

3Q 14/15 FINANCIAL HIGHLIGHTS

- **Quarterly ridership; 56.4mn trips in 3Q 14/15, 4.7% growth YoY and 3.3% growth QoQ**
Average fare also increased 0.4% YoY to THB 26.9 per trip
- **Share of net profit from investment in BTSGIF in 3Q 14/15 increased by 23.6% YoY** or THB 37.0mn to THB 193.6mn
- **Train Operation & Maintenance (O&M) revenue rose 25.4% YoY to THB 386.3mn** primarily from the opening of new Silom line extension and the additional scope of work in BRT contract
- **Media business revenue of THB 780.1mn in 3Q 14/15**, a 0.9% decrease QoQ and 2.3% decrease YoY
- **Property business revenue of THB 340.9mn in 3Q 14/15**, dropping 50.3% YoY mainly from fewer transferred condominium units
- **Services business revenue¹ rose by 29.0% YoY to THB 138.4mn** mainly from the revenue generated from ChefMan Restaurants
- **Pre-tax recurring profit margin (before MI) improved to 41.6%** in 3Q 14/15 compared to 39.8% in 3Q 13/14
- **Net income attributable to the equity holders of the Company increased 124.4% YoY to THB 981.3mn** due to the gain on sale of land at Mo Chit to BTS Sansiri Holding One Ltd., and a reduction in total costs as well as income tax expenses

ACCOUNTING AND RECLASSIFICATION

From 1 April 2014, BTS Group Holdings Public Company Limited (“the Company”) and its subsidiaries (together, the “Group”) have adopted TFRIC 12 – Service Concession Arrangements. This new standard provides accounting guidelines for concession operators for recognising and measuring the obligations and related rights in public-to-private service concession arrangements. BTSC (the subsidiary) provides services to procure electric trains (infrastructure) to be used in the provision of public services and to operate and maintain this infrastructure for a specified period of time under the 30-year O&M contract. BTSC is paid for its services over the period of the arrangement which is a public-to-private service concession arrangement. BTSC’s management, therefore, considers this arrangement under the 30-year O&M contract to be within the scope of TFRIC 12. The effects of the changes are recognised retrospectively in the financial statements. For more information, please refer to Notes 1 and 2 to 3Q 14/15 financial statements.

SIGNIFICANT EVENTS

- **8 August 2014:** the Board of Directors of BTS Group approved a **share repurchase programme** not exceeding THB 6,000mn (or approximately 5% of the total issued shares). The repurchase period covers the duration of 6 months from 25 August 2014 until 24 February 2015. As of 31 December 2014, the Company had repurchased 0.8% of total issued shares in the amount of THB 925.2mn.
- **15 October 2014:** The Executive Committee approved (1) the entry into the Strategic Alliance Framework Agreement with Sansiri Public Company Limited (“SIRI”) to exclusively partner together on the developments of residential projects for sale located within 500m of all rail mass transit stations, (2) to establish a 50:50 joint venture company with SIRI to develop the first residential project near Mo Chit BTS Station and (3) to sell approximately 5-rai (8,000sq.m.) of land to the joint venture for the development of the first project.
- **24 November 2014:** The Board of Directors approved for the Company to dispose of all ordinary shares in two subsidiaries; BTS Assets Co., Ltd. (“BTSA”) and Kamkoong Property Co., Ltd. (“KKP”) that engage in real estate business. BTS Group will receive in exchange up to 200.2 billion newly issued shares of Natural Park Public Company Limited (“NPARK”) at the closing date (equivalent to up to 35.66% of total issued shares). In addition, BTS Group will receive warrants of NPARK at a ratio of 2 newly issued ordinary shares issued to the Company for 1 unit of NPARK–W2 Warrants, at no cost.
- **19 December 2014:** The first joint venture between BTS Group and SIRI named BTS Sansiri Holding One Limited (“JVCo1”) was incorporated. The initial registered capital of this joint venture company is THB 100,000,000, divided into 1,000,000 ordinary shares with a par value of THB 100 each. BTS Group and SIRI each invested in 50% shares in this joint venture company.
- **9 January 2015:** The Board of Directors approved the interim dividend payment from the operating results of the six-month period (April 1, 2014 – September 30, 2014) and the retained earnings at THB 0.30/share or approximately THB 3,547mn in total. Based on the share price as of 8 January 2015 (one day before BOD date), this is equivalent to a dividend yield of 7.14% on an annualised basis.
- **2 February 2015:** Announcement of the long-term business cooperation between BTS Group and AEON Thana Sinsap (Thailand) Public Company Limited (“AEONTS”) under the co-branded Rabbit program, securitisation project, setting up of a special purpose vehicle (SPV) for securitisation and setting up of a new subsidiary, BSS Holdings Company Limited (“BSS Holdings”). The AEON Rabbit Member Card will enable members to use both the Rabbit functions and obtain consumer loans from AEONTS. Under the securitisation project, the SPV will buy up to THB 5,000mn loan receivables under co-branded AEON Rabbit Member Cards.

