

## Significant events

1. Bangkok Expressway and Metro Public Company Limited entered into the MRT Blue Line Concession Agreement with the Mass Rapid Transit Authority of Thailand (the “MRTA”) on March 31, 2017 for the concession period of 33 years.

The MRT Blue Line Project consisted of the Chaloe M Ratchamongkhon Project (Hua Lamphong Station - Bang Sue Station), currently operated and the MRT Blue Line Extension Project (Hua Lamphong Station - Lak Song Station and Bang Sue Station - Tha Phra Station) which will be connected and operated as a Through Operation.

The MRT Blue Line Extension Project, which has a total distance of 27 kilometers with 20 stations, connects with the MRT Chaloe M Ratchamongkhon at Bang Sue Station and Hua Lamphong Station. The project is targeted to complete and be operated within 36 months from the date the MRTA provided the Company a written Notice to Proceed, as detailed below: -

Section 1 Bang Sue Station - Tao Poon Station: within August 15, 2017. With a total distance of 1 kilometer, the Company has operated this section since August 11, 2017, that makes passengers the convenience of travelling between the MRT Purple Line Project and the MRT Blue Line Extension Project.

Section 2 Hua Lamphong Station - Lak Song Station: within 30 months or within September 2019. With a total distance of 14 kilometers, the route starts from Hua Lamphong Station with the underground distance of 5 kilometers including 4 stations along Rama IV Road to Charoen Krung Road, passing Wat Mangkon Kamalawat and Wang Burapa. The route then enters to Sanam Chai Road, crosses under the Chao Phraya River at Pak Khlong Talat, and runs along Issarapab Road. Then, the line elevates, heads to Tha Phra intersection that has a joint station with the MRT Blue Line Extension Project Bang Sue Station - Tha Phra Station Section, runs along Phetkasem Road, passing Bang Pai, Bang Wa, Phasi Charoen, and Bang Kae, and ends at Kanchanapisek Road, totaling 9 kilometers of elevated structure with 7 stations.

Section 3 Tao Poon Station - Tha Pra Station: within 36 months or within March 2020. With a total distance of 12 kilometers, the elevated structure has 8 stations, starts from Tao Poon intersection, that has an interchange station with the MRT Purple Line Project. The route then enters into Pracharat Sai 2 Road, passing Bang Pho intersection, crosses the Chao Phraya River, runs along Charansanitwong Road, passes Bang Phlat intersection, Borommaratchonnani intersection, Fai Chai intersection, and ends at Tha Phra intersection, that has a joint station with the MRT Blue Line Extension Project Hua Lamphong Station - Lak Song Station Section.

2. Bangkok Expressway and Metro Public Company Limited entered into an extension of the concession agreement with the Expressway Authority of Thailand (EXAT) on July 19, 2017 for the construction of the Connection between Si Rat-Outer Ring Road Expressway and Si Rat Expressway (heading to Chaeng Watthana) for the period of approximately 18 months.

3. On September 29, 2017, Bangkok Expressway and Metro Public Company Limited entered into the Novation and Debt Repayment Agreement for the MRT Purple Line Project by novating M&E accounts payable to long term loan from financial institutions totaling Baht 13,619 Million which is the same amount that the Company has the obligation. This novation has no effect to the required Debt to Equity ratio due to the MRTA is fully responsible for the loan repayment according to the concession agreement.

### **Overview Operational Results**

In the third quarter of the year 2017, the Company had the net profit attributable to equity holders of the Company in the amount of Baht 940 Million representing an increase from the same quarter of the previous year by Baht 132 Million or 16.3 percent. The Company had total revenue of Baht 3,926 Million, representing an increase from the same quarter of the previous year by Baht 460 Million or 13.3 percent. The revenue increased from all 3 businesses mainly from the Si Rat-Outer Ring Road Expressway (SOE) and the O&M service of the MRT Purple Line which operated in August 2016 while the Company realized those revenues in full quarter this year. However, cost of service also increased in relevant to the opening of the projects.

Financial cost increased from the same quarter of the previous year due to in the third quarter of the year 2017, the Company had the interest cost from SOE construction loans, which were all recorded as interest expenses in the income statement after the opening but were partially recorded as cost of construction in the third quarter of the previous year according to accounting standard.

