-	-	1,268	-	1,268	LIBOR+0.8
Long-term debentures	1,347	-	-	-	-	1,347	6.75
Retention payable	-	-	-	-	137	137	-
	<u>8,014</u>	<u>-</u>	<u>-</u>	<u>1,268</u>	<u>2,715</u>	<u>11,997</u>	

(Unit: Million Baht)

As at 31 March 2017

Separate financial statements

	Fixed interest rates					Total	Interest rate (% p.a.)
	Within 1 year	1-5 years	Over 5 years	Floating interest rate	Non-interest bearing		
Financial assets							
Cash and cash equivalents	-	-	-	1,775	-	1,775	0.01 to 1.40
Current investments	154	-	-	-	426	580	1.25 to 1.70
Trade and other receivables	-	-	-	-	1,177	1,177	-
Restricted deposits	-	-	-	-	30	30	-
Cash deposited as collateral for debt settlement	-	-	-	-	51	51	-
Long-term loans to related parties	-	13,773	-	-	-	13,773	MLR - 0.5, 3.50 to 5.65
Other long-term investments	-	-	875	-	6,653	7,528	4.00 to 4.375
	<u>154</u>	<u>13,773</u>	<u>875</u>	<u>1,775</u>	<u>8,337</u>	<u>24,914</u>	
Financial liabilities							
Bills of exchange payables	13,374	-	-	-	-	13,374	1.70 to 1.85
Trade and other payables	-	-	-	-	1,031	1,031	-
Short-term loan from related party	-	-	-	16,500	-	16,500	2.03 to 2.71
Creditors per rehabilitation plan	-	-	-	-	75	75	-
Retention payable	-	-	-	-	27	27	-
	<u>13,374</u>	<u>-</u>	<u>-</u>	<u>16,500</u>	<u>1,133</u>	<u>31,007</u>	

(Unit: Million Baht)

As at 31 March 2016							
Separate financial statements							
Fixed interest rates							
	Within 1 year	1-5 years	Over 5 years	Floating interest rate	Non-interest bearing	Total	Interest rate (% p.a.)
Financial assets							
Cash and cash equivalents	140	-	-	241	-	381	0.10 to 1.25
Current investments	864	-	-	-	-	864	0.90 to 4.89
Trade and other receivables	-	-	-	-	222	222	-
Restricted deposits	1,154	-	-	-	30	1,184	5.20
Cash deposited as collateral for debt settlement	-	-	-	-	171	171	-
Long-term loans to related parties	-	9,835	-	-	-	9,835	MLR-0.5, 3.00 to 3.40
Other long-term investments	-	-	597	-	6,510	7,107	4.00 to 4.375
	<u>2,158</u>	<u>9,835</u>	<u>597</u>	<u>241</u>	<u>6,933</u>	<u>19,764</u>	
Financial liabilities							
Short-term loans from financial institutions	3,510	-	-	-	-	3,510	1.96 to 2.60
Bills of exchange payables	2,917	-	-	-	-	2,917	2.18 to 2.65
Trade and other payables	-	-	-	-	517	517	-
Short-term loan from related party	-	-	-	18,033	-	18,033	1.50 to 2.03
Creditors per rehabilitation plan	-	-	-	-	638	638	-
Long-term loan from financial institutions	-	-	-	1,062	-	1,062	LIBOR+0.8
Retention payable	-	-	-	-	19	19	-
	<u>6,427</u>	<u>-</u>	<u>-</u>	<u>19,095</u>	<u>1,174</u>	<u>26,696</u>	

The subsidiary entered into an interest rate swap agreement with a local commercial bank to manage risk associated with the financial liabilities carrying floating interest. The details of the interest rate swap agreement outstanding as at 31 March 2017 are as follows:

Effective date	Maturity date	Contractual		
		Notional amount	Interest to pay	Interest to receive
21 March 2017	28 February 2022	Baht 700 million	3.57% per annum	6M THBFX plus 1.26% per annum