3Q 14/15 PERFORMANCE

The Group recorded consolidated total revenue* of THB 2,481.6mn in 3Q 14/15, increasing 4.1% or THB 96.9mn YoY from THB 2,384.7mn in 3Q 13/14. The increase was primarily due to an increase in mass transit revenues of THB 115.4mn, together with (1) the gain on sale of 5-rai land at Mo Chit to JVCo1 of THB 367.5mn and (2) an increase in gain from gain on sales of equity investments of THB 70.1mn and (3) gain on sale of MACO-W1 (at VGI level) of THB 53.2mn, yet offset with (4) a decrease in revenue of sales of real estate of THB 356.3mn and (5) a reduction in interest income of THB 112.3mn. Despite (1) higher O&M revenue from the full quarter effect on the Silom line extension, (2) additional scope of work on the BRT contract and (3) an increase in share of net profit from BTSGIF, operating revenue² fell by 10.5% YoY to THB 1,839.3mn largely as a result of the reduction in Property revenue from fewer transferred units of Abstracts Phahonyothin Park Condominium in 3Q 14/15 and the softened Media revenue. Revenue from the Mass Transit, Media, Property and Services businesses accounted for 31.5%, 42.4%, 18.5% and 7.5% of total operating revenue, respectively.

Operating Revenue ² (THB mn)	3Q 14/15	% of Total ²	3Q 13/14	% of Total ²	% Change (YoY)	3Q 14/15 GP Margin ⁵	3Q 13/14 GP Margin ⁵
Mass Transit³	579.9	31.5%	464.5	22.6%	24.8%	60.1%	60.1%
Media	780.1	42.4%	798.2	38.8%	(2.3)%	57.6%	64.1%
Property⁴	340.9	18.5%	686.1	33.4%	(50.3)%	46.4%	41.2%
Services¹	138.4	7.5%	107.3	5.2%	29.0%	53.1%	53.1%
TOTAL²	1,839.3	100.0%	2,056.1	100.0%	(10.5)%	56.0%	55.0%

Total consolidated expenses and SG&A* reached THB 1,238.0mn in 3Q 14/15, a reduction of THB 141.3mn or 10.2% YoY mainly from the decline in cost of sales of real estate as well as selling and marketing expenses related to sales of Abstracts Condominium project. Operating costs decreased by 12.5% YoY to THB 809.7mn, which was in line with the reduction in total operating revenue. Nonetheless, as operating costs decreased at a higher rate than the decline in operating revenues, the Group operating gross profit margin⁵ improved to 56.0% from 55.0% in the previous year.

