

## Significant events

1. On March 30, 2018, Bangkok Expressway and Metro Public Company Limited (“the Company”) had refinanced long term loans for the Si Rat-Outer Ring Road Expressway Project (SOE) for 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 financial 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.
2. On June 28, 2018, the Company sold all 7.5 percent of investment in Xayaburi Power Company Limited (XPCL) to CK Power Public Company Limited (CKP) with total gains on sale of investment in the amount of Baht 184 Million, net of corporate income tax.
3. On July 16, 2018, the Company sold 111.2 million shares of CK Power Public Company Limited (CKP) to an unrelated company. As a result, the interest in the equity of CKP decreased from 19.34 percent to 17.83 percent. Following this sale, the Company reclassified the investment in CKP from investment in associated company to investment in available-for-sale securities, which consistent with the investment proportion and the purpose of the Company investment. The Company recorded gain on fair value adjustment of investment due to reclassification in the amount of Baht 2,030 Million, net of corporate income tax.
4. On September 21, 2018, the Supreme Administrative Court rendered the judgement of dispute regarding the competing road with the Udon Rattaya Expressway which Northern Bangkok Expressway Company Limited (NECL), the subsidiary of the Company, requiring Expressway Authority of Thailand (EXAT) to compensate for the deficient revenue from the projection to NECL under the Bang Pa-in - Pak kret Expressway Agreement in total of Baht 1,790 million with interest at the rate stipulated in the agreement until the payment is made. Currently, it is pending EXAT to comply with the Judgement and there remains uncertainty on a form of compensation to be derived by the subsidiary from EXAT. Therefore, the subsidiary has not yet recorded such transaction in the financial statement of the third quarter of the year 2018.

## Overview Operational Results

In the third quarter of the year 2018, the Company had the net profit attributable to equity holders of the Company before gain on fair value adjustment of investment due to reclassification in the amount of Baht 1,089 Million representing an increase from the same quarter of the previous year by Baht 149 Million or 15.9 percent. However, when included gain on fair value adjustment of investment due to reclassification, net of tax, in the amount of Baht 2,030 Million, the Company had the net profit in this quarter in the amount of Baht 3,119 Million representing an increase from the same quarter of the previous year by Baht 2,179 Million or 231.8 percent.

The Company had revenue from Expressway business of Baht 2,561 Million, representing an increase by Baht 11 Million or 0.4 percent and revenue from Rail business of Baht 1,218 Million representing an increase by Baht 48 Million or 4.1 percent. In addition, interest income amounted to Baht 108 Million was received from the MRTA under the concession agreement of the MRT Chalong Ratchadham Line Project (MRT Purple Line), 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 Purple Line. The MRTA is fully responsible for both loan repayment and interest expense in accordance to the concession agreement. In this quarter, the Company had gains on sale of investment in CKP, net of corporate income tax, in the amount of Baht 171 Million.

Cost of service amounted to Baht 2,393 Million representing an increase from the same quarter of the previous year by Baht 89 Million or 3.9 percent mainly from the increase in repair and maintenance expense in accordance to the schedule together with the increase in amortization on rights to operate completed expressway sectors and amortization on intangible asset under concession agreement of the MRT Blue Line Project (non-cash expenses) which inline to the increase in traffic volume and ridership.

Selling and administrative expenses amounted to Baht 276 Million representing an increase from the same quarter of the previous year by Baht 25 Million or 9.9 percent mainly from the pre-operating expense of the new project which cannot be recorded as cost of construction according to accounting standard.

Financial cost amounted to Baht 420 Million representing an increase from the same quarter of the previous year by Baht 55 Million or 15.1 percent, mainly from interest expense amounting to Baht 108 Million from long term loan for investing in the MRT Purple Line which the MRTA is fully responsible according to the concession agreement (same amount of interest income as described above). However, if not included this transaction, financial cost decreased by Baht 53 Million from principle repayment and refinancing long term loan of SOE at the end of the first quarter of this year resulting to the decrease in financial cost.

For the nine-month period, the Company had the net profit attributable to equity holders of the Company before gain on fair value adjustment of investment due to reclassification in the amount of Baht 2,804 Million representing an increase from the same period of the previous year by Baht 439 Million or 18.6 percent due to gains on sale of investment and refinancing long term loan of SOE. However, when included gain on fair value adjustment of investment due to reclassification, net of tax, in the amount of Baht 2,030 Million, the Company had the net profit in the amount of Baht 4,834 Million representing an increase from the same period of the previous year by Baht 2,469 Million or 104.4 percent.