For the nine-month period, the Company had the net profit attributable to equity holders of the Company in the amount of Baht 2,365 Million representing an increase from the same period of the previous year by Baht 350 Million or 17.4 percent. The Company had total revenue of Baht 11,431 Million, representing an increase by Baht 1,963 Million or 20.7 percent. Cost of service increased in relevant to the opening of the projects, financial cost increased by Baht 77 Million or 7.4 percent mainly from the increase of interest cost from SOE construction loans, whereas in the previous year the Company had the prepayment fee from re-financing which recognized as a one-off expense of Baht 212 Million but there was no such transaction in this year.

### **Segmental performance**

#### **1. Expressway business**

The Company had revenue from Expressway business of Baht 2,550 Million, representing an increase from the same quarter of the previous year by Baht 181 Million or 7.6 percent. The increase in toll revenue amounted to Baht 166 Million was from the SOE which operated in August 2016 which had average traffic volume in the third quarter of the year 2017 at 53,100 trips/day. For the First Stage Expressway (FES) and the Second Stage Expressway (SES), toll revenue was similar to the previous year. For the Bang Pa-in - Pak Kret Expressway, toll revenue increased from the same quarter of the previous year by Baht 15 Million or 4.4 percent due to the expansion of suburban area resulting to the traffic volume increased.

Cost of service for operation of Expressway business consisted of costs of toll, amortization of rights to operate completed expressway sectors and compensation for site acquisition cost, for the third quarter of the year 2017, amounted to Baht 1,377 Million, representing an increase from the same quarter of the previous year by Baht 95 Million or 7.4 percent. This was mainly from the operation of the SOE.

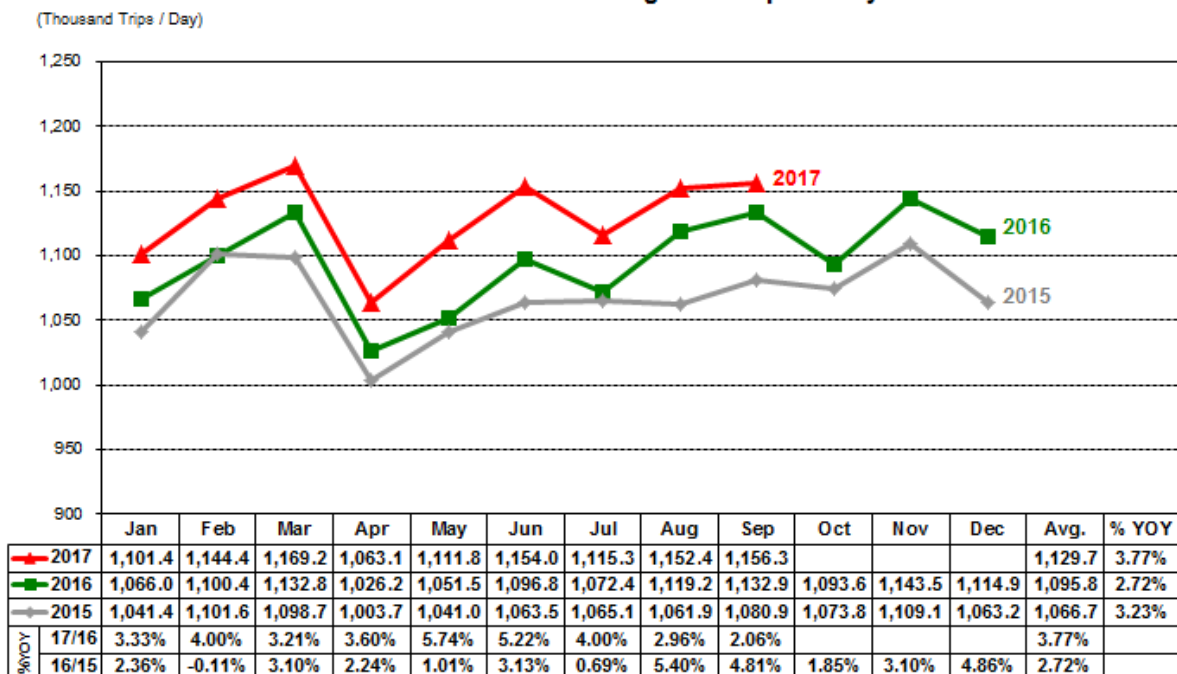
## **2. Rail business**

The Company had revenue from Rail business of Baht 1,170 Million, representing an increase from the same quarter of the previous year by Baht 254 Million or 27.7 percent. The increase in revenue amounted to Baht 197 Million was from the service revenue of the MRT Purple Line (O&M contract) which operated in August 2016. Farebox revenue of the MRT Blue Line increased from the same quarter of the previous year by Baht 57 Million or 8.9 percent in line with the rising of the average ridership at 22,000 trips/day.