As a result of the aforementioned changes, the Group operating EBITDA⁶ was THB 716.7mn, a decrease of THB 75.7mn or 9.5% YoY. However, the operating EBITDA margin improved to 39.0% in 3Q 14/15 (versus 38.5% in 3Q 13/14) from higher contribution of higher margin Mass Transit business. Finance costs fell by 41.5% YoY or THB 55.5mn to THB 78.3mn primarily as the Group repaid the third tranche of BTSC debentures during 2Q 14/15. Although other recurring income⁷ fell by 6.0% YoY or THB 25.5mn to THB 397.0mn largely as a result of a reduction in interest income received from the sinking fund of the third tranche of BTSC debenture portion, the pre-tax recurring profit margin for this quarter improved to 41.6% from 39.8% in 3Q 13/14 consequent to the improved recurring gross profit margin as well as a reduction in finance costs. Reported income tax expenses was THB 264.2mn, a decline of THB 171.3mn or 39.3% primarily due to tax expenses related to BTSC capital reduction (that occurred in November 2013) which was not repeated in 3Q 14/15. Taking into account all the aforesaid transactions, the Group recorded a consolidated profit of THB 1,101.4mn (increasing 85.4% YoY) and profit attributable to the equity holders of the Company of THB 981.3mn (increasing 124.4% YoY).

* Total consolidated revenue and cost *excludes* train procurement service income and cost of train procurement service under concession agreement of THB 669.4mn to reflect the performance analysis. These two items are the impact from the adoption of TFRIC12 – Service Concession Arrangements which deems that BTSC has to procure rolling stocks for the public sector entity

¹ Services revenue includes sales from BSS, revenue from Carrot, revenue from HHT construction and revenue from ChefMan Restaurants. Note that transactions related to ChefMan Restaurants were reclassified from Property business to Services business in 4Q 13/14

² Operating revenue from the operational performances from 4 BUs and share of net profit (loss) from BTSGIF, EXCLUDES interest income, dividend income and non-recurring items

³ Mass Transit revenues include:

- i) Share of net profit (loss) from BTSGIF (included in 'Share of profit from investments in associates' in Statement of comprehensive income)
- ii) Service Income from Train & Bus Operation Management (included in 'Service income' under 'Revenues from provision of operating services')

⁴ Property includes Sales from Real Estate, Rental and Service Income, Construction & Services Businesses and Service income related to Thana City Golf & Sports Club Co., Ltd.

⁵ Operating gross profit margin calculated based on the operational performances from 4 BUs and share of net profit (loss) from BTSGIF

⁶ Operating EBITDA calculated based on the operational performances from 4 BUs, share of net profit (loss) from BTSGIF, EXCLUDES interest income, dividend income, share of net profit (loss) from other associates (except from BTSGIF) and joint venture, non-recurring items from sales of net fare-box revenue to BTSGIF and other non-recurring items

⁷ Recurring profit calculated based on the operational performances from 4 BUs, share of net profit (loss) from BTSGIF and other associates and joint venture, as well as including other recurring items which are interest income and other recurring items (before MI)

SEGMENTAL PERFORMANCE

MASS TRANSIT BUSINESS

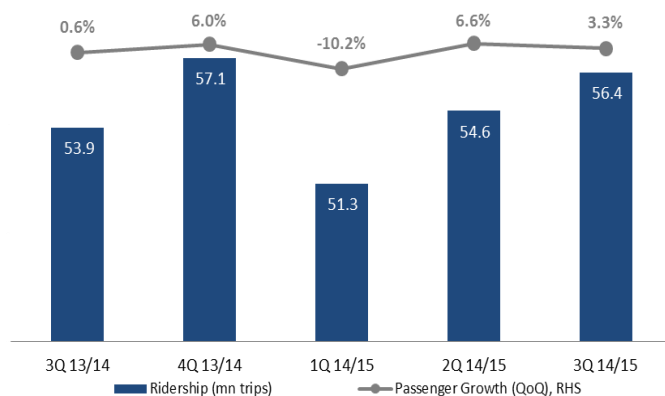
Total Mass Transit revenue³ increased 24.8% YoY to THB 579.9mn supported by an increase in O&M income and an increase in share of net profit from BTSGIF. O&M revenue rose by 25.4% or THB 78.4mn YoY to THB 386.3mn, mainly attributable to the additional service income from the Silom line extension which opened on 5 December 2013 and the additional scope of work in the BRT contract.

