

DELIVERING VALUE



ANNUAL
REPORT
2012/13

BTS GROUP HOLDINGS
PUBLIC COMPANY LIMITED

OUR CITY OUR FUTURE

OUR AMBITION

VISION

To provide the community with a unique and comprehensive range of *City Solutions*, that significantly contributes to an improved way of life.

MISSION

We aim to provide a sustainable and leading set of *City Solutions* to urban communities across Asia, supporting critical needs in our four principal business areas; Mass Transit, Media, Property and Services.



VALUES

Delivering Customer Satisfaction

Our success is dependent on our ability to develop long-lasting customer relationships. This will be achieved by listening, understanding, and anticipating our customers' needs and delivering products or services that satisfy those needs. We are easy to do business with and always strive to be responsive and professional.

Creating Shareholder Value

We strive to deliver accretion of shareholder value through earnings growth and improvement in operational effectiveness. Specifically, we aim to deliver long-term shareholder returns to our investors that outperform returns from investment alternatives with a similar risk profile.

Supporting Sustainable Growth

Our client base and shareholder value must be enhanced in a sustainable manner. We conduct our business upholding sustainable practices that reduce environmental impact compared to competing products and services.

Developing Communities

We are an integral part of the communities which we operate in. We provide *City Solutions* that enhance our customers' sense of community. We contribute revenues and resources to work with local communities supporting education and children's welfare and we promote the health and well-being of BTS employees and their families.

DRIVING YIELD



Thailand's First Infrastructure Fund and
Largest Private Sector Initial Public Offering

THB

62.5bn
Fund Size



CONNECTING GROWTH



Total Ridership
(mn passengers)

>1,700

since 5 December 1999 to May 2013



CREATING IMPACT





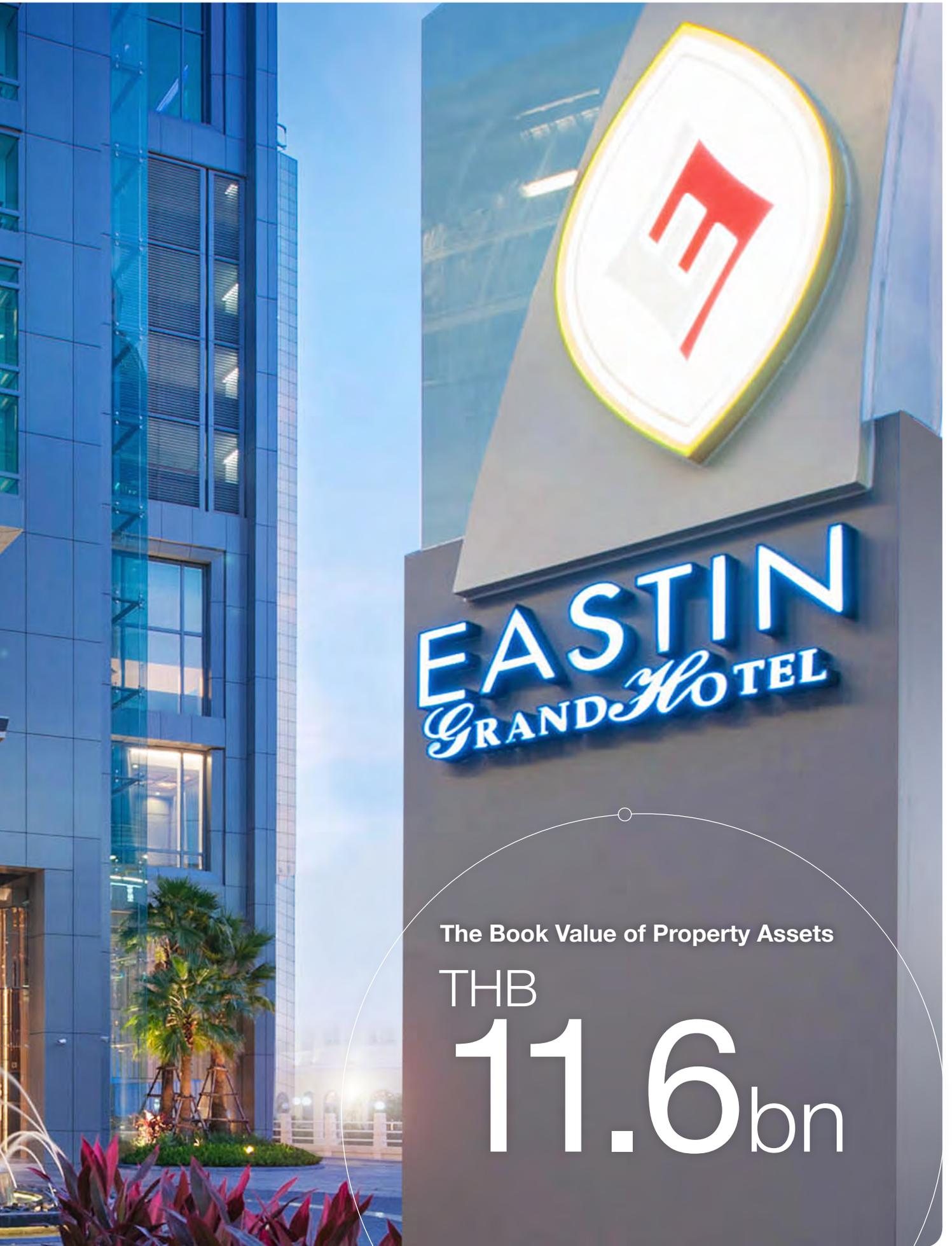
Media Revenue Growth

43%

Year over Year

BUILDING BRANDS





The Book Value of Property Assets

THB

11.6bn

COMPOSING SOLUTIONS



Number of rabbit cards

>1.2mn

as of 31 May 2013



1.2 KEY FIGURES

INCOME STATEMENT

Operating revenue ¹ (THB mn)	2012/13 10,375.5	2011/12 7,719.8	+34.4%
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Operating EBITDA ² (THB mn)	2012/13 5,273.0	2011/12 4,140.7	+27.3%
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Net recurring profit ³ (THB mn)	2012/13 1,835.9	2011/12 1,048.8	+75.0%
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Net profit after minority interest ⁴ (THB mn)	2012/13 2,488.3	2011/12 2,105.6	+18.2%
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PROFITABILITY AND RETURN

Gross operating profit margin (%)	2012/13 48.8%	2011/12 47.2%	+1.6%
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Operating EBITDA margin ⁵ (%)	2012/13 50.8%	2011/12 53.6%	-2.8%
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Net recurring profit margin ⁶ (%)	2012/13 17.7%	2011/12 13.6%	+4.1%
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Earnings per share (THB / Share)	2012/13 0.2490	2011/12 0.2311	+7.8%
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CASHFLOW

CFO ⁷ (THB mn)	2012/13 4,683.1	2011/12 1,755.8	+166.7%
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Capex ⁸ (THB mn)	2012/13 1,964.8	2011/12 2,614.9	-24.9%
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Total dividend ⁹ (THB mn)	2012/13 4,359.1	2011/12 2,747.6	+58.7%
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DSCR ¹⁰ (x)	2012/13 4.23x	2011/12 2.89x	+46.4%
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BALANCE SHEET

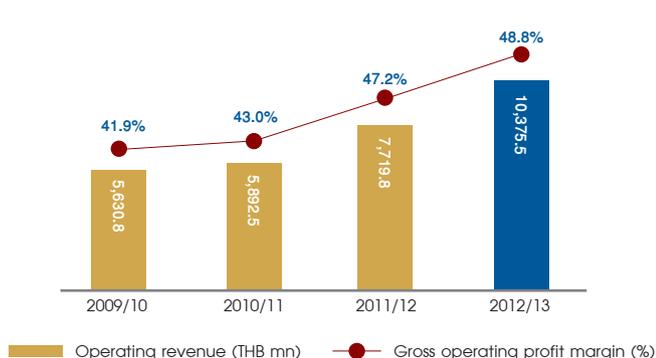
Cash and cash equivalents (THB mn)	2012/13 3,513.3	2011/12 1,333.2	+163.5%
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Net debt / equity (x)	2012/13 0.17x	2011/12 0.67x	-0.50x
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Total assets (THB mn)	2012/13 67,031.1	2011/12 66,888.9	+0.2%
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Total equity (THB mn)	2012/13 50,602.7	2011/12 36,932.3	+37.0%
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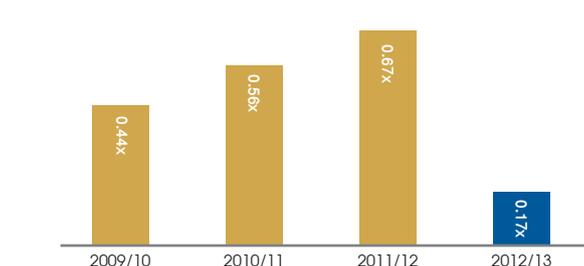
OPERATING REVENUE¹ (THB mn) AND GROSS OPERATING PROFIT MARGIN (%)



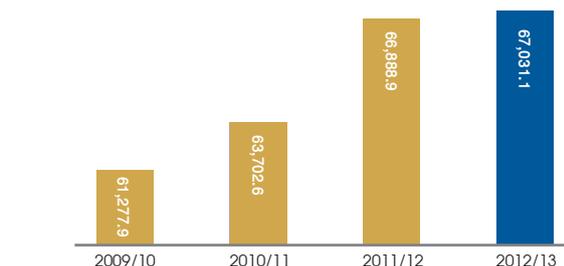
OPERATING EBITDA² (THB mn) AND OPERATING EBITDA MARGIN⁵ (%)



NET DEBT TO EQUITY (x)



TOTAL ASSETS (THB mn)



1 Operating revenues includes fare box revenue from discontinued operations which are separated as 'profit from discontinued operation' in the Financial Statements
 2 Operating EBITDA = Operating earning before interest, taxes, depreciation and amortisation (excluding non-recurring items)
 3 Net recurring profit = Net recurring profit before minority interest
 4 Net profit after minority interest = Net profit attributed to equity holders of the company (including non-recurring items)

5 Operating EBITDA margin = Operating EBITDA / Total operating revenue
 6 Net recurring profit margin = Net recurring profit before minority interest (excluding non-recurring items) / Total recurring revenue
 7 CFO = Net cashflow from operating activities after interest and tax
 8 Capex = Capital expenditures
 9 Subject to shareholders' approval, please see Section 4.1 Capital Markets Review
 10 DSCR = Debt service coverage ratio (Operating EBITDA / Finance cost)

1.3 BTS GROUP AT A GLANCE

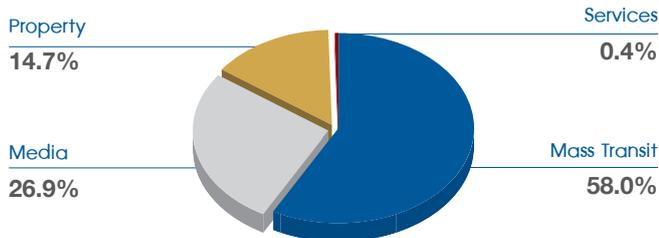
TOTAL OPERATING REVENUE (THB mn)

10,375.5

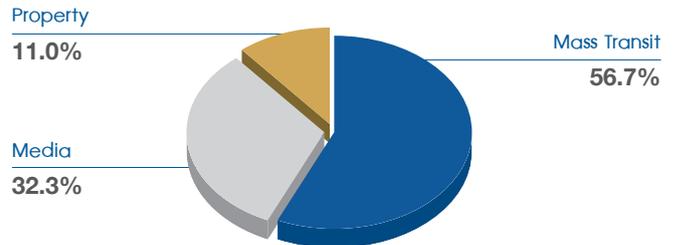
GROSS OPERATING PROFIT (THB mn)

5,058.1

OPERATING REVENUE BY BUSINESS UNIT



GROSS OPERATING PROFIT BY BUSINESS UNIT



4 BUSINESS UNITS IN BTS GROUP

MASS TRANSIT	MEDIA	PROPERTY	SERVICES
<p>REVENUE (THB mn)</p> <p>2012/13 6,015.5 2011/12 5,031.9</p>	<p>REVENUE (THB mn)</p> <p>2012/13 2,794.7 2011/12 1,958.8</p>	<p>REVENUE (THB mn)</p> <p>2012/13 1,522.7 2011/12 728.3</p>	<p>REVENUE (THB mn)</p> <p>2012/13 42.6 2011/12 0.7</p>

TOTAL EMPLOYEES

3,420

MASS TRANSIT EMPLOYEES

1,969

MEDIA EMPLOYEES

475

PROPERTY EMPLOYEES

763

SERVICES EMPLOYEES

150

BTS GROUP HOLDINGS EMPLOYEES

63

1.4 MASS TRANSIT - OUR CORE BUSINESS

“Following the Sale of Net Farebox Revenues to BTS Infrastructure Fund, Mass Transit remains the Group’s core business and is expected to contribute 35% of group EBITDA in 2013/14”

The BTS Group focuses primarily on the Mass Transit business which it operates via its majority-owned subsidiary, Bangkok Mass Transit System Public, Co. Ltd. (BTSC). BTSC is the exclusive concessionaire and operator of the BTS SkyTrain Core network¹ (“Core Network”) as well as the exclusive operator of certain extensions to the Core network and the Bus Rapid Transit (BRT) system. In April 2013, BTSC sold its rights to the future net farebox² revenues under its concession agreement (“Concession”) with the Bangkok Metropolitan Administration (BMA) to BTS Rail Mass Transit Growth Infrastructure Fund (BTSGIF) (see *Section 2.3: VGI Listing and BTSGIF* for more details). In spite of this, it remains the exclusive concessionaire, the exclusive operator as well as the largest economic stakeholder in revenues of the Core Network via a holding of one-third of all units of BTSGIF held via BTS Group.

Further, BTS Group expects to see promising growth in its mass transit business in the coming years. The Government is pursuing an aggressive expansion of the rail mass transit system and BTS Group hopes to be a lead participant in this. Following the BTSGIF transaction the Group has readied a significant cash balance which it has earmarked to support the anticipated bids for upcoming extensions.

The Core Network

BTSC has a concession agreement (“Concession”) with the Bangkok Metropolitan Administration (BMA) on the Core network until 4 December 2029. The 30 year Concession is a Build-Transfer-Operate (BTO) concession for civil works and Build-Operate-Transfer (BOT) concession for mechanical and electrical (M&E) works. Under the Concession, BTSC has the right to receive 100% of revenues it collects from farebox sales and commercial revenues (advertising and retail space management) without any revenue sharing to any third parties. In April 2013, sold its rights to the fare-box revenues under the Concession to BTSGIF (the commercial rights for advertising were not sold), but BTS Group retains a one-third economic entitlement via a one third holding in the units of BTSGIF.

In addition to this Concession, in May 2012, BTSC has signed an Operating and Maintenance (O&M) agreement for the Core Network for the period from the expiry of its Concession in December 2029 until 2 May 2042 (see *Section 2.2: Important Events 2012/13* for more details).

Extensions To The Core Network

Since the completion of the Core Network, the BMA (via its wholly owned subsidiary Krungthep Thanakom Company Limited or “KT”) has constructed certain extensions to the Green Line. Owing to its expertise in the operation of mass transit rail systems, BTSC has been appointed by KT to operate and maintain these extensions on its behalf. Whereas previously these O&M contracts were awarded on a short-term basis, on 3 May 2012, the KT and BTSC signed a 30-year O&M contract, which expires on 2 May 2042.

This O&M revenue³ is complimentary to Company’s share of income from BTSGIF, and the Company is not exposed to any ridership risk on the extensions. In 2010/11, BTSC was also awarded the O&M contract for the Bus Rapid Transit (BRT) line. As the mass transit network continues to expand, BTS Group also expects to be a major player in O&M of these extensions, and has earmarked funds from the sale of revenue to BTSGIF for such purpose.

1 The Core network comprises the original mass transit line in Bangkok, specifically, two lines, the Sukhumvit Line and the Silom Line (collectively, the “Green Line”), covering 23 stations with a combined track length of 23.5 km

2 For 2012/13, revenues from ticket sales are recorded as “farebox revenue” in the financial statements and presented as revenues from the Mass Transit business in the Company’s presentation of results. Revenue from the management of the commercial areas is one component of “Service Income” in the financial statements and referred to as “advertising income and revenue from provision of spaces” in the notes to the financial statements and also presented as revenues of the Group’s Media business in the Company’s presentation of results. For 2013/14, revenues from ticket sales are recorded as “fare-box revenue” in the financial statements from 1 April 2013 until the sale to BTSGIF on 17 April 2013. Income earned from BTS Group’s one third holding of units in BTSGIF will be recorded as ‘share of income/loss in associated companies’

3 O&M revenue is one component of “Service Income” in the financial statements and is referred to as “revenue from the provision of operating services” in the notes to the financial statements. It is presented as revenues from the Mass Transit business in the Company’s presentation of results

BTS SkyTrain Existing Route

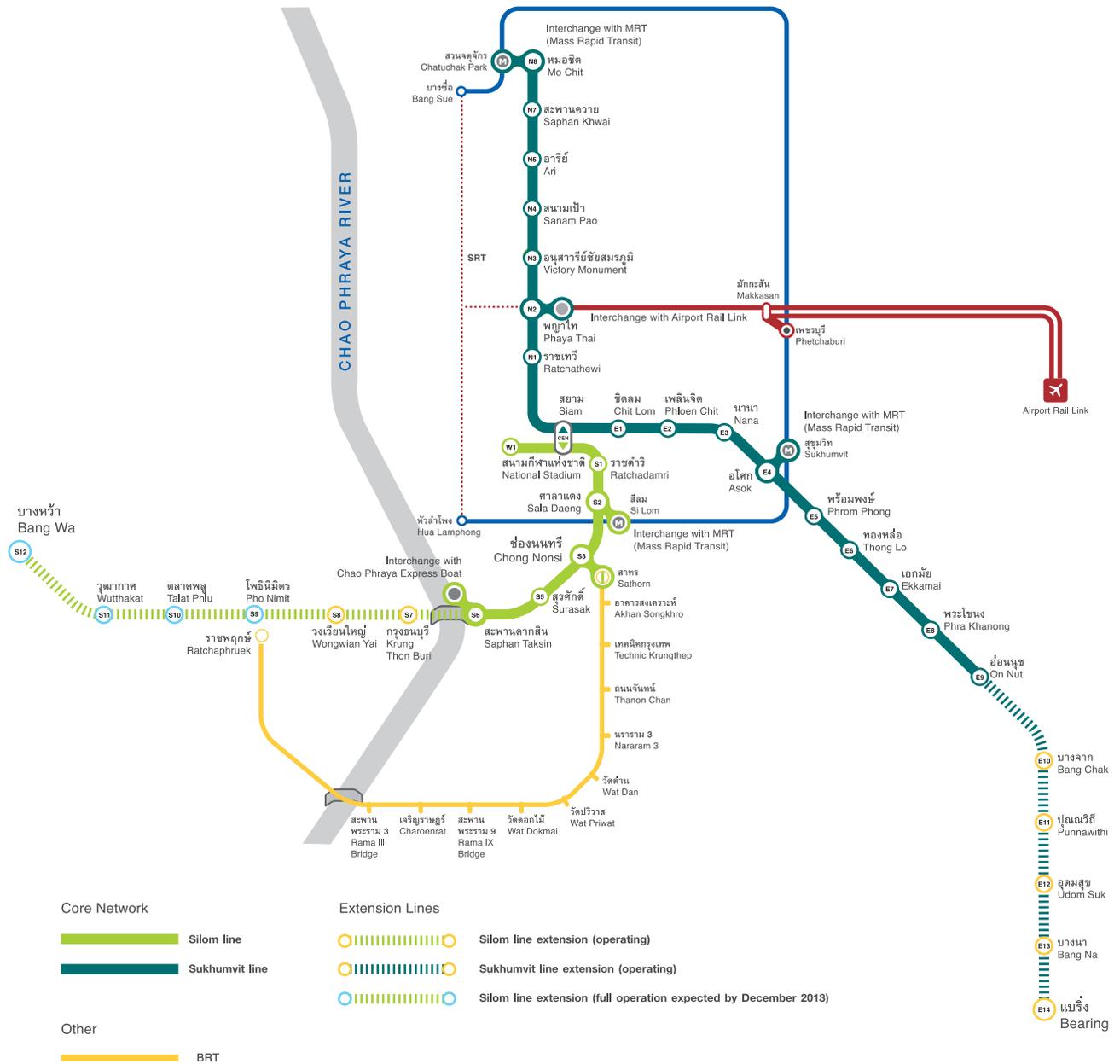


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2.0 HIGHLIGHTS 2012/13 & OUTLOOK

This section provides a key overview of events and the business target assessment of the past fiscal year as well as an overview of the year ahead. You will also find the Chairman's statement and key financial highlights of the past 3 years.