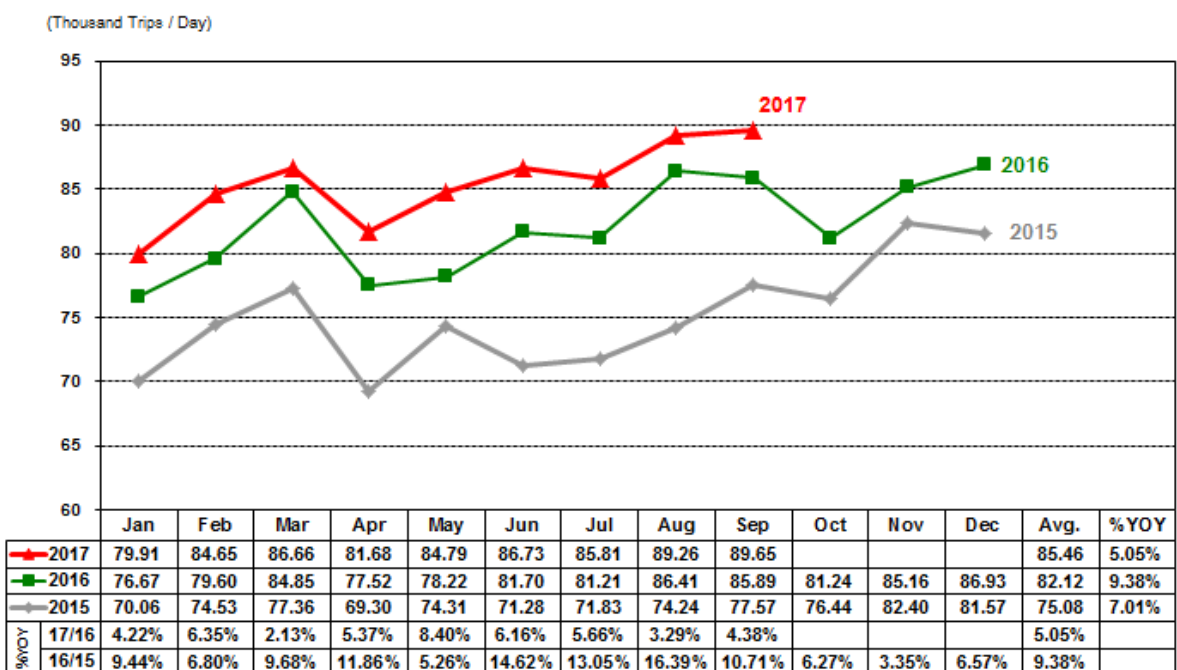
Cost of Rail business consisted of costs of farebox, O&M cost and amortization of intangible asset under the MRT Blue Line Project which for the third quarter of the year 2017, amounted to Baht 875 Million, representing an increase from the same quarter of the previous year by Baht 170 Million or 24.1 percent due to cost of the MRT Purple Line and costs of farebox related to the increase in ridership which is in line with revenue growth.

