

Bangkok Expressway and Metro Public Company Limited
and its subsidiaries
Report and consolidated interim financial statements
For the three-month and six-month periods ended
30 June 2017

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Bangkok Expressway and Metro Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Bangkok Expressway and Metro Public Company Limited and its subsidiaries as at 30 June 2017, the related consolidated statements of income and comprehensive income for the three-month and six-month periods ended 30 June 2017, the consolidated statements of changes in shareholders' equity and cash flows for the six-month period then ended, as well as the condensed notes to the consolidated financial statements. I have also reviewed the separate financial information of Bangkok Expressway and Metro Public Company Limited for the same period. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

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

Conclusion

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

Siraporn Ouaanunkun
Certified Public Accountant (Thailand) No. 3844

EY Office Limited
Bangkok: 10 August 2017

Bangkok Expressway and Metro Public Company Limited and its subsidiaries

Statement of financial position

As at 30 June 2017

(Unit: Thousand Baht)

	Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>30 June 2017</u>	<u>31 December 2016</u>	<u>30 June 2017</u>	<u>31 December 2016</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents	4	628,658	777,001	559,341	729,293
Current investments	5	2,741,739	5,941,350	2,731,555	5,932,098
Trade and other receivables	3, 6	1,407,825	1,614,563	1,396,767	1,619,496
Receivable from sales of investment	3	466,906	756,834	466,906	756,834
Current portion of long-term loans to related party	3	-	-	15,000	12,000
Other current assets		99,808	129,542	87,632	114,431
Total current assets		5,344,936	9,219,290	5,257,201	9,164,152
Non-current assets					
Long-term loans to and interest receivable					
from related parties, net of current portion	3	-	-	5,876,496	6,273,496
Investments in subsidiaries	7	-	-	303,586	303,586
Investments in associates	8	9,546,349	9,667,680	7,499,815	7,499,815
Other long-term investment	9	1,508,430	1,237,850	1,508,430	1,237,850
Investment properties	10	120,357	120,357	120,357	120,357
Building and equipment	11	342,836	340,733	291,380	283,862
Rights to operate completed expressway sectors	12	40,017,435	41,551,825	33,535,140	34,808,993
Rights to use sites for expressway construction	13	872,080	1,020,624	872,080	1,020,624
Intangible asset under concession agreement of					
the MRT Blue Line Project	14	20,913,203	17,048,090	20,588,196	16,722,781
Project cost of the MRT Chalong Ratchadham Line	15	679,768	627,256	679,768	627,256
Prepaid project remuneration		2,012,571	1,614,608	2,012,571	1,614,608
Other intangible assets	16	72,169	68,229	68,352	63,497
Deferred tax assets		17,014	201,888	11,031	198,542
Other non-current assets		45,600	67,133	17,088	32,664
Total non-current assets		76,147,812	73,566,273	73,384,290	70,807,931
Total assets		81,492,748	82,785,563	78,641,491	79,972,083

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

Bangkok Expressway and Metro Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 June 2017

(Unit: Thousand Baht)

	Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>30 June 2017</u>	<u>31 December 2016</u>	<u>30 June 2017</u>	<u>31 December 2016</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	17	4,036,480	4,715,775	4,036,480	4,715,775
Trade and other payables	3, 18	1,301,325	898,075	1,223,208	818,519
Current portion of long-term loans from financial institutions	19	2,200,250	2,066,750	2,200,250	2,066,750
Unearned fare box revenue		125,610	111,971	125,610	111,971
Deposits on stored value ticket		48,360	43,314	48,360	43,314
Income tax payable		39,330	31,444	14,115	13,598
Current portion of provision for compensation for site acquisition cost	21	1,550,000	1,500,000	1,550,000	1,500,000
Other current liabilities					
Retention guarantees		17,158	70,983	12,551	66,357
Others		181,458	119,445	163,665	108,205
Total current liabilities		9,499,971	9,557,757	9,374,239	9,444,489
Non-current liabilities					
Long-term loans from financial institutions, net of current portion	19	15,824,246	16,952,403	15,824,246	16,952,403
Debentures	20	23,172,257	23,167,913	23,172,257	23,167,913
Derivative financial liabilities		42,969	18,608	42,969	18,608
Provision for compensation for site acquisition cost, net of current portion	21	2,114,277	2,817,152	2,114,277	2,817,152
Unearned revenue from advertising management rights	22	-	-	13,738	14,362
Provision for long-term employee benefits	23	510,456	471,044	499,414	461,245
Other non-current liabilities		19,000	17,982	2,128	2,756
Total non-current liabilities		41,683,205	43,445,102	41,669,029	43,434,439
Total liabilities		51,183,176	53,002,859	51,043,268	52,878,928

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

Bangkok Expressway and Metro Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 June 2017

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 June 2017	31 December 2016	30 June 2017	31 December 2016
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity				
Share capital				
Registered				
15,285,000,000 ordinary shares of Baht 1 each	15,285,000	15,285,000	15,285,000	15,285,000
Issued and fully paid-up				
15,285,000,000 ordinary shares of Baht 1 each	15,285,000	15,285,000	15,285,000	15,285,000
Premium on ordinary shares	5,816,938	5,816,938	5,816,938	5,816,938
Retained earnings				
Appropriated - statutory reserve	928,690	928,690	928,690	928,690
Unappropriated	8,271,412	7,763,596	5,601,971	5,077,414
Other components of shareholders' equity	(92,950)	(104,973)	(34,376)	(14,887)
Equity attributable to shareholders of the Company	30,209,090	29,689,251	27,598,223	27,093,155
Non-controlling interests of the subsidiaries	100,482	93,453	-	-
Total shareholders' equity	30,309,572	29,782,704	27,598,223	27,093,155
Total liabilities and shareholders' equity	81,492,748	82,785,563	78,641,491	79,972,083

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

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Directors

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(Unaudited but reviewed)

Bangkok Expressway and Metro Public Company Limited and its subsidiaries**Income statement****For the three-month period ended 30 June 2017**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
Revenues					
Revenue from expressway business		2,434,622	2,196,898	2,097,775	1,880,140
Revenue from rail business		1,103,564	583,973	1,103,564	583,973
Revenue from commercial development business		167,101	138,086	99,736	87,656
Other income					
Interest income		17,328	14,761	57,063	60,475
Dividend income	3, 8	-	-	318,626	266,125
Others		12,088	9,843	43,404	36,060
Total revenues		3,734,703	2,943,561	3,720,168	2,914,429
Expenses					
Cost of expressway business		462,472	341,170	408,741	282,454
Cost of rail business		833,412	401,935	833,412	401,935
Cost of commercial development business		41,582	47,597	17,223	26,789
Amortisation of rights to operate completed expressway sectors and compensation for site acquisition cost	12, 13, 21	900,956	843,252	769,451	705,637
Amortisation on intangible asset under concession agreement of the MRT Blue Line Project	14	38,964	100,134	31,435	96,370
Selling expenses		18,104	15,404	8,664	7,302
Administrative expenses		265,712	202,371	251,255	185,223
Total expenses		2,561,202	1,951,863	2,320,181	1,705,710
Profit before share of profit from investments in associates, finance cost and income tax expenses		1,173,501	991,698	1,399,987	1,208,719
Share of profit from investments in associates		93,795	102,300	-	-
Profit before finance cost and income tax expenses		1,267,296	1,093,998	1,399,987	1,208,719
Finance cost		(380,369)	(483,556)	(380,156)	(481,235)
Profit before income tax expenses		886,927	610,442	1,019,831	727,484
Income tax expenses	25	(159,361)	(103,733)	(141,808)	(94,300)
Profit for the period		727,566	506,709	878,023	633,184
Profit attributable to:					
Equity holders of the Company		722,603	504,380	878,023	633,184
Non-controlling interests of the subsidiaries		4,963	2,329		
		727,566	506,709		
Basic earnings per share (Baht)					
Profit attributable to equity holders of the Company	26	0.05	0.03	0.06	0.04

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

(Unaudited but reviewed)

Bangkok Expressway and Metro Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 30 June 2017

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Profit for the period	<u>727,566</u>	<u>506,709</u>	<u>878,023</u>	<u>633,184</u>
Other comprehensive income				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>				
Unrealised loss from cash flow hedges of the Company, net of income tax	(8,538)	(77,979)	(8,538)	(77,979)
Unrealised gain (loss) from cash flow hedges of associate, net of income tax	1,134	(8,101)	-	-
Unrealised gain from revaluation of available-for-sale investment of associate, net of income tax	<u>101</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other comprehensive income to be reclassified to profit or loss in subsequent periods, net of income tax	<u>(7,303)</u>	<u>(86,080)</u>	<u>(8,538)</u>	<u>(77,979)</u>
Other comprehensive income for the period	<u>(7,303)</u>	<u>(86,080)</u>	<u>(8,538)</u>	<u>(77,979)</u>
Total comprehensive income for the period	<u>720,263</u>	<u>420,629</u>	<u>869,485</u>	<u>555,205</u>
Total comprehensive income attributable to:				
Equity holders of the Company	715,300	418,300	<u>869,485</u>	<u>555,205</u>
Non-controlling interests of the subsidiaries	<u>4,963</u>	<u>2,329</u>		
	<u>720,263</u>	<u>420,629</u>		

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

(Unaudited but reviewed)