Share of net profit from investment in BTSGIF in 3Q 14/15 increased by THB 37.0mn or 23.6% YoY to THB 193.6mn. This increase came from the increase in net fare-box revenue as well as a revision of amortisation method for fund set-up cost (from 3 years to the end of concession to be in line with other BTSGIF related items). As such, the “share of net profit in BTSGIF” this quarter includes an adjustment of the ‘over amortisation’ in the amount of THB 27.0mn.

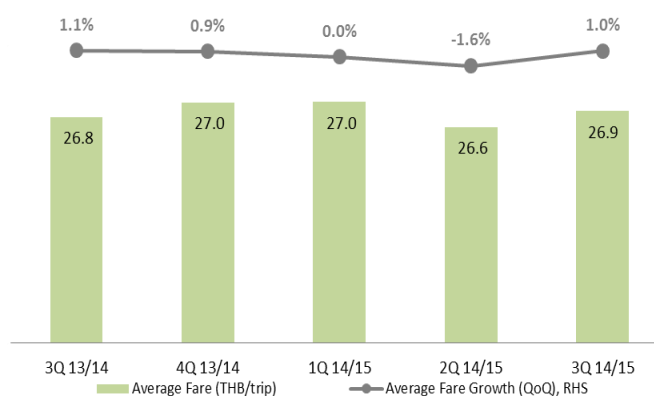
Fare-box revenue of the core system rose by 5.1% YoY or THB 74.1mn to THB 1,517.3mn attributable to both ridership growth (up 4.7% YoY to 56.4mn trips) and average fare increase (which rose by 0.4% YoY to THB 26.9 per trip). Cost of fare-box revenue rose at a slower rate than revenue growth, resulting in the increase in net fare-box revenue.

Cost of Mass Transit revenue, including SG&A expenses, increased by 25.0% or THB 46.2mn YoY to THB 231.4mn, in line with higher O&M revenue. As operating cost and SG&A expenses increased at the same rate as the growth in operating revenue, operating EBITDA margin remained flat at 60.7% in 3Q 14/15 (61.0% in 3Q 13/14).

Historical Quarterly Ridership and % QoQ Growth



Historical Quarterly Average Fare and % QoQ Growth



MEDIA BUSINESS

In the past, the Thai media industry normally benefits from a high season during the third quarter (October to December). However, during the recent third quarter, the total Thai advertising spending remained stagnant QoQ and contracted 9.0% YoY, owing to weaker economic momentum as a result of delays in government spending. Moreover, the Thai media industry was harder hit by weakened consumption, particularly in fast moving consumer goods (normally 40% of total Thai advertising spending), as evident from a decrease in spending of 5.9% QoQ and 7.2% YoY. Our Media business performance moved in line with the trend of the total Thai advertising spending, contracting by 0.9% QoQ and 2.3% YoY to THB 780.1mn.

Although BTS-related Media and Office Building & Other Media continued to grow resiliently on a QoQ and YoY basis, Modern Trade Media was the main driver of the decline in revenue QoQ and YoY.

BTS-related Media continued to demonstrate resilience with revenue of THB 486.1mn, an increase of THB 44.5mn (or 10.1% QoQ) mainly owing to (1) the increase in capacity from new digital media (Platform Truss LEDs) on BTS stations and (2) higher revenue from static media as a result of new sales strategies. Our **Modern Trade Media** revenue was THB 247.3mn, a decline of 18.9% QoQ. The decrease was primarily the result of economic slowdown as well as the decline in sales from Tesco Lotus sales floor media since October 2014 (in anticipation of the contact termination in February 2015). **Office Building and Other Media** revenue grew 15.1% QoQ to THB 46.7mn as a result of higher sales from 28 additional office building contracts (expanded from 75 to 103 building contracts under our management portfolio), in which the Company increased the package pricing by 33% in October 2014.