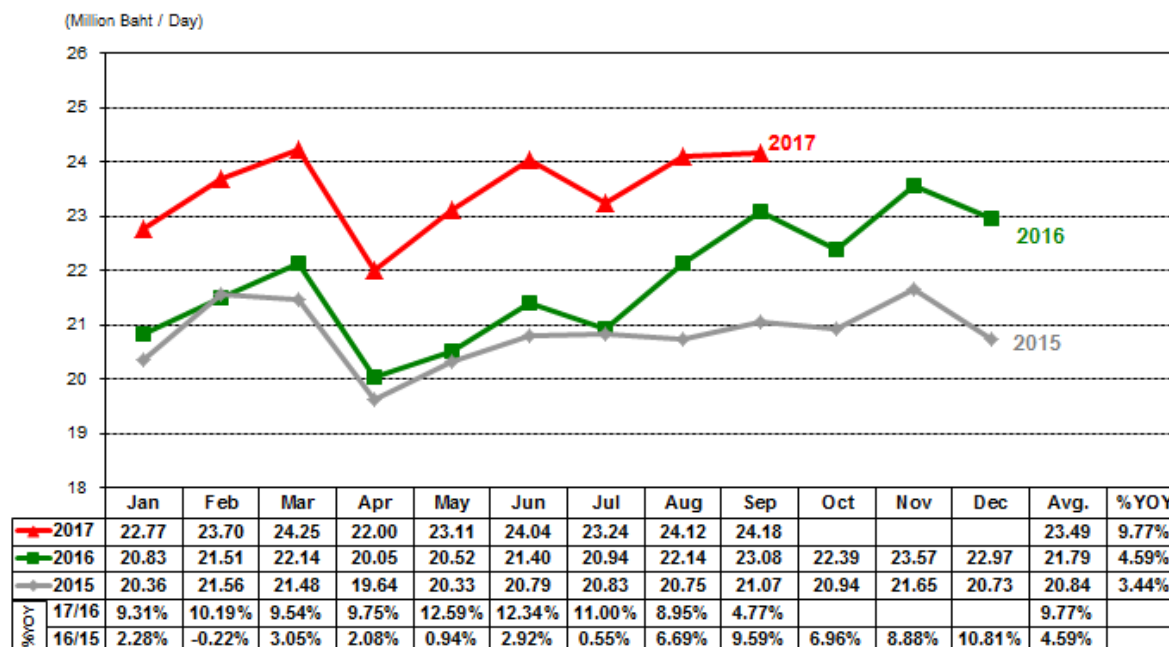
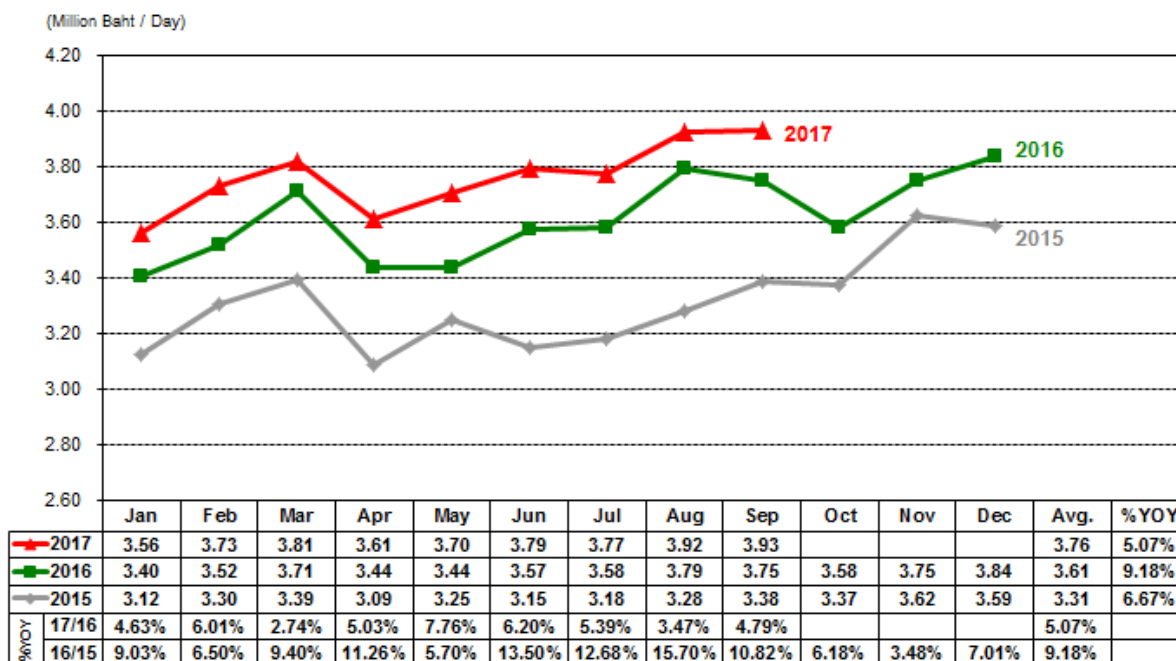
## **3. Commercial Development Business**

In the third quarter of the year 2017, total commercial development revenue was Baht 180 Million, representing an increase from the same quarter of the previous year by Baht 33 Million or 22.4 percent, which was mainly from the commercial development revenue related to rail business especially from the advertising and retails.