## Segmental performance

### 1. Expressway business

The Company had revenue from Expressway business of Baht 2,561 Million, representing an increase from the same quarter of the previous year by Baht 11 Million or 0.4 percent, mainly from the increase in toll revenue from SOE. SOE average traffic volume in the third quarter of the year 2018 was at 56,277 trips/day representing an increase by 5.9 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 was slightly decreased from the previous year. For the Bang Pa-in - Pak Kret Expressway (Sector C+), toll revenue increased by 3.1 percent due to the expansion of suburban area resulting to the traffic volume increased. Sector C+ average traffic volume in the third quarter of the year 2018 was at 91,242 trips/day representing an increase by 3.4 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 third quarter of the year 2018, the cost was at Baht 1,419 Million, representing an increase from the same quarter of the previous year by Baht 42 Million or 3.1 percent mainly from the amortization on rights to operate completed expressway sectors according to the increase in traffic volume.

### 2. Rail business

The Company had revenue from Rail business of Baht 1,218 Million, representing an increase from the same quarter of the previous year by Baht 48 Million or 4.1 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 as more convenience and time efficiency for passengers which resulted to an increase in ridership of both projects. The average ridership of the MRT Blue Line Project in the third quarter of the year 2018 was at 319,088 trips/day representing an increase from the same quarter of the previous year by 4.6 percent and the average ridership per working days was at 370,311 trips/day representing an increase from the previous year by 5.1 percent.

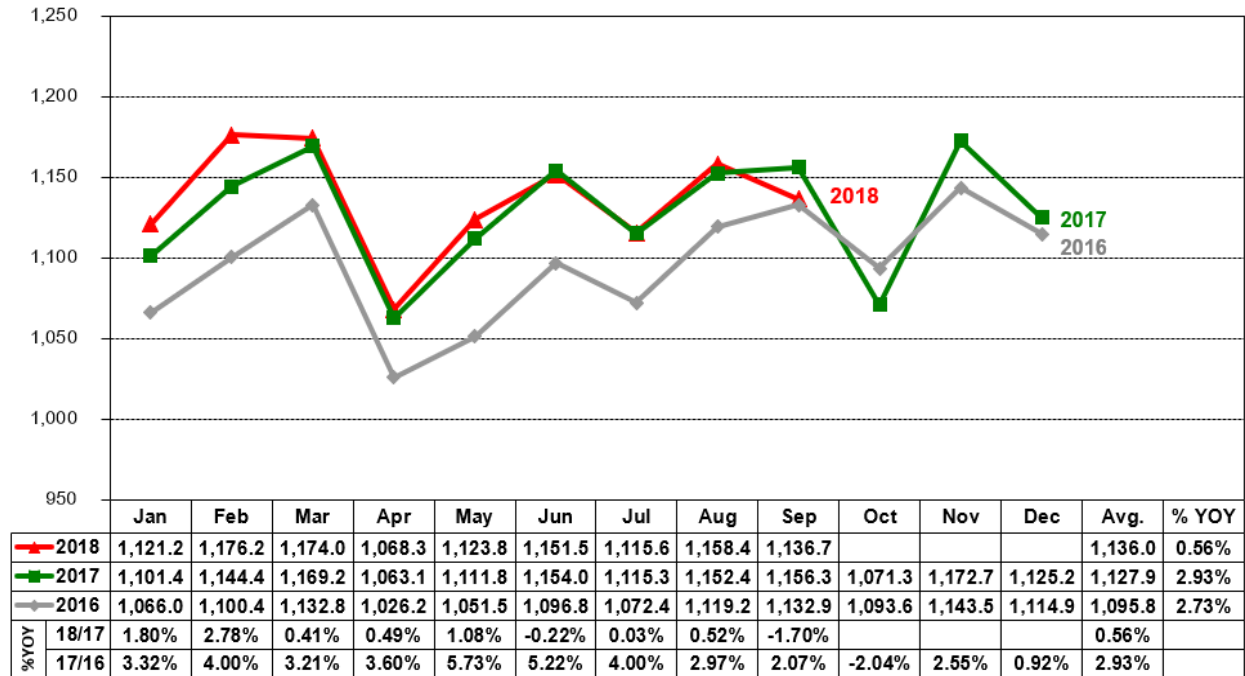
Cost of Rail business consisted of costs of farebox, O&M cost and amortization of intangible asset under the MRT Blue Line Project. For the third quarter of the year 2018, the cost was at Baht 918 Million, representing an increase from the same quarter of the previous year by Baht 43 Million or 4.9 percent mainly from the repair and maintenance expense.