Media revenue contracted 2.3% (or THB 18.1mn) YoY mainly due to declining revenue from Modern Trade Media, offset with the growth in BTS-related Media as well as Office Building & Other Media revenue, which continued to perform well despite the aforementioned external challenges.

BTS-related Media revenue of THB 486.1mn represented growth of 11.7% or THB 51.1mn YoY despite the domestic political uncertainty and economic slowdown. The key growth drivers were the increase in capacity of trains from 47 trains (188 carriages) to 52 trains (208 carriages) and new media (Platform Truss LEDs). Revenue from **Modern Trade Media** reached THB 247.3mn, a decrease of 22.5% or THB 72.0mn YoY as a result of the economic slowdown as well as the aforementioned contract termination. **Office Building & Other Media** revenue was THB 46.7mn, increasing by 6.3% YoY or THB 2.8mn primarily due to higher sales from additional office building contracts.

Cost of revenue increased 15.3% or THB 43.9mn YoY to THB 330.5mn as a result of higher depreciation expenses of new digital media and equipment such as Platform Truss LEDs and Platform Screen Doors. Media SG&A also increased by 14.8% or THB 14.4mn YoY to THB 112.2mn largely resulting from the boost in sales promotion in the Modern Trade Media. Consequently, as operating revenue declined whilst total costs and SG&A expenses increased, the operating EBITDA margin contracted to 49.0% (versus 54.4% in 3Q 13/14).

PROPERTY BUSINESS

Property operating revenue dropped a significant 50.3% YoY or THB 345.2mn to THB 340.9mn, which was largely attributable to the decline in Residential Property revenue as a result of fewer transferred condominium units of Abstracts Phahonyothin Park (Tower A) compared to 3Q 13/14. However, in this quarter, the Company recorded gain on sales of 5-rai land at Mochit to BTS Sansiri Holding One Ltd. (JVCo1) of THB 367.5mn.

Residential Property revenue decreased by 79.9% YoY or THB 356.2mn to THB 89.3mn in 3Q 14/15. This decrease was mainly driven by a decline in sales of real estate of THB 356.3mn (largely in relation to 21 transferred units of Abstracts Phahonyothin Park (Tower A) in this quarter versus 131 transferred units in 3Q 13/14).

Commercial Property revenue reached THB 249.5mn, an increase of 4.7% YoY or THB 11.2mn mainly supported by an improvement in Thana City Golf Course and the Groups hotel business performance.

Operating costs decreased at the faster rate than the reduction in operating revenues. The decrease of 54.7% YoY or THB 220.5mn to THB 182.8mn was mainly from a decline in costs from transferred units of Abstracts Phahonyothin Park. Property SG&A expenses also decreased by 15.3% YoY or THB 25.8mn to THB 142.6mn largely from the reduction in selling and marketing expenses related to Abstracts Condominium project. As a result of the decrease in sales of real estate from the aforesaid reasons, the operating EBITDA margin declined to 15.7% in 3Q 14/15 compared to 22.0% in 3Q 13/14.

SERVICES BUSINESS

Services business revenue increased YoY by THB 31.1mn or 29.0% to THB 138.4mn. This increase was primarily due to growth in the revenue generated from ChefMan Restaurants (increased by THB 18.7mn or 29.9% YoY to THB 81.2mn) as well as growth in the revenue from marketing and co-promotion of rabbit cards of THB 12.4mn.

Operating costs increased by 29.1% YoY or THB 14.6mn to THB 64.9mn, increasing at a lower rate than operating revenue. There was also THB 82.5mn SG&A expenses, an increase of 28.3% YoY. Key costs and SG&A items were mainly from staff costs, food & beverage cost at ChefMan Restaurants and depreciation expenses (for hardware, software and machines).

