

## Significant events

On March 30, 2018, Bangkok Expressway and Metro Public Company Limited was refinanced long term loans for the Si Rat-Outer Ring Road Expressway Project with total of Baht 10,000 Million with floating interest rate by issuing debentures with fixed interest rate from 2.05 to 3.01 percent per annum to reduce finance cost and risk management from floating interest rate. As a result, the Company has saved interest expense approximately by Baht 510 - 940 Million through the concession agreement period.

## Overview Operational Results

In the first quarter of the year 2018, the Company had the net profit attributable to equity holders of the Company before refinancing in the amount of Baht 848 Million representing an increase from the same quarter of the previous year by Baht 146 Million or 20.8 percent. The Company had total revenue of Baht 4,059 Million, representing an increase from the same quarter of the previous year by Baht 289 Million or 7.7 percent. The revenue increased from all 3 businesses but mainly from the Si Rat-Outer Ring Road Expressway (SOE) and farebox revenue of the MRT Blue Line. In addition, interest income amounted to Baht 112 Million was received from the MRTA under the concession agreement of the MRT Chalong Ratchadham Line Project which the Company had recorded since the fourth quarter of the year 2017 where the income is equal to the interest expense from the long term loan for investing in the MRT Chalong Ratchadham Line Project which the MRTA is fully responsible for both loan repayment and interest expense in accordance to the concession agreement. However, when included refinance cost for the SOE long term loan, net of tax, in the amount of Baht 112 Million, the Company had the net profit attributable to equity holders of the Company in the amount of Baht 736 Million representing an increase from the same quarter of the previous year by Baht 34 Million or 4.8 percent.

Cost of service amounted to Baht 2,362 Million representing an increase from the same quarter of the previous year by Baht 32 Million or 1.4 percent mainly from the increase in repair and maintenance expense in accordance to the schedule but the amortization of intangible asset under concession agreement of the MRT Blue Line Project decreased due to the concession period of the MRTA Initial System Project - Chaloem Ratchamongkhon Line which end in the year 2029 was extended to end with the MRT Blue Line Extension Project in the year 2050. Therefore, the Company calculated and recorded the payment of remuneration to the MRTA and the amortization of intangible asset under concession agreement of the MRT Blue Line Project in aligned with the concession period of the MRT Blue Line Concession Agreement starting from the second quarter of the year 2017.

Financial cost amounted to Baht 594 Million representing an increase from the same quarter of the previous year by Baht 215 Million or 56.7 percent. Mainly from refinancing expense of long term loan amounting to Baht 140 Million and interest expense amounting to Baht 112 Million from long term loan for investing in the MRT Chalong Ratchadham Line Project which the MRTA is fully responsible according to the concession agreement (same amount of interest income as described above) whereas interest expense decrease amounting to Baht 37 Million from the principle repayment.

## Segmental performance

### 1. Expressway business

The Company had revenue from Expressway business of Baht 2,537 Million, representing an increase from the same quarter of the previous year by Baht 83 Million or 3.4 percent. The increase in toll revenue amounted to Baht 41 Million was from the Si Rat-Outer Ring Road Expressway (SOE) operated in August 2016. SOE average traffic volume in the first quarter of the year 2018 was at 55,425 trips/day representing an increase by 21.3 percent when compared to the same quarter of the previous year. For the First Stage Expressway (FES) and the Second Stage Expressway (SES), toll revenue increased by Baht 19 Million or 1 percent mainly from the gradually increase in toll revenue of Sector D (Rama IX – Srinagarindra). For the Bang Pa-in - Pak Kret Expressway (Sector C+), toll revenue increased by Baht 23 Million or 6.9 percent due to the expansion of suburban area resulting to the traffic volume increased. Sector C+ average traffic volume in the first quarter of the year 2018 was at 90,047 trips/day representing an increase by 7.6 percent when compared to the same quarter of the previous year.