**Average Daily Traffic Volume for the First Stage Expressway, the Second Stage Expressway  
and the Si Rat-Outer Ring Road Expressway**


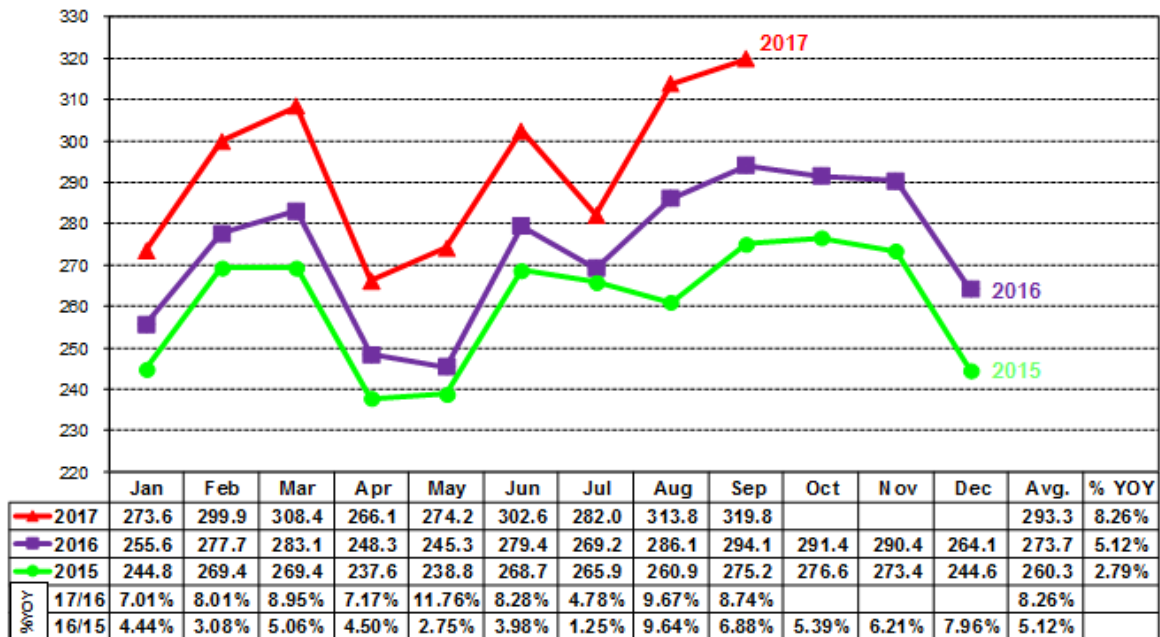
Note : The Si Rat-Outer Ring Road Expressway was opened on August 22, 2016