2.1
MESSAGE FROM
THE CHAIRMAN

2.2
IMPORTANT EVENTS
2012/13

2.3
VGI LISTING & BTSGIF

2.4
BUSINESS TARGET
ASSESSMENT 2012/13

2.5
BUSINESS OUTLOOK
2013/14

2.6
FINANCIAL
HIGHLIGHTS



2.1 MESSAGE FROM THE CHAIRMAN



To my fellow stakeholders

There is no question that 2012/13 was a truly exceptional year for us. The Group achieved many tremendous milestones across all its four business units as well as within the capital markets.

For the fiscal year, the Group delivered another exceptional operational performance. Operating revenue increased by 34.4% to THB 10,375.5mn, operating EBITDA increased by 27.3% to THB 5,273.0mn and net recurring profit increased by 75.0% to THB 1,835.9mn. This operational performance was also translated into return to shareholders. In addition to share price appreciation, we continue to deliver dividends to shareholders. Two interim dividends totaling THB 0.343 per share have been paid in addition to a final dividend of THB 0.045 per share that has been proposed to shareholders. This will represent a cumulative 2012/13 dividend of THB 4,359.1mn.

VGI Global Media Public Company Limited (VGI), the Group's Media business vehicle and formerly 100% owned by BTSC was listed on the Stock Exchange of Thailand in October 2012. BTS Group and BTSC shareholders were given pre-emptive rights to subscribe to the offering and participate in the share price appreciation. As of 31 March 2013, VGI market capitalisation reached THB 39.5bn (USD 1.3bn) representing growth of 275.7% from that at IPO price. In April 2013, our subsidiary, Bangkok Mass Transit System Public Company Limited (BTSC) sold the future net farebox revenue under its concession agreement with the Bangkok Metropolitan Administration (BMA) to the newly established BTS Rail Mass Transit Infrastructure Fund (BTSGIF). BTSGIF is Thailand's first ever Infrastructure Fund and the listing was Thailand's largest ever private sector initial public offering. The institutional portion of the deal was more than 25x oversubscribed at the top of the price range with a final deal size of THB 62.5bn (USD 2.1bn). The success of both these transactions is testament to the dedication of the employees behind each business and all parties involved. More details can be seen in *Section 2.3: VGI Listing and BTSGIF*.

“ There is no question that 2012/13 was a truly exceptional year for us. The Group achieved many tremendous milestones across all its four business units as well as within the capital markets. ”

As a result of these transactions, as well as the share price performance of BTS Group which rose by 92.8% in the fiscal year (significantly outperforming the SET Index and the SETTRANS Index), the combined market capitalisation of companies under the BTS Group surpassed THB 104,402.4mn (USD 3.6bn) as of 31 March 2013.

On an operations basis, our Mass Transit business hit its targets and continued to break records. Ridership rose by 12.0%, revenue by 19.5% and operating EBITDA by 18.3%. A new daily ridership record was achieved on 29 March 2013 when 752,689 passengers rode the Core Network. We take great pride in our ability to continue to deliver a reliable service to our passengers. We also introduced into service an additional 35 carriages as part of our capacity expansion programme and this will continue through 2013/14 with an additional 20 carriages (five 4-car trains).

Our operations and maintenance (O&M) business also continued gather momentum. On 3 May 2012, we signed a 30 year O&M agreement for all the existing green line extensions under the supervision of the BMA for the period 2012 - 2042, as well as O&M contract on the Core Network from 2029 - 2042. The nominal value of this contract is worth in excess of THB 187,000mn.

Media, our fastest growing business, grew by 42.7% which surpassed its 40% revenue growth target for the fiscal year, and also saw net profit increase by 17.2%. For 2013/14 we forecast Media revenue to grow by a further 30% and continue to seek ways to generate sustainable organic and inorganic growth.

Our Property business also saw a turnaround in its performance. Revenue and net profit grew by 588.6% and 569.4% respectively. This was supported by the completion of our condominium project; Abstracts Phaholyothin Park, the opening of our new Eastin Grand Hotel Sathorn Bangkok as well as divestments of land. Within our Services business, we launched Bangkok's mass transit inaugural common ticketing system (the "Rabbit" Card and its associated reward programme "Carrot Rewards") which can be used across the BTS SkyTrain and Bus Rapid Transit network and will be extended to other mass transit networks the future. The card can also serve as an e-payment card with our partner retail stores. As of May, 2013 there were over 1.2mn cards in circulation.

Once again, on behalf of our Board of Directors, let me express my sincere appreciation to our employees, business partners and stakeholders for their dedication and support. Together we strive to positively impact our surrounding community as part of our corporate social responsibility and this year, you can review our separate Sustainability Report to see how we have been supporting this cause. A special note of appreciation must be added to our dedicated team members. Their contribution is the engine that drives our continued value creation and I sincerely look forward to yet another prosperous year working together.



Keeree Kanjanapas

2.2 IMPORTANT EVENTS 2012/13

May 2012

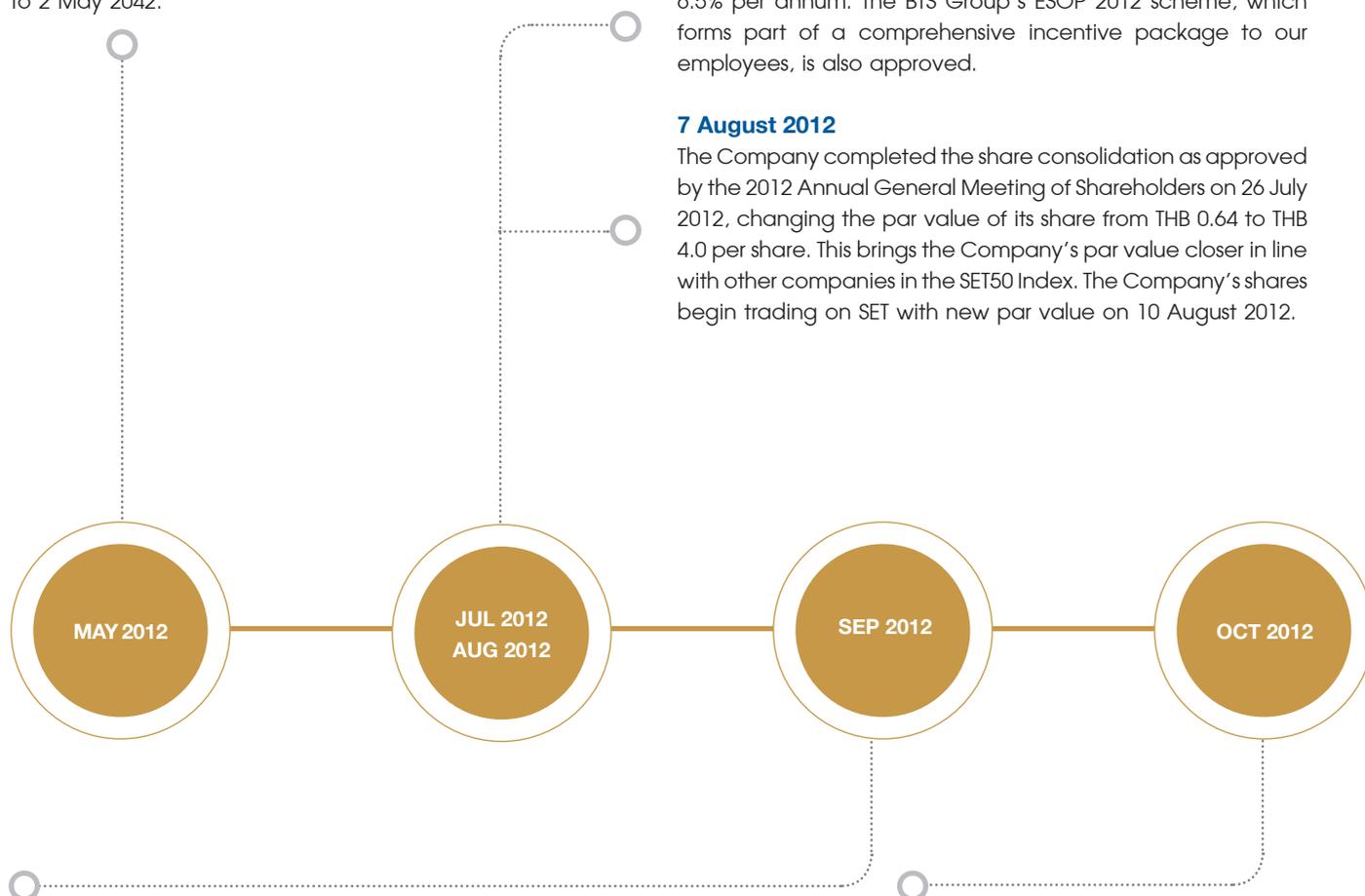
BTSC signs a 30-year Operation and Maintenance Services (O&M) Contract (to supercede all previously signed O&M agreements) covering the Green line extensions under the BMA supervision from 2012 to 2042. This O&M contract also covers the core network post concession expiration on 4 December 2029, to 2 May 2042.

26 July 2012

The Company's shareholders meeting approves a final dividend payment of THB 0.02410 per share to supplement the interim dividend payment of THB 0.02393 per share. Based on the BTS share price as of 12 June 2012 (one day before XD date) this total dividend payment is equivalent to a dividend yield of 6.5% per annum. The BTS Group's ESOP 2012 scheme, which forms part of a comprehensive incentive package to our employees, is also approved.

7 August 2012

The Company completed the share consolidation as approved by the 2012 Annual General Meeting of Shareholders on 26 July 2012, changing the par value of its share from THB 0.64 to THB 4.0 per share. This brings the Company's par value closer in line with other companies in the SET50 Index. The Company's shares begin trading on SET with new par value on 10 August 2012.



12 September 2012

BTSC completes the disposal of its investment in Kamala Beach Resort & Hotel Management Co., Ltd. BTSC receives THB 1,643.0mn for the divestment and recognises a capital gain of THB 289.0mn.

8 October 2012

The Group officially launches its new hotel, Eastin Grand Sathorn. This four star hotel is located in a prime area on Sathorn road and has direct bridge access to BTS Surasak station.

11 October 2012

VGI Global Media Public Company Limited, a subsidiary of the Group is successfully listed on the Thai Stock Exchange under the ticker symbol "VGI". BTS Group continues to hold an effective shareholding of 64.4% of VGI both directly and via its subsidiary BTSC. Please see further details in *Section 2.3, VGI Listing and BTSGIF*.

30 October 2012

The Company disposes of its entire investment in Kampoo Property Company Limited (owner of the land plot next to Nana BTS SkyTrain station). The Company receives THB 1,849.2mn and recognises a net capital gain of THB 710.7mn.

January - February 2013

BTSC and the Bangkok Metropolitan Administration ("BMA") commence trial operations of the Silom line extension from Wongwian Yai (S8) to Pho Nimit (S9) and Talat Phlu (S10) in January and February 2013, respectively. The remaining 2 stations namely, Wutthakat (S11) and Bang Wa (S12) are expected to be operational by end 2013.

17 April 2013

BTSC concludes the sale of the future Net Farebox Revenue from the Core BTS SkyTrain network to the newly established BTS Rail Mass Transit Growth Infrastructure Fund (BTSGIF). The Fund size is THB 62,510.4mn and the first day of trading of BTSGIF's units is on 19 April 2013. BTSC remains the concessionaire and operator of the BTS SkyTrain and the Group maintains a significant investment in the Core BTS SkyTrain network via a 33.3% holding of investment units of BTSGIF. Please see further details in *Section 2.3; VGI Listing and BTSGIF*.

29 April 2013

BTSC announces the adjustment of Effective Fare and Promotional Prices for Trips on the BTS SkyTrain. The increase in fares is effective from 1 June 2013.

8 February 2013

The Company pays the first interim dividend of THB 1,793.8mn (equivalent to THB 0.163 per share). Based on the share price at 10 January 2013 (one day before XD date), this is equivalent to a non-annualised dividend yield of 2.3%.

17 May 2013

The Company pays the second interim dividend of THB 2,052.2mn (equivalent to THB 0.18 per share). Based on the share price at 18 April 2013 (one day before XD date), this is equivalent to a non-annualised dividend yield of 2.0%.

27 May 2013

The Company's Board announces a final dividend payment of THB 0.045 per share, in addition to interim dividend payments of THB 0.163 and 0.18 per share. Based on the share price on 23 May 2013 and subject to shareholders' approval, the total dividend payment for 2012/13 is equivalent to a dividend yield of 4.8% per annum. Furthermore, the Company supplements its dividend policy to pay an aggregate dividend of no less than THB 21,000mn across the next 3 fiscal years which will be supported by the profits from operation as well as the extraordinary profits from the infrastructure fund transaction.

JAN - FEB 2013

FEB 2013

APR 2013

MAY 2013

2.3 VGI LISTING AND BTSGIF

The Listing of VGI Global Media Public Company Limited (VGI)

In 2012/13, BTSG was able to help crystallise returns to its shareholders via the listing of its wholly owned subsidiary, VGI Global Media Public Company Limited (“VGI”). VGI commenced operations in 1999 selling the advertising space on the BTS SkyTrain network and is now Thailand’s largest out-of-home Media company. In recent years, the growth of VGI’s non BTS-related revenue, namely its modern trade and office building business segments, has outpaced the BTS-related media revenue growth and in 2012/13, represented 50.6% of the Media business revenue.



VGI’s ability to stand on its own two feet was reinforced when in October 2012, VGI successfully listed on the Thai Stock Exchange. The listing was more than 20 times oversubscribed by institutional investors. Aside from allowing more independence in funding, the separate listing enables investors to invest directly in a business which has very different characteristics to that of the Group’s mass transit business. This has resulted in a clearer crystallisation of the valuation of the Group’s Media business, both at the VGI and BTS listed company level.

For the period of 11 October 2012 until 31 March 2013, VGI’s share price increased by 275.7% and the market capitalisation reached THB 39.5bn (USD 1.3bn). As existing shareholders of BTSG and BTSC were given pre-emptive rights to subscribe to the initial public offering, they were able to share in the benefit of this valuation increase.

Moving forward, the Group is well positioned to capture growth in the out-of home media market and more details can be seen in *Section 3.7.2: Media Business and Industry Overview* as well as at www.vgi.co.th.

The Establishment of BTS Rail Mass Transit Growth Infrastructure Fund (BTSGIF)

As a subsequent event to the fiscal year, on 17 April 2013, BTSC sold the rights to receive the net farebox revenue to be generated from its Core BTS SkyTrain network under the concession agreement to BTSGIF for THB 61,399mn. BTSGIF is the first Infrastructure Fund in Thailand. The total Fund size was THB 62,510.4mn, making it the largest private sector initial public offering in the history of the Thai capital markets. Following a 2-year transaction development period and an extensive cornerstone marketing process, the listing was well received by the market. It priced at the top end of the THB 10.4-10.8 per unit price range; institutional demand was more than 25 times oversubscribed and attracted a high quality order book including some of the world's most respected 'long only' investors. BTSGIF was the largest single subscriber, taking one third of the total 5,788mn units. The first day of trading of BTSGIF units was 19 April 2013.



The transaction was a great success for BTS Group and its shareholders. Similarly to the listing of VGI, it resulted in a significant valuation enhancement on day 1 of the transaction. On an ongoing basis, it continues to add value as the transaction effectively reduces the ongoing tax rate of BTSC. Most importantly, it also arms the Group with a significant cash balance that will be earmarked to bid for new extension lines and future growth of the Group's mass transit business (see *Section 3.7.1: Mass Transit Business and Industry Overview* for more details). At the same time, the Group remains both the single largest economic beneficiary of farebox revenues (via BTSGIF's one third unitholding) as well as the exclusive operator of the Core network.

Infrastructure Funds have successfully come to fruition as a result of the Thai government's initiative, supported by the Thai Securities and Exchange Commission, the Stock Exchange of Thailand, relevant tax authorities and other supervisory bodies. In order to support the funding and development of the nation's infrastructure plan, this new vehicle category was established to allow and encourage broader investor access to infrastructure investments. The retail investor demand of each Fund is allocated on a 'small lot first' basis and investors are afforded specific tax benefits that are unique to infrastructure funds. More details can be seen at www.btsgif.com. We would expect to see several other infrastructure funds established in the footsteps of BTSGIF.

2.4 BUSINESS TARGET ASSESSMENT 2012/13

“The Group’s results in 2012/13 demonstrated continued growth from 2011/12. All key business targets were met as we delivered impressive growth to follow on from 2011/12. Below we can see how the Group performed against stated goals in last year’s Annual Report.”

MASS TRANSIT	
TARGET	RESULTS
12 - 15% Ridership Growth	12% Target achieved Growth contribution both from organic growth, popularity of Mass transit in Bangkok, especially from the Property development along the core network, full year effect of the opening of the Sukhumvit line (Onnut - Bearing) extension and additional rolling stocks into services.
20% O&M Guidance Contribution	19%

MEDIA	
TARGET	RESULTS
40% Total Revenue Growth	43% Target achieved A contribution to our record revenue came from the revenue growth across all three business segments: BTS-related Media, Modern Trade Media and Office Building and Others.
55% Non-BTS Guidance Contribution	51%

PROPERTY	
TARGET	RESULTS
THB 600mn Revenue from Abstracts Projects	THB 742mn Target achieved 198 units transferred from Abstracts Phahonyothin Park (started transferring in December 2012).
70% Growth in Commercial Property	174% Target achieved Revenue from Eastin Grand Hotel operations at Surasak BTS SkyTrain station, which had its grand opening in October 2012.

SERVICES	
TARGET	RESULTS
1.0 - 1.5mn Number of Rabbit Cards	>1.0mn cards Target achieved Reached over 1mn cards by 31 March 2013.

2.5 BUSINESS OUTLOOK 2013/14

“Our Mass Transit business expects to deliver double digit growth from both ridership growth and an increase in ticket prices. Revenue contribution from Mass Transit will reduce (and from Media will increase) on account of the sale of Net Farebox Revenues to BTSGIF.”


7 - 10%
Ridership Growth


6.5%
Fare Increase


5x4
Car Delivery
by 2013/14

MASS TRANSIT

For our MASS TRANSIT division, BTSC and BMA commenced trial operations of the Silom line extension from Wongwian Yai (S8) to Talat Phlu (S10) in January and February 2013, respectively. The remaining 2 stations namely, Wutthakat (S11) and Bang Wa (S12), are expected to be operational by end of 2013. We expect to see 7 - 10% ridership growth for 2013/14 and 6.5% growth in average fare as a result of the increase in Effective fare from 1 June 2013; however, revenue contribution to the Group from our mass transit business is expected to decline on account of the sale of Net Farebox Revenues to BTSGIF.

As part of BTSC's ongoing capacity expansion programme, all regular-service trains on the Sukhumvit line have now been extended to 4-cars long as of May 2013. New rolling stocks (five 4-car trains) are also expected to be delivered by end of 2013 as the Company continues to advance its capacity extension programme.


30%
Revenue
Growth

MEDIA

Our MEDIA business division is also expected to maintain strong revenue growth of approximately 30% during 2013/14, primarily driven by an expected modern trade revenue growth of 40%. Moreover, BTS-related Media revenue is expected to increase by 20%, with growth drivers being new advertising space on the new 35 single car trains coupled with an increase in multimedia package prices and media capacity on non-prime stations. Moreover, overall revenue growth is further supported by office building and other media, including an expected additional 10 office buildings as well as an increase in occupancy of our Mega LEDs. We expect to see a 20% revenue growth in office building and other media.


THB 2.4bn
Revenue from
Abstracts Project

PROPERTY

All of the remaining units of Abstracts condominium developments are expected to be sold and transferred in 2013/14. Abstracts Projects are expected to contribute approximately THB 2.4bn revenue to the Group in 2013/14.