Bangkok Expressway and Metro Public Company Limited and its subsidiaries**Income statement****For the six-month period ended 30 June 2017**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
Revenues					
Revenue from expressway business		4,888,786	4,475,383	4,218,834	3,835,968
Revenue from rail business		2,230,118	1,199,225	2,230,118	1,199,242
Revenue from commercial development business		317,770	270,121	192,119	171,574
Other income					
Interest income		34,506	30,823	115,007	125,108
Dividend income	3, 8	-	-	318,626	266,125
Others		33,576	27,205	96,167	96,838
Total revenues		7,504,756	6,002,757	7,170,871	5,694,855
Expenses					
Cost of expressway business		854,439	651,279	752,435	542,637
Cost of rail business		1,693,083	875,945	1,693,083	875,945
Cost of commercial development business		96,014	96,739	47,159	51,442
Amortisation of rights to operate completed expressway sectors and compensation for site acquisition cost	12, 13, 21	1,804,826	1,714,601	1,544,289	1,436,904
Amortisation on intangible asset under concession agreement of the MRT Blue Line Project	14	156,820	204,711	142,081	197,247
Selling expenses		36,247	31,205	19,171	14,495
Administrative expenses		506,016	390,457	474,355	359,112
Total expenses		5,147,445	3,964,937	4,672,573	3,477,782
Profit before share of profit from investments in associates, finance cost and income tax expenses		2,357,311	2,037,820	2,498,298	2,217,073
Share of profit from investments in associates		165,783	195,250	-	-
Profit before finance cost and income tax expenses		2,523,094	2,233,070	2,498,298	2,217,073
Finance cost		(759,579)	(759,271)	(759,079)	(754,104)
Profit before income tax expenses		1,763,515	1,473,799	1,739,219	1,462,969
Income tax expenses	25	(331,570)	(265,234)	(297,562)	(245,294)
Profit for the period		1,431,945	1,208,565	1,441,657	1,217,675
Profit attributable to:					
Equity holders of the Company		1,424,916	1,206,479	1,441,657	1,217,675
Non-controlling interests of the subsidiaries		7,029	2,086		
		1,431,945	1,208,565		
Basic earnings per share (Baht)					
Profit attributable to equity holders of the Company	26	0.09	0.08	0.09	0.08

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

(Unaudited but reviewed)

Bangkok Expressway and Metro Public Company Limited and its subsidiaries

Statement of comprehensive income

For the six-month period ended 30 June 2017

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Profit for the period	<u>1,431,945</u>	<u>1,208,565</u>	<u>1,441,657</u>	<u>1,217,675</u>
Other comprehensive income				
<i>Other comprehensive income to be reclassified</i>				
<i>to profit or loss in subsequent periods:</i>				
Unrealised loss from cash flow hedges of the Company, net of income tax	(19,489)	(77,979)	(19,489)	(77,979)
Unrealised gain (loss) from cash flow hedges of associate, net of income tax	27,781	(22,099)	-	-
Unrealised gain from revaluation of available-for-sale investment of associate, net of income tax	<u>3,731</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other comprehensive income to be reclassified to profit or loss in subsequent periods, net of income tax	<u>12,023</u>	<u>(100,078)</u>	<u>(19,489)</u>	<u>(77,979)</u>
Other comprehensive income for the period	<u>12,023</u>	<u>(100,078)</u>	<u>(19,489)</u>	<u>(77,979)</u>
Total comprehensive income for the period	<u>1,443,968</u>	<u>1,108,487</u>	<u>1,422,168</u>	<u>1,139,696</u>
Total comprehensive income attributable to:				
Equity holders of the Company	1,436,939	1,106,401	<u>1,422,168</u>	<u>1,139,696</u>
Non-controlling interests of the subsidiaries	<u>7,029</u>	<u>2,086</u>		
	<u>1,443,968</u>	<u>1,108,487</u>		

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

(Unaudited but reviewed)

Bangkok Expressway and Metro Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the six-month period ended 30 June 2017

(Unit: Thousand Baht)

Consolidated financial statements												
Equity attributable to the shareholders of the Company												
					Other components of shareholders' equity						Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
					Other comprehensive income			Surplus on change in value of available-for-sale investment	Capital deficit from change in shareholding in subsidiary	Total other components of shareholders' equity		
	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings Appropriated - statutory reserve	Unappropriated	Unrealised Gain (loss) from cash flow hedges							
Balance as at 1 January 2016	15,285,000	5,816,938	800,490	7,254,261	(80,948)	-	(32,149)	(113,097)	29,043,592	86,442	29,130,034	
Profit for the period	-	-	-	1,206,479	-	-	-	-	1,206,479	2,086	1,208,565	
Other comprehensive income for the period	-	-	-	-	(100,078)	-	-	(100,078)	(100,078)	-	(100,078)	
Total comprehensive income for the period	-	-	-	1,206,479	(100,078)	-	-	(100,078)	1,106,401	2,086	1,108,487	
Dividend paid (Note 24)	-	-	-	(1,069,950)	-	-	-	-	(1,069,950)	-	(1,069,950)	
Balance as at 30 June 2016	<u>15,285,000</u>	<u>5,816,938</u>	<u>800,490</u>	<u>7,390,790</u>	<u>(181,026)</u>	<u>-</u>	<u>(32,149)</u>	<u>(213,175)</u>	<u>29,080,043</u>	<u>88,528</u>	<u>29,168,571</u>	
Balance as at 1 January 2017	15,285,000	5,816,938	928,690	7,763,596	(76,637)	3,813	(32,149)	(104,973)	29,689,251	93,453	29,782,704	
Profit for the period	-	-	-	1,424,916	-	-	-	-	1,424,916	7,029	1,431,945	
Other comprehensive income for the period	-	-	-	-	8,292	3,731	-	12,023	12,023	-	12,023	
Total comprehensive income for the period	-	-	-	1,424,916	8,292	3,731	-	12,023	1,436,939	7,029	1,443,968	
Dividend paid (Note 24)	-	-	-	(917,100)	-	-	-	-	(917,100)	-	(917,100)	
Balance as at 30 June 2017	<u>15,285,000</u>	<u>5,816,938</u>	<u>928,690</u>	<u>8,271,412</u>	<u>(68,345)</u>	<u>7,544</u>	<u>(32,149)</u>	<u>(92,950)</u>	<u>30,209,090</u>	<u>100,482</u>	<u>30,309,572</u>	

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

(Unaudited but reviewed)

Bangkok Expressway and Metro Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the six-month period ended 30 June 2017

(Unit: Thousand Baht)

	Separate financial statements					Total shareholders' equity
	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Other components of shareholders' equity	
			Appropriated - statutory reserve	Unappropriated	Other comprehensive income	
					Unrealised loss from cash flow hedges	
Balance as at 1 January 2016	15,285,000	5,816,938	800,490	4,611,032	-	26,513,460
Profit for the period	-	-	-	1,217,675	-	1,217,675
Other comprehensive income for the period	-	-	-	-	(77,979)	(77,979)
Total comprehensive income for the period	-	-	-	1,217,675	(77,979)	1,139,696
Dividend paid (Note 24)	-	-	-	(1,069,950)	-	(1,069,950)
Balance as at 30 June 2016	<u>15,285,000</u>	<u>5,816,938</u>	<u>800,490</u>	<u>4,758,757</u>	<u>(77,979)</u>	<u>26,583,206</u>
Balance as at 1 January 2017	15,285,000	5,816,938	928,690	5,077,414	(14,887)	27,093,155
Profit for the period	-	-	-	1,441,657	-	1,441,657
Other comprehensive income for the period	-	-	-	-	(19,489)	(19,489)
Total comprehensive income for the period	-	-	-	1,441,657	(19,489)	1,422,168
Dividend paid (Note 24)	-	-	-	(917,100)	-	(917,100)
Balance as at 30 June 2017	<u>15,285,000</u>	<u>5,816,938</u>	<u>928,690</u>	<u>5,601,971</u>	<u>(34,376)</u>	<u>27,598,223</u>

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

(Unaudited but reviewed)

Bangkok Expressway and Metro Public Company Limited and its subsidiaries**Cash flow statement****For the six-month period ended 30 June 2017**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Cash flows from operating activities				
Profit before tax	1,763,515	1,473,799	1,739,219	1,462,969
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Amortisation and depreciation	1,764,010	1,662,952	1,481,229	1,376,918
Recognise to revenue from unearned revenue from advertising management rights	-	-	(624)	(625)
Gain on investments	(26,745)	(19,475)	(26,573)	(33,783)
Loss (gain) on disposal/write off of equipment and intangible asset under concession agreement of the MRT Blue Line Project	5,608	(567)	5,846	(605)
Project remuneration	182,244	192,100	182,244	192,100
Compensation for site acquisition cost	245,669	275,597	245,669	275,597
Provision for long-term employee benefits	38,571	17,055	37,328	15,986
Share of profit from investments in associates	(165,783)	(195,250)	-	-
Unrealised gain on exchange rate	(230)	-	(230)	-
Interest income	(33,917)	(30,663)	(114,513)	(124,994)
Dividend income	-	-	(318,626)	(266,125)
Interest expenses	739,674	528,372	739,674	523,650
Profit from operating activities before changes in operating assets and liabilities	4,512,616	3,903,920	3,970,643	3,421,088
Operating assets (increase) decrease				
Trade and other receivables	206,738	(11,765)	222,729	(38,502)
Other current assets	41,935	52,315	38,150	56,968
Other non-current assets	13,027	(14,700)	15,576	(14,749)
Cash paid for project remuneration	(580,207)	(519,500)	(580,207)	(519,500)
Operating liabilities increase (decrease)				
Trade payables and other payables	480,868	(141,706)	482,308	(145,219)
Unearned fare box revenue	13,639	13,840	13,639	13,840
Deposits on stored value ticket	5,046	5,256	5,046	5,256
Other current liabilities	8,188	107,823	1,653	91,792
Other non-current liabilities	1,018	(2,364)	(628)	(2,369)
Cash paid for compensation for site acquisition cost	(750,000)	(750,000)	(750,000)	(750,000)
Net cash flows from operating activities	3,952,868	2,643,119	3,418,909	2,118,605
Cash received from interest income	10,438	6,812	10,425	6,800
Cash paid for income tax	(125,160)	(358,917)	(104,662)	(355,361)
Net cash flows from operating activities	3,838,146	2,291,014	3,324,672	1,770,044