**Average Daily Traffic Volume for the Bang Pa-in - Pak Kret Expressway**


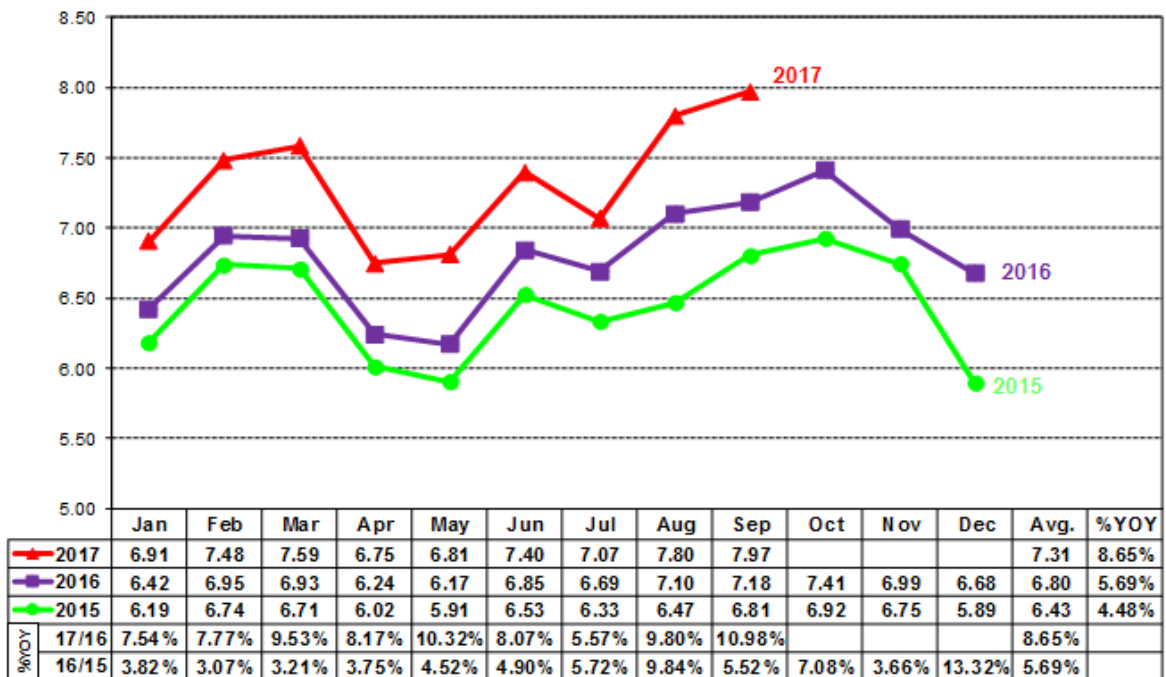
**Average Daily Toll Revenue for the First Stage Expressway, the Second Stage Expressway  
and the Si Rat-Outer Ring Road Expressway**

**Average Daily Toll Revenue for the Bang Pa-in - Pak Kret Expressway**


**Average Daily Ridership for Blue Line**

(Thousand Trips / Day)


**Average Daily Farebox Revenue for Blue Line**

(Million Baht / Day)





## Financial Position

As at September 30, 2017, the Company and its subsidiaries had total assets amounted to Baht 100,531 Million, representing an increase by Baht 17,745 million or 21.4 percent when compared with total assets as at December 31, 2016. Total liabilities amounted to Baht 70,201 Million, representing an increase by Baht 17,198 Million or 32.4 percent. Total shareholders' equity amounted to Baht 30,330 Million, representing an increase by Baht 547 Million or 1.8 percent when compared to the end of the year 2016.

## Cash Flows

For the nine months of the year 2017, the Company and its subsidiaries generated cash flows from operating activities amounting to Baht 5,438 Million. Cash used in investing activities amounting to Baht 2,750 million detailed as follow; (1) paid for the M&E equipment of the MRT Blue Line Project and invested in the MRT Purple Line Project in the net amount of Baht 6,383 Million, (2) investment in other investment in the amount of Baht 343 Million (3) investment in the Si Rat-Outer Ring Road Expressway Project in the amount of Baht 102 Million, (4) acquisition of fixed assets and other assets in the net amount of Baht 88 Million, (5) cash receipt from sales of current investments and interest income in the amount of Baht 3,615 Million and (6) dividend receipt in the amount of Baht 551 Million. The Company and its subsidiaries had net cash of Baht 824 Million from financing activities due to (1) receipt from issuance of debentures in the amount of Baht 5,000 Million, (2) draw down of long term loans in the amount of Baht 200 Million, (3) repayment of short term and long term loans in the amount of Baht 1,680 Million, (4) payment of interest and finance cost in the amount of Baht 862 Million and (5) dividend payment in the amount of Baht 1,834 Million.

As at September 30 2017, the Company and its subsidiaries had cash and cash equivalents amounting to Baht 4,289 Million, representing an increase from the end of the previous year by Baht 3,512 Million.

## Significant Financial Ratios\*

For the third quarter of the year 2017, the Company had Net Profit Margin ratio at 23.94 percent, Return on Equity ratio at 9.97 percent, Return on Total Assets ratio at 3.28 percent, Debt to Equity ratio at 1.87 times and Interest Bearing Debt to Equity ratio at 1.41 times.

\* The operational results were calculated based on the consolidated financial statements which consist of the Expressway Business, Rail Business, Commercial Development Business, the manufacture and distribution of treated water business and electricity production business. Therefore, there was no similar type of business in the industry that can be used as a benchmark for comparison.