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 first quarter of the year 2018, the cost was at Baht 1,400 Million, representing an increase from the same quarter of the previous year by Baht 102 Million or 7.9 percent mainly from the increase in repair and maintenance expense in accordance to the schedule and amortization of rights to operate expressway sectors in align with the traffic volume.

### 2. Rail business

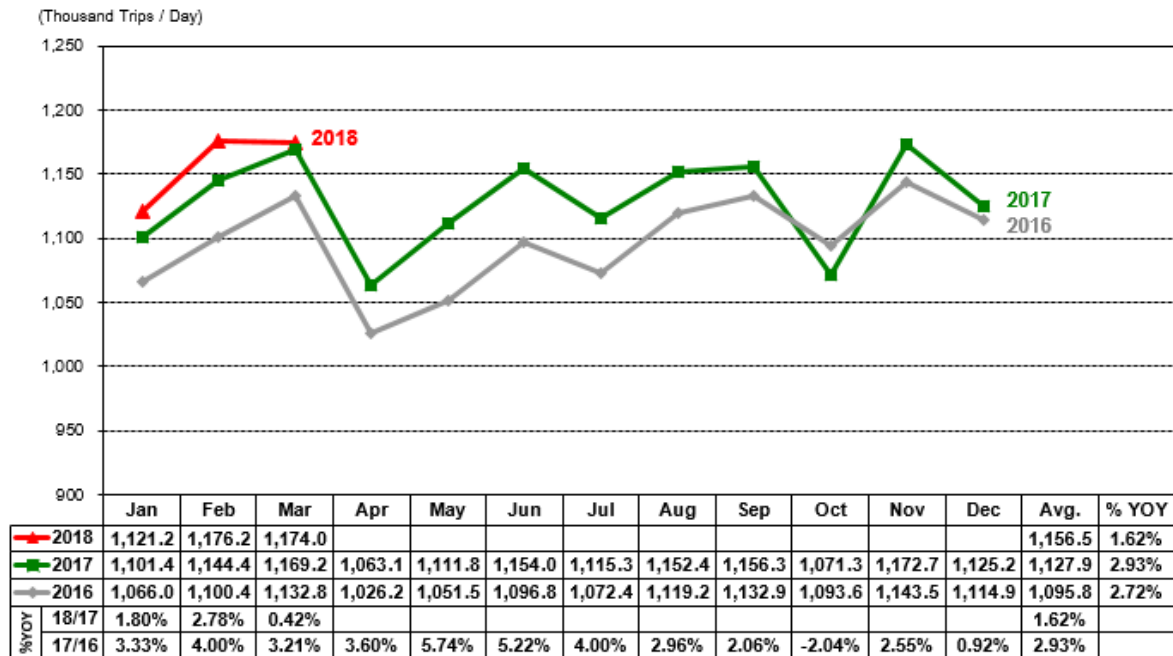
The Company had revenue from Rail business of Baht 1,182 Million, representing an increase from the same quarter of the previous year by Baht 55 Million or 4.9 percent mainly from farebox revenue of the MRT Blue Line resulting from the connection between the MRT Purple Line Project and the MRT Blue Line Project in August 2017 which makes convenience and time saving for passengers resulting to the increase in ridership of both projects. The average ridership of the MRT Blue Line Project in the first quarter of the year 2018 was at 312,300 trips/day representing an increase from the same quarter of the previous year by 6.3 percent.

Cost of Rail business consisted of costs of farebox, O&M cost and amortization of intangible asset under the MRT Blue Line Project. For the first quarter of the year 2018, the cost was at Baht 909 Million, representing a net decrease from the same quarter of the previous year by Baht 58 Million or 6 percent due to the calculation and recording of amortization of intangible asset under concession agreement of the MRT Blue Line Project in aligned with the concession period of the MRT Blue Line Concession Agreement.