STATEMENT OF FINANCIAL POSITION

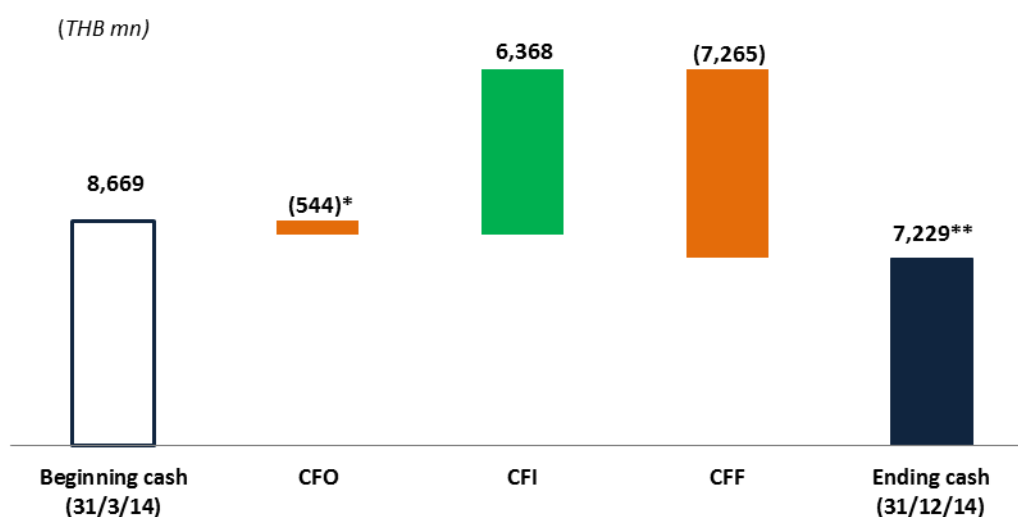
Total assets as of 31 December 2014 stood at THB 71,284.9mn, a decrease of THB 5,426.2mn or 7.1% from 31 March 2014. Total current assets stood at THB 27,332.9mn, decreasing by 26.8% or 10,010.2mn mainly from (1) a decrease in current investment of THB 9,089.2mn mainly from the reduction of collateralised debenture (THB 2,145.1mn), which was used to repay the third tranche of BTSC debentures as well as treasury management which increased its weighting towards longer term investments, (2) a reduction in cash of THB 1,439.3mn (see further details in Cash Flow section), offset with (3) an increase in trade and other receivables of THB 729.6mn. Total non-current assets was THB 43,952.0mn, an increase of 11.6% or THB 4,584.0mn mainly from (1) an increase in other long-term investments of THB 2,343.5mn primarily from the increase in investment available for sale of THB 4,013.6mn, yet offset with the decrease in held-to-maturity securities of THB 1,573.3mn, (2) an increase in PP&E of THB 767.5mn mainly from the development of U Sathorn hotel, renovation of sport club in Thana City as well as the procurement of VGI equipment, (3) an increase in loan to BTS Sansiri Holding One Ltd. (JVCo1) of THB 700mn (4) an increase in restricted deposits of THB 579.7mn (cash collateral placed with banks).

Total liabilities decreased from 31 March 2014 by 15.9% or THB 2,732.9mn to stand at THB 14,436.1mn largely due to (1) the third tranche repayment of BTSC debentures in August 2014, (2) a decrease in income tax payable of THB 626.2mn resulting from the annual corporate income tax payment of FY 13/14 in August 2014, offset with (3) an increase in loans from financial institutions of THB 1,231.4mn, of which THB 240.0mn was mainly used by VGI to purchase MACO shares and THB 993.4mn were loans taken to invest in offshore deposits and investments. **Total equity** decreased by THB 2,693.3mn or 4.5% to THB 56,848.8mn mainly attributable to (1) a reduction in surplus from the changes in the ownership interests in subsidiaries of THB 1,435.9mn primarily as a result of the Company increasing its shareholding in subsidiary VGI (2) a decrease in non-controlling interest of the subsidiaries of THB 356.4mn due to the purchases of investments in subsidiaries (VGI and Nuvo Line) and (3) a reduction in unappropriated retained earnings (excluding the portion reserved for treasury stock) of THB 1,162.1mn. The decline in unappropriated retained earnings were mainly from dividend payment of THB 2,501.4mn for the period of October 2013 to March 2014. As of 31 December 2014, total issued and fully paid-up shares stood at 11,919.3mn shares.