### 3. Commercial Development Business

In the third quarter of the year 2018, total commercial development revenue was Baht 167 Million, representing a decrease from the same quarter of the previous year by Baht 12 Million or 6.7 percent from the decrease in advertising revenue.

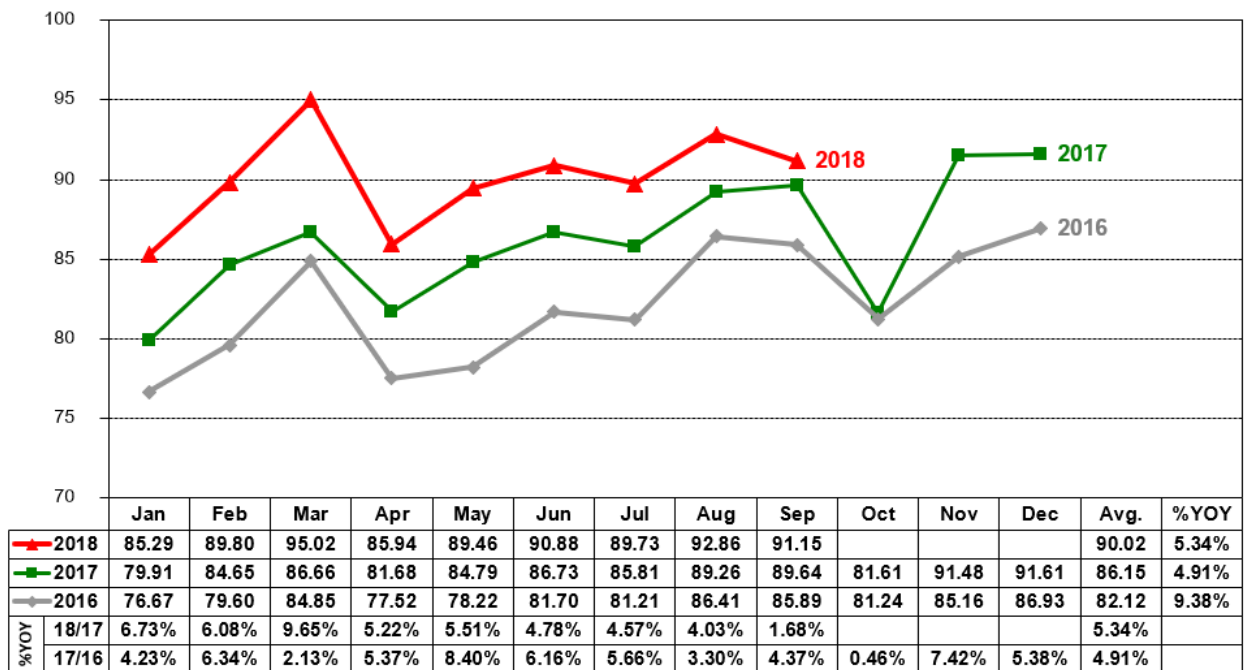
**Average Daily Traffic Volume for the First Stage Expressway, the Second Stage Expressway and the Si Rat-Outer Ring Road Expressway**

(Thousand Trips / Day)