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

(Unaudited but reviewed)

Bangkok Expressway and Metro Public Company Limited and its subsidiaries**Cash flow statement (continued)**

For the six-month period ended 30 June 2017

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Cash flows from investing activities				
Decrease (increase) in current investments	3,226,356	(1,315,284)	3,227,115	(1,324,160)
Cash received from sales of investment in associate	-	46,971	-	46,971
Cash received from sales of investment before amalgamation	300,000	300,000	300,000	300,000
Increase in other long-term investment	(270,580)	(156,750)	(270,580)	(156,750)
Cash received from long-term loans to related parties	-	-	327,153	308,769
Cash received from sales of equipment and intangible asset under concession agreement of the MRT Blue Line Project	3,083	3,005	2,845	2,942
Purchase of equipment	(36,896)	(111,845)	(35,721)	(95,816)
Advance payment for purchase of equipment	(1,124)	(1,208)	-	-
Cash received from interest income	12,450	3,139	159,905	161,714
Cash received from dividend income	318,626	266,125	318,626	266,125
Cash paid for the MRT Chalong Ratchadham Line	(65,000)	(158,436)	(65,000)	(158,436)
Increase in intangible asset under concession agreement of the MRT Blue Line Project	(4,021,092)	(373,677)	(4,006,655)	(368,931)
Cash paid for expressway construction	(94,950)	(4,013,217)	(94,950)	(4,012,362)
Interest expenses capitalised as cost of projects	-	(231,976)	-	(231,976)
Increase in other intangible assets	(13,383)	(12,679)	(13,383)	(12,679)
Net cash flows used in investing activities	(642,510)	(5,755,832)	(150,645)	(5,274,589)
Cash flows from financing activities				
Cash received from short-term loans from financial institutions	-	10,400,000	-	10,400,000
Cash paid for short-term loans from financial institutions	(680,000)	(18,400,000)	(680,000)	(18,400,000)
Cash received from long-term loans from financial institutions	-	8,494,000	-	8,494,000
Repayment of long-term loans from financial institutions	(1,000,000)	(10,624,000)	(1,000,000)	(10,602,500)
Cash received from debentures	-	15,000,000	-	15,000,000
Cash paid for financial fee	-	(52,246)	-	(52,246)
Cash paid for interest expenses	(746,879)	(493,377)	(746,879)	(488,621)
Dividend paid	(917,100)	(1,069,950)	(917,100)	(1,069,950)
Net cash flows from (used in) financing activities	(3,343,979)	3,254,427	(3,343,979)	3,280,683
Net decrease in cash and cash equivalents	(148,343)	(210,391)	(169,952)	(223,862)
Cash and cash equivalents at beginning of period	777,001	4,483,375	729,293	4,459,058
Cash and cash equivalents at end of period	628,658	4,272,984	559,341	4,235,196
Supplemental cash flows information				
Non-cash items consist of:				
Transfer advance payment for purchase equipment to equipment	-	1,247	-	-
Purchase of equipment under finance lease agreements	-	3,632	-	3,632

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

Bangkok Expressway and Metro Public Company Limited and its subsidiaries

Notes to interim consolidated financial statements

For the three-month and six-month periods ended 30 June 2017

1. General information

1.1 Corporate information

Bangkok Expressway and Metro Public Company Limited (“the Company”) is a public company from amalgamation under Thai law on 30 December 2015 and domiciled in Thailand. The Company’s major shareholder is CH. Karnchang Public Company Limited, which was incorporated in Thailand. The Company is principally engaged in the construction and management of expressways, the operation of metro services and commercial development. Its registered office of the Company is at 587 Sutthisarnvinitchai Road, Dindaeng Subdistrict, Dindaeng District, Bangkok. The Company has four branches.

The MRT Blue Line Project

The Company was selected as an operator of the MRT Blue Line Extension Project: Tao Poon station-Bang Sue station. On 16 February 2017, the Company signed an agreement for the supply of M&E systems equipment, and operation and maintenance services with a term of 2 years, commencing from the official starting date of the operation of the MRT Blue Line Extension Project: Tao Poon station-Bang Sue station. In addition, if the Company signed the MRT Blue Line Concession Agreement, the requirements of the MRT Blue Line Concession Agreement were to be applied instead.

On 28 March 2017, the Company was selected as concessionaire of the MRT Blue Line Concession Agreement, in accordance with a cabinet resolution. On 31 March 2017, the Company signed the MRT Blue Line Concession Agreement for a concession period of 33 years under the Build, Transfer and Operate basis, with the Mass Rapid Transit Authority of Thailand (“MRTA”). Accordingly, the MRT Blue Line Extension Project: Tao Poon Station-Bang Sue Station Agreement was canceled. The MRT Blue Line Project consists of the MRTA Initial System Project - Chaloem Ratchamongkhon Line: Hua Lamphong Station-Bang Sue Station and the MRT Blue Line Extension: Hua Lamphong Station-Lak Song Station and Bang Sue Station-Tha Phra Station.

Under the MRT Blue Line Concession Agreement, a concession agreement with the MRTA for the MRTA Initial System Project - Chaloem Ratchamongkhon Line is deemed to be part of the MRT Blue Line Concession Agreement, and only the clauses relating the rights, duties and provisions with respect to fares, fare rates and payment of remuneration to the MRTA will remain in effect until the end of the concession agreement with the MRTA for the MRTA Initial System Project - Chaloem Ratchamongkhon Line.

(Unaudited but reviewed)

The Company, as concessionaire of the MRT Blue Line Concession Agreement, is responsible for the supply, installation and testing of the M&E Systems of the MRT Blue Line Extension Project and operation of the Through Operation systems of the Blue Line Project. The Company has rights, duties and obligations to claim, collect, and retain all fares, to generate revenue from commercial development in which the Company is responsible for investment, and to pay operating costs, and to pay remuneration to the MRTA in accordance with the Concession.

The Si Rat-Outer Ring Road Expressway Project

On 19 July 2017, the Company, as a concessionaire of the Si Rat-Outer Ring Road Expressway Project, signed the additional amendment agreement for construction of the Connection between the Si Rat-Outer Ring Road Expressway and the north of Si Rat Expressway (heading to Chaeng Watthana Road) with the Expressway Authority of Thailand (EXAT). The design and construction shall be completed within 18 months.

1.2 Basis for preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (revised 2016) Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, income statement, comprehensive income, changes in shareholders' equity and cash flows in the same format as that used for the annual financial statements.

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

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

1.3 Basis of consolidation

These interim consolidated financial statements have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2016, with no changes in shareholding structure of subsidiaries during the period.

1.4 New financial reporting standards

During the period, the Company and its subsidiaries have adopted the revised financial reporting standards and interpretations (revised 2016) and new accounting treatment guidance which are effective for fiscal years beginning on or after 1 January 2017. 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 does not have any significant impact on the Company and its subsidiaries' financial statements. 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.

This standard does not have any significant impact on the Company and its subsidiaries' financial statements because the management has decided to continue accounting for such investments under the cost method in the separate financial statements.

1.5 Change in accounting estimates

As described in Note 1.1 to the interim financial statements, the Company entered into the MRT Blue Line Concession Agreement on 31 March 2017, resulting in the end date of the concession period under a concession agreement with the MRTA for the MRTA Initial System Project - Chaloem Ratchamongkhon Line being extended from 2029 to 2050, which is the same as the end date of the MRT Blue Line Extension Project. In the current quarter, the Company changed the estimated useful lives of Intangible assets under the concession agreement of the MRTA Initial System Project - Chaloem Ratchamongkhon Line, which were presented under intangible assets under the concession agreement of the MRT Blue Line Project, to be in accordance with the concession period of the MRT Blue Line Concession Agreement. The management of the Company believes that the new useful lives of the assets are more appropriate, since they are consistent with the expected utility periods estimated by the Company.

The Company applied the change in estimates prospectively.

(Unaudited but reviewed)

The effects of the change to the statements of financial position as at 30 June 2017 and the income statement for the three-month and six-month periods ended 30 June 2017 are summarised below.

	(Unit: Million Baht)	
	<u>Consolidated and Separate financial statements</u>	
	<u>As at 30 June 2017</u>	<u>For the three-month and six-month periods ended 30 June 2017</u>
<u>Statement of financial position</u>		
Increase in intangible asset under concession agreement of the MRT Blue Line Project	79	-
<u>Income statement</u>		
Decrease in amortisation on intangible asset under concession agreement of the MRT Blue Line Project	-	79
Increase in profit attributable to equity holders of the Company	-	79
Increase in basic earnings per share	-	0.01

2. Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2016.

3. Related party transactions

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

The relationship between the Company and its subsidiaries and the related parties which the Company and its subsidiaries have transactions with during the three-month and six-month periods ended 30 June 2017 and 2016 are summarised below.

<u>Name of related parties</u>	<u>Relationship with the Company</u>
CH. Karnchang Public Company Limited	Major shareholders
Mass Rapid Transit Authority of Thailand (MRTA)	Shareholders
Northern Bangkok Expressway Company Limited	Subsidiary company
Bangkok Metro Networks Limited	Subsidiary company
CK Power Public Company Limited	Associated company
TTW Public Company Limited	Associated company
Krungthai Bank Public Company Limited	Related company by the Company's director has authority in bank
Bangkok Bank Public Company Limited	Related company by the Company's director has authority in bank
Xayaburi Power Company Limited	Common directors

(Unaudited but reviewed)

Such significant transactions and pricing policy are summarised below.