CASH FLOW

For the nine months ended 31 December 2014, cash and cash equivalents reached THB 7,229.2mn, a decline of 16.6% or THB 1,439.3mn. Cash from operating activities was THB 1,336.9mn, declining 36.5% or THB 767.7mn primarily due to lower operating revenue of Property and Media businesses and the increase in trade and other receivable of THB 362.7mn. Cash paid for corporate income tax of THB 1.6bn (9M 13/14; THB 622.8mn) meant that **net cash used in operating activities** was THB 543.9mn. **Net cash from investing activities** was THB 6,368.3mn. The key components are (1) decrease in current investment of THB 10,808.3mn largely from the repayment of the third tranche of BTSC debenture as well as treasury management, (2) net cash paid for purchases of other long-term investments of THB 4,196.3mn, (3) net cash paid for purchases of property, plant and equipment of THB 1,066.8mn and (4) cash received from the sale of land at Mo Chit to JVCo1 of THB 1,411.0mn. **Net cash used in financing activities** was THB 7,265.0mn mainly from (1) the cash paid for the repayment of the third tranche of BTSC debenture of THB 3,611.3mn, (2) dividend payment of THB 2,493.6mn, (3) net cash paid for purchases of investments in subsidiaries of THB 1,877.1mn and (4) cash paid for the purchase of BTS Group treasury stock of THB 925.5mn.

Nine-Months Cash Flow Snapshot



* after tax (THB 1,628.4mn) and interest expense (THB 252.5mn)

** excluding BTSC sinking fund and THB 20.9bn liquid investments

KEY FINANCIAL RATIOS

Profitability ratios	3Q 14/15 ⁺	3Q 13/14	2Q 14/15 ⁺
Gross operating profit margin (%)	56.0%	55.0%	57.6%
Selling and administrative expenses to operating sales ratio (%)	22.7%	21.0%	24.4%
Operating EBITDA margin (%) ^A	39.0%	38.5%	39.5%
Accounting EBITDA margin (%)	57.8%	39.1%	50.6%
Recurring pre-tax profit margin (%) ^B	41.6%	39.8%	41.2%
Net recurring profit margin (%) ^B	34.5%	22.2%	32.9%
Accounting net profit margin (%) ^C	41.1%	18.5%	32.3%
ROA (%) ^D	4.1%	18.1%	3.5%
ROE (%) ^E	5.2%	23.6%	4.5%
Liquidity ratio			
Current ratio (times)	4.74x	4.69x	4.88x
Leverage ratios			
Total liabilities to total asset (times)	0.20x	0.21x	0.21x
Total liabilities to total equity (times)	0.25x	0.27x	0.26x
Net debt to equity (times)	(0.05)x	(0.07)x	(0.03)x
Net debt to operating EBITDA (times)	(1.09)x	(1.10)x	(0.61)x
Interest coverage (times) ^F	9.15x	5.92x	6.60x
Per share ratios ^G			
Basic earnings per share (THB)	0.0830	0.0368	0.0530
Operating cash flow per share (THB)	(0.030)	(0.050)	(0.045)
Free cash flow per share (THB)	(0.117)	(0.073)	(0.078)
Enterprise value per share (THB)	10.22	9.44	10.45
Book value per share (THB)	4.81	5.35	4.74

Note:

⁺ Restated to reflect effects from TFRIC 12 and TFRIC 4

^A Excludes non-operating items and interest income

^B Calculated based on recurring profit (before MI) / total recurring revenue

^C Calculated based on accounting net profit (before MI) / total accounting revenue including shares of income from investments in associates