75%
Group's Hotels
Occupancy Rate

Within the Commercial property division, the Group expects its hotel occupancy rate to reach 75% on average in 2013/14.


2mn
Rabbit Card
Holders

SERVICES

For our SERVICES division, we are targeting 2mn rabbit card holders. The Company has also signed an exclusive Near Field Communication (NFC) contract with local telecom provider, AIS, in December 2012. Through NFC technology, customers can use mobile phones that support this technology as a common ticketing system across BTS mass transit system network as well as retail e-payment. The NFC is expected to be operational by 3Q 2013.

2.6 FINANCIAL HIGHLIGHTS

	2012/13	2011/12	2010/11
INCOME STATEMENT (THB mn)			
Operating revenue ¹	10,375.5	7,719.8	5,892.5
Total revenue ¹	11,609.3	9,251.9	6,828.7
Operating EBITDA ¹	5,273.0	4,140.7	2,548.9
EBIT ¹	4,423.1	3,840.2	2,018.7
Net income	2,736.2	2,235.6	310.5
Net income attributable to equity holders of the parent	2,488.3	2,105.6	252.2
BALANCE SHEET (THB mn)			
Total assets	67,031.1	66,888.9	63,702.6
Net debt	8,447.3	24,713.6	20,881.4
Shareholders' equity	50,602.7	36,932.3	37,509.5
CASH FLOW (THB mn)			
Net cash from operating activities	4,683.1	1,755.8	1,389.7
Capital expenditures	(1,964.8)	(2,614.9)	(4,469.5)
PER SHARE DATA (THB / Share)			
Earnings per share ²	0.2490	0.2311	0.0302
Dividend per share ³	0.38800	0.04803	0.03554
Book value per share ²	5.06	4.05	4.48
KEY RATIOS			
Operating EBITDA margin ¹ (%)	50.8	53.6	43.3
EBIT margin ¹ (%)	38.1	41.5	29.6
Net debt to equity (times)	0.17	0.67	0.56
Interest coverage ratio ^{1,4} (times)	4.23	2.89	1.59
ROA (%)	4.1	3.3	0.5
ROE (%)	5.4	6.1	0.8
SHARE INFORMATION (as of 31 March)			
Share price (THB)	9.40	0.78	0.75
Outstanding shares (Shares mn)	11,106.6	57,188.3	55,889.3
Market capitalisation (THB mn)	104,402.4	44,606.9	41,917.0

1 Includes revenue, costs, and SG&A in 2012/13 and 2011/12, related to BTS SkyTrain Core Network which are separated as 'profit from discontinued operation' in the Financial Statements (see more details in NTFS 27)

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

3 In 2012/13, dividend per share is based on par value of THB 4.0 per share. In 2011/12 and 2010/11, dividend per share was based on par value of THB 0.64 per share.

4 Operating EBITDA / Finance cost



3.0 THE COMPANY AND OUR INDUSTRY

This Section provides key information on our Company structure, history and leadership team. You will also find our Business & Industry Overview which includes highlights of each business, key milestones of the year, as well as more information on the competitive landscape of our business units.

3.1
CORPORATE
STRUCTURE

3.2
CORPORATE
INFORMATION

3.3
OUR HISTORY

3.4
OUR BOARD OF DIRECTORS

3.5
OUR MANAGEMENT

3.6
ORGANISATION CHART

3.7
BUSINESS &
INDUSTRY OVERVIEW

3.8
SUBSIDIARIES AND
ASSOCIATED COMPANIES
INFORMATION

3.7.1 MASS TRANSIT

3.7.2 MEDIA

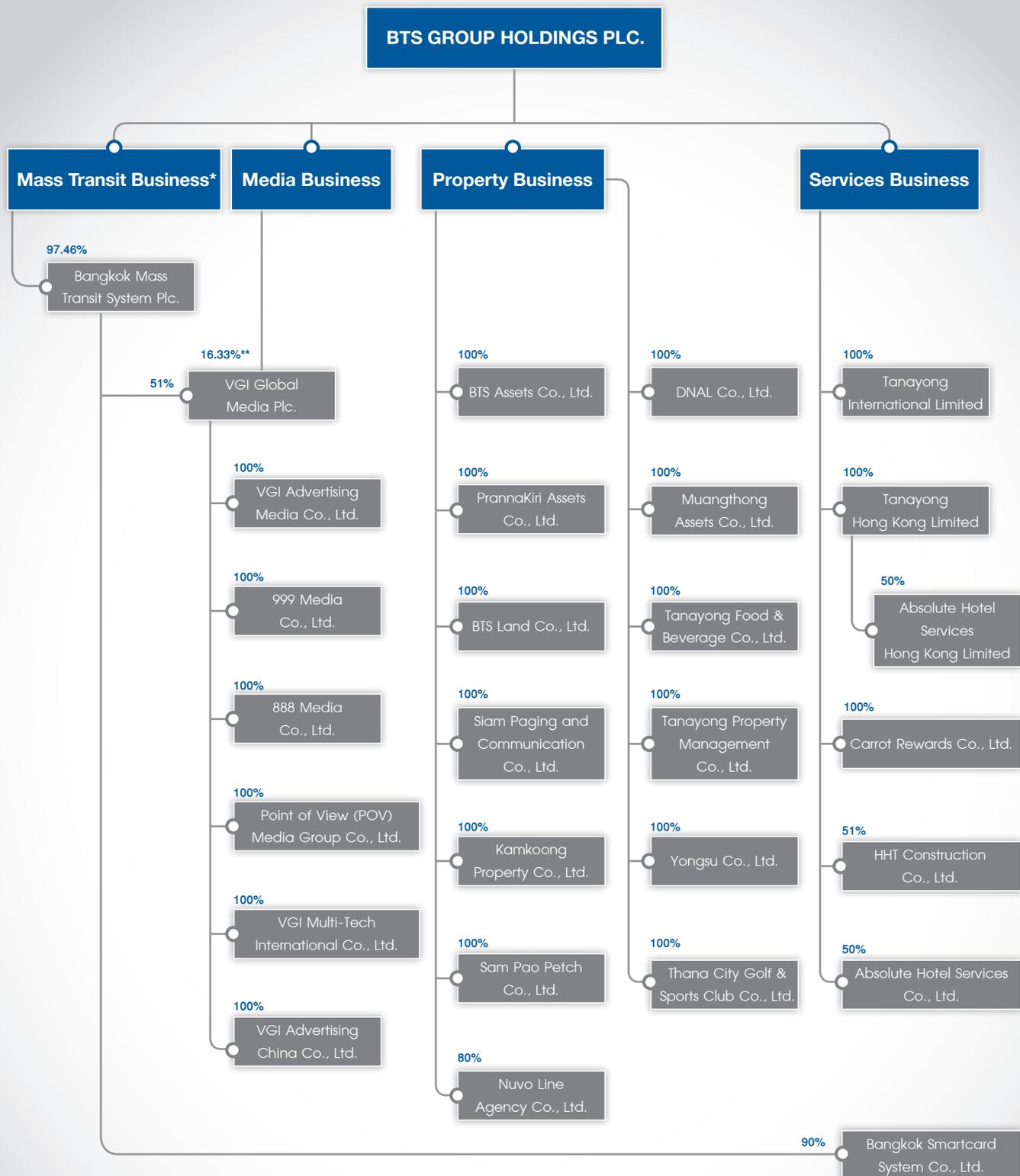
3.7.3 PROPERTY

3.7.4 SERVICES

3.1

CORPORATE STRUCTURE

Business Organisation Chart of the Company, Subsidiaries and Associates as of 31 March 2013



Remarks:

* On 17 April 2013, BTS Group Holdings Plc. has subscribed and holds 1,929,000,000 units of BTS Rail Mass Transit Growth Infrastructure Fund or equivalent to one-third (33.33%) of the total units offered.

** On 30 April 2013, BTS Group Holdings Plc. sold 5,000,000 shares it held in VGI Global Media Plc. and therefore its shareholding in VGI Global Media Plc. has reduced from 16.33% to 14.67%. Thus, BTS Group Holdings Plc., directly and indirectly, holds 65.67% of the total issued shares in VGI Global Media Plc.

Operating Revenue Structure¹

Principal Business	Fiscal Year End 31 Mar 2013	
	THB mn	%
Mass Transit	6,015.5	58.0
Media	2,794.7	26.9
Property	1,522.7	14.7
Services	42.6	0.4
Total	10,375.5	100.0

Year Established	1968
Equity first trade date	1 March 1991
Stock Code	BTS
Registered Capital ² (THB)	47,945,776,096
Registered Paid-up Capital ³ (THB)	45,611,174,124
No. of registered Shares ² (Shares)	11,986,444,024
Par Value (THB / Share)	4.0
No. of listed Warrants (BTS-W2)	5,027,000,448 units
No. of unlisted Warrants (BTS-WA)	100,000,000 units (ESOP)
No. of unlisted Warrants (BTS-WB)	16,000,000 units (ESOP)

¹ Please see the full detail in Notes to consolidated financial statements (Notes 2.2)

² As of 31 Mar 2013

³ As of 27 May 2013

Stock Registrar

Thailand Security Depository Co., Ltd.
The Stock Exchange of Thailand Building,
62 Ratchadapisek Road, Klongtoey, Bangkok 10110
Tel: +66 (0) 2229 2800
Fax: +66 (0) 2359 1259

Company Registered Address

14th - 15th Floor, TST Tower
21 Soi Choei Phuang, Viphavadi - Rangsit Road,
Chomphon, Chatuchak, Bangkok 10900
Registration No. 0107536000421
Website: www.btsgroup.co.th

Key Contact Details**Corporate Head Office**

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+66 (0) 2273 8611-5
Fax: +66 (0) 2273 8610
+66 (0) 2273 8616

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Telephone: +66 (0) 2273 8611-5 # 1525, 1531
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Ernst & Young Office Limited
33rd Floor, Lake Rajada Office Complex 193/136-137
New Rajadapisek Road, Klongtoey, Bangkok 10110
Telephone: +66 (0) 2264 0777
Fax: +66 (0) 2264 0789-90
Miss. Siraporn Ouaanunkun,
Certified Public Accountant No. 3844

Legal Advisor

Weerawong, Chinnavat & Peangpanor Ltd.
22nd Floor, Mercury Tower, 540 Ploenchit Road, Lumpini,
Pathumwan, Bangkok 10330
Telephone: +66 (0) 2264 8000
Fax: +66 (0) 2657 2222

3.3 OUR HISTORY

MAR 1968

Established under a limited company under the name Tanayong Company Limited (Tanayong) to operate in the field of Property Development.

1988

Launched its first Property Development project at 'Thana City', an integrated mixed-use 'satellite city' development located near Bangkok's Suvarnabhumi airport.

MAR 1991

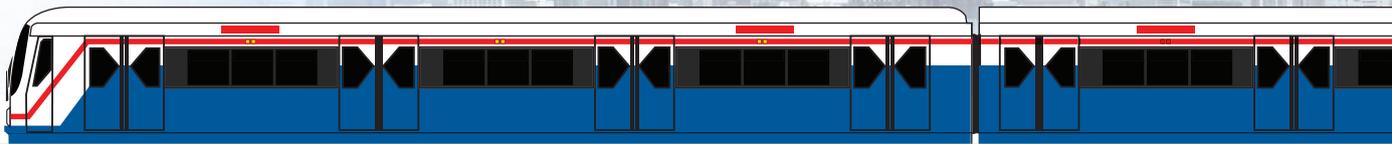
Tanayong was listed on the Stock Exchange of Thailand (SET) under the Property Development sub-index.

1992

Tanayong established a wholly-owned subsidiary, Bangkok Transit System Corporation Ltd. (BTSC), to sign the concession contract with the Bangkok Metropolitan Authority (BMA) to design, build and operate Bangkok's first mass transit system.

1993

Tanayong registered for conversion into a public company under the name Tanayong Public Company Limited.



AUG 2009

BTSC issued THB 12,000mn of senior unsecured debentures to domestic retail investors to refinance existing debt.

SEP 2009

BTSC expanded into the Media business through the acquisition of 100% of VGI Global Media Company Limited.

MAY 2010

The Company acquired 94.6% of BTSC, returning Mass Transit to be the primary business of the Company. The acquisition was financed 51.6% (THB 20,655.7mn) by cash and 48.4% (THB 19,378.8mn) by new equity issuance. The Company also changed its name to BTS Group Holdings Public Company Limited and was re-categorised under the Transportation sub-index of SET.

MAY 2010

BTSC began operation and maintenance of Bangkok's inaugural Bus Rapid Transit (BRT) system under the Bus Operation and Procurement Contract and Bus Station Operation Contract.

JUN - AUG 2010

The Company successfully completed a rights offering to existing shareholders and private placement in order to raise funds to repay the BTSC acquisition loan.

JAN 2011

The Company issued and offered THB 10,000mn of THB denominated, USD settled convertible bonds outside Thailand, the proceeds of which were used to fully repay the BTSC acquisition loan.

1997

Asian financial crisis hit the region. Tanayong and BTSC suffered under the weight of dollar-denominated debt as the Thai Baht depreciate against the US dollar by more than 130% in less than 6 months.

DEC 1999

Commercial operation of the BTS Sky Train commenced.

2006

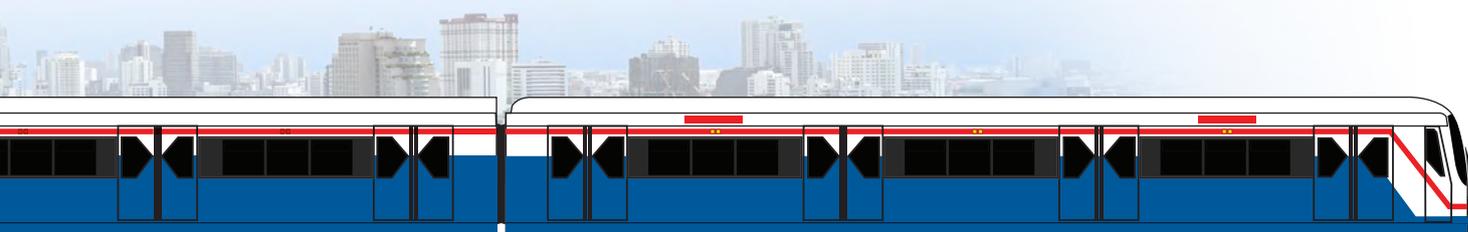
Tanayong successfully exited from the business rehabilitation procedures and its shares resumed trading on the SET on 28 December 2006.

2006 - 2008

BTSC entered a court supervised business rehabilitation procedure, during which Tanayong's shareholding in BTSC got diluted to less than 1%. BTSC successfully exited business rehabilitation in 2008.

MAY 2009

Commencement of operations of the Silom line extension (Saphan Taksin - Wongwian Yai) by BTSC under the Operation and Maintenance Services Contract.

**AUG 2011**

Commencement of operations of Sukhumvit line extension (Onnut - Bearing) by BTSC under the Operation and Maintenance Services Contract.

MAY 2012

BTSC signed a 30-year Operation and Maintenance Services (O&M) Contract (supercede all previously signed O&M agreements) covering the Green line extensions under the BMA supervision from 2012 to 2042. This O&M contract also covers the core network post concession expiration on 4 December 2029 to 2 May 2042.

OCT 2012

VGI Global Media Public Company Limited, a subsidiary of the Company, was successfully listed on the Thai Stock Exchange under the ticker symbol "VGI".

JAN - FEB 2013

BTSC and the BMA commenced trial operations of the Silom line extension from Wongwian Yai (S8) to Pho Nimit (S9) and Talat Phlu (S10) in January and February 2013, respectively. The remaining 2 stations namely, Wutthakat (S11) and Bang Wa (S12) are expected to be operational by end 2013.

APR 2013

BTSC concluded the sale of the future Net Farebox Revenue from the Core BTS SkyTrain network to BTS Rail Mass Transit Growth Infrastructure Fund (BTSGIF). BTSC remains the operator and concessionaire of the BTS SkyTrain and the Group maintains a significant investment in the Core BTS SkyTrain network via a 33.3% holding of investment units of BTSGIF (the largest permitted holding under the Thai SEC regulations). Please see further details in *Section 2.3: VGI Listing and BTSGIF*.

3.4 OUR BOARD OF DIRECTORS

1. Mr. Keeree Kanjanapas
Chairman / Executive Chairman

2. Dr. Amorn Chandara-Somboon
Independent Director

3. Mr. Cheong Ying Chew, Henry
Independent Director

4. Mr. Surapong Laoha-Unya
Executive Director

5. Dr. Anat Arbhabhira
Executive Director

6. Mr. Kong Chi Keung
Executive Director



7. Dr. Paul Tong
Director

8. Mr. Kavin Kanjanapas
Executive Director

**9. Prof. (special)
Lt. Gen. Phisal Thepsithar**
Independent Director

**10. Prof. (special)
Charoen Wattanasin**
Independent Director

11. Mr. Rangsin Kritalug
Executive Director and
Chief Operating Officer

12. Mr. Suchin Wanglee
Independent Director



7



8



9



10



11



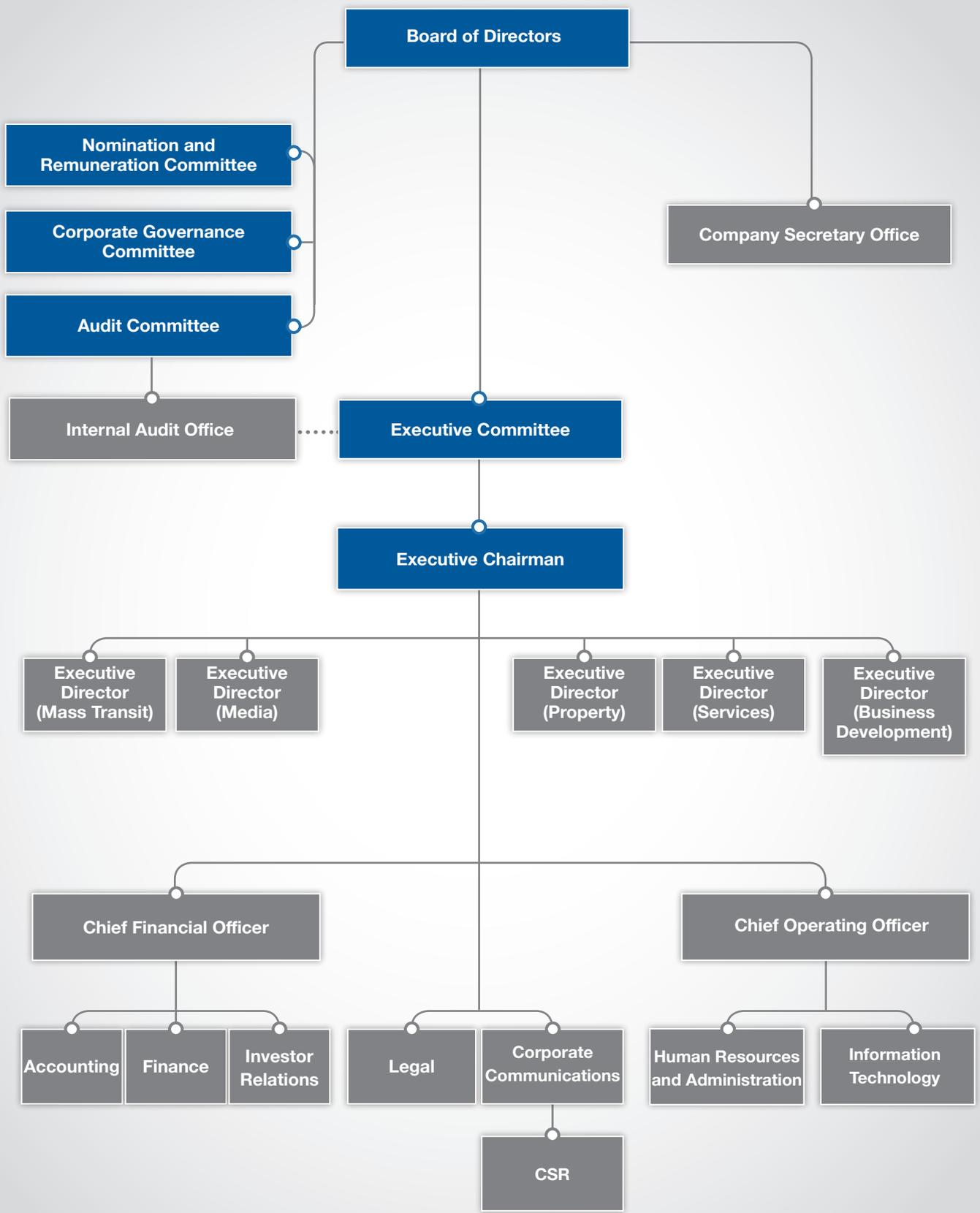
12

3.5 OUR MANAGEMENT

- | | | | |
|---|--|---|--|
| 1. Mr. Keeree Kanjanapas
Executive Chairman | 2. Mr. Kavin Kanjanapas
Executive Director | 3. Mr. Rangsin Kritalug
Executive Director and
Chief Operating Officer | 4. Mr. Surapong Laoha-Unya
Executive Director |
| 5. Dr. Anat Arbhabhirama
Executive Director | 6. Mr. Kong Chi Keung
Executive Director | 7. Mr. Surayut Thavikulwat
Chief Financial Officer | 8. Mrs. Duangkamol Chaichanakajorn
Accounting Director |
| 9. Mrs. Patchaneeya Pootme
Corporate Communications
Director | 10. Mr. Daniel Ross
Financial Director | 11. Miss Chawadee Rungruang
Financial Controller | 12. Miss Chayada Yodyingtammakul
Legal Director |



3.6 ORGANISATION CHART



3.7.1 BUSINESS AND INDUSTRY OVERVIEW: MASS TRANSIT



“The Company concluded a successful year by achieving its 12% target ridership growth despite the delayed opening (flood induced) of the Silom line extension, once again re-affirming the resilience of our mass transit business.”