(Unit: Million Baht)

	For the three-month periods ended 30 June				Pricing policy
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	2017	2016	2017	2016	
<u>Transactions with major shareholder</u>					
Interest income	4	9	4	9	At the rate of 3.67% per annum
Expressway and civil works maintenance expenses	87	32	87	21	Base on contracts
Cost of expressway construction contracts	-	1,530	-	1,530	Base on contracts
Advance receivable for the MRT Chalong					
Ratchadham Line project	-	27	-	27	Base on contracts
Office rental and service expenses	2	1	-	-	Base on contracts
Cost of rail projects	3,710	-	3,710	-	Base on contracts
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Commercial development revenue	-	-	81	68	Base on contracts
Interest income from long-term loans	-	-	40	46	At the rate of 3.18% - 3.50% per annum (2016: At the rate of 3.15% - 3.48% per annum)
Project management income	-	-	36	30	Baht 12 million per month (2016: Baht 10 million per month)
<u>Transactions with associated companies</u>					
Dividend income	-	-	319	266	As declared
<u>Transactions with related companies</u>					
Commercial development revenue	2	2	2	2	Base on contracts
Cost of fare box (Inclusive of VAT)	76	99	76	99	Concession agreement
Cost of commercial development	2	17	2	17	Concession agreement
Property tax	1	1	1	1	At the rates charged by Bangkok Metropolitan Administration
Financial fee	5	88	5	87	Base on contracts
Interest expenses on short-term loans	-	110	-	110	At the rates of 2.85% and MOR per annum
Interest expenses on long-term loans	83	101	83	99	At the rates of 4.00%, MLR - 2.525, 6M FDR + 2 and 6M FDR + 2.66875 per annum (2016: At the rates of 4.00%, 4.75%, MLR - 2.525, MLR - 0.5, 6M FDR + 2 and 6M FDR + 2.66875 per annum)

(Unaudited but reviewed)

(Unit: Million Baht)

	For the six-month periods ended 30 June				Pricing policy
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	2017	2016	2017	2016	
<u>Transactions with major shareholder</u>					
Interest income	10	20	10	20	At the rate of 3.67% per annum
Expressway and civil works maintenance expenses	174	70	174	52	Base on contracts
Cost of expressway construction contracts	-	3,263	-	3,263	Base on contracts
Advance receivable for the MRT Chalong Ratchadham Line project	-	54	-	54	Base on contracts
Office rental and service expenses	4	3	-	-	Base on contracts
Cost of rail projects	3,973	-	3,973	-	Base on contracts
<u>Transactions with subsidiary</u>					
(eliminated from the consolidated financial statements)					
Commercial development revenue	-	-	154	133	Base on contracts
Interest income from long-term loans	-	-	81	94	At the rate of 3.18% - 3.50% per annum (2016: At the rate of 3.15% - 3.48% per annum)
Project management income	-	-	72	60	Baht 12 million per month (2016: Baht 10 million per month)
<u>Transactions with associated companies</u>					
Dividend income	-	-	319	266	As declared
<u>Transactions with related companies</u>					
Commercial development revenue	4	4	4	4	Base on contracts
Cost of fare box (Inclusive of VAT)	194	204	194	204	Concession agreement
Cost of commercial development	19	33	19	33	Concession agreement
Property tax	2	2	2	2	At the rates charged by Bangkok Metropolitan Administration
Financial fee	11	96	10	95	Base on contracts
Interest expenses on short-term loans	-	275	-	275	At the rates of 2.85% and MOR per annum
Interest expenses on long-term loans	165	208	165	203	At the rates of 4.00%, MLR - 2.525, 6M FDR + 2 and 6M FDR + 2.66875 per annum (2016: At the rates of 4.00%, 4.75%, MLR - 2.525, MLR - 0.5, 6M FDR + 2 and 6M FDR + 2.66875 per annum)

(Unaudited but reviewed)

As at 30 June 2017 and 31 December 2016, the balances of the accounts between the Company and its subsidiaries and related parties are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 June 2017	31 December 2016	30 June 2017	31 December 2016
		(Audited)		(Audited)
<u>Trade and other receivables (Note 6)</u>				
<u>Trade receivables</u>				
CH. Karnchang Public Company Limited	-	12,840	-	12,840
Bangkok Metro Networks Limited	-	-	78,230	74,473
Mass Rapid Transit Authority of Thailand	323,656	490,232	323,656	490,232
Total	323,656	503,072	401,886	577,545
<u>Other receivables</u>				
CH. Karnchang Public Company Limited	980,302	1,029,562	980,302	1,029,562
Northern Bangkok Expressway Company Limited	-	-	12,840	10,700
Total	980,302	1,029,562	993,142	1,040,262
<u>Receivable from sales of investment</u>				
CH. Karnchang Public Company Limited	469,741	769,741	469,741	769,741
Less: Deferred interest income	(2,835)	(12,907)	(2,835)	(12,907)
Total	466,906	756,834	466,906	756,834
<u>Prepaid expenses</u>				
Krungthai Bank Public Company Limited	11,968	6,528	10,913	4,223
<u>Advance payment under service contract</u>				
CH. Karnchang Public Company Limited	317	3,906	317	3,906
<u>Long-term loans to and interest receivable</u>				
<u>from related parties</u>				
Northern Bangkok Expressway Company Limited	-	-	5,732,496	6,120,496
Bangkok Metro Networks Limited	-	-	159,000	165,000
Total	-	-	5,891,496	6,285,496
Less: Current portion	-	-	(15,000)	(12,000)
Long-term loans to and interest receivable from related parties, net of current portion	-	-	5,876,496	6,273,496

(Unaudited but reviewed)

During the current period, movements in long-term loans to and interest receivable from related parties in the separate financial statement were as follow:

(Unit: Thousand Baht)

	1 January 2017	Increase during the period	Decrease during the period	30 June 2017
Northern Bangkok Expressway Company Limited				
Long-term loans	5,066,241	-	(321,153)	4,745,088
Interest receivable	1,054,255	77,789	(144,636)	987,408
Total	6,120,496	77,789	(465,789)	5,732,496
Bangkok Metro Networks Limited				
Long-term loans	165,000	-	(6,000)	159,000
Interest receivable	-	2,819	(2,819)	-
Total	165,000	2,819	(8,819)	159,000
Grand total	6,285,496	80,608	(474,608)	5,891,496

The assets of Northern Bangkok Expressway Company Limited such as deposits at banks, current investments, rights in the Bang Pa-In - Pakkret Expressway System, rights in toll revenues and beneficiary rights under insurance policies are secured against the loans from the Company. However, the subsidiary is able to make withdrawals from deposit at banks and trading of current investments for use as regular operating expenses.

The long-term loan of Bangkok Metro Networks Limited is secured by pledges of the subsidiary's share certificates which are held by shareholders other than the Company.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 June 2017	31 December 2016 (Audited)	30 June 2017	31 December 2016 (Audited)
Trade and other payables (Note 18)				
CH. Karnchang Public Company Limited	258,095	163,398	257,999	161,587
Mass Rapid Transit Authority of Thailand	105,086	102,916	105,086	102,916
Krungthai Bank Public Company Limited	684	1,192	631	1,123
Bangkok Bank Public Company Limited	421	871	421	871
Others	1,845	1,874	-	-
Total	366,131	270,251	364,137	266,497

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 June 2017	31 December 2016	30 June 2017	31 December 2016
		(Audited)		(Audited)
<u>Long-term loans from financial institutions</u>				
<u>(only principal) (Note 19)</u>				
Krungthai Bank Public Company Limited	4,701,378	4,701,378	4,701,378	4,701,378
Bangkok Bank Public Company Limited	4,582,105	4,582,105	4,582,105	4,582,105
Total	9,283,483	9,283,483	9,283,483	9,283,483
<u>Retention guarantees</u>				
CH. Karnchang Public Company Limited	3,961	57,925	2,682	56,646
<u>Unearned revenue from advertising management</u>				
<u>rights (Note 22)</u>				
Bangkok Metro Networks Limited	-	-	14,986	15,610

During the current period, movement in long-term loans from financial institutions (only principal) were as follow:

(Unit: Thousand Baht)

Long-term loans	Consolidated and Separate financial statements			
	1 January 2017	Increase during the period	Decrease during the period	30 June 2017
Krungthai Bank Public Company Limited	4,701,378	-	-	4,701,378
Bangkok Bank Public Company Limited	4,582,105	-	-	4,582,105
Total	9,283,483	-	-	9,283,483

Directors and management benefits

During the three-month and six-month periods ended 30 June 2017 and 2016, the Company and its subsidiaries had employee benefit expenses of their directors and managements as below.