^D Calculated based on accounting net profit (before MI) / total assets

^E Calculated based on accounting net profit (before MI) / total shareholders' equity

^F Calculated based on operating EBITDA / finance cost

^G Calculated based on weighted average number of shares at par value of THB 4.0

MANAGEMENT OUTLOOK

There is greater clarity on the timeline of the new mass transit lines and awarding process of the contracts under the current government, which our **Mass Transit** business is expected to benefit from. Mass Rapid Transit Authority of Thailand (“MRTA”) has been assigned to discuss the transfer of the Green Line North and South extension projects to the Bangkok Metropolitan Administration (“BMA”) so construction and operation of the entire Green Line system can come under a single agency. Furthermore, Transport Minister ACM Prajin Juntong has reiterated the Ministry of Transport’s policy to consider direct negotiation with BTS to be the operator of the Green Line extensions in order to provide seamless service for the best interest of public convenience as well as to save the cost of building an additional depot, as the existing BTSC depot can be utilised. Under this new framework, the O&M contract for the Green Line South from Bearing to Samut Prakarn (12.8km) is expected to be awarded to the Company in calendar 4Q 2015, with full operation targeted to start in 2018. For the Green Line North (Mo Chit - Saphan Mai – Khu Khot; 18.4km), the civil works contract is expected to be concluded and signed within mid-2015 and the O&M contract is expected to be awarded to the Company in early 2016, with full operation targeted to start in 2019. The Light Green Line extension from Bang Wa to Borommaratchachonnani (7.0km) is also expected to start operating in 2019, with the award of the civil works and O&M contracts due in early 2017. The Light Rail Transit (LRT) which runs from Bang Na to Suvarnabhumi Airport and covering 18.3km is still expected to be tendered within 2015 and opened for full service by 2018. The bidding for the civil works and O&M of the Grey Line from Watcharaphon to Rama 9 Bridge (total route length of 26km) is expected to be in early 2016 and the targeted operation year is in 2019. The Pink Line, which runs from Khae Rai to Min Buri and covering 36.0km, is expected to be tendered out by the end of 2015 and operational by 2020 to 2021.

For our **Media** business, VGI continues to expand its media footprint in the Out-of-Home Media segment. The latest addition to our media network includes advertising space inside and outside of Chamchuri Square, which is a high-rise complex consisting of a commercial tower, a residential tower and a shopping mall located in the CBD area in Bangkok, covering over 270,000 sq.m. VGI was also appointed to be the exclusive sales agent to manage 4 mega digital billboards at Victory Monument, one of the busiest intersections in Bangkok. These new developments will have a growing contribution to the Company’s revenue going forward.

For the residential side of our **Property** business, the pre-sales of the first project under JVCo1 is scheduled to be in 1Q FY 15/16, with all units targeted to be transferred by 2018. Within commercial real estate, NPARK’s shareholders approved the entry into the transaction with the Company on 29 December 2014 and the deal is targeted to be completed within 1Q 2015, with the Company holding up to 35.7% of NPARK. On 20 December 2014, the Company also officially launched its new 4-star boutique hotel, U Sathorn Bangkok, with partial opening of 30 available rooms (from a total of 86 rooms).

On the **Services** business, the Board of Directors Meeting held on 9 January 2015 approved the long-term business cooperation with AEONTS to jointly develop the co-branded AEON Rabbit Member Card. The AEON Rabbit Member Card will enable members to use both the Rabbit functions (travel on the BTS SkyTrain system and purchase of products and services at partner retail stores) and obtain consumer loans from AEONTS. Under the securitisation project, the SPV will buy up to THB 5,000mn loan receivables under co-branded AEON Rabbit Member Cards. More details can be seen at <http://bts.listedcompany.com/newsroom/20150202-bts-set01-en.pdf>. Further, the Company has plans to expand the ChefMan brand into other formats such as express formats, buffet restaurants, fine dining restaurants and private dining in 2015.

.....

Rangsin Kritalug

(Executive Director and Chief Operating Officer)