Surapong Laoha-Unya

Executive Director for Mass Transit

REVENUE (THB mn)
2012/13 : 6,015.5
2011/12 : 5,031.9



58.0%
OF GROUP
OPERATING REVENUE

For 2012/13, Bangkok Mass Transit System Company Limited (“BTSC”) posted another strong set of annual results. Total annual ridership reached 197.2mn passengers, a growth of 12% compared to 2011/12 and within our forecast range of 12 -15% targeted growth. A historic record of 752,689 passengers per weekday was achieved on 29 March 2013. Average weekday ridership for 2012/13 was 603,696, representing an increase of 11.5% year over year. Key growth factors included the increased popularity of mass transit usage in Bangkok, especially from the property development along the core network, the full year effect of the opening of the Sukhumvit line (Onnut - Bearing) extension which opened in August 2011, as well as the introduction into service of new carriages.

In 2010, BTSC executed an order for 35 single-car trains under an ongoing capacity expansion programme. The single-car trains arrived in stages since August 2012 and by May 2013 all trains on the Sukhumvit line were extended from 3-car trains to 4-car trains. Moreover, in 2011 an additional five 4-car trains were ordered and these are expected to arrive at the end of 2013.

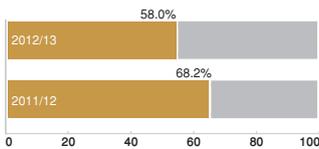
BTSC also continues to expand its scope of operation services as the mass transit network continues to expand. BTSC commenced trial operations of the Silom line extension from Wongwian Yai (S8) to Talat Phlu (S10) in January and February 2013, respectively. The remaining 2 stations, namely Wuththakat (S11) and Bang Wa (S12), are expected to be in operation by end of 2013. Through this expansion programme, the Company aims to be a part in fostering a higher quality of service to the public. In May 2012, BTSC was also able to sign a 30-year operation and maintenance contract on extensions to the Green line under the purview of the Bangkok Metropolitan Administration (BMA). This contract also covers the operation of the Core Network from December 2029 (when the concession expires) until May 2042.

On 17 April 2013, BTSC sold the future net fare box revenue from the Core BTS SkyTrain Network to Bangkok Rail Mass Transit Infrastructure Fund (“BTSGIF”). The transaction enabled the Group to secure funding for the upcoming expansion of the mass transit network which is forecasted to increase from 79.5km (currently) to 508km by 2029.

KEY PERFORMANCE HIGHLIGHTS MASS TRANSIT

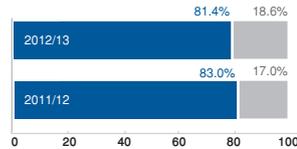
Mass Transit revenue (% of Group operating revenue)

REVENUE (THB mn)
2012/13 : 6,015.5
2011/12 : 5,031.9

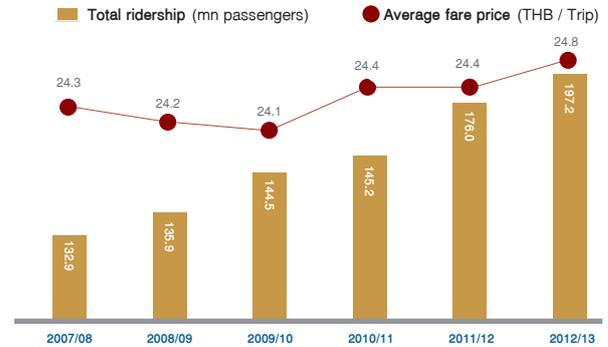


Mass Transit revenue by segment

■ Fare box revenue
■ O&M revenue



Historical Ridership and Average Fare Price



BTS expects to be a lead participant in this expansion and is now strongly positioned to do so both from an operational expertise and financial perspective. Following the sale, BTSC remains the operator of the BTS SkyTrain and the Group maintains a significant investment in the Core BTS SkyTrain Network via a 33.3% holding of investment units in BTSGIF. The transaction was also value enhancing as the Company expects to recognise a capital gain from the sale of net fare box revenue in 1Q 2013/14. More information on the transaction can be seen at *Section 2.3: VGI Listing and BTSGIF*.

Following the sale, BTSC together with the Fund Manager (BBL Asset Management Co., Ltd.) implemented the first increase to the effective fare since March 2007. After enduring years of rising inflation, an increase in minimum wage, rising electricity costs, increase in operating expenses and investing in new rolling stock, the fare hike was deemed a good balance taking into account the increased purchasing power of passengers, the ongoing sustainable and effective maintenance of the system, the provision of a better service for commuters and return to unitholders.

	2012/13	2011/12	Change (%)
Operating revenue (THB mn)	6,015.5	5,031.9	19.5%
Gross operating profit (THB mn)	2,900.5	2,298.5	26.2%
Operating EBITDA (THB mn)	3,965.8	3,351.1	18.3%
Gross operating profit margin (%)	48.2	45.7	
Operating EBITDA margin (%)	65.9	66.6	

Key Developments 2012/13

- Record ridership; 197.2mn total passengers (+12.0% YoY)
- A historic record of 752,689 passengers per weekday was achieved on 29 March 2013
- Average fare increased 1.7% YoY to THB 24.8 per trip
- Train operating income grew by 52.4% to THB 1,120mn

>1,700mn
PASSENGERS

since 5 December 1999 to May 2013

752,689

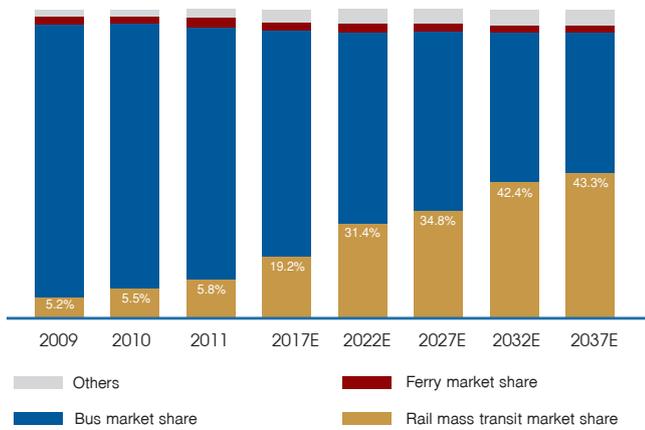
PASSENGERS PER WEEKDAY
highest record since inception

THAILAND MASS TRANSIT MARKET OVERVIEW

Immature Bangkok Rail Mass Transit System

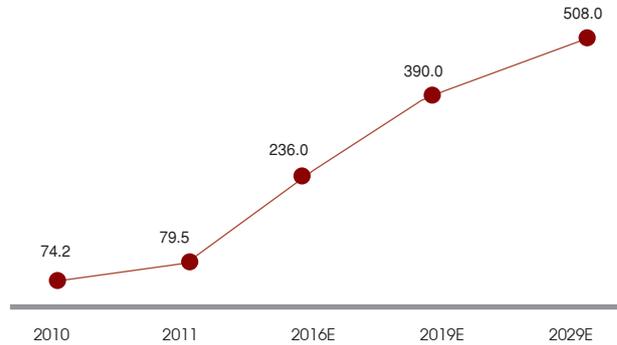
Since the inception of BTS SkyTrain (the first rail mass transit system in Bangkok) in December 1999, rail mass transit usage in Bangkok has seen a gradual rise and in 2011, accounted for 5.8% (0.68mn trips) of the total mass transit usage in Bangkok (11.8mn trips per day). This is a relatively slow growth in the overall mass transit market share. According to the Office of Transport and Traffic Policy and Planning (“OTP”), modes of transport categorised under mass transit in Bangkok includes rail-based (including the BTS SkyTrain and MRT Subway), road-based (buses), water-based (ferry) and others (mini-vans, limited standard gauge over-ground rail). Bangkok’s mass transit market share (measured in number of trips per day) as of December 2011 was composed of bus mass transit at 89.0%, rail mass transit at 5.8%, ferry at 2.5% and others at 2.7%. The OTP forecasts that rail mass transit market share will progressively take the market share of bus mass transit as the demand for rail mass transit in Bangkok increases in the next few years.

Bangkok’s Mass Transit Market Share (forecast 2017 - 2037)



Source: Transport data and model integrated with multimodal transport and logistics (TDML II) of Office of Transport and Traffic Policy and Planning (OTP)

Future Mass Transit Network Rail Length (km)



Source: OTP’s rail mass transit master plan for Bangkok Metropolitan and surrounding areas

Rail Mass Transit Network is Set to Expand Aggressively

The rail mass transit network in Bangkok and vicinities is relatively immature and Bangkok’s population remains under-served, largely due to the lack of an extensive network. Currently, the route length of existing rail mass transit lines is only 79.5km (including BTS Sky Train, MRT Subway, and Airport Rail Link). As such, the pervasion (defined as rail mass transit length per million population) in Bangkok has reached a mere 7.6km per million of the Bangkok population, far behind those of other developed countries (for more details, please see in *Comparison of Mass Transit Systems in Bangkok and Peers*). In the meantime, the government has made the expansion of public transportation infrastructure a top priority on the national agenda. The latest Mass Rapid Transit Master Plan in the Bangkok Metropolitan Region (or M-MAP, 2010 - 2029) outlines an aggressive plan to develop rail mass transit into a more mature network. The OTP targets to have 12 routes with a total rail length of 508km across Bangkok and vicinities by 2029. The network will be expanded five-fold by the next 6 years (2019) and ultimately lengthened by six-fold to 508km by 2029.

	Expected Operation Year	Total Distance (km)	Times (x)	Coverage Area
Current		79.5		
Phase I	2014 - 2016	236	3x	Phase I will connect the rail mass transit system within highly densely-populated area. It also runs through heavily populated commercial areas.
Phase II	By 2019	390	5x	Phase II will connect the rail mass transit system within densely-populated area. It also runs through heavily populated commercial areas.
Phase III	By 2029	508	6x	Most of the new lines in Phase III will be connected to the original core network and extensions. These lines will run through commercial populated, and also residential populated areas. Moreover, the new lines will accommodate the growing population in the densely populated commercial areas.

Source: Office of Transport and Traffic Policy and Planning (OTP)

The government has reinforced this priority and assures to pursue the completion of existing as well as future extension lines for Bangkok and its suburbs. The Policy Statement of the Council of Ministers delivered by the Prime Minister in August 2011 clearly stated that the government will push for 10 out of 12 routes to be completed and ready to be in service by 2017. Of those, 83km are currently under construction and some of the 10 routes will be open for bidding in 2013. The Green line extensions (Mo Chit - Saphan Mai, 18.4km and Samut Prakarn - Bang Pu, 7.0km) are to of the outstanding lines that BTSC could potentially win the bid to be the operator.

Expansion of the rail mass transit network will also serve the government's intention to improve the overall efficiency of the transport system. According to The Government Public Relations Department, from the report of the Office of the National Economic and Social Development ("NESDB"), logistics costs in Thailand accounted for 15.2% of GDP in 2010, compared to 8.3% of GDP in the United States. NESDB stated that Thailand relied most heavily on road transport, which captured 82.6% of total freight transported, whilst rail transport accounted for only 2.2%. Shifting from road-based logistics, which is costly due to high oil prices, to the more modern and cost-effective rail-based logistics will reduce the logistics costs in addition to being environmentally-friendly. As such, the government is deliberately pushing the expansion of the rail mass transit network in order to develop the footprint of the mass transit network to become more pervasive, allowing a much broader population base to complete their journeys on less congested forms of transit.

Bangkok Traffic Hastily Worsening

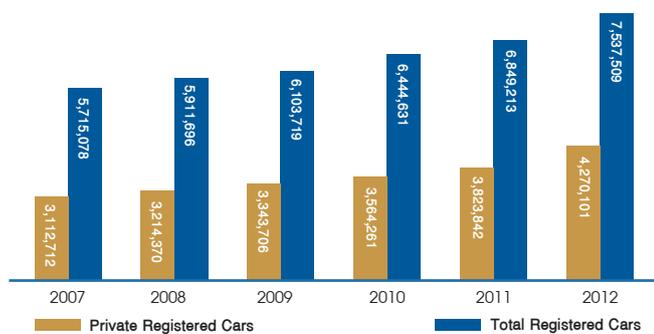


Whilst customer choice on the mode of transport depends on a number of factors such as affordability (relative price), convenience (proximity as well as punctuality), total journey time and safety, it is expected that the change in market share of Bangkok's mass transit market will be primarily driven by congestion of road-based transit and new supply of rail-based transit (i.e. the aggressive expansion of the network mentioned earlier). Bangkok has been suffering from some of the most severe road-based traffic congestion in the world.

According to the OTP, the average vehicle speed of private vehicles along the main streets of Bangkok in 2012 during rush hours was 17.9 km/hour in the morning and 21.6 km/hour in the evening, and has remained at these levels for the past 5 years. With little increase in the supply of road space (as measured by total road length per Bangkok land area), reduction in the number of new buses registered in Bangkok in 2012, as well as an increase in the number of newly registered cars, especially private cars in Bangkok, we would not expect road-based traffic congestion to improve.

The government's scheme to waive the 17% tax (for first-time car buyers from 1 October 2011 to 31 December 2012, for domestically assembled cars smaller than 1,500cc) implemented in September 2011 led to a significant increase in number of cars registered in Bangkok. OTP reported that the number of total registered cars and private cars in Bangkok reached 7.5mn and 4.3mn cars in 2012, representing an increase of 10.0% and 11.7% YoY, respectively.

Bangkok Total Registered Cars and Private Registered Cars (2007 – 2012)



Source: Office of Transport and Traffic Policy and Planning (OTP)

Income Growth Makes Rail Transit More Affordable

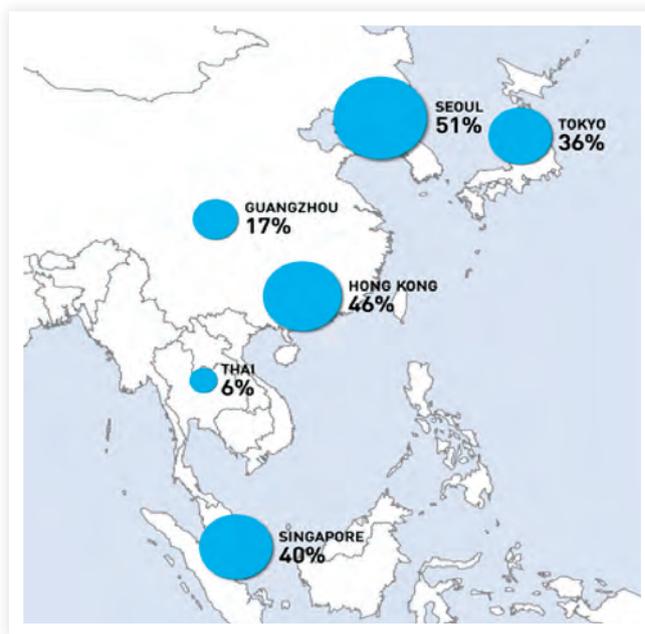
Although the rail transport network in Bangkok provides a speedy and reliable form of transport, the fare is still relatively higher than other modes of transportation. For example, BMTA's regular non-air-conditioned buses charge a minimum fare of THB 6.5 to most destinations within metropolitan Bangkok whilst BMTA's air-conditioned buses charge a minimum fare of THB 10. However, in the past few decades, Thailand and particularly Bangkok, have experienced significant economic growth in line with the country's industrialisation and subsequent transition to a services and export-based economy. According to the World Bank's data, Thailand's GDP per capita grew at a compound annual growth rate of 6.4% during the period between 1980 and 2011. Furthermore, according to IMF's forecasts, Thailand's overall economy is targeted to grow by approximately 5% on average from 2013 to 2017, and 4.5% on average for long-term projection. According to the NSO Thailand Consensus 2010, transportation and communication ranked third at 22% for Bangkokians' expenditures by category, following food & beverage expenditures at 31% and housing expenditures at 23%. We believe that the increasing wealth of Thais, coupled with fast and efficient transportation provided by rail mass transit, will increase the demand for rail mass transit despite the price gap between buses and mass transit system.

COMPARISON OF MASS TRANSIT SYSTEMS IN BANGKOK AND PEERS

In 2011, the Bangkok Metropolitan Region had an official population of more than 10.4mn compared to 13.2mn in Tokyo, 7.1mn in Hong Kong, and 5.2mn in Singapore. The population density in Bangkok increased significantly by a cumulative 1.8% from 1980 to 2011, which is considered a moderate rate in comparison to 0.4% for Tokyo, 1.1% for Hong Kong, and 2.3% for Singapore. Urbanisation was also a factor that led to growth in transport demand.

With the growing population, Bangkok still has a low-pervasion network of 7.6km of rail mass transit length per million population compared to 24.2km for Tokyo, 34.7km for Hong Kong, and 34.2km for Singapore. Moreover, as of 2012, the rail market share in Bangkok is 6%, 36% for Tokyo, 46% for Hong Kong, and 40% for Singapore. This demonstrates the development of Bangkok's mass transit system is much needed in order to cope with the rapid increase in population density and severe road-based traffic congestion.

Rail Market Share in comparable markets



Source: OTP, Singapore's Land Transport Authority, Hong Kong's Transport Department, MTR Corporation Limited, SMRT Corporation Limited, Japan Statistic Bureau.

Rail Mass Transit Development in the Region

	Population (mn)	Rail Mass Transit Length (km)	Urban Mass Transit pervasion ¹
Bangkok	10.4	79.5	7.6
Tokyo	13.2	320.0	24.2
Hong Kong	7.1	246.4	34.7
Singapore	5.2	178.0	34.2

Source: BMA, OTP, Tokyo Metropolitan Government, Singapore's Land Transport Authority, Hong Kong's Census and Statistics Department, Tokyo Metro, Hong Kong's Transport Department

¹ Rail mass transit length per mn population

OVERVIEW OF BANGKOK'S EXISTING MASS TRANSIT SYSTEM

BTS SkyTrain

The BTS SkyTrain is Thailand's first elevated electric railway system and is constructed above some of central Bangkok's major public roadways. It is operated by BTSC and opened for service on 5 December 1999. As of 31 March 2013, there were 11 three-car trains and 36 four-car trains in service. The network, which includes the Core network and its subsequent extensions, comprises 32 stations across 2 separate lines with a combined track length of 33.0km. The Sukhumvit Line, or the Dark Green Line, currently consists of 22 stations and runs northwards and eastwards from central Bangkok, connecting Mo Chit and Bearing. The Silom Line, or the Light Green Line, currently consists of 11 stations and runs through one of Bangkok's central business districts, connecting National Stadium and Talat Phlu. Both lines intersect at Siam Station, which is the System's single shared interchange station. In 2012/13, BTS SkyTrain carried a total of 197.2mn passengers on the system. Ridership has grown at 11.6% CAGR since inception.