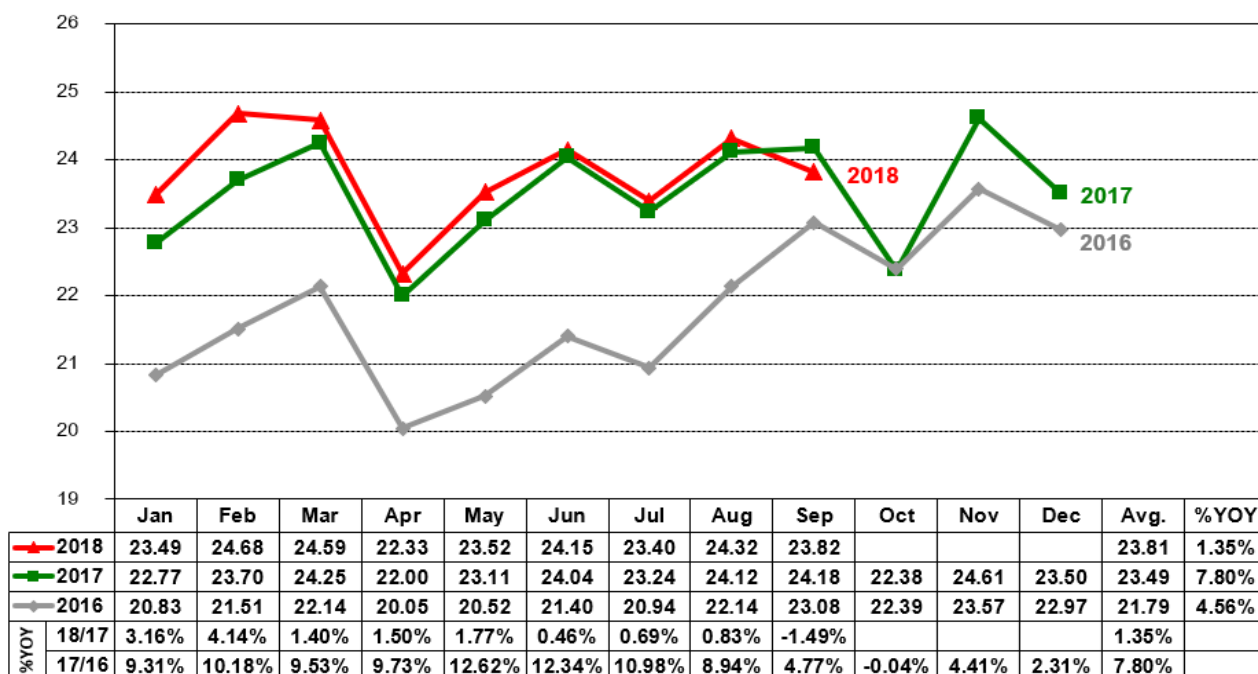
**Average Daily Traffic Volume for the Bang Pa-in - Pak Kret Expressway**

(Thousand Trips / Day)



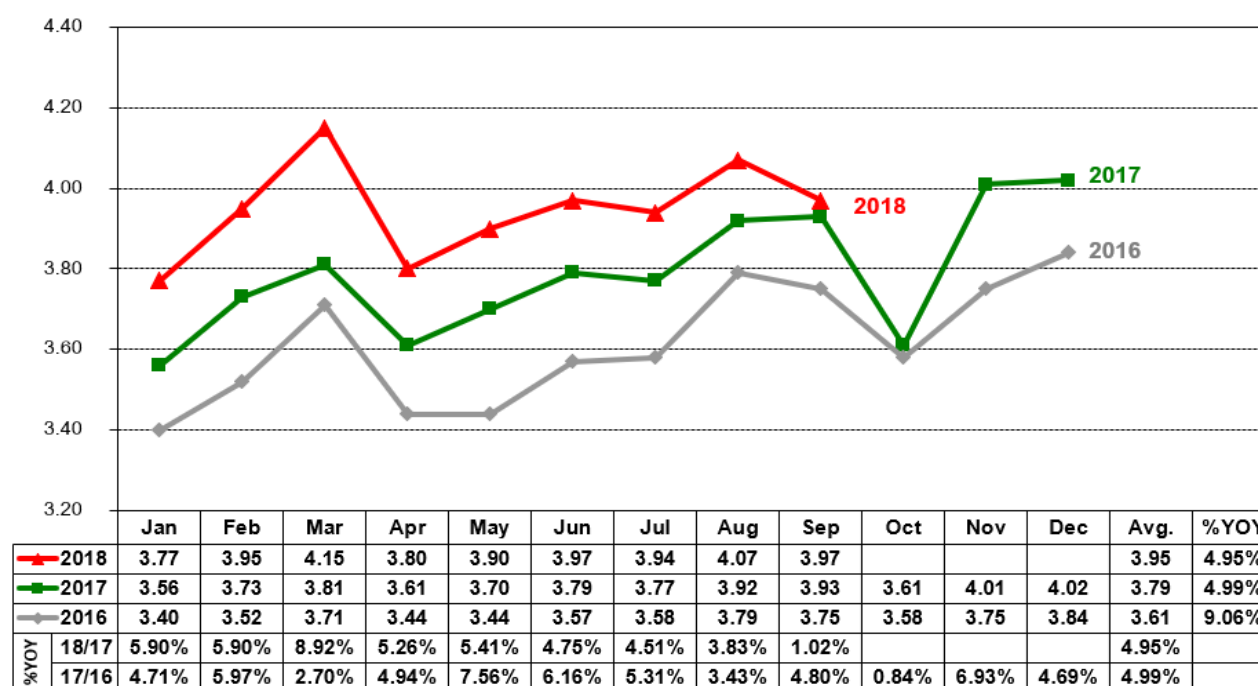
### Average Daily Toll Revenue for the First Stage Expressway, the Second Stage Expressway and the Si Rat-Outer Ring Road Expressway