(Unit: Thousand Baht)

	For the three-month periods ended 30 June			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Short-term employee benefits	40,637	44,672	36,481	38,708
Post-employment benefits	1,618	1,931	1,446	1,814
Total	42,255	46,603	37,927	40,522

(Unaudited but reviewed)

(Unit: Thousand Baht)

For the six-month periods ended 30 June

	Consolidated financial statements		Separate financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Short-term employee benefits	80,935	63,852	71,427	54,910
Post-employment benefits	3,038	3,725	2,724	3,496
Total	<u>83,973</u>	<u>67,577</u>	<u>74,151</u>	<u>58,406</u>

4. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>30 June 2017</u>	<u>31 December 2016</u>	<u>30 June 2017</u>	<u>31 December 2016</u>
		(Audited)		(Audited)
Cash	48,594	43,671	46,708	41,891
Bank deposits	580,064	733,330	512,633	687,402
Total	<u>628,658</u>	<u>777,001</u>	<u>559,341</u>	<u>729,293</u>

5. Current investments

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>30 June 2017</u>	<u>31 December 2016</u>	<u>30 June 2017</u>	<u>31 December 2016</u>
		(Audited)		(Audited)
Investments in securities held for trading				
Unit trusts	1,707,166	4,432,102	1,696,985	4,422,853
Add: Unrealised gain on changes in value of investments	51,424	57,051	51,421	57,048
Unit trusts - Fair value	1,758,590	4,489,153	1,748,406	4,479,901
Bills of exchange	983,149	1,452,197	983,149	1,452,197
Total current investments	<u>2,741,739</u>	<u>5,941,350</u>	<u>2,731,555</u>	<u>5,932,098</u>

6. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 June 2017	31 December 2016	30 June 2017	31 December 2016
		(Audited)		(Audited)
<u>Trade receivables</u>				
Trade receivables				
- Related parties (Note 3)	323,656	503,072	401,886	577,545
- Unrelated parties	106,391	85,155	-	-
Less: Allowance for doubtful debts	(4,910)	(4,910)	-	-
Total trade receivables - net	425,137	583,317	401,886	577,545
<u>Other receivables</u>				
Other receivables				
- Related parties (Note 3)	980,302	1,029,562	993,142	1,040,262
- Unrelated parties	1,325	1,456	1,317	1,407
Advances payment	827	(54)	188	-
Accrued income	234	282	234	282
Total other receivables	982,688	1,031,246	994,881	1,041,951
Trade and other receivables - net	1,407,825	1,614,563	1,396,767	1,619,496

Most of the trade receivables of the Company and its subsidiaries were within their credit terms or past due up to 3 months. As at 30 June 2017, the outstanding balances of trade receivables in the consolidated financial statements that are one year past due amounted to approximately Baht 5 million (31 December 2016: Baht 5 million) (Separate financial statements: Nil). The Company and its subsidiaries assessed the net realisable value of the receivables that were past due and recorded an allowance for doubtful accounts amounting to Baht 5 million in the consolidated financial statements (31 December 2016: Baht 5 million) (Separate financial statements: Nil).

(Unaudited but reviewed)

7. Investments in subsidiaries

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

Company's name	Registered capital		Paid-up capital		Proportion of investment		(Unit: Million Baht) Cost	
	30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December
	2017	2016	2017	2016	2017	2016	2017	2016
					(%)	(%)	(Audited)	
Northern Bangkok Expressway Company Limited	6,000	6,000	5,250	5,250	99.99	99.99	2,604	2,604
Bangkok Metro Networks Limited	254	254	254	254	65.19	65.19	166	166
Total							2,770	2,770
Less : Allowance for impairment of investments							(2,466)	(2,466)
Cost - net							304	304

8. Investments in associates

(Unit: Million Baht)

Company's name	Consolidated financial statements							
	Proportion of shareholding		Cost		Carrying amounts based on equity method		Fair values	
	30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December
	2017	2016	2017	2016	2017	2016	2017	2016
	(%)	(%)	(Audited)		(Audited)		(Audited)	
CK Power Public Company Limited	19.40	19.40	3,223	3,223	3,053	3,121	4,690 ⁽¹⁾	5,062 ⁽¹⁾
TTW Public Company Limited	19.45	19.45	6,976	6,976	6,493	6,547	8,227	8,304
			10,199	10,199	9,546	9,668	12,917	13,366

(Unit: Million Baht)

Company's name	Separate financial statements							
	Proportion of shareholding		Cost		Fair values		Dividend received during the six-month periods ended 30 June	
	30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December
	2017	2016	2017	2016	2017	2016	2017	2016
	(%)	(%)	(Audited)		(Audited)			
CK Power Public Company Limited	19.40	19.40	3,223	3,223	4,690 ⁽¹⁾	5,062 ⁽¹⁾	85,797	31,888
TTW Public Company Limited	19.45	19.45	4,277	4,277	8,227	8,304	232,829	234,237
			7,500	7,500	12,917	13,366	318,626	266,125

⁽¹⁾ Excluding the fair value of warrants amounting to Baht 163 million (31 December 2016: Baht 189 million).

(Unaudited but reviewed)

9. Other long-term investment

(Unit: Million Baht)

Company's name	Consolidated and Separate financial statements							
	Registered capital		Paid-up capital		Proportion of shareholding		Cost	
	30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December
	2017	2016	2017	2016	2017	2016	2017	2016
					(%)	(%)		(Audited)
Xayaburi Power Company Limited	26,861	26,861	20,112	16,505	7.50	7.50	1,508	1,238
Total							1,508	1,238

During December 2016 to May 2017, Xayaburi Power Company Limited called up additional parts of the unpaid portion of its shares, totaling Baht 270 million, and the Company made payment for the shares in the current period.

Subsequently in June 2017, Xayaburi Power Company Limited additionally called up Baht 22 million. The Company made payments for those share subscriptions in July 2017.

The 121.9 million ordinary shares of Xayaburi Power Company Limited held by the Company have been pledged to secure of long-term loans of such company.

10. Investment properties

The Company has pledged all investment properties as collateral against credit facilities granted by group of lenders.

11. Building and equipment

A reconciliation of the net book value of the building and equipment during the six-month period ended 30 June 2017 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2017	340,733	283,862
Acquisitions during the period - at cost	36,896	35,721
Disposals/write-off during the period - net book value at disposal/write-off date	(7,419)	(7,419)
Depreciation for the period	(27,374)	(20,784)
Net book value as at 30 June 2017	342,836	291,380

(Unaudited but reviewed)

12. Rights to operate completed expressway sectors

A reconciliation of the net book value of the rights to operate completed expressway sectors during the six-month period ended 30 June 2017 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2017	41,551,825	34,808,993
Acquisitions during the period - at cost	24,767	24,767
Amortisation for the period	(1,559,157)	(1,298,620)
Net book value as at 30 June 2017	<u>40,017,435</u>	<u>33,535,140</u>

The Company has transferred its rights to operate expressway sectors to secure long-term loans.

13. Rights to use sites for expressway construction

A reconciliation of the net book value of the rights to use sites for expressway construction during the six-month period ended 30 June 2017 is summarised below.

	(Unit: Thousand Baht)
	Consolidated and Separate
	financial statements
Net book value as at 1 January 2017	1,020,624
Amortisation for the period	(148,544)
Net book value as at 30 June 2017	<u>872,080</u>

The rights to use sites for expressway construction is a part of rights to operate completed expressway sectors.

(Unaudited but reviewed)

14. Intangible asset under concession agreement of the MRT Blue Line Project

A reconciliation of the net book value of the intangible asset under concession agreement of the MRT Blue Line Project during the six-month period ended 30 June 2017 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2017	17,048,090	16,722,781
Acquisitions during the period - at cost	4,021,933	4,007,496
Amortisation for the period	(156,820)	(142,081)
Net book value as at 30 June 2017	<u>20,913,203</u>	<u>20,588,196</u>

According to the MRTA Initial System Project - Chaloem Ratchamongkhon Line agreement dated 1 August 2000, M&E systems equipment, depot building and administration building under the MRTA Initial System Project - Chaloem Ratchamongkhon Line were to be transferred to the MRTA at the end of the concession period of 25 years (2 July 2029), on an Acquire, Operate and Transfer basis. Then, on 31 March 2017, the Company entered into the MRT Blue Line Concession Agreement, which included the MRTA Initial System Project - Chaloem Ratchamongkhon Line as a part of the concession, as described in Note 1.1 to the interim financial statements. Thus, on 31 March 2017, The Company transferred the M&E systems equipment, depot building and administration building under the MRTA Initial System Project - Chaloem Ratchamongkhon Line to the MRTA, as a requirement of the Concession, and on the same date, the MRTA transferred the rights to use the M&E systems equipment, depot building and administration building to the Company for it to utilise in the provision of operation and maintenance services in accordance with the MRT Blue Line Concession Agreement.

15. Project cost of the MRT Chalong Ratchadham Line

A reconciliation of the net book value of project cost of the MRT Chalong Ratchadham Line during the six-month period ended 30 June 2017 are summarised below.

	(Unit: Thousand Baht)
	Consolidated and Separate
	financial statements
Net book value as at 1 January 2017	627,256
Acquisitions during the period - at cost	65,000
Amortisation for the period	(12,488)
Net book value as at 30 June 2017	<u>679,768</u>

(Unaudited but reviewed)

16. Intangible assets

A reconciliation of the net book value of intangible assets for the six-month period ended 30 June 2017 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2017	68,229	63,497
Acquisitions during the period - at cost	13,383	13,383
Write-off during the period - net book value at write-off date	(1,272)	(1,272)
Amortisation for the period	(8,171)	(7,256)
Net book value as at 30 June 2017	72,169	68,352

17. Short-term loans from financial institutions

	(Unit: Thousand Baht)		
	Consolidated and separate		
	financial statements		
	Interest rate	30 June 2017	31 December 2016
	(% per annum)		(Audited)
Promissory Notes	2.75	4,040,000	4,720,000
Less: Deferred financial fee		(3,520)	(4,225)
Short-term loans from financial institutions - net		4,036,480	4,715,775

18. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2017	2016	2017	2016
		(Audited)		(Audited)
Trade payables - related parties (Note 3)	149,634	219,023	149,571	217,143
Trade payables - unrelated parties	481,468	363,568	446,667	314,368
Accrued interest - related parties (Note 3)	811	1,651	811	1,651
Accrued interest - unrelated parties	90,032	96,397	90,032	96,397
Accrued expenses - related parties (Note 3)	215,686	49,577	213,755	47,703
Accrued expenses - unrelated parties	346,057	160,543	321,217	139,875
Other payables	17,637	7,316	1,155	1,382
Total trade and other payables	1,301,325	898,075	1,223,208	818,519