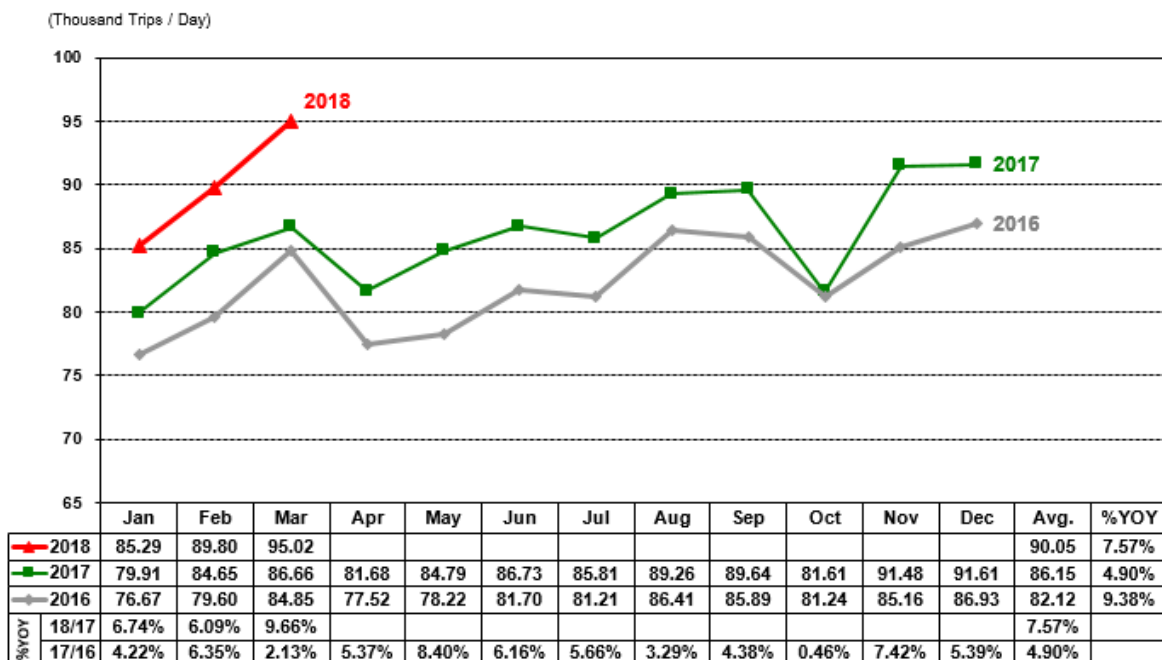
### 3. Commercial Development Business

In the first quarter of the year 2018, total commercial development revenue was Baht 166 Million, representing an increase from the same quarter of the previous year by Baht 15 Million or 9.9 percent, mainly from the commercial development revenue related to rail business especially from the advertising and retails which the subsidiary has improved the advertising media and retail shops in order to meet with the new customer target and lifestyle of the new generation.