(Million Baht / Day)



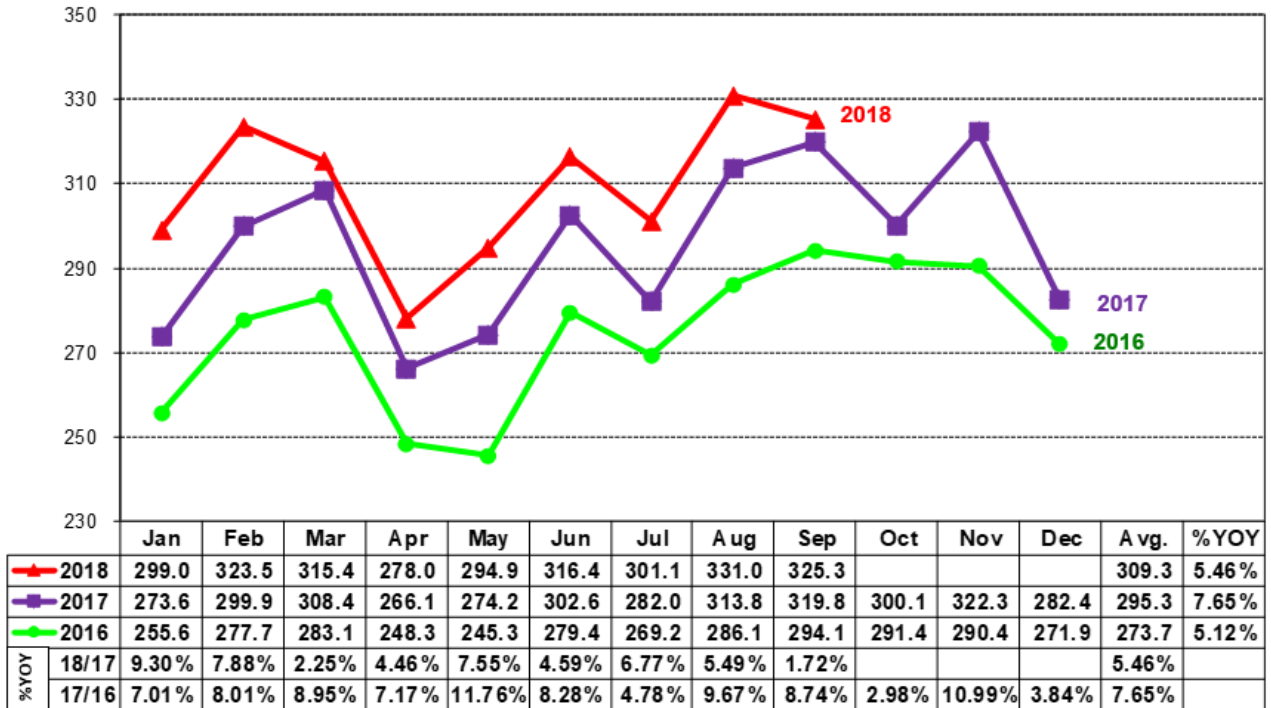
### Average Daily Toll Revenue for the Bang Pa-in - Pak Kret Expressway

(Million Baht / Day)