(Unaudited but reviewed)

19. Long-term loans from financial institutions

						(Unit: Thousand Baht)	
						Consolidated and separate financial statements	
	Credit	Objective	Interest rate	Period of repayment	30 June 2017	31 December 2016	
	(Million Baht)		(%)			(Audited)	
1. Tranche Gor (Fully drew down)	29,888	Refinance remaining long-term loans	4.0% p.a.	To be repaid in full in July 2019	74,664	74,664	
2. Tranche Khor (Fully drew down)	4,998	Lending to subsidiary to repay its long-term loans from commercial banks	4.0% p.a.	To be repaid in full in July 2019	9,595	9,595	
3. Tranche Chor (Fully drew down)	1,000	Working capital	MLR - 2.525% and 6M FDR + 2.66875% p.a.	To be repaid in full in July 2019	1,000,000	1,000,000	
4. Tranche Gor (Fully drew down)	5,750	For the construction of expressway system	MLR - 2.525% p.a.	Repayment in monthly installments commencing October 2017 to September 2027	5,750,000	5,750,000	
5. Tranche Khor (Fully drew down)	4,250	For the construction of expressway system	6M FDR + 2% p.a.	Repayment in monthly installments commencing October 2017 to September 2027	4,250,000	4,250,000	
6. Long-term loan (Fully drew down)	8,000	Working capital	3.18% p.a. (contract: 6M THBFIX + 1.15% p.a.)	Repayment installments in every six months commencing May 2017 to May 2021	7,000,000	8,000,000	
Total	<u>53,886</u>				18,084,259	19,084,259	
Less: Current portion of long-term loans					(2,200,250)	(2,066,750)	
Less: Deferred financial fees					(59,763)	(65,106)	
Long-term loans - net of current portion					<u>15,824,246</u>	<u>16,952,403</u>	

(Unaudited but reviewed)

As at 30 June 2017 and 31 December 2016, the detail of long-term loans are as follows:

	(Unit: Thousand Baht)	
	Consolidated and Separate financial statements	
	30 June 2017	31 December 2016
		(Audited)
Long-term loans		
- Related parties (Note 3)	9,283,483	9,283,483
- Unrelated parties	8,800,776	9,800,776
Total	18,084,259	19,084,259

Movement in the long-term loans for the six-month period ended 30 June 2017 is summarised below.

	(Unit: Thousand Baht)
	Consolidated and Separate financial statements
Balance as at 1 January 2017	19,084,259
Less: Payment during the period	(1,000,000)
Balance as at 30 June 2017	18,084,259

Long-term loans number 1 to 5

The long-term loans are secured by assets of the Company such as land and structure thereon, rights under the Expressway Agreement, rights in toll revenues, and beneficiary rights under insurance policies.

Under the loan agreements, the Company must comply with normal financial covenants relating to various matters, such as the maintenance of debt service coverage ratio, debt to equity ratio, shareholding proportion in a subsidiary company, dividend payment and conditions for mandatory prepayment. In this respect, the Company has the total financial expenses of Baht 4.8 million per year payable to the agents of the lenders (2016: Baht 4.8 million).

Long-term loans number 6

The Company entered into an interest rate swap contract to change the interest rate from a floating rate of 6M THBFIX + 1.15% per annum to a fixed rate of 3.18% per annum.

(Unaudited but reviewed)

20. Debentures

(Unit: Thousand Baht)

Consolidated and separate
financial statements

Type of debenture	Term	Issuance date	Maturity date	Interest rate (% per annum)	30 June	31 December
					2017	2016
No. 1/2016						(Audited)
- Tranche 1	3 years	24 June 2016	24 June 2019	2.22	5,000,000	5,000,000
- Tranche 2	5 years	24 June 2016	24 June 2021	2.52	1,615,000	1,615,000
- Tranche 3	7 years	24 June 2016	24 June 2023	3.00	2,000,000	2,000,000
- Tranche 4	10 years	24 June 2016	24 June 2026	3.30	3,335,000	3,335,000
- Tranche 5	12 years	24 June 2016	24 June 2028	3.61	2,750,000	2,750,000
No. 2/2016	12 years	11 August 2016	24 June 2028	3.61	500,000	500,000
No. 3/2016						
- Tranche 1	4 years	21 October 2016	21 October 2020	2.62	2,500,000	2,500,000
- Tranche 2	9 years	21 October 2016	21 October 2025	3.78	2,500,000	2,500,000
- Tranche 3	11 years	21 October 2016	21 October 2027	3.95	3,000,000	3,000,000
Total					23,200,000	23,200,000
Less: Deferred debenture issuing cost					(27,743)	(32,087)
Debentures - net					23,172,257	23,167,913

There are no movements in the debentures account during the six-month period ended 30 June 2017.

21. Provision for compensation for site acquisition cost

Movement in provision for compensation for site acquisition cost account for the six-month period ended 30 June 2017 is summarised below.

(Unit: Thousand Baht)

Consolidated and Separate
financial statements

Balance as at 1 January 2017	4,317,152
Payment during the period	(750,000)
Interest cost	97,125
Balance as at 30 June 2017	3,664,277
Less: Current portion of provision	(1,550,000)
Provision for compensation for site acquisition cost - net of current portion	2,114,277

(Unaudited but reviewed)

22. Unearned revenue from advertising management rights

Movement in unearned revenue from advertising management rights account for the six-month period ended 30 June 2017 in the separate financial statement is summarised below.

	(Unit: Thousand Baht)
Balance as at 1 January 2017	15,610
Less: Recognise to revenue during the period	(624)
Balance as at 30 June 2017	14,986
Less: Current portion	(1,248)
Unearned revenue from advertising management rights - net of current portion	13,738

23. Provision for long-term employee benefits

Movements in provision for long-term employee benefits account for the six-month period ended 30 June 2017 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2017	471,044	461,245
Increase during the period	39,412	38,169
Balance as at 30 June 2017	510,456	499,414

24. Dividend

Dividend declared for the six-month period ended 30 June 2017 and 2016 in consolidated financial statement and separate financial statement consisted of the following:

Dividend	Approved by	Total dividend (Million Baht)	Dividend per share (Baht)	Paid on
Dividend for the second half of the year 2016	Annual General Meeting of the shareholders on 11 April 2017	917	0.06	4 May 2017
Dividend for the year 2015	Annual General Meeting of the shareholders on 5 April 2016	1,070	0.07	29 April 2016

25. Income taxes

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

Income tax expenses for the three-month and six-month periods ended 30 June 2017 and 2016 are made up as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Current income tax:				
Interim corporate income tax charge	105,622	87,829	86,075	76,723
Adjustment in respect of income tax of previous year	19,050	-	19,104	-
Deferred tax:				
Relating to origination and reversal of temporary differences	34,689	15,904	36,629	17,577
Tax expenses reported in the income statement	<u>159,361</u>	<u>103,733</u>	<u>141,808</u>	<u>94,300</u>

(Unit: Thousand Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Current income tax:				
Interim corporate income tax charge	122,774	151,155	86,075	128,859
Adjustment in respect of income tax of previous year	19,050	-	19,104	-
Deferred tax:				
Relating to origination and reversal of temporary differences	189,746	114,079	192,383	116,435
Tax expenses reported in the income statement	<u>331,570</u>	<u>265,234</u>	<u>297,562</u>	<u>245,294</u>

26. Earnings per share

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

(Unaudited but reviewed)

27. Segment information

Operating segment information is reported in a manner consistent with the 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.

Revenue and profit information segments of the Company and its subsidiaries for the three-month and six-month periods ended 30 June 2017 and 2016 are as follows:

(Unit: Million Baht)

	For the three-month periods ended 30 June													
	Expressway business segment ¹⁾		Rail business segment ²⁾		Commercial development business segment ³⁾		Other segments ⁴⁾		Total Segment		Elimination of inter-segment revenues		Consolidation	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Revenue from external customers	2,435	2,197	1,103	584	167	138	-	-	3,705	2,919	-	-	3,705	2,919
Inter-segment revenues	-	-	-	-	80	68	36	30	116	98	(116)	(98)	-	-
Total revenues	<u>2,435</u>	<u>2,197</u>	<u>1,103</u>	<u>584</u>	<u>247</u>	<u>206</u>	<u>36</u>	<u>30</u>	<u>3,821</u>	<u>3,017</u>	<u>(116)</u>	<u>(98)</u>	<u>3,705</u>	<u>2,919</u>
Segment income	1,072	1,012	240	89	116	83	-	-	1,428	1,184	-	-	1,428	1,184
Unallocated income and expenses:														
Interest income													17	15
Other income													12	10
Share of profit from investments in associates													94	102
Selling expenses													(18)	(15)
Administrative expenses													(266)	(202)
Finance cost													(380)	(484)
Income tax expense													(159)	(104)
Non-controlling interests of the subsidiaries													(5)	(2)
Profit for the period													<u>723</u>	<u>504</u>

(Unaudited but reviewed)

(Unit: Million Baht)

For the six-month periods ended 30 June

	Expressway		Rail		Commercial		Other		Total		Elimination of		Consolidation	
	business		business		development		segments		Segment		inter-segment			
	segment ¹⁾		segment ²⁾		business segment ³⁾		segments ⁴⁾				revenues			
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Revenue from external customers	4,889	4,476	2,230	1,199	318	270	-	-	7,437	5,945	-	-	7,437	5,945
Inter-segment revenues	-	-	-	-	153	133	72	60	225	193	(225)	(193)	-	-
Total revenues	<u>4,889</u>	<u>4,476</u>	<u>2,230</u>	<u>1,199</u>	<u>471</u>	<u>403</u>	<u>72</u>	<u>60</u>	<u>7,662</u>	<u>6,138</u>	<u>(225)</u>	<u>(193)</u>	<u>7,437</u>	<u>5,945</u>
Segment income	2,230	2,109	400	133	202	158	-	-	2,832	2,400	-	-	2,832	2,400
Unallocated income and expenses:														
Interest income													34	31
Other income													34	27
Share of profit from investments in associates													166	195
Selling expenses													(36)	(31)
Administrative expenses													(506)	(390)
Finance cost													(760)	(759)
Income tax expense													(332)	(265)
Non-controlling interests of the subsidiaries													(7)	(2)
Profit for the period													<u>1,425</u>	<u>1,206</u>

¹⁾ The expressway business segment includes the construction and operation of the expressway.