Foreign currency risk

As at 31 March 2017 and 2016, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currencies	Consolidated financial statements				Separate financial statements				Average exchange rate	
	Financial assets		Financial liabilities		Financial assets		Financial liabilities		2017	2016
	2017	2016	2017	2016	2017	2016	2017	2016	(Baht per 1 foreign currency unit)	
	(Million)	(Million)	(Million)	(Million)	(Million)	(Million)	(Million)	(Million)		
USD	98	76	-	30	36	51	-	30	34.4501	35.2392
EUR	170	31	1	1	-	-	-	-	36.7904	39.8996
SGD	-	-	1	1	-	-	-	-	24.6540	26.0867
RMB	-	247	-	-	-	215	-	-	5.0069	5.5143
JPY	-	-	2,273	-	-	-	-	-	0.3077	0.3134

The Company and its subsidiaries' exposure to foreign currency risk arises mainly from cash at banks, investments, the purchase transactions of spare parts and equipment and loans that are denominated in foreign currencies. The Company and its subsidiary seek to reduce this risk by entering into forward exchange agreement and cross currency and interest rate swap agreement.

As at 31 March 2017, the Company has entered into forward exchange agreements to sell as follows:

	2017		
	Amount	Forward rate	Maturity date
<u>The Company</u>			
USD/THB	USD 30 million	35.31 THB/USD	April 2017
USD/THB	USD 24 million	35.09 THB/USD	June 2017
<u>The subsidiary</u>			
USD/THB	USD 30 million	35.01 THB/USD	April 2017
	2016		
	Amount	Forward rate	Maturity date
<u>The Company</u>			
USD/THB	USD 24 million	35.69 THB/USD	March 2017

In addition, as at 31 March 2017, the subsidiary had entered into cross currency and interest rate swap agreements as follows:

2017					
		Amount to pay		Amount to receive	
Contractual					
Effective date	maturity date	Notional amount	Interest rate	Notional amount	Interest rate
<u>The subsidiary</u>					
21 March 2017	23 March 2022	Baht 700 million	3.57% per annum	JPY 2,273 million	ZTIBOR plus 0.60% per annum

2016					
		Amount to pay		Amount to receive	
Contractual					
Effective date	maturity date	Notional amount		Notional amount	
<u>The Company</u>					
4 October 2013	22 August 2016	USD 0.24 million		Baht 7.5 million	
9 April 2014	11 April 2016	RMB 214 million		Baht 1,154 million	

58.2 Fair value of financial instruments

The fair value of the Company and its subsidiaries' financial instruments are not expected to differ materially from the amounts presented in the statement of financial position, except for the following:

(Unit: Million Baht)					
Consolidated financial statements					
		Carrying amount		Fair value	
		2017	2016	2017	2016
<u>Financial Assets</u>					
Held to maturity securities					
Foreign government and state-owned enterprise bonds		2,746	-	2,728	-
Domestic private debt securities		2,725	697	2,744	718
Foreign private debt securities		2,094	-	2,099	-
<u>Financial liabilities</u>					
Debentures		21,978	-	21,919	-

(Unit: Million Baht)

	Separate financial statements			
	Carrying amount		Fair value	
	2017	2016	2017	2016
<u>Financial Assets</u>				
Held to maturity securities				
Domestic private debt securities	874	597	891	615

The estimated fair value of the derivatives was as follows:

(Unit: Million Baht)

	2017	
	Consolidated	Separate
	financial statements	financial statements
	Gain (loss)	Gain (loss)
Forward exchange agreements to sell	61	44
Cross currency and interest rate swap agreement	(6)	-
Interest rate swap agreement	(3)	-

(Unit: Million Baht)

	2016
	Consolidated and separate
	financial statements
	Gain (loss)
Forward exchange agreements to sell	11
Cross currency swap agreement	(16)