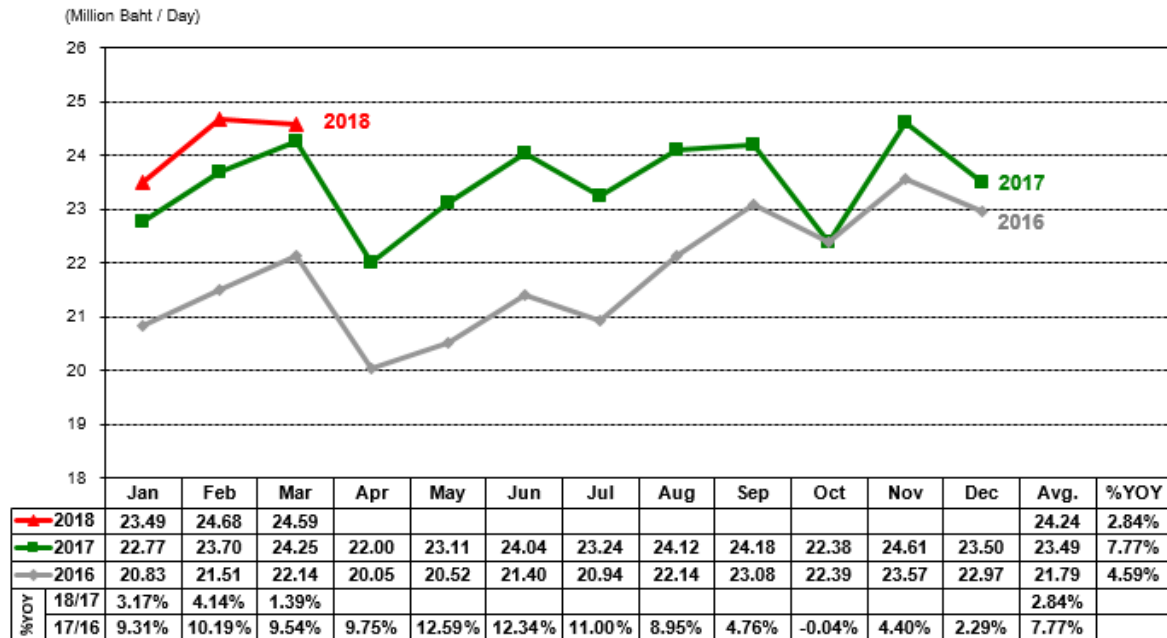
**Average Daily Traffic Volume for the First Stage Expressway, the Second Stage Expressway  
and the Si Rat-Outer Ring Road Expressway**



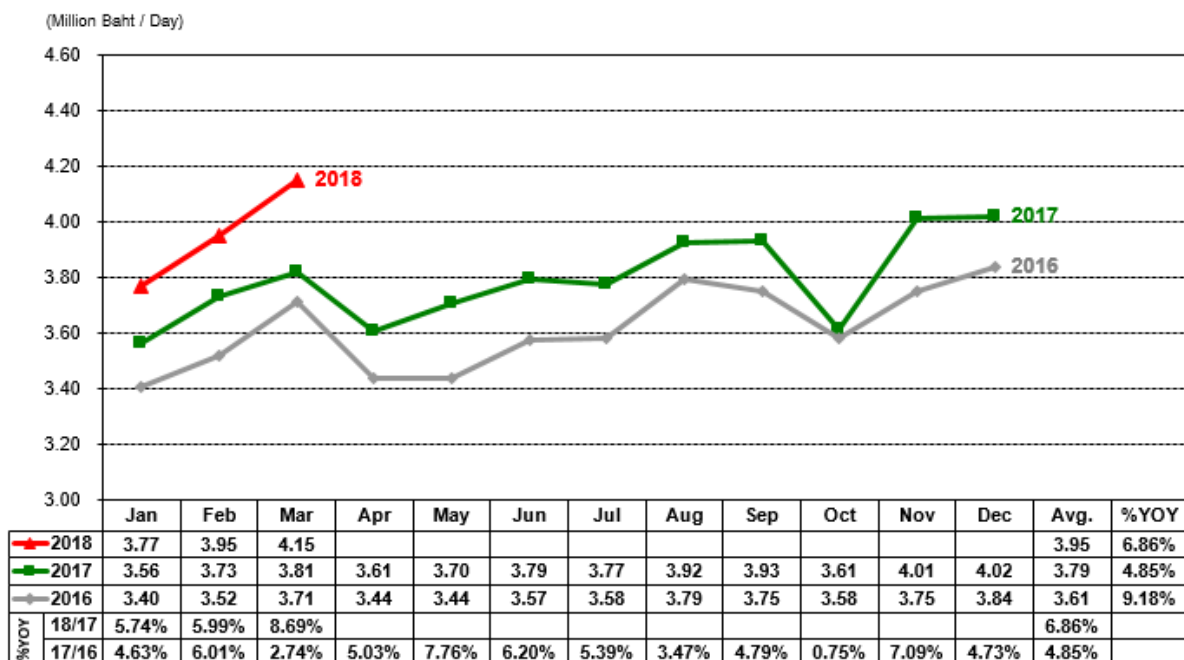
**Average Daily Traffic Volume for the Bang Pa-in - Pak Kret Expressway**