²⁾ The rail business segment includes the operation of the rapid transit system.

³⁾ The commercial development business segment includes the rental of retail space, and the provision of advertising media services and telecommunication services inside and outside underground train stations and on expressway.

⁴⁾ Other segments are segments where the Company is employed to operate Bang Pa-In - Pak Kret expressway project of the subsidiary.

28. Commitments and contingent liabilities**28.1 Capital commitments**

The Company and its subsidiaries have capital commitments as follows:

	<u>30 June 2017</u>	<u>31 December 2016</u> (Audited)
a) Performance improvement for farebox collection systems	Baht 17 million and USD 3 million	Baht 18 million and USD 3 million
b) Acquisition of equipment	Baht 31 million	Baht 49 million
c) Improvement of civil works	-	Baht 65 million
d) Supply, installation and testing of the M&E Systems of the MRT Blue Line Project	Baht 17,178 million	-

28.2 Long-term service commitments

The Company and its subsidiaries have commitments in respect of the Procurement of M&E equipment contract, and the Maintenance of M&E equipment and trackwork and infrastructure and civil works contracts of the Metro Project which were signed in December 2001, November 2013 and November 2015 with three companies. These contracts will expire during 2018 until 2024.

Future minimum service fees payable under these contracts, excluding escalation in accordance with the general consumer price index are as follows:

	<u>30 June 2017</u>				<u>31 December 2016</u> (Audited)			
	<u>Baht</u>	<u>EUR</u>	<u>SGD</u>	<u>YEN</u>	<u>Baht</u>	<u>EUR</u>	<u>SGD</u>	<u>YEN</u>
Payable:								
In up to 1 year	903	2	1	379	807	2	1	379
In over 1 year and up to 5 years	3,889	12	5	1,518	4,968	12	5	1,518
In over 5 years	1,927	5	6	1,549	2,395	6	6	1,739

28.3 Commitments under various service agreements

The Company and its subsidiaries have commitments under various service agreements, as follows:

	30 June 2017	31 December 2016 (Audited)
Payable:		
In up to 1 year	454	290
In over 1 year and up to 5 years	97	196

28.4 Operating lease commitments

The Company and its subsidiaries had entered into several lease agreements in respect of the lease of office building space, equipment and motor vehicles. The terms of the agreements are generally between 2 and 5 years.

Future minimum lease payments required under these operating lease agreements were as follows:

	30 June 2017	31 December 2016 (Audited)
Payable:		
In up to 1 year	19	21
In over 1 year and up to 5 years	21	31

28.5 Guarantees

There were the following outstanding performance bonds and bank guarantees issued by banks on behalf of the Company.

	30 June 2017	31 December 2016 (Audited)
a) Issued to the EXAT in accordance with the operation of the Si Rat-Outer Ring Road Expressway Project agreement	-	500
b) Issued to the MRTA in accordance with the operation of the MRT Blue Line Concession agreement	210	150
c) Issued to the MRTA in accordance with the Agreement for the MRT Chalong Ratchadham Line project agreement, using the credit line of major shareholder	200	200
d) Issued to the Metropolitan Electricity Authority to guarantee electricity under rail project	67	67
e) Other guarantees	15	12

28.6 Other commitments

	(Unit: Million Baht)	
	30 June 2017	31 December 2016
		(Audited)
a) Commitments in respect of the uncalled portion of investments		
Northern Bangkok Expressway Company Limited	750	750
Xayaburi Power Company Limited	506	776
b) Commitment in respect of Expressway inspection, replacement and improvement agreements (paid within one year)	3	23

29. The disputes with Expressway Authority of Thailand (EXAT)

The Company and the subsidiary had a total of 11 disputes with EXAT, which were referred to the Arbitral Tribunal in accordance with the dispute settlement procedures under the Agreements and in the Administrative Court, The essence of each dispute was as follows:

29.1 Disputes submitted by the Company and the subsidiary claiming for damages in 8 disputes, with the total amount until the date of submission of the disputes of approximately Baht 28,179.8 million

29.1.1 Priority Component Opening Date under the Second Stage Expressway Agreement

On 9 July 2001, the Company submitted a statement of claim requiring EXAT to compensate for the deficient revenue with interest in the amount of Baht 3,831.4 million, due to different opinions as to which date was the Priority Component Opening Date, which affected the commencement of the toll revenue sharing with the Company under the Agreement.

On 15 December 2008, the Arbitral Tribunal rendered its arbitral award on the dispute requiring EXAT to pay the toll revenue sharing including interest under the Agreement as required by the Company. EXAT subsequently issued a letter refusing to comply with the arbitral award.

And, on 20 April 2009, EXAT submitted a petition to the Central Administrative Court requesting the Court to revoke the arbitral award or order refusing to enforce compliance with the arbitral award, and on 19 October 2011, the Company submitted a petition to the Central Administrative Court requesting a judgment to enforce compliance with the arbitral award. The interest was calculated up to the date on which the Company submitted the petition to the Court, amounting to Baht 1,189.7 million, with the total disputed amount of Baht 5,021.1 million.

On 13 September 2013, the Central Administrative Court adjudged to dismiss EXAT's petition requesting the Court to revoke the arbitral award and adjudged to enforce the Company's petition.

On 11 October 2013, EXAT lodged an appeal against the Central Administrative Court's judgment with the Supreme Administrative Court.

The Supreme Administrative Court has determined the end of fact inquisitorial date on 5 January 2017.

On 1 June 2017, the Supreme Administrative Court has determined the first trial date.

At present, it is pending the Supreme Administration Court schedule the date to deliver the verdict.

29.1.2 Competing road with the Udon Rattaya Expressway

On 20 December 2004, the subsidiary submitted a statement of claim requiring EXAT to compensate for the deficient revenue, based on the ground that the Government granted permission for construction of the Extension of the Don Muang Tollway Project, from the National Memorial to Rangsit Section, which constituted a competing road under the Agreement, and affected the financial position of the subsidiary, thereby rendering such damages until the date of submission of the dispute (excluding interest) to Baht 1,790 million.

On 27 November 2008, the Arbitral Tribunal rendered its arbitral award on the dispute requiring EXAT to compensate for the deficient revenue with interest under the Agreement as required by the subsidiary. EXAT then issued a letter to the subsidiary refusing to comply with such arbitral award. And, on 3 March 2009, EXAT submitted a petition to the Central Administrative Court requesting the Court to revoke the arbitral award.

On 1 September 2011, the subsidiary submitted a petition to the Central Administrative Court requesting a judgment to enforce compliance with the arbitral award, with the disputed amount of Baht 3,296.7 million.

On 3 May 2013, the Central Administrative Court adjudged to dismiss EXAT's petition requesting the Court to revoke the arbitral award and the Central Administrative Court also issued a judgment to enforce compliance with the arbitral award.

On 31 May 2013, EXAT lodged an appeal against the Central Administrative Court's judgment with the Supreme Administrative Court.

The Supreme Administrative Court has determined the end of fact inquisitorial date on 25 April 2017.

At present, it is pending the Supreme Administrative Court's consideration.

29.1.3 Issuance of variation orders by EXAT

On 9 December 2009, the Company submitted a statement of claim requiring EXAT to compensate the Company for damages caused by EXAT's issuance of additional variation orders for certain construction work of the Si Rat Expressway in the total amount of Baht 209.1 million (excluding interest).

On 20 December 2013, the Arbitral Tribunal unanimously rendered its arbitral award requiring EXAT to pay the construction costs and expenses as per the Notice of Variation in the total amount of Baht 382.5 million, including interest under the Agreement.

On 4 February 2014, EXAT issued a letter refusing to comply with such arbitral award. And, on 26 March 2014, EXAT submitted a petition to the Central Administrative Court requesting the Court to revoke the arbitral award.

The Central Administrative Court has determined the end of fact inquisitorial date on 23 September 2016.

On 21 October 2016, the Company submitted a petition to the Central Administrative Court requesting a judgment to enforce compliance with the arbitral award.

On 18 January 2017, the Central Administrative Court issued the order of joinder trial and canceled the prescribed end of fact inquisitorial date (23 September 2016) by way of establishing the case that EXAT filed a petition for the withdrawal of the arbitral award as the major case.

On 13 March 2017, EXAT submitted its testimonial for the case that the Company submitted the petition to the Court to enforce the compliance with the arbitral award (minor case)

At present, it is pending the Central Administrative Court's consideration.

29.1.4 Revision of toll rates of the Chalerm Mahanakorn Expressway and the Si Rat Expressway for the year 2003

On 14 November 2008, the Company submitted a statement of claim requiring EXAT to compensate the Company for damages caused by the revision of toll rates of the Chalerm Mahanakorn Expressway and the Si Rat Expressway for 2003, which was not in accordance with the Agreement, thereby causing the damages, including interest, in the total amount of Baht 4,368 million.