The methods and assumptions used by the Company and its subsidiaries in estimating the fair value of financial instruments are as follows:

- a) For financial assets and liabilities which have short-term maturity, including cash and cash at banks, accounts receivable, accrued income, loans to related companies, investments, accounts payable, loan from related company, and debentures, their carrying amounts in the statement of financial position approximate their fair value.
- b) For held to maturity debt securities carrying interest approximate to the market rate, their carrying amounts in the statement of financial position approximates their fair value.
- c) For equity securities, their fair value is generally derived from quoted market prices.
- d) The fair value of investments in preferred shares classified as equity instruments has been determined using bid prices from reliable financial service provider.
- e) The fair value of investments in unit trust in fix income funds has been determined using net asset value at the reporting date.
- f) 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 using prices from reliable financial service provider.
- g) 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.
- h) For long-term loans carrying interest approximate to the market rate, their carrying amounts in the statement of financial position approximates their fair value.
- i) For fixed rate debentures, their fair value is determined by using the prices as announced by the Thai Bond Market Association.
- j) For derivatives, their fair value has been determined by using a discounted future cash flow model and a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as spot rates of foreign currencies, yield curves of the respective currencies and interest rate yield curves. The Company had considered to counterparty credit risk when determining the fair value of derivatives.

During the current year, there were no transfers within the fair value hierarchy.

59. Capital management

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

According to the statement of financial position as at 31 March 2017, the Group's debt-to-equity ratio was 1.07:1 (2016: 0.39:1) and the Company's was 0.51:1 (2016: 0.43:1).

60. 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.

61. Events after the reporting period

Significant subsequent events are detailed below.

- 61.1 On 5 April 2017, the Board of Directors of a subsidiary (Man Kitchen Company Limited) passed a resolution to approve payment of dividend of Baht 23 million in respect of its operating results for the period as from 1 April 2016 to 28 February 2017 (at a rate of Baht 7.76 per share).
- 61.2 On 16 May 2017, the Board of Directors of a subsidiary (Master Ad Public Company Limited) passed a resolution to approve Eye On Ads Company Limited to acquire 339,375 ordinary shares of Co-Mass Company Limited ("COMASS"), representing 70% of total shares of COMASS with the total purchase price of not exceeding Baht 335 million.

- 61.3 On 16 May 2017, the Board of Directors of a subsidiary (VGI Global Media Public Company Limited) passed a resolution to approve payment of dividend of Baht 412 million in respect of its operating results for the year ended 31 March 2017. The subsidiary has paid interim dividend totaling approximately Baht 240 million. The outstanding dividend of Baht 172 million (at a rate of Baht 0.06 per share) will be paid to the shareholders.
- 61.4 On 29 May 2017, the Board of Directors of the Company passed the following significant resolutions:
- a) Pay dividends of Baht 4,716 million in respect of its operating results for the year ended 31 March 2017. The Company has paid interim dividends totaling approximately Baht 1,953 million. The outstanding dividend of Baht 2,763 million will be paid to the shareholders.
 - b) Issue 16,000,000 warrants to employees of the Company and its subsidiaries under the BTS Group ESOP 2017 Scheme (BTS-WD).
 - c) Decrease its registered share capital from Baht 63,715,644,348 to Baht 63,715,220,684 by cancellation of 105,916 unissued ordinary shares with a par value of Baht 4 each.
 - d) Increase its registered share capital from Baht 63,715,220,684 to Baht 66,163,220,684 by issuing 612,000,000 ordinary shares with a par value of Baht 4 each to accommodate the exercise of the warrants to be issued and offered to the employees of the Company and its subsidiaries under the BTS Group ESOP 2017 Scheme (BTS-WD) of up to 16,000,000 ordinary shares with a par value of Baht 4 and to accommodate the offer by private placement of up to 596,000,000 ordinary shares with a par value of Baht 4.
 - e) Allocate up to additional ordinary shares as discussed in d).

62. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 29 May 2017.