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

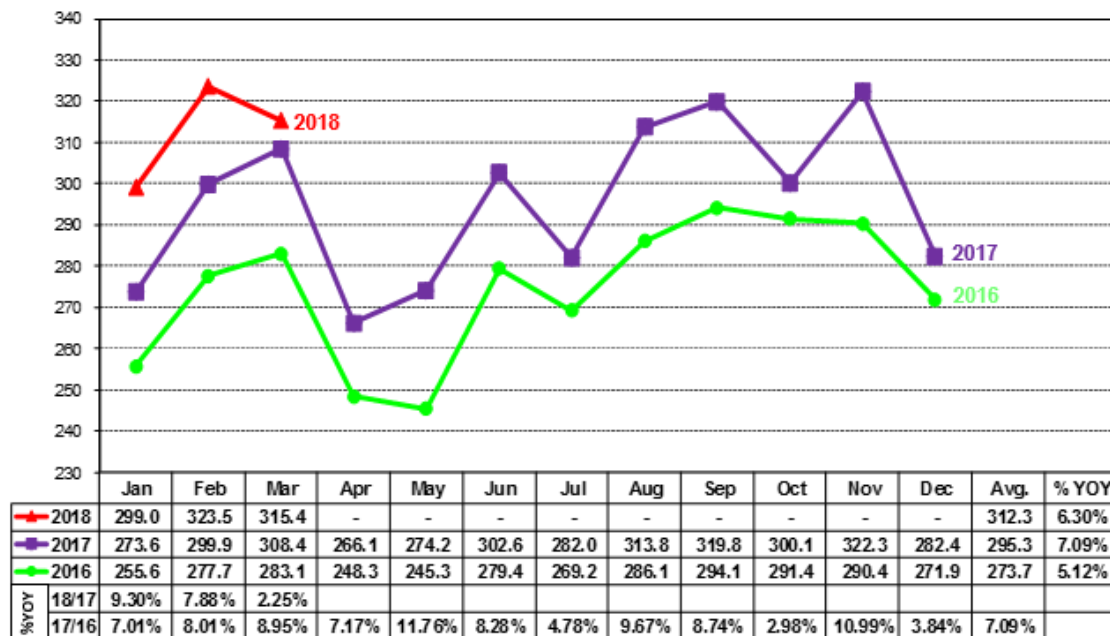


**Average Daily Toll Revenue for the Bang Pa-in - Pak Kret Expressway**



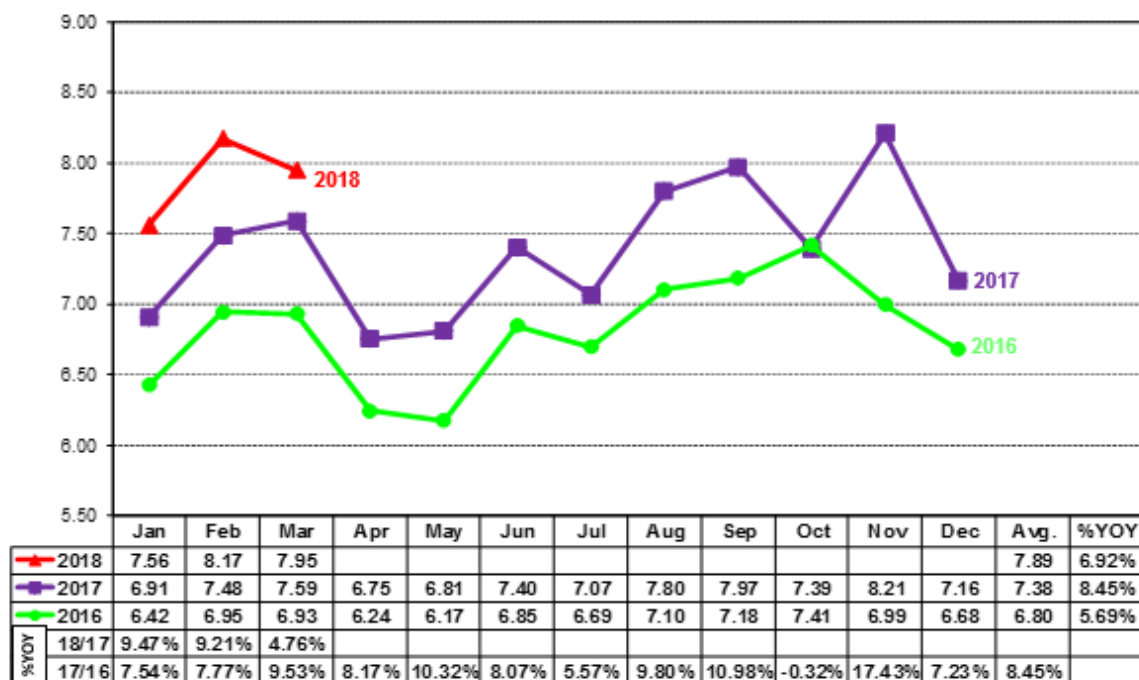
### Average Daily Ridership for Blue Line

(Thousand Trips / Day)



### Average Daily Farebox Revenue for Blue Line

(Million Baht / Day)



## **Financial Position**

As at March 31, 2018, the Company and its subsidiaries had total assets amounted to Baht 98,353 Million, representing a decrease by Baht 566 Million or 0.6 percent when compared with total assets as at December 31, 2017. Total liabilities amounted to Baht 66,403 Million, representing a decrease by Baht 1,337 Million or 2 percent. Total shareholders' equity amounted to Baht 31,950 Million, representing an increase by Baht 771 Million or 2.5 percent when compared to the end of the year 2017.

## **Cash Flows**

For the first quarter of the year 2018, the Company and its subsidiaries generated cash flows from operating activities amounting to Baht 1,572 Million. Cash used in investing activities amounting to Baht 2,383 Million detailed as follow; (1) payment for the M&E equipment of the MRT Blue Line Project in the amount of Baht 2,620 Million, (2) investment in other investment in the amount of Baht 73 Million, (3) investment in the Si Rat-Outer Ring Road Expressway Project in the amount of Baht 69 Million, (4) acquisition of fixed assets and other assets in the net amount of Baht 4 Million, (5) cash receipt from sales of current investments and interest income in the amount of Baht 279 Million and (6) cash receipt from sales of investment in associates in the amount of Baht 104 Million. The Company and its subsidiaries utilized cash of Baht 661 Million from financing activities due to (1) repayment of long term loans in the amount of Baht 10,319 Million, (2) payment of interest and finance cost in the amount of Baht 342 Million and (3) draw down of short term loan in the amount of Baht 10,000 Million for prepayment of SOE long term loans on March 30, 2018. Therefore, the Company issued 3 - 7 year debentures total amount to Baht 10,000 Million for prepayment of short term loan on April 5, 2018.

As at March 31, 2018, the Company and its subsidiaries had cash and cash equivalents amounting to Baht 1,155 Million, representing a decrease from the end of the previous year by Baht 1,472 Million.

## **Significant Financial Ratios\***

For the first quarter of the year 2018, the Company had Net Profit Margin ratio at 18.65 percent, Return on Equity ratio at 10.18 percent, Return on Total Assets ratio at 3.81 percent, Debt to Equity ratio at 1.68 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.

Not include transaction related to the novation of the M&E systems under the concession agreement of the MRT Chalong Ratchadham Line Project which the MRTA is fully responsible for both loan repayment and interest expense in accordance to the concession agreement.