On 12 February 2016, the Arbitral Tribunal, by the majority of votes, rendered its arbitral award requiring EXAT to compensate the Company for damages in the amount of Baht 4,368 million, including interest under the Agreement.

EXAT then issued a letter refusing to comply with such arbitral award. And, on 30 May 2016, EXAT submitted a petition to the Central Administrative Court requesting the Court to revoke the arbitral award.

On 4 November 2016, the Company submitted its answer to the petition to the Central Administrative Court.

EXAT lodged its opposition to the Company's answer to the petition to the Central Administrative Court on 15 March 2017.

On 30 March 2017, the Company submitted its petition to extend the submitting period of the opposition until 5 May 2017.

On 28 April 2017, the Company submitted its petition to extend the submitting period of the opposition until 4 June 2017.

On 29 May 2017, the Company submitted its petition to extend the submitting period of the opposition until 4 July 2017.

On 3 July 2017, the Company submitted its petition to extend the submitting period of the opposition until 19 July 2017.

On 19 July 2017, the Company submitted the opposition to the EXAT's answer to the Central Administrative Court.

At present, it is pending the Central Administrative Court's consideration.

29.1.5 Revision of toll rates of Sector D of the Si Rat Expressway for the year 2003

On 24 July 2008, the Company submitted a statement of claim requiring EXAT to compensate the Company for damages caused by the revision of toll rates of Sector D of the Si Rat Expressway for the year 2003, which was not in accordance with the Agreement, in the total amount of Baht 1,048.2 million.

On 22 February 2017, the Company submitted the closing statement to the Thai Arbitration Institute. EXAT submitted the closing statement on 15 May 2017.

At present, the dispute is pending the Arbitral Tribunal to render the judgment.

29.1.6 Revision of toll rates of the Chalerm Mahanakorn Expressway and the Si Rat Expressway for the year 2008

On 13 June 2013, the Company submitted a statement of claim to the Arbitral Tribunal requiring EXAT to compensate the Company for damages caused by the revision of toll rates (the Chalerm Mahanakorn Expressway and the Si Rat Expressway) for the year 2008, which was not in accordance with the Agreement, in the total amount of Baht 9,091.8 million, together with interest under the Agreement.

On 7 February 2017, the Thai Arbitration Institute determined the appointment date to appoint the new Chairman of the Arbitral Tribunal replacing the former withdrawal. Both claimants mutually agreed to the prior proceedings without reconsideration and determined the date to precede with the additional 5 witnesses examinations in April and July of 2017.

EXAT has brought 3 witnesses into the examinations and remaining one more witness to be examined on 21 July 2017.

On 21 July 2017, EXAT made a verbal statement to postpone the witness examination procedures due to the unavailability of the witness. EXAT is currently in corresponding processes to determine the availability with the witness. Thereafter, EXAT shall inform the Thai Arbitration Institute to notify the examination date to all Parties.

At present, the dispute is at the witness examination procedures of EXAT.

29.1.7 Revision of toll rates of Sector D of the Si Rat Expressway for the year 2008

On 28 June 2013, the Company submitted a statement of claim to the Thai Arbitration Institute requiring EXAT to compensate the Company for damages caused by the revision of toll rates of Sector D of the Si Rat Expressway for the year 2008, which was not in accordance with the Agreement, together with interest calculated up to 31 May 2013, in the total amount of Baht 4,062.8 million, including interest under the Agreement.

At present, it is pending the required arbitration proceedings of the Thai Arbitration Institute.

29.1.8 Revision of toll rates of Udon Rattaya Expressway for the year 2003

On 22 October 2013, the subsidiary submitted a statement of claim to the Thai Arbitration Institute requiring EXAT to compensate the subsidiary for damages, caused by the revision of toll rates of the Udon Rattaya Expressway for the year 2003, which was not in accordance with the Agreement, in the amount of Baht 908.7 million, together with interest under the Agreement.

At present, it is pending the required arbitration proceedings of the Thai Arbitration Institute.

29.2 Disputes submitted by EXAT claiming for damages in 3 disputes, with the total amount until the date of submission of the disputes of approximately Baht 1,589.2 million

29.2.1 Construction of the Udon Rattaya Expressway, Phase 2

On 29 January 2016, EXAT submitted a statement of claim to the Thai Arbitration Institute requiring the subsidiary to complete the construction of the Udon Rattaya Expressway, Phase 2, in accordance with Clause 8.5 a. of the conditions of the Bang Pa-In - Pak Kret Expressway Agreement, and compensate for the amount of Baht 1,587.7 million, together with interest under the Agreement. The Agreement states that although the conditions of the Agreement to commence the construction has been fulfilled, the subsidiary shall not yet obliged to carry out the construction if EXAT breach of the Agreement causing the subsidiary to suffer financial set back materially. EXAT are in breach of the Agreement with the competing road and the revision of toll rates. Therefore, the subsidiary acquired its rights to not commence the construction and EXAT is not entitled to claim for indemnity.

The subsidiary submitted a letter appointing its arbitrator to the Thai Arbitration Institute on 6 January 2017.

EXAT submitted a letter appointing its arbitrator to the Thai Arbitration Institute on 20 April 2017.

At present, it is pending the required arbitration proceedings of the Thai Arbitration Institute.

29.2.2 Cost of utilization of the Control Center Building (Bang Phun)

On 27 February 2009, EXAT submitted a statement of claim to the Thai Arbitration Institute requiring the subsidiary to be responsible for the cost of utilisation of the Control Center Building (Bang Phun) in the amount of Baht 1.1 million, which the subsidiary was of the view that such cost claimed by EXAT was not within its scope of responsibility under the Agreement.

(Unaudited but reviewed)

The Thai Arbitration Institute determined the appointment date to appoint the Chairman of the Arbitral Tribunal, identify the disputes and agreed on the arbitration proceedings on 6 June 2017.

On 6 June 2017, the Thai Arbitration Institute appointed the Chairman of the Arbitral Tribunal, identified the disputes and determined the witness examination dates for EXAT in October and November 2017 and for the Company in November 2017.

At present, it is pending the witness examination procedures.

29.2.3 Cost of arrangements of the entrance - exit and resolution of complaints

On 11 May 2007, EXAT submitted a statement of claim requiring the Company to be responsible for the cost of arrangements of the entrance - exit claimed by complainants, and the cost of free flow drains, in the total amount of Baht 0.4 million, which the Arbitral Tribunal rendered its arbitral award ruling that EXAT had no right to claim for such costs.

On 7 May 2014, EXAT submitted a petition for revocation of the arbitral award.

At present, it is pending the Central Administrative Court's consideration.

Since the disputes are pending consideration, the Company and the subsidiary therefore did not record such entries in the financial statements.

30. Fair value hierarchy

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

Fair value hierarchy

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

- Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

(Unaudited but reviewed)

As of 30 June 2017, the Company and its subsidiaries had the following assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Thousand Baht)

	Consolidated financial statement			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Current investments				
Unit trusts	-	1,759	-	1,759
Financial liabilities measured at fair value				
Derivative				
Interest rate swap	-	43	-	43

(Unit: Thousand Baht)

	Separate financial statement			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Current investments				
Unit trusts	-	1,748	-	1,748
Financial liabilities measured at fair value				
Derivative				
Interest rate swap	-	43	-	43

Valuation techniques and inputs to Level 2 valuations

The fair value of investments in unit trust has been determined from their net asset value as announced by Asset Management Company.

The fair value of derivatives 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 interest rate yield curves.

31. Reclassification

The Company has reclassified certain accounts in the statements of financial position as at 31 December 2016 and 1 January 2016 and the income statement for the three-month and six-month periods ended 30 June 2016 to conform to the presentation in the 2017 financial statements. The reclassifications, which had no effect on previously reported net profit or shareholders' equity, are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	As at 31 December 2016		As at 1 January 2016	
	As reclassified	As previously reported	As reclassified	As previously reported
Statement of financial position				
Current liabilities				
Trade and other payables	898,075	819,414	2,627,335	2,579,554
Other current liabilities	119,445	198,106	66,367	114,148

(Unit: Thousand Baht)

	Separate financial statements			
	As at 31 December 2016		As at 1 January 2016	
	As reclassified	As previously reported	As reclassified	As previously reported
Statement of financial position				
Current liabilities				
Trade and other payables	818,519	749,456	2,580,488	2,538,959
Other current liabilities	108,205	177,268	57,940	99,469

(Unit: Thousand Baht)

	For the three-month period ended 30 June 2016			
	Consolidated financial statements		Separate financial statements	
	As reclassified	As previously reported	As reclassified	As previously reported
Income statement				
Cost of expressway business	341,170	313,602	282,454	254,886
Cost of rail business	401,935	308,527	401,935	308,527
Amortisation of intangible asset under concession agreement of the MRT Blue Line Project	100,134	193,542	96,370	189,778
Administrative expenses	202,371	226,939	185,223	210,416
Finance cost	483,556	486,556	481,235	483,610

(Unaudited but reviewed)

(Unit: Thousand Baht)

For the six-month period ended 30 June 2016

	Consolidated financial statements		Separate financial statements	
	As reclassified	As previously reported	As reclassified	As previously reported
Income statement				
Cost of expressway business	651,279	591,859	542,637	483,217
Cost of rail business	875,945	683,886	875,945	683,886
Amortisation of intangible asset under concession agreement of the MRT Blue Line Project	204,711	396,770	197,247	389,306
Administrative expenses	390,457	443,877	359,112	413,782
Finance cost	759,271	765,271	754,104	758,854

32. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's authorised directors on 10 August 2017.