Bangkok MRT Subway

The Bangkok MRT Subway is Bangkok's first underground mass transit railway system in Thailand and commenced operation on 3 July 2004. It runs 20.0km through 18 stations from Hua Lamphong Railway Station to Bang Sue (the "Blue line"). In 2012, the Bangkok MRT Subway trains carried a total of 80.6 mn passengers on the system. The system is connected to the BTS SkyTrain at three stations; Sala Daeng, Asok and Mo Chit stations.

The MRT Subway is solely operated by BMCL under a concession agreement with the Mass Rapid Transit Authority of Thailand (MRTA) to exclusively operate the existing network of the Metropolitan Rapid Transit System Chaloem Ratchamongkhon Line. The concession includes the exclusive right to operate the current Bangkok MRT Subway system, as well as the right to manage commercial and advertising space in the system for 25 years until 2029. The MRTA was responsible for the civil works investment whilst BMCL was responsible for the electrical and mechanical works ("E&M") and rolling stock investment. Under the concession agreement, BMCL is required to pay a certain percentage of fare and commercial revenue along with an annual remuneration to The MRTA.

Suvarnabhumi Airport Link

The Suvarnabhumi Airport Rail Link ("SARL") is a rapid transit line that connects Suvarnabhumi Airport to Phaya Thai station in central Bangkok. The line is 28.5km long and is elevated, running above the existing eastern railway, with an underground terminal at the airport. It is owned and operated by State Railway of Thailand ("SRT"). The SARL commenced its operations on 23 August 2010. Services consist of the Express Line, a 15-minute non-stop service between the Makkasan city air terminal and the airport, and the City Line, an approximate 30-minute commuter rail service with stops at eight stations from the airport to Phaya Thai station. The SARL connects directly with the existing BTS SkyTrain at concourse level at Phaya Thai station.





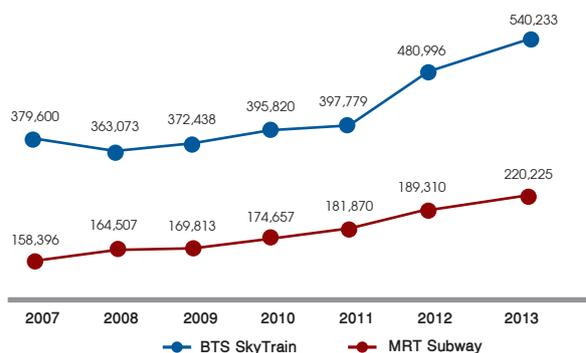
Bangkok Rapid Transit (BRT)

The BRT is a project pioneered by the BMA to link the various Bangkok mass transit systems and provide an integrated public service for the city and its suburbs. It operates a bus service that is faster than the general bus service using a special lane reserved for the BRT on existing roads. The BRT has 12 stations, covering 15.0km, running from Chong Nonsi on Narathiwat Ratchanakarin Road, crossing Rama III Bridge to Ratchapruerk Road. The BRT Sathorn station is connected to the BTS Chong Nonsi station.

The BMA outsourced the management to BTSC via a Bus Operation Agreement as well as a Station Management Agreement. Under the Agreements, the BMA receives all the revenue from fares, and BTSC receives pre-agreed annual fees. In return, BTSC bears the operating expenses, maintenance expenses and investment in the buses.

Whilst the expansion of the network will be of primary benefit the public, ridership of the BTS SkyTrain, MRT Subway, SRT Airport Link and BRT can all expect to receive mutual benefit as each line acts as feeders to each other. However, as the Core Network of the BTS SkyTrain sits at the centre of the network expansion and covers the key commercial and residential routes, these should remain the ultimate destination for the majority of mass transit passengers.

BTS SkyTrain* and MRT Subway Average Daily Ridership (passengers / day)



Ridership of Key Mass Transit System in Bangkok (mn passengers)

System Type	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
MRT Subway	-	-	-	26.8	57.2	57.8	60.0	62.2	63.7	64.9	69.1	80.6
Growth				N.A.	113.1%	1.1%	3.9%	3.5%	2.6%	1.8%	6.4%	16.6%
BTS SkyTrain*	79.3	96.5	105.1	107.6	131.9	138.6	132.9	135.9	144.5	145.2	176.0	197.2
Growth	N.A.	21.8%	8.9%	2.4%	22.6%	5.1%	-4.1%	2.3%	6.3%	0.5%	21.3%	12.0%

Source: BTS and Bangkok Metro PCL

*Fiscal year end 31 March

3.7.2 BUSINESS AND INDUSTRY OVERVIEW: MEDIA



“In 2012/13, Thailand’s advertising industry grew by a remarkable 9% from the previous year. However, Transit Media and In-Store Media sectors beat the average industry growth, seeing 12% and 69% growth, respectively, for which VGI’s ability to drive media spend across an effective multi-network distribution platform was one of the key driving factors.”

Marut Arthakaivalvatee,
Chief Executive Officer for Media

REVENUE (THB mn)
2012/13 : 2,794.7
2011/12 : 1,958.8



26.9%
OF GROUP OPERATING
REVENUE

The Group’s media company, VGI Global Media Public Company Limited (VGI), had another spectacular year as revenue growth reached 43%, exceeding its target of 40%.

The main factor for revenue growth came from the In-Store segment where we manage advertising space in modern trade outlets. VGI fully recognised revenue from the new contracts for point-of-purchase radio (POP radio) and additional advertising space in Big C, which were secured in early 2012. With media presence in all branches of the two leading hypermarkets in Thailand, namely Tesco Lotus and Big C (including former Carrefour-owned branches), VGI is the key driver of this industry, commanding an estimated market share of 93%, according to The Nielsen Company (Thailand) Co., Ltd.

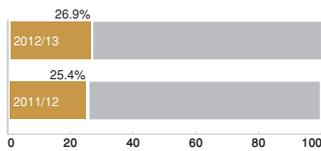
Contribution from Transit Media also helped boost sales, particularly from our train and platform products and the increased utilisation of Merchandising space. Transit Media sales in 2012/13 grew as a result of a period of strong recovery from the floods that hit the nation at the end of 2011. Furthermore, full-year revenue from the 12 new trains that were ordered in 2011 added to the growth of VGI’s revenue.

The Group is active in the Transit Media and In-Store Media segments of the advertising industry, which accounted for 2.6% and 2.4% of the total advertising market share, respectively. Although advertising expenditures of the Transit Media and In-Store Media sectors are relatively low compared to that of other types of media in the market, over the past 7 years (2005–2012), both sectors have enjoyed impressive compound annual growth rate (CAGR) of 22.7% and 57.4%, respectively. This is notably higher than the overall media industry CAGR of 4.2% and comes from both economic expansion as well as capturing a larger market share.

KEY PERFORMANCE HIGHLIGHTS MEDIA

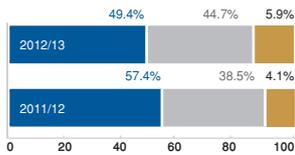
Media Business revenue (% of Group operating revenue)

REVENUE (THB mn)
2012/13 : 2,794.7
2011/12 : 1,958.8



Media Business revenue by segment

■ BTS-related Media
■ Modern Trade
■ Office Building and Others



	2012/13	2011/12	Change (%)
Operating revenue (THB mn)	2,794.7	1,958.8	42.7%
Gross operating profit (THB mn)	1,652.9	1,155.3	43.1%
Operating EBITDA (THB mn)	1,419.7	1,023.9	38.7%
Gross operating profit margin (%)	59.1	59.0	
Operating EBITDA margin (%)	50.8	52.3	

Key Developments 2012/13

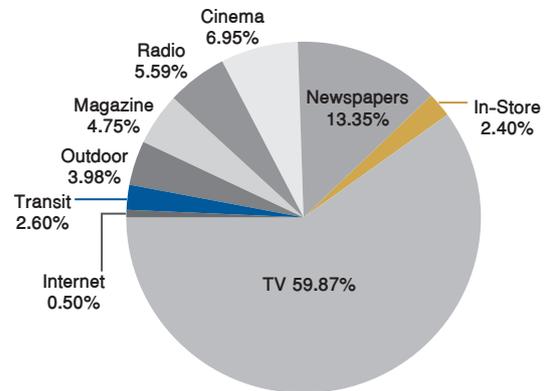
- Record revenue of THB 2,794.7mn, representing growth of 42.7% YoY
- Record operating EBITDA of THB 1,419.7mn, representing growth of 38.7% YoY
- Revenue from BTS-related Media grew by 22.6% YoY to THB 1,379.4mn
- Revenue from Modern Trade Media grew by 65.7% YoY to THB 1,249.6mn
- Revenue from Office Building & other Media revenue grew 107.0% YoY to THB 165.8mn



MEDIA MARKET OVERVIEW

In 2012, the Thai media industry grew 9% compared to the previous year's growth of 4%. Since the advertising industry is dependent on the economy, the jump in advertising expenditure is a reflection of the improved economy, which is a result of the combined effects of the private sector's efforts in accelerating the rehabilitation of flood damages, along with the government's economic stimulus package.

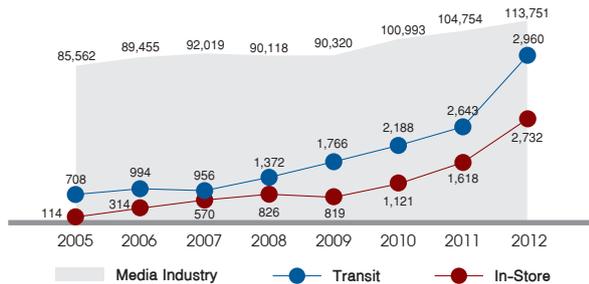
Thai Media Industry Market Share in 2012



Source: The Nielsen Company (Thailand) Co., Ltd.



Advertising Spending on Transit Media and In-Store Media vs Total Media Industry (THB mn)



Source: The Nielsen Company (Thailand) Co., Ltd.

Advertising spending trends in the past 5 years indicate that growth in advertising expenditure on conventional media such as TV, Radio, Newspaper and Magazines have slowed whilst new media with specific target groups such as Cinema Media, Transit Media, In-Store Media and Internet Media have grown continuously at a higher rate each year. Advertisers nowadays tend to allocate a higher portion of their advertising budgets to new media with high efficiency, value for money and ability to reach specific target groups as well as the mass market.

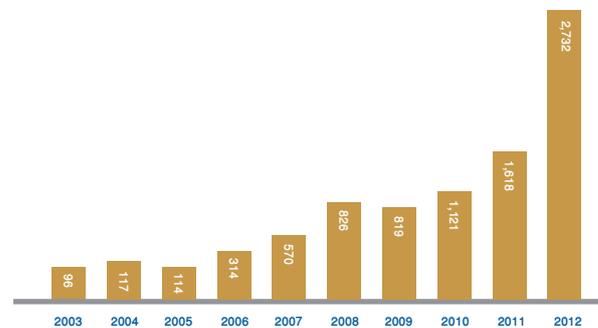
Additionally, the historically fast growth of the Transit Media market was also attributable to the significant development of the mass transit system in Thailand. Strong growth in ridership, new mass transit networks (MRT Subway, BRT and Airport Rail Link) and advertising innovations (such as In-Train LCD, Train Body Wrap and Platform Truss) are several other contributing factors



to the growth of this media aside from its strong ability to reach target viewers. Growth is expected to occur in parallel to the continued growth of the mass transit network (see Section 3.7.1: Business and Industry Overview: Mass Transit). The outlook of the Thai Transit Media market also remains bright. Long-term growth prospects are expected to derive from increase in ridership of rail mass transit (consequently transforming secondary low-traffic stations to high-traffic prime stations and increasing utilisation of existing media space at these stations), increased opportunities for VGI to be selected as the media provider for other new lines that will be in service in the future, increase in available advertising space from additional trains and stations on the expanded network and new digital advertising technologies which may replace certain existing static media.

Similarly for In-Store Media, there is a tendency for growth to move in the same direction as the growth of modern trade sales turnover, number of branches and customer base. The aggressive move by modern trade retailers to expand their branches across Thailand suggests more people are shopping at modern trade outlets and shifting away from 'mom and pop' stores. Furthermore, creative In-Store product development and In-Store Media's effectiveness in driving impulse buying has acted as a catalyst for advertisers to allocate more advertising budget to In-Store Media, as evident from the increase in advertising spending on the In-Store segment.

Advertising Spending on In-Store Media (THB mn)



Source: The Nielsen Company (Thailand) Co., Ltd.

Competitive Environment

In the past 2-3 years, the trend for allocating advertising budget has become increasingly fragmented across different media types, since each has its own strengths and effectiveness in communicating messages to consumers, and the allocation across multiple media types often enhances the effectiveness of a single message. Advertising agencies and product owners therefore opt to employ a wide variety of media in their advertising mix that is suitable to their target groups and budget, in order to create a consistent brand and product recognition, expand their customer base and reinforce brand loyalty. For this reason, competition in the media industry today is not merely about increasing market share within the same type of media but also to compete with all types of media in the industry. Companies that have media networks covering a wide range of media and reaching all target groups thus have a competitive advantage in meeting the needs of advertisers, which translates into capturing more market share.

VGI's media network has an advantage over its competitors as its media network conforms to the modern lifestyle of consumers and interweaves itself with out-of-home lifestyles of consumers regardless of whether they are on the BTS SkyTrain, in modern trade outlets or in office buildings. Moreover, advertisers can select specific target groups in terms of geography and demography.

3.7.3 BUSINESS AND INDUSTRY OVERVIEW: PROPERTY



“BTSC completed the disposal of its investment in Kamala Beach Resort & Management Company Limited in 2Q 2012/13, and the Group disposed of its entire investment in Kampoo Property Company Limited in 3Q 2012/13. Such divestitures have determined our long term strategy of extracting value from our existing asset base and placing more emphasis on our core businesses of Mass Transit and Media.”

Rangsin Kritalug,
Chief Operating Officer and Executive Director for Property

REVENUE (THB mn)
2012/13 : 1,522.7
2011/12 : 728.3



14.7%
OF GROUP
OPERATING REVENUE

In 2012/13, the Group continued to implement its policy of slowing down further property development, and also consider turning to joint-venture or divestment in order to extract value from our existing asset base. On 12 September 2012, BTSC completed the disposal of its investment in Kamala Beach Resort & Hotel Management Company Limited. The Group received THB 1,643.0mn for the divestment and recognised a capital gain of THB 289.0mn in 2Q 2012/13. Moreover, on 30 October 2012, the Group disposed of its entire investment in Kampoo Property Company Limited (land plot next to Nana BTS SkyTrain station). The Group received THB 1,849.2mn and recognised a capital gain of THB 710.7mn in 3Q 2012/13.

Within the residential property business, progress has been made with the inaugural condominium projects under the Abstracts brand (each located within 250m of existing or future mass transit stations). The construction of Abstracts Phahonyothin Park was completed in December 2012 as planned. The Group also began to recognise revenue with the transfer of 198 units of Abstracts Phahonyothin Park, which started in December 2012. Pre-sales of Abstracts Phahonyothin Park and Abstracts Sukhumvit 66/1 reached 84% and 86%, respectively, as of March 2013. Furthermore, the Company expects to sell and transfer all of its remaining units of Abstracts condominium units in 2013/14. Abstracts Projects are expected to contribute

approximately THB 2.4bn to the Group’s total revenue for 2013/14.

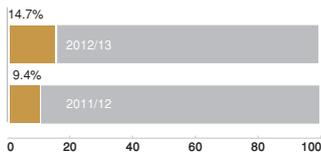
In our Commercial property business, the Group has begun to see steady revenue contribution from our new hotel, Eastin Grand Hotel Sathorn since its official opening on 8 October 2012 (partial opening since May 2012). The hotel achieved an average occupancy rate of 76% in 2012/13. Moreover, our Chef Man restaurant, located on the 3rd floor of Eastin Grand Hotel Sathorn, has been well-received by customers since the opening and was able to contribute a significant portion to the revenue of the property business. The Group’s existing hotel assets, U Chiang Mai and U Kanchanaburi, had respective occupancy rates of 74% and 77% in 2012/13.

The Group expects to see a continued income stream from its Commercial property business (hotel, office and serviced apartment portfolio) as well as revenue recognition following the transfer of Abstracts condominium units. Going forward, BTS Group will seek ways to extract value from its existing property asset base (see Summary of BTS Group Existing Property Assets) and is open to considering a joint venture approach with companies that have significant experience in property development.

KEY PERFORMANCE HIGHLIGHTS PROPERTY

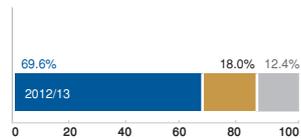
Property Business revenue (% of Group operating revenue)

REVENUE (THB mn)
2012/13 : 1,522.7
2011/12 : 728.3



Property Business revenue¹ by segment

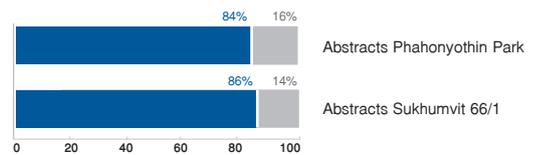
■ Proceeds from sale of Nana and Kamala
■ Commercial Project
■ Residential Project



¹ Including sales of land at Nana and Kamala

Property Units as of 31 March 2013

■ Available Units
■ Pre-sold Units



Summary of BTS Group Existing Property Assets (as of March 2013)

Details	Total Area		Book Value
	(Rai)	(sqm)	(THB mn)
PROPERTY SUMMARY BY CATEGORY			
Residential			
Houses	67.1		288.5
Condominiums		46,058.9	2,889.5
Commercial			
Hotel		14,500.0	2,679.7
Golf	475.1		2,475.9
Residential			
Apartments		6,130.9	181.2
Land Bank			
Bangkok and surrounding areas	74.6		2,367.6
Samutprakarn	120.6		359.5
Nakorn Ratchasima	640.8		274.1
Chiang Mai and Chiang Rai	209.0		19.0
Phuket	154.9		34.4
Other Provinces	97.5		9.8
Total	1,839.6	66,689.8	11,579.2

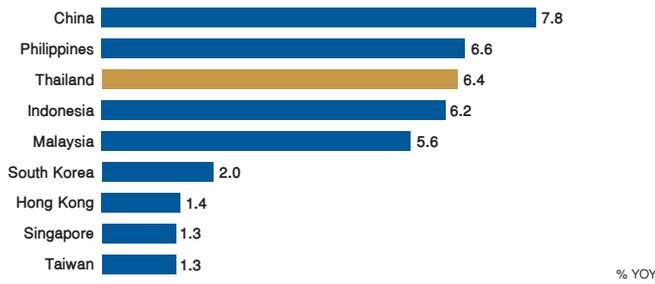
	2012/13	2011/12	Change (%)
Revenue ¹ (THB mn)	5,015	728	254%
Gross profit ¹ (THB mn)	1,711	194	436%
Operating EBITDA (THB mn)	154	(56)	615%
Gross margin ¹ (%)	34.1	26.6	
Operating EBITDA margin (%)	10.1	(7.6)	

¹ Including sales of land at Nana and Kamala

Key Developments 2012/13

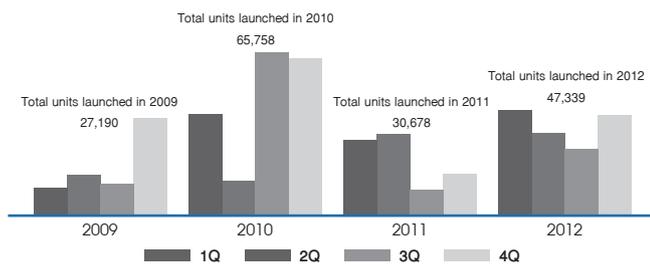
- Revenue recognition of THB 1,643mn from divestment in Kamala Beach Resort & Hotel Management Company Limited
- Revenue recognition of THB 1,849mn from divestment in Kampoo Property Company Limited
- Revenue recognition of THB 742mn from inaugural Abstracts condominium development
- Construction completion of Abstracts Phahonyothin Park (Phase A)

Real GDP Growth of Regional Countries in 2012



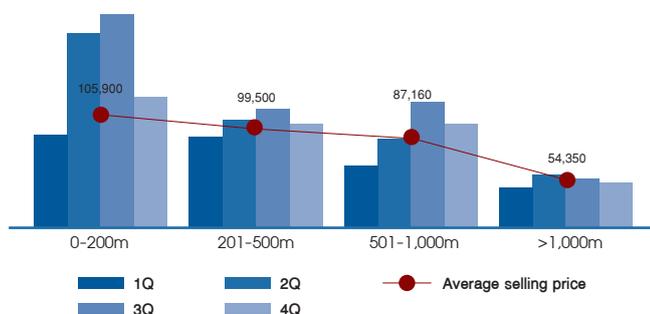
Source: Bank of Thailand

Newly Launched Condominium Units from 1Q 2009 - 4Q 2012



Source: Colliers International Thailand Research

Selling Price of Condominium by Distance in 2012 from BTS SkyTrain / MRT Subway stations (THB / psm)



Source: Colliers International Thailand Research

OVERVIEW OF BANGKOK'S EXISTING PROPERTY MARKET

Bangkok Property Market in 2012

In 2012, the Bangkok property market saw a fast recovery from the effects of the floods. In fact, the Property Index rose 78.9% in the year ended 31 December 2012, the best performing index on The Stock Exchange of Thailand. The fast recovery was evident from the strong increase of the number of completed and registered residential units in Bangkok and vicinity, reaching 111,875 units or an increase of 36.7% from the previous year. The recovery in property market was driven by the economic improvement from the government's stimulus measures. In 2012, Thailand's real GDP grew 6.4%, ranking third in the region, following China and Philippines.¹

¹ Source: Bank of Thailand

Bangkok Condominium Market in 2012

The condominium market in 2012 remained active, with 47,339 condominium units launched in Bangkok throughout the year. At the end of 2012, total supply of existing condominiums for the whole of Bangkok reached 335,300 units. The active launch of new condominium units was a result of the postponement from the flood crisis in calendar year 4Q 2011, coupled with higher consumer confidence as there were no significant negative impacts in the property market during 2012. However, the market expects to see postponement of condominium projects to 2013 as a result of higher construction cost driven by the shortage of construction workers.