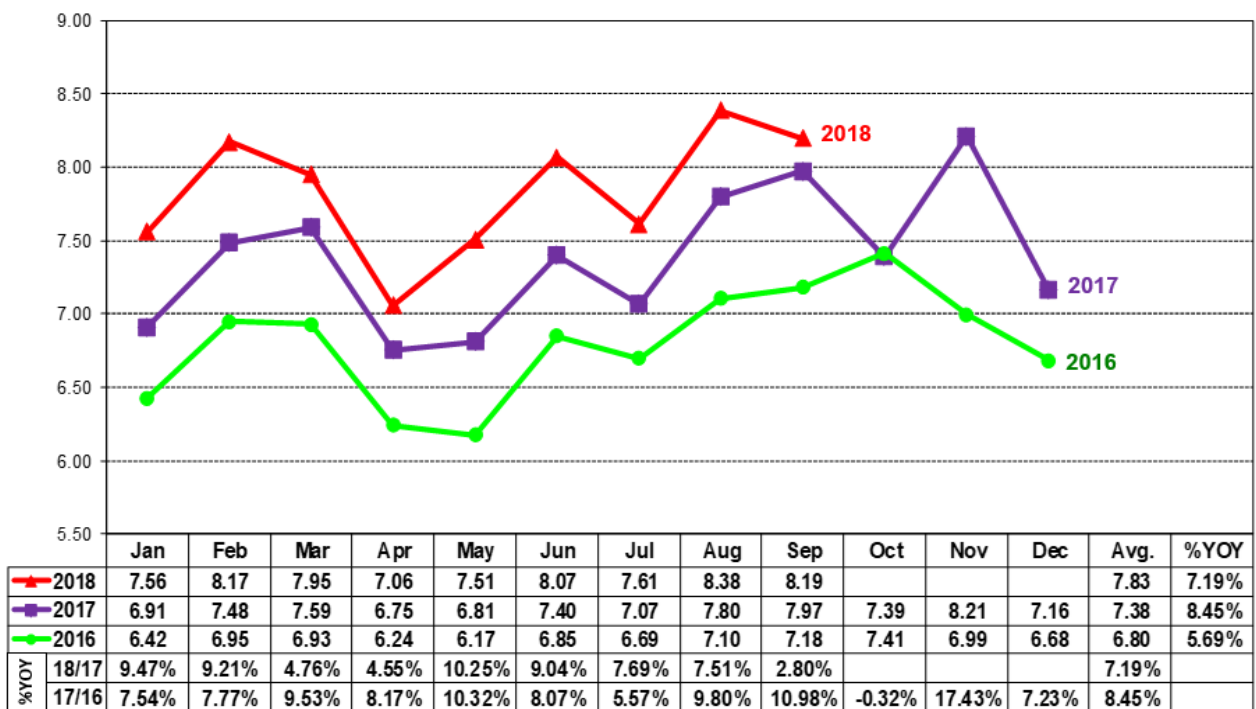
**Average Daily Ridership for Blue Line**

(Thousand Trips / Day)



**Average Daily Farebox Revenue for Blue Line**

(Million Baht / Day)



## Financial Position

As at September 30, 2018, the Company and its subsidiaries had total assets amounted to Baht 103,843 Million, representing an increase by Baht 4,924 Million or 5 percent when compared with total assets as at December 31, 2017. Total liabilities amounted to Baht 68,233 Million, representing an increase by Baht 493 Million or 0.7 percent. Total shareholders' equity amounted to Baht 35,610 Million, representing an increase by Baht 4,431 Million or 14.2 percent when compared to the end of the year 2017.

## Cash Flows

For the nine months of the year 2018, the Company and its subsidiaries generated cash flows from operating activities amounting to Baht 6,214 Million. Cash used in investing activities amounting to Baht 5,264 Million detailed as follow; (1) payment for the M&E equipment of the MRT Blue Line Project in the amount of Baht 8,074 Million, (2) investment in the Si Rat-Outer Ring Road Expressway Project in the amount of Baht 249 Million, (3) acquisition of fixed assets and other assets in the net amount of Baht 42 Million, (4) cash receipt from sales of investments and interest income in the net amount of Baht 2,607 Million and (5) dividend received in the amount of Baht 494 Million. The Company and its subsidiaries utilized cash of Baht 2,740 Million from financing activities due to (1) repayment of long term loans in the net amount of Baht 9,290 Million, (2) dividend payment in the amount of Baht 1,987 Million, (3) payment of interest and finance cost in the amount of Baht 1,055 Million, (4) repayment of short term loan in the net amount of Baht 408 Million and (5) received from issuance of debentures in the amount of Baht 10,000 Million.

As at September 30, 2018, the Company and its subsidiaries had cash and cash equivalents amounting to Baht 837 Million, representing a decrease from the end of the previous year by Baht 1,790 Million.

## Significant Financial Ratios\*

For the third quarter of the year 2018, the Company had Net Profit Margin ratio at 26.12 percent, Return on Equity ratio at 10.85 percent, Return on Total Assets ratio at 4.04 percent, Debt to Equity ratio at 1.58 times and Net Interest Bearing Debt to Equity ratio at 1.30 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 and gain on fair value adjustment of investment due to reclassification which was recorded in the third quarter of the year 2018.