The distance from mass transit stations remains a key trend in attracting buyers and developers, as is evident from the premium in selling prices. Prices of condominium units that are located within 200m from mass transit stations had an average sales price of THB 105,900 psm and commanded a premium of 6.0% compared to projects 201 - 500m away (average sales price of THB 99,500 psm), a premium of 17.7% compared to projects 501 - 1,000m away (THB 87,160 psm) and a premium of 48.7% compared to projects greater than 1,000m away (THB 54,350 psm).

Key Trends

Living communally in families in a single-detached house or a townhouse was once a tradition for Thais. However, changes in social behaviours toward more western values, along with growing income, new infrastructure, and urbanisation, have transformed the lifestyle of Thais. The evolution of Bangkok's property market over the past decade has also been closely tied to this change of lifestyle. This is evident from the

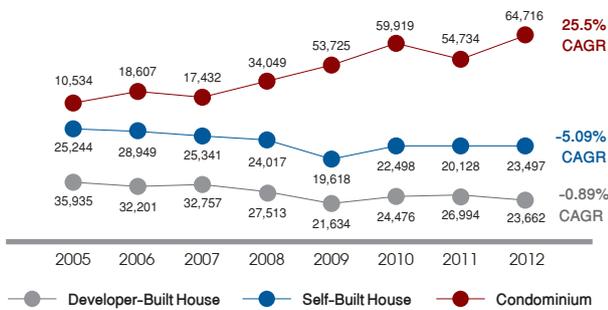
increasing number of registered condominium residential units in Bangkok Metropolis and vicinity, which increased 25.5% on average since 2005 compared to -5.09% for self-built house, and -0.89% for developer-built house. In 2012, condominium units contributed over 57.8% or 64,716 units out of 111,875 residential units registered in Bangkok Metropolis and vicinity. We expect to see continuing condominium launches outpacing single houses and townhouses in the coming years.

As buyers seek more convenient lifestyles, developers anticipate demand and have developed properties along the BTS SkyTrain and MRT Subway routes. Development along mass transit routes has been a feature of the property development market for several years now. This trend continues unabated and

this is evident from the increasing proportion of development in the northern fringe of Bangkok (which is served by both BTS SkyTrain and MRT Subway) as well as the southern fringe (an area served by existing mass transit system and to be served by future mass transit systems).

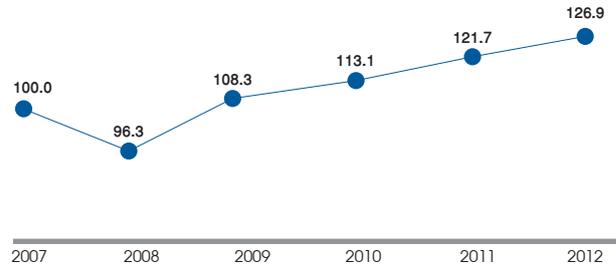
Moreover, land prices in Bangkok, especially in the CBD, have risen in the fastest pace over the past 5 years. Bangkok Metropolis and vicinity land price index grew from 96.3 in 2008 to 126.9 in 2012, or a 31.8% increase. This resulted in a new trend in development towards the suburban areas along mass transit routes as the scarcity of land plots and increasing land prices in the centre make projects less feasible.

Residential Units Registered in Bangkok Metropolis and Vicinity from 2005 - 2012



Source: Bank of Thailand

Bangkok Metropolis and Vicinity Land Price Index from 2008 - 2012



Source: Bank of Thailand (based on mix adjustment by fixed weight calculation)



3.7.4 BUSINESS AND INDUSTRY OVERVIEW: SERVICES

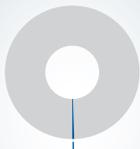


“Rabbit card can be used as a common ticket across mass transit systems, such as the BTS SkyTrain and BRT Bus, as well as for payment of goods and services at Rabbit’s participating retail partners to earn Carrot points. Furthermore, Rabbit card holders can receive many privileges and rewards under the Carrot Reward programme when redeeming Carrot points.”

Nelson Leung,

Executive Director for Bangkok Smartcard System Co., Ltd.

REVENUE (THB mn)
2012/13 : 42.6
2011/12 : 0.7



0.4%
OF GROUP
OPERATING REVENUE

Rabbit was officially launched on 1 May 2012. Over 1mn Rabbit cards were registered within its first year of operation. Coverage extends to over 40 brands in 700 branches covering diverse business sectors such as McDonald’s, Starbucks, Au Bon Pain, Burger King, Black Canyon, Oishi, Gourmet Market, SF Cinema and participating stores at the Emporium, Siam Paragon and The Mall. Each day, Rabbit processes over 400,000 transactions across both mass transit and participating retail partners.

BSS management has clear objectives and policies to build up the Rabbit e-money service to become an increasing part of people’s daily lifestyle, making life more convenient. BSS has sought and secured the following alliances in various industries to develop new innovative products and services to the market.

• “Co-branded Rabbit” with Bangkok Bank PCL

BSS and Bangkok Bank PCL have collaborated to issue debit cards (Be-1st Smart Rabbit) and credit cards (Bangkok Bank Rabbit Credit Card). Both cards can be used for both Rabbit system payments and other banking transaction payments.

• AIS mPay Rabbit

BSS has partnered with Advanced Info Service Plc. (or “AIS”) and Advanced MPay Co., Ltd. (or “mPay”) to develop AIS mPay Rabbit, a system for using Rabbit service on mobile applications. The soft launch of AIS mPay Rabbit for a targeted group of AIS customers occurred in April 2013 and BSS expects that the service will be fully launched by the third quarter of 2013.

• Expansion of Retailer Network

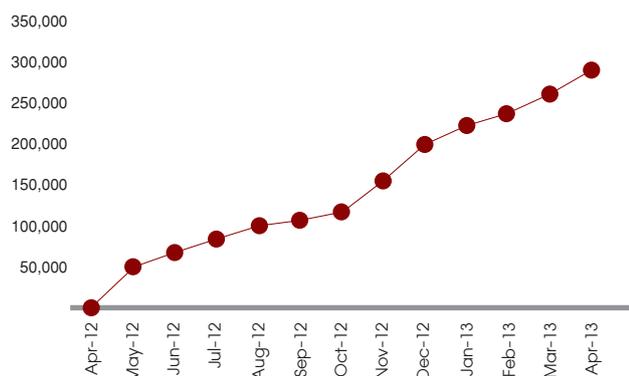
BSS and Bangkok Bank PCL have established a co-operative partnership to expand the retailer network for Rabbit to be used on a wide variety of goods and services and locations. In 2013, it is projected that participating retailers will cover over 1,500 locations.

• Expand Top-up Channels

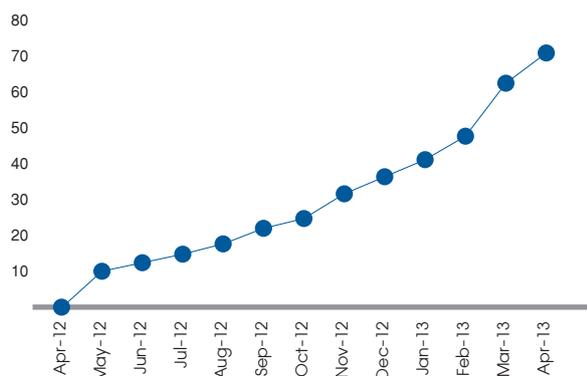
BSS aims to expand the top-up channels for the convenience of Rabbit cardholders. It is projected that in 2013, the Rabbit card can be topped up through retail partners, top-up machines and mobile phones. Additionally, there are plans to launch an auto top-up service for holders of the Bangkok Bank “Co-branded Rabbit” debit and credit cards and for other Rabbit card types.

Carrot Rewards is the exclusive loyalty and benefits programme for Rabbit. Rabbit holders who enroll in Carrot Rewards earn “Carrot Points” for topping up their Rabbit card as well as for using their Rabbit card on the BTS and for retail purchases at select retail partners. Carrot Points can subsequently be redeemed for cash top up back to a member’s Rabbit card as well as for an array of merchandise and gift certificates from the Carrot Rewards website (www.carrotrewards.co.th). Since its launch in May 2012, over 300,000 Rabbit holders have enrolled in Carrot Rewards, making it one of the largest membership-based loyalty programs in Thailand.

Carrot Rewards Member Enrollment (Card Holders)



Cumulative Carrot Points Issued (mn points)



Carrot Rewards Co., Ltd. generates income through the sale of Carrot Points to its point issuing partners. In its first year of operation, we sold over 70mn Carrot Points with a sales value approaching THB 20mn. Additionally revenues are earned through customised direct marketing activities to the Carrot Rewards membership database on behalf of third parties.

In addition to points based and direct marketing revenue streams, Carrot Rewards Co., Ltd. generates further income through its network of "Carrot Kiosks". The revenue comes from selling the advertising space on the button across the kiosk network. The trade partner can promote different types of promotion to Carrot Reward members. The Carrot Kiosk network was launched in late 2012 and contributed approximately THB 6mn in revenue as of 31 March 2013.

Currently Carrot Rewards operates a network of 60 kiosks at 23 BTS stations. During 2013, the network will be expanded to 200 kiosks with new placements in shopping centres, entertainment complexes and office towers.

KEY PERFORMANCE HIGHLIGHTS SERVICES

Services Business revenue (% of Group operating revenue)



REVENUE (THB mn)

2012/13 : 42.6
2011/12 : 0.7

	2012/13	2011/12	Change (%)
Operating revenue (THB mn)	42.6	0.7	N.A.
Gross operating profit (THB mn)	(55.6)	(4.4)	N.A.
Operating EBITDA (THB mn)	(99.5)	(39.9)	N.A.

Kiosk Membership Functions

- Check Rabbit Cash Balance
- Check Carrot Points Balance
- Printing of Discount Coupon
- Purchase "daily deals" using Rabbit Card or Carrot Points
- Customised promotional offers from select retailers
- Redeem Carrot Points for cash top up to Rabbit Card



Key Developments 2012/13

- Over 1mn Rabbit cards were registered within its first year of operation, and the coverage extends to over 40 brands in 700 branches covering diverse business sectors
- Over 300,000 Rabbit holders have enrolled in Carrot Rewards in 2012/13, making it one of the largest membership-based loyalty programs in Thailand
- Absolute Hotel Services Co., Ltd. (AHS) has acquired 40 new management contracts under Eastin Brand, U Hotels & Resorts and other brands regionally in 2012/13

3.8 SUBSIDIARIES AND ASSOCIATED COMPANIES INFORMATION

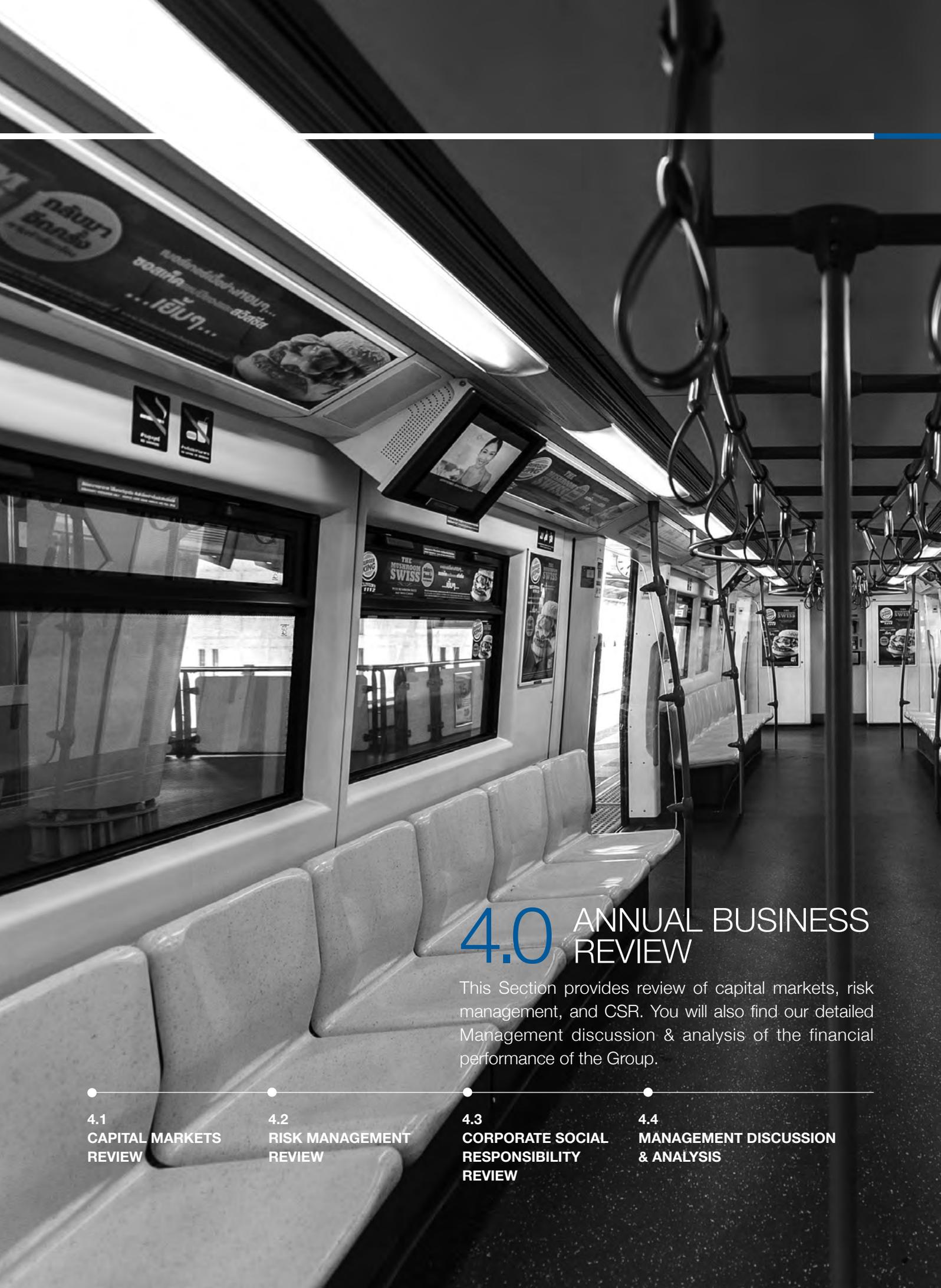
Company	Type of Business	Address	Paid-up Capital (THB)	Shareholding (%)
1. Mass Transit Business				
Bangkok Mass Transit System Public Company Limited	Mass Transit	1000 BTS Building, Phahonyothin Road, Chomphon, Chatuchak, Bangkok 10900 Tel: +66 (0) 2617-7300 Fax: +66 (0) 2617-7133	16,067,133,653	97.46
Name of Juristic Person	Type of Business	Address	Total Investment Units (Unit)	% of Holding
BTS Rail Mass Transit Growth Infrastructure Fund (BTSGIF) managed by BBL Asset Management Company Limited	Investment in the net farebox revenue from the operation of the core BTS SkyTrain system, which covers a combined track length of 23.5 km, under the Concession Agreement	175 Sathorn City Tower, 7 th , 21 st and 26 th Floor, South Sathorn Road, Thung Mahamek, Sathorn, Bangkok 10120 Tel: +66 (0) 2674-6488 Fax: +66 (0) 2679-5955	5,788,000,000 units, at a par value of THB 10.80 per unit	33.33
Company	Type of Business	Address	Paid-up Capital (THB)	Shareholding (%)
2. Media Business				
VGI Global Media Public Company Limited (Formerly known as VGI Global Media Co., Ltd. and registered for conversion into a public company limited and changed its name to VGI Global Media Public Company Limited on 2 April 2012.)	Providing advertising network service in mass transit system (BTS SkyTrain), advertising media in modern trades (Tesco Lotus, Big C and Watsons) and advertising media in office buildings and others	21 TST Tower, 9 th Floor Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900 Tel: +66 (0) 2273-8884 Fax: +66 (0) 2273-8883	300,000,000	65.67 (51% held by Bangkok Mass Transit System Plc. and 14.67% held by BTS Group Holdings Plc.)
VGI Advertising Media Co., Ltd.	Providing advertising media service in Tesco Lotus	21 TST Tower, 9 th Floor, Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900 Tel: +66 (0) 2273-8884 Fax: +66 (0) 2273-8883	10,000,000	100.00 (held by VGI Global Media Plc.)
999 Media Co., Ltd.	Providing point of purchase radio in modern trade retailers	21 TST Tower, 9 th Floor, Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900 Tel: +66 (0) 2273-8884 Fax: +66 (0) 2273-8883	7,500,000	100.00 (held by VGI Global Media Plc.)
888 Media Co., Ltd. (Formerly known as VGI Property Co., Ltd. and changed its name to 888 Media Co., Ltd. on 16 February 2009.)	Providing advertising media service in Non-Sales Floor of Big C (formerly known as Carrefour) and advertising media service in Watsons	21 TST Tower, 9 th Floor, Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900 Tel: +66 (0) 2273-8884 Fax: +66 (0) 2273-8883	20,000,000	100.00 (held by VGI Global Media Plc.)
Point of View (POV) Media Group Co., Ltd.	Providing advertising media service in office buildings	21 TST Tower, 9 th Floor, Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900 Tel: +66 (0) 2273-8884 Fax: +66 (0) 2273-8883	40,000,000	100.00 (held by VGI Global Media Plc.)
VGI Multi-Tech International Co., Ltd. (Formerly known as VGI Group Co., Ltd. and changed its name to VGI Multi-Tech International Co., Ltd. on 16 February 2009.)	Providing rental of digital screens to subsidiaries within VGI Group	21 TST Tower, 9 th Floor, Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900 Tel: +66 (0) 2273-8884 Fax: +66 (0) 2273-8883	6,000,000	100.00 (held by VGI Global Media Plc.)
VGI Advertising China Co., Ltd.	Providing advertisement of Chinese products in Thailand	Room 43A13, 4 th Floor, Building B, No. 666 Beijing East Road, Huangpu, Shanghai, China Tel: +862 15240-1333 Fax: +862 15240-0910	USD 2,000,000	100.00 (held by VGI Global Media Plc.)

Company	Type of Business	Address	Paid-up Capital (THB)	Shareholding (%)
3. Property Business				
BTS Assets Co., Ltd. (Formerly known as Uni Holding Co., Ltd. and changed its name to BTS Assets Co., Ltd. on 4 February 2010.)	Land Owner, Hotel and Property Development	21 Soi Choei Phuang, Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900 Tel: +66 (0) 2273-8511-5 Fax: +66 (0) 2273-8516	800,000,000	100.00
PrannaKiri Assets Co., Ltd. (Formerly known as Muang Thong Lakeside Restaurant Co., Ltd. and changed its name to PrannaKiri Assets Co., Ltd. on 18 January 2010.)	Land Owner and Property Development	21 Soi Choei Phuang, Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900 Tel: +66 (0) 2273-8511-5 Fax: +66 (0) 2273-8516	311,000,000	100.00
BTS Land Co., Ltd.	Brand Development for Property and Services Business	21 Soi Choei Phuang, Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900 Tel: +66 (0) 2273-8511-5 Fax: +66 (0) 2273-8516	10,000,000	100.00
Siam Paging and Communication Co., Ltd.	Land Owner and Property Development	21 Soi Choei Phuang, Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900 Tel: +66 (0) 2273-8511-5 Fax: +66 (0) 2273-8516	5,000,000	100.00
Kamkoong Property Co., Ltd.	Land Owner and Property Development	21 Soi Choei Phuang, Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900 Tel: +66 (0) 2273-8511-5 Fax: +66 (0) 2273-8516	375,000,000	100.00
DNAL Co., Ltd.	Office Building for Rent	21 Soi Choei Phuang, Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900 Tel: +66 (0) 2273-8833 Fax: +66 (0) 2273-8131	50,000,000	100.00
Muangthong Assets Co., Ltd. (Formerly known as Muangthong Apartment Co., Ltd. and changed its name to Muangthong Assets Co., Ltd. on 16 May 2008.)	Hotel	21 Soi Choei Phuang, Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900 Tel: +66 (0) 2273-8511-5 Fax: +66 (0) 2273-8516	125,000,000	100.00
Tanayong Food & Beverage Co., Ltd.	Land Owner and Property Development	100-100/1 Moo 4 Bangna-Trad Road Km.14, Bangchalong, Bangplee, Samutprakarn 10540 Tel: +66 (0) 2336-1938-9 Fax: +66 (0) 2336-1985	1,000,000	100.00
Tanayong Property Management Co., Ltd.	Building Management	100-100/1 Moo 4 Bangna-Trad Road Km.14, Bangchalong, Bangplee, Samutprakarn 10540 Tel: +66 (0) 2336-1938-9 Fax: +66 (0) 2336-1985	1,000,000	100.00
Yongsu Co., Ltd.	Cessation of Business Operation	21 Soi Choei Phuang, Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900 Tel: +66 (0) 2273-8511-5 Fax: +66 (0) 2273-8516	234,000,000	100.00
Thana City Golf and Sports Club Co., Ltd. (Formerly known as Thana City Golf & Country Club Co., Ltd. and changed its name to Thana City Golf and Sports Club Co., Ltd. on 22 February 2010.)	Management and Operation of Golf Course and Sports Facilities	100-100/1 Moo 4 Bangna-Trad Road Km.14, Bangchalong, Bangplee, Samutprakarn 10540 Tel: +66 (0) 2336-1968-75 Fax: +66 (0) 2336-1980	20,000,000	100.00
Sam Pao Petch Co., Ltd.	Land Owner	100-100/1 Moo 4, Bangna-Trad Road Km.14, Bangchalong, Bangplee, Samutprakarn 10540 Tel: +66 (0) 2336-1938-9 Fax: +66 (0) 2336-1985	1,000,000	100.00
Nuvo Line Agency Co., Ltd.	Land Owner and Property Development	21 Soi Choei Phuang, Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900 Tel: +66 (0) 2273-8511-5 Fax: +66 (0) 2273-8516	2,001,000,000	80.00

Company	Type of Business	Address	Paid-up Capital (THB)	Shareholding (%)
4. Services Business				
Tanayong International Limited	Cessation of Business Operation	Wilmington Trust Corporate Services (Cayman) Limited P.O. Box 32322 SM 4 th Floor, Century Yard, Cricket Square, Elgin Avenue George Town, Cayman Islands	USD 1,000	100.00
Tanayong Hong Kong Limited	Securities Investment	11F Malahon Centre, 10-12 Stanley St. Central, Hong Kong	HKD 10,000	100.00
Carrot Rewards Co., Ltd. (Formerly known as Bangkok Smartcard Technology Co., Ltd. and changed its name to Carrot Rewards Co., Ltd. on 11 May 2011.)	Operating loyalty and CRM services as well as network of couponing kiosks	21 TST Tower, 24 th Floor, Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900 Tel: +66 (0) 2618-3799 Fax: +66 (0) 2618-3798	2,000,000	100.00
Bangkok Smartcard System Co., Ltd.	Providing e-money services and common ticketing system for mass transit and retails	21 TST Tower, 19 th and 24 th Floors, Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900 Tel: +66 (0) 2617-8338 Fax: +66 (0) 2617-8339	400,000,000	90.00 (held by Bangkok Mass Transit System Plc.)
HHT Construction Co., Ltd. (Formerly known as Hip Hing Construction (Thailand) Co., Ltd. and changed its name to HHT Construction Co., Ltd. on 30 November 2011.)	Construction and Construction Management	21 Soi Choei Phuang, Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900 Tel: +66 (0) 2273-8733 Fax: +66 (0) 2273-8730	25,000,000	51.00
Absolute Hotel Services Co., Ltd.	Hotel Management	21 Soi Choei Phuang, Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900 Tel: +66 (0) 2273-8507 Fax: +66 (0) 2273-8509	8,000,000	50.00
Absolute Hotel Services Hong Kong Limited	Hotel Management	Unit 2602, 26 th Floor, Office Tower Convention Plaza, 1 Harbour Road, Wanchai, Hong Kong Tel: +852 2588 0018 Fax: +852 2519 3591	HKD 600,000	50.00 (held by Tanayong Hong Kong Limited)

Remark:

- On 19 October 2012, the Company, as a loan creditor, has filed a lawsuit against Sam Pao Petch Co., Ltd., the debtor, with the Central Bankruptcy Court, requesting for the issuance of a bankruptcy order against Sam Pao Petch Co., Ltd. The Central Bankruptcy Court subsequently issued an absolute receivership order against Sam Pao Petch Co., Ltd. on 29 November 2012.
- Saraburi Property Co., Ltd. (having THB 25,000,000 paid-up capital and ceasing its business operation), is an associated company that the Company held 30% shares. On 29 June 2011, the Central Bankruptcy Court issued an absolute receivership order against Saraburi Property Co., Ltd. The Company has written-off the investment in this associated company since 2Q of 2011/12 (ended 30 September 2011). On 18 April 2012, the Central Bankruptcy Court issued the bankruptcy order against Saraburi Property Co., Ltd. On 9 October 2012, the official receiver submitted an application for the extension of the period in allocation of assets No. 1 from 18 October 2012 for another 6 months. The permission was granted by the Central Bankruptcy Court on 30 October 2012.
- Kamala Beach Resort & Hotel Management Co., Ltd. (having THB 859,000,000 paid-up capital), is a subsidiary that Bangkok Mass Transit System Plc. (BTSC) held 100.00% shares. On 12 September 2012, BTSC completed the disposal of its investment in all shares of Kamala Beach Resort & Hotel Management Co., Ltd. receiving THB 1,643.0mn total consideration from this disposal. As a result, Kamala Beach Resort & Hotel Management Co., Ltd. ceased to be a subsidiary of the Company.
- Kampoo Property Co., Ltd. (having THB 1,075,000,000 paid-up capital), is a subsidiary that the Company held 100.00% shares. On 30 October 2012, the Company completed the disposal of its investment in all shares of Kampoo Property Co., Ltd. with total proceeds of THB 1,849.2mn. As a result, Kampoo Property Co., Ltd. ceased to be a subsidiary of the Company.



4.0 ANNUAL BUSINESS REVIEW

This Section provides review of capital markets, risk management, and CSR. You will also find our detailed Management discussion & analysis of the financial performance of the Group.

4.1
CAPITAL MARKETS
REVIEW

4.2
RISK MANAGEMENT
REVIEW

4.3
CORPORATE SOCIAL
RESPONSIBILITY
REVIEW

4.4
MANAGEMENT DISCUSSION
& ANALYSIS

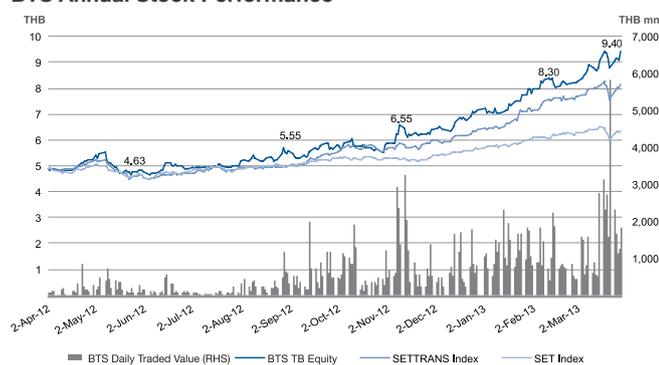
4.1 CAPITAL MARKETS REVIEW

“BTS share price rose 92.8% in the year-ended 31 March 2013, significantly outperforming both the SET Index which rose 30.4% and the SET Transportation Index which rose 67.0%. As of 31 March 2013, BTS market capitalisation was THB 104.4bn (USD 3.6bn) following conversion of convertible bonds and share price appreciation. The Company aims to pay a dividend at least twice yearly and targets to pay a dividend yield above the average of the SET50 Index.”

Historical Share Price Analysis

BTS share price rose by 92.8% in the year-ended 31 March 2013, outperforming both the SET Index which rose 30.4% and the SET Transportation Index which rose 67.0%. BTS's share price gradually increased throughout the year, responding to a series of events including i) the listing of VGI Global Media Public Company Limited (VGI), the Company's wholly owned Media subsidiary on the Thai Stock Exchange in October 2012 ii) the profitable divestment of non-core Property assets (Phuket land bank held under Kamala Beach Resort & Hotel Management Co., Ltd. as well as a land plot next to Nana BTS SkyTrain station held under Kampoo Property Company Limited) as well as iii) ongoing dividend payments and iv) progress in selling the future Net Farebox Revenue of the Core BTS SkyTrain network to BTS Rail Mass Transit Growth Infrastructure Fund or BTSGIF (Board approval; November 2012, shareholders approval; December 2012, and SEC approval; March 2013). BTS share price increased from THB 4.63 per share* on 24 May 2012 to THB 6.55 per share on 9 November 2012 (following BTSGIF Board approval) and peaked at THB 9.40 per share on 29 March 2013.

BTS Annual Stock Performance

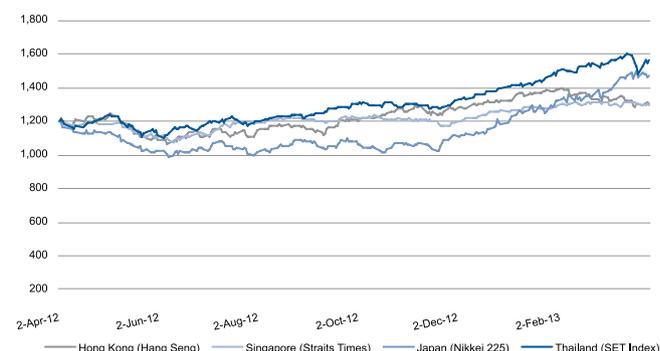


BTS-W2 Warrant Price



SET Index Performance (SET versus regional peers)

The SET Index was one of the world's strongest markets in the year-ended 31 March 2013 with an increase of 30.4%, outperforming other regional peers such as Nikkei 225 (Japan) which increased 23.0% YoY, Straits Times Index (Singapore) which increased 9.9% YoY, and the Hang Seng Index (Hong Kong) which increased 7.7% YoY.



Share Performance and Liquidity

In 2012/13, the average traded volume was 98.7mn shares per day (an increase of 278.9% from 2011/12) and the average traded value was THB 673.4mn per day or USD 22.2mn (an increase of 429.4% from 2011/12).

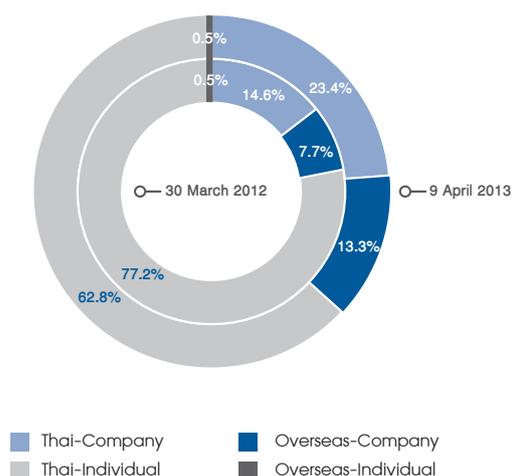
Key Share Data	2012/13*	2011/12	2010/11
Share price (THB)			
Year-end	9.40	0.78	0.75
Year-high	9.40	0.79	0.92
Year-low	4.63	0.52	0.60
Average daily traded value (THB mn)			
Average daily traded value (THB mn)	673.4	127.2	380.8
Average daily trade volume (mn shares)			
Average daily trade volume (mn shares)	98.7	162.8	457.7
Number of shares outstanding at year-end (mn shares)			
Number of shares outstanding at year-end (mn shares)	11,106.6	57,188.3	55,889.3
Market capitalisation at year-end (THB mn)			
Market capitalisation at year-end (THB mn)	104,402.4	44,606.9	41,917.0
Change (YoY)			
BTS TB	92.8%	4.0%	5.6%
SET Transportation Index	67.0%	3.1%	3.4%
SET index	30.4%	14.3%	32.9%
Hong Kong (Hang Seng)	7.7%	-12.6%	10.8%
Japan (Nikkei 225)	23.0%	3.4%	-12.0%
Singapore (STI)	9.9%	-3.1%	7.6%

* New Par value adjusted based on ordinary shares at par value of THB 4.0 per share from the beginning of the fiscal year

Shareholding Structure

As of 9 April 2013, the Company had 51,657 shareholders. The major shareholder is Mr. Keeree Kanjanapas Group which owned 40.8% of 11,402.8mn issued shares. For more details of major shareholders, please see the top 10 shareholders table. Non-Thai shareholding represented 13.8% of total shares (8.2% in 2011/12). The increase in non-Thai shareholding was driven by an increase in foreign institutional shareholders as the Company placed more emphasis on overseas marketing during the year. For more details, please see the subsequent heading 'Investor Relations'. The Company's free float shareholding stood at 58.4% of total paid-up capital as of 9 April 2013.

Shareholding by Shareholder Type



Top 10 Major Shareholders (as of 9 April 2013)

Name of Shareholders	Number of Shares	% of all Shareholders
1. Mr. Keeree Kanjanapas Group	4,657,144,515	40.84
2. Bangkok Bank Public Company Limited	476,527,462	4.18
3. Thai NVDR Co., Ltd.	364,172,249	3.19
4. Mr. Nares Ngamapichon	198,735,209	1.74
5. UOB KAY HIAN (HONG KONG) LIMITED - Client Account	133,003,919	1.17
6. HSBC (SINGAPORE) NOMINEES PTE LTD	103,158,268	0.90
7. STATE STREET BANK EUROPE LIMITED	98,046,684	0.86
8. Mr. Chalermchai Mahagitsiri	91,500,000	0.80
9. CITIGROUP GLOBAL MARKETS LIMITED-IPB CUSTOMER COLLATERAL ACCOUNT	86,589,471	0.76
10. NORBAX INC.,13	78,672,700	0.69

Mr. Keeree Kanjanapas Group consists of 1) Mr. Keeree Kanjanapas holding 3,652,634,128 shares on his own name, holding 350,000,000 shares through the custodian, UBS AG HONG KONG BRANCH, and holding 260,000,000 shares through the custodian, CREDIT SUISSE AG, SINGAPORE BRANCH 2) Mr. Kavin Kanjanapas holding 2,459,295 shares, 3) Ms. Sushan Kanjanapas holding 32,000,000 shares, 4) K2J Holding Co., Ltd. holding 360,000,000 shares, and 5) Amsfield Holdings Pte. Ltd. holding 51,092 shares.

Tanayong Food & Beverage Co., Ltd., a subsidiary of the Company, holds 39,650,550 shares (0.35%) for and in favour of the creditors pursuant to the Company's business rehabilitation plan to which these shares will be transferred to the creditors in the future.

Top 10 major shareholders as at the shares register book closure date on 8 May 2013 (the total issued shares of 11,402,793,531 shares), are as follows:

- 1 Mr. Keeree Kanjanapas Group holding 4,657,144,515 shares (40.84%)
- 2 Bangkok Bank Public Company Limited holding 476,527,462 shares (4.18%)
- 3 Thai NVDR Co., Ltd. holding 353,818,397 shares (3.10%)
- 4 UOB KAY HIAN (HONG KONG) LIMITED - Client Account holding 133,003,919 shares (1.17%)
- 5 Mr. Nares Ngamapichon holding 128,490,000 shares (1.13%)
- 6 HSBC (SINGAPORE) NOMINEES PTE LTD holding 101,290,507 shares (0.89%)
- 7 STATE STREET BANK EUROPE LIMITED holding 94,882,684 shares (0.83%)
- 8 Mr. Chalermchai Mahagitsiri holding 91,500,000 shares (0.80%)
- 9 CITIGROUP GLOBAL MARKETS LIMITED-IPB CUSTOMER COLLATERAL ACCOUNT holding 83,000,000 shares (0.73%)
- 10 Mr. Vanchai Panvichian holding 74,600,000 shares (0.65%)

Shareholder Distribution (as of 9 April 2013)

Number of Shares Held	No. of Shareholders	% of all Shareholders
1-1,600	12,961	25.09
1,601-8,000	13,677	26.48
8,001-16,000	8,062	15.61
16,001-80,000	11,131	21.55
80,001-160,000	2,612	5.06
160,001-1.5mn	2,778	5.38
1.6mn-16mn	379	0.73%
>16mn	57	0.11%

SET50 Index Constituent Member: On 14 December 2010, BTS was announced as a constituent member of SET50 Index. The SET50 Index comprises Thailand's largest 50 companies by market capitalisation which also conforms to certain turnover and free float conditions. For turnover, the monthly turnover value of the company stock must be more than 50% of the average turnover for each company in the SET and for the free float, a minimum threshold of 20% of paid-up capital must be maintained. The SET re-assesses the Index constituents on a twice-yearly basis (during June and December for inclusion in the Index in July and January, respectively).

As a result of the inclusion in the SET50 Index, BTS potential shareholder base expanded. For example, BTS automatically became eligible under certain investment funds investment criteria, and saw liquidity jump at the start of January 2011.

Moreover, BTS is expected to be one of 30 constituent members in the SET High Dividend 30 Index (SETHD) by December 2013. The companies in SETHD must be constituent members in the SET100 Index and pay cash dividends every year for at least three years. The dividend payout ratio of each company must not exceed 85% for the last 3 years and the 30 highest dividend yield companies will be selected to be constituents of SETHD. The SET reviews the Index constituents on a twice-yearly basis (during June and December for inclusion in the Index in July and January respectively).

MSCI Thailand Small Cap Constituent Member: On 10 November 2010, BTS was included as a constituent member of MSCI Thailand Small Cap Index (MXTHSC). To qualify for inclusion in the MSCI Indices, a company must first meet all the necessary criteria for the MSCI Global Investable Market Indices (MSCI GIMI), which comprise of size-segment (in terms of full company market capitalisation), free float-adjusted market capitalisation, and the liquidity requirements at the time of the review. The appropriate size-segment for inclusion is then determined from the Investable Market Index (IMI). MSCI Small Cap Indices cover all investable small cap securities with a market capitalisation below that of the companies in the MSCI Standard Indices, targeting approximately 14% of each market's free-float adjusted market capitalisation. The MSCI GIMI Indices are reviewed on a quarterly basis and the results are announced mid of February, May, August, and November.

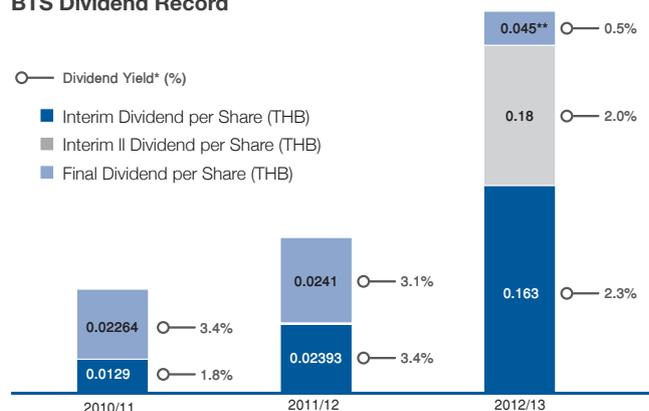
Source: MSCI

Dividend Policy

BTS has a policy to pay dividends of not less than 50% of net profit (standalone basis), subject to the compliance with the public limited companies law. The dividend payment policy takes into consideration the current cash flow and financial status, future business plan and investment capital requirement, etc. Since March 2011, the Company has paid dividends on a twice-yearly basis and it is the intention of the Company to continue to pay at least twice a year with a targeted dividend yield above the average of other SET50 companies. In accordance with this policy, in 2010/11 the Company paid out an interim dividend of THB 0.0129 per share and a final dividend of THB 0.02264 per share. In 2011/12, the Company paid an interim dividend of THB 0.02393 per share and a final dividend of THB 0.0241 per share. In 2012/13, the Company has so far paid two interim dividends of THB 0.163 per share and of THB 0.18 per share and has also proposed a final dividend of THB 0.045 per share for shareholders' approval. This translates into a dividend yield of approximately 5.2% and 6.5% for 2010/11 and 2011/12, respectively, and subject to shareholder approval, a dividend yield of 4.8% for 2012/13. SET50 average dividend yield was 3.90% for 2011 and was 2.94% for 2012.

On 27 May 2013, Board approved the dividend policy for the next 3 fiscal years in the aggregate amount of no less than THB 21,000mn, i.e. no less than THB 6,000mn in 2013/14, THB 7,000mn in 2014/15 and THB 8,000mn in 2015/16 (subject to the public limited companies law and no material adverse change to the business operation or financial conditions of the Company). The ability to pay these dividends will be supported by the profits from operation as well as the extraordinary profits from the infrastructure fund transaction.

BTS Dividend Record



* Dividend yield is calculated using BTS closing share price one day before the date of Board of Directors meeting approving the relevant dividend

** 2012/13 final dividend per share is subject to shareholders' approval at the AGM on 26 July 2013

Credit Rating and Outlook

As of April 2013 BTSG was rated by "A-" with a stable outlook by TRIS Ratings. TRIS Ratings has provided credit rating services to assist the development of the Thai debt capital markets. THB 12,000mn series of debentures issued by BTSG's subsidiary Bangkok Mass Transit System Public Company Limited (BTSC) are also rated by TRIS Rating at "AA- / Stable". As of 8 May 2013, Fitch ratings also announced a rating of "AA- / Stable" for the same series of debentures. The rating reflects the credit rating of Bank of Ayudhya Plc. (BAY) who has provided a letter of guarantee against the payment of interest and principal of the debentures outstanding.

Company	TRIS	FITCH
	Issue Rating / Outlook	Issue Rating / Outlook
BTS Group Holdings Public Co. Ltd	A- / Stable	
Bangkok Mass Transit System Public. Co. Ltd:	A- / Stable	
BTS138A: THB 2,500mn senior debentures due 2013	AA- / Stable	AA- / Stable
BTS148A: THB 4,000mn senior debentures due 2014	AA- / Stable	AA- / Stable
BTS158A: THB 1,500mn senior debentures due 2015	AA- / Stable	AA- / Stable
BTS168A: THB 1,500mn senior debentures due 2016	AA- / Stable	AA- / Stable

Other Capital Markets Activity

Share Consolidation

On 7 August 2012, the Company completed the registration of the change in both the number of shares and par value of the Company's shares. The par value was changed from THB 0.64 per share to THB 4 per share. BTS shares have started trading on the SET with the par value of THB 4 per share on 10 August 2012. Consequently, the Company adjusted the exercise price and exercise ratio of its warrants, BTS-W2 and BTS-WA as well as the conversion price of its convertible bonds in accordance with the relevant terms and conditions, effective 7 August 2012.

BTS-W2 and BTS-WA:

Par Value	THB 0.64 per share	THB 4 per share
Exercise price	THB 0.70 per share	THB 4.375 per share*
Exercise ratio	1 unit : 1 share	1 unit : 0.16 share**

* Any Satang derived from the calculation of subscription price shall be rounded down

** If the exercised warrants result in a share fraction, the Company will eliminate such fraction of shares (round down).

Convertible Bonds:

Par Value	THB 0.64 per share	THB 4 per share
Conversion price	THB 0.82 per share	THB 5.12 per share

New Equity Issuance

During the course of the year, the Company issued a total of 2,252.67mn new ordinary shares as a result of i) the allocation of 297.59mn new ordinary shares for the exercise of rights under the warrants BTS-W2 (the first and the second exercise) and ii) the full conversion of Convertible Bonds (CBs) into 1,955.07mn ordinary shares.

Furthermore, on 11 June 2013, 16mn warrants (BTS-WB) were issued to the employees of the Company and its subsidiaries to purchase the ordinary shares of the Company under the BTS Group ESOP 2012 Scheme. The exercise ratio of BTS-WB is 1 unit of warrant for 1 ordinary share of the Company and the exercise price is THB 5.01 per share.

Type and Purpose of Equity/Security Issued (2012/13)	Amount	Date Traded in SET	Purpose
Common Shares (BTS TB Equity)			
1. From the first exercise of Warrant 2 (BTS-W2)	1.44mn shares	8 January 2013	Ordinary Shares allocated for the exercise of the warrants
2. From the CBs Conversion	1,955.07mn shares	During May 2012 - March 2013	Ordinary Shares allocated for the CBs conversion
3. From the second exercise of Warrant 2 (BTS-W2)	296.16mn shares	5 April 2013	Ordinary Shares allocated for the exercise of the warrants
Total	2,252.67mn shares*		
Warrants			
4. BTS Group ESOP 2012 Scheme	16mn units	Non-listed in the SET	First exercise for purchasing shares in June 2015

*at par value of THB 4 per share

Type and Purpose of Equity/Security Issued (2011/12)	Amount	Date Traded in SET	Purpose
Common Shares (BTS TB Equity)			
BTSC Acquisition	1,299.0 mn shares*	8 June 2011	Ordinary Share Capital Consideration allocated as consideration for the acquisition of ordinary shares in BTSC held by group of specific investors

*at par value of THB 0.64 per share

Convertible Bonds: On 25 January 2011, BTSG issued a THB 10,000mn (approximately USD 327mn), 5-year, THB denominated, USD settled convertible bonds (CBs) in the overseas market. The proceeds were used to fully repay all outstanding amounts of the acquisition loan used to purchase BTSC. The offering, which was placed by Morgan Stanley, was highly sought after with demand closer to USD 800mn. The bonds pay a coupon of 1% (payable semi-annually) in years 1 and 2, followed by 0% in years 3 through 5.

For the first time in Thailand, the CBs were backed by an irrevocable stand-by letter of credit which was issued by the financial institution for a term of 2 years and 1 month. All in cost to the Company is 2.5% in years 1 and 2, thereafter 0%.

The conversion price of the CBs has been adjusted several times during its term due to the Company's dividend payment and share consolidation (the initial conversion price is at THB 0.9266 per share and the last conversion price is at THB 5.00 per share). Throughout 2012/13, bondholders converted their CBs into ordinary shares and by 22 March 2013, all CBs of THB 10,000mn have been fully converted into 1,955.07mn ordinary shares.

CB Key Terms

BTS Group Convertible Bonds	Key Features
Issue Amount	THB 10,000mn
Issue Date	25 Jan 2011
Maturity Date	26 Jan 2016
Investor Put Date	25 Jan 2013
Coupon Rate	1% payable semi-annually for the first 2 years, 0% from 3rd year and onwards.
Initial Conversion Price	THB 0.9266 a share
Initial Conversion Premium	13%
Conversion Period	From 6 Mar 2011 until 10 Jan 2016
Issuer Cash Settlement Option	Yes

Warrants BTS-W2: 5,027mn units of BTS-W2 were issued for free to existing shareholders who subscribed to the rights offering as well as to financial institutional investors and clients of securities company or underwriter of the Company who subscribed to the private placement. The issue date was 11 November 2010 and BTS-W2 have a term of 3 years from the issue date. BTS-W2 can be exercised quarterly on the last business day of every quarter starting from the first exercise date on 28 December 2012 with the last exercise date on 11 November 2013. Following the share consolidation on 7 August 2012, the exercise price is THB 4.375 per share (1 warrant: 0.16 shares). 8.97mn BTS-W2 were exercised into 1.44mn new ordinary shares on the first exercise date (28 December 2012). Subsequently, 1,850.99mn BTS-W2 were exercised into 296.16mn new ordinary shares on the second exercise date (29 March 2013). The balance of the outstanding BTS-W2 is 3,167.03mn units and the balance of the ordinary shares reserved to accommodate the exercise of these warrants is 506.73mn shares.

Warrants BTS-WA: 100mn units of BTS-WA were issued to the employees of the Company and its subsidiaries under BTS Group ESOP 2011 Scheme. The exercise ratio of BTS-WA is 1 unit of warrant for 0.16 ordinary share of the Company and

the exercise price is THB 4.375 per share. BTS-WA have a term of 5 years from the issue date (18 August 2011). BTS-WA can be exercised quarterly on the last business day starting from the first quarter following 2 years from the issue date. The first exercise date will be on 30 September 2013 and the last exercise date will be on 18 August 2016. The ordinary shares reserved to accommodate the exercise of BTS-WA are 16mn shares.

Warrants BTS-WB: 16mn units of BTS-WB were issued to the employees of the Company and its subsidiaries under BTS Group ESOP 2012 Scheme. The exercise ratio of BTS-WB is 1 unit of warrant for 1 ordinary share of the Company and the exercise price is THB 5.01 per share. BTS-WB has a term of 5 years from the issue date (11 June 2013). BTS-WB can be exercised quarterly on the last business day starting from the first quarter following 2 years from the issue date. The first exercise date will be on 30 June 2015 and the last exercise date will be on 11 June 2018. The ordinary shares reserved to accommodate the exercise of BTS-WB are 16mn shares.

Investor Relations

The Company places a high priority on a professional Investor Relations (IR) function. The aim of the IR function is to establish and maintain open, accurate, relevant and timely communications with existing and potential investors and shareholders. The function reports directly to the Financial Director and works closely with all members of the Group including the finance functions and executive management of each business unit. The IR unit has both a 1-year and 3-year plan and provides updates to the Executive Committee or the Board of Directors on a regular basis. Key performance indicators are established in order to align the goals of the division with the goals of the Company. In short, these are related to enlarged visibility such as number of meetings held, number of roadshows attended, website traffic and quality of product and service offerings.

In 2012/13, the Company has been more active in its investor-facing activities with existing and potential shareholders as well as the brokerage community. Specifically, the Company met 114 companies on the domestic buy-side (versus 79 in 2011/12) and 183 companies on the overseas buy-side (versus 110 in 2011/12). Of these meetings, 79 were one-on-one meetings (66 in 2011/12) and Top Management were in attendance at 100% of all these meetings (100% in 2011/12). The Company also stepped up its marketing efforts, attending 5 overseas non-deal roadshows (NDRs) / conferences (7 in 2011/12) as well as 8 domestic NDRs / conferences (5 in 2011/12). The overseas NDRs/conferences attended were 'Infrastructure Corporate Access Day' hosted by J.P. Morgan (Singapore), 'ASEAN London Forum' hosted by

J.P. Morgan (London), 'ASEAN Rising Dragons Investor Forum' hosted J.P. Morgan (Singapore), 'Thai Investor Forum' hosted by Bank of America Merrill Lynch (Singapore), NDR hosted by UBS (Hong Kong, Singapore). The domestic NDRs/conferences attended were 'Tisco Corporate Day' and 'CEO Talk' hosted by Tisco/Deutsche Bank, 'SCB Transportation Day' hosted by SCB Securities, 'Thailand Focus' hosted by Bank of America Merrill Lynch, 'Transportation Day' hosted by Phatra Securities, 'CEO Forum' hosted by Asia Plus Securities and a NDR hosted by each of Bualuang Securities and SCB Securities.

In regards to the establishment of BTSGIF, the Company's management participated in 3 overseas institutional, 2 domestic institutional and 1 retail domestic deal roadshows in order to present BTSGIF information to the investment community. Amongst these, the overseas institutional roadshows, the Company attended were hosted by Morgan Stanley/UBS in Hong Kong, Singapore, Kuala Lumpur, London, New York, and Boston. The domestic institutional deal roadshows in Bangkok were hosted by Phatra Securities, who also hosted the domestic deal roadshows in Bangkok, Had Yai, Chiang Mai, Khon Khaen, and Chonburi. Please see further details about BTSGIF in *Section 2.3: VGI Listing and BTSGIF*.

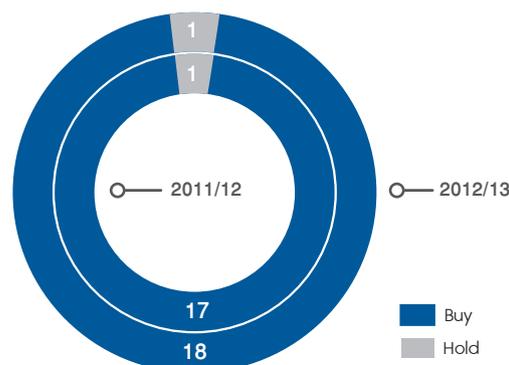
The Company continued to hold quarterly earnings review conferences (each within 3 business days following the release of financial statements) and the webcasts of these are available both on the Company's website as well as on the SET website. For 2013/14, the Company expects to maintain its communication efforts across all areas.

The Company website represents one of the key communications channels with the investment community. The website is the definitive source of information on the Group and has been designed based on Best Corporate Governance Practices. Its contents include live share price feeds, downloadable versions of publications (including annual reports, company presentations and IR newsletters), financial calendar, and webcasts of analyst meetings. The Company also releases monthly ridership data for the BTS SkyTrain and provides an e-mail alert service such that investors can be automatically alerted when there are any new press releases or website updates. In 2012/13, the average website hits increased 82.3% to 293,161 hits per visit and the average number of unique visits increased 22.8% to 5,206 visits per visitors.

Investor Relations Key Statistics	2012/13	Percentage attended by Top Management	2011/12	Percentage attended by Top Management
Companies Met (Buy-side)-domestic	114	100%	79	100%
Companies Met (Buy-side)-overseas	183	100%	110	100%
Companies Met (Sell-side)-domestic	15	100%	11	100%
Companies Met (Sell-side)-overseas	2	100%	1	100%
Analyst Earnings Review meetings	4	100%	4	100%
Number of One-on-One meetings held	79	100%	66	100%
Number of Roadshows/Conferences	13	100%	12	100%
Number of Roadshows/Conferences for BTSGIF-overseas institutions	3	100%	N.A.	N.A.
Number of Roadshows/Conferences for BTSGIF-domestic institutions	2	100%	N.A.	N.A.
Number of Roadshows/Conferences for BTSGIF-domestic retail	1	100%	N.A.	N.A.

As of 10 May 2013, the Company was covered by 19 research companies, an increase compared with the year 2011/12 (18 companies). One foreign research company (RHB OSK Securities) and one local research company (Krung Sri Securities), initiated coverage of BTS, while the remaining 17 research companies namely Kim Eng Securities, Bualuang Securities, Tisco Securities, CIMB securities, J.P. Morgan Securities, Asia Plus Securities, SCB Securities, Phillip Securities, Finansia Syrus Securities, KTZMICO Securities, Thanachart Securities, DBS Vickers Securities, KGI Securities, Phatra Securities, Kiatnakin Securities, Capital Nomura Securities, and IV Global Securities covered BTS in the year 2011/12 and continued to maintain coverage of BTS in 2012/13. Amongst these, 4 reports from Kiatnakin Securities, Capital Nomura Securities, Phatra Securities, and IV Global Securities have not been updated since February 2012, August 2012, November 2012, and November 2012, respectively, therefore, their target prices are not included in the calculation of average consensus target price. As of 10 May 2013, 14 of the 15 companies placed a buy or overweight recommendation on BTS and 1 placed a hold or neutral recommendation, with an average consensus target price of THB 9.68 per share.

Analyst Summary Recommendation Summary



Furthermore, in December 2012, the Company was awarded the '3rd Asian Excellence Recognition Awards 2013' for 'The Best Investor Relations Company'. The awards highlighted outstanding executive achievements in investor relations and in practices in public and private companies as well as non-profit organisations in Asia. The recognition was based on the scores that were submitted by Corporate Governance Asia's readers and from interviews conducted with investors.



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SET warrant symbol	BTS-W2
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4.2 RISK MANAGEMENT REVIEW

“The BTS Group has fully implemented its new Risk Management Framework in 2012/13, as effective Risk Management is at the core of a disciplined approach to growth in all our businesses.”

In 2010/11, the BTS Group established both a “top down” and “bottom up” approach to Risk Management and emphasised the importance of in-house ownership of the Risk Management procedure with clear designated responsibilities across the Risk Management Framework. The Group has continuously developed and implemented its Risk Management Framework in accordance with the standards set out by risk management framework of the Committee of the Sponsoring Organisations of the Treadway Commission (COSO) and expanded on their earlier Internal Control Framework. Further details can be seen within the Corporate Governance Report in this annual report.

In 2012/13, the BTS Group fully applied its Risk Management Framework to all business units, which included identifying and evaluating risks of all business units, preparing risk report, proposing risk controls and monitoring the risks of each business unit by tracking risk parameters and reporting to the Group on a quarterly basis. This process has strengthened our discipline in managing our risks along with growing our businesses.

We focus on risks by classifying them into four key risk categories; strategic, operational, compliance and finance. The following section highlights some of the key risks which the Board of Directors consider may be a material threat at the current time but it is not meant to be a comprehensive list of risks to which the Company is exposed.

The principal risk categories that the BTS Group focuses on are as follows:-

1. **Strategic risk:** Strategic risks (and opportunities) are the types of risks that may have an impact on the Group and each business unit achieving its strategic ambitions.
2. **Operational risk:** Operational risk includes adverse unexpected developments resulting from internal processes, people or systems, or from external events that are linked to the operation of each business. This risk may negatively affect the Company’s reputation, financial performance as well as expose the Company to penalty expense if it cannot deliver such services or product to the counterparty.
3. **Financial risk:** Due to the significant investment amount required to facilitate business expansion, the Company is exposed to various financial risks such as liquidity risk, credit risk, foreign exchange risk and interest rate risk. Financial risk also pertains to the Company’s ability to meet financial covenants such as liabilities and other financial instruments. In addition, the Company’s competence to finance new projects investment is also connected to this risk.
4. **Legal and compliance risk:** Legal and compliance risk relates to changes in government regulatory and compliance requirements that might impact the Company’s operating activities and financial results. Examples of this risk are environmental regulation, labour laws, stock exchange regulation and industry regulation.

Key Risks

Opportunities			
Strategic	Operational	Financial	Compliance
<ul style="list-style-type: none"> • Industry Changes • Macroeconomic Changes • Supply & Demand • Competition • Acquisitions 	<ul style="list-style-type: none"> • Recruitment / HR • Political • Reputation / Social • Health & Safety • Technological Changes • Supply Chain • Cost Efficiency 	<ul style="list-style-type: none"> • Interest Rates • Exchange Rates • Available of Funding • Cash Flow • Accounting & Tax • Liquidity • Counterparty Risk 	<ul style="list-style-type: none"> • Legal • Regulatory • Market Practice • Environment

Corporate Governance

Internal Controls

Key Risk Factors: For a more detailed of risk factors please refer to the *Annual 56-1 Report of the Company*

1. Strategic risk

1.1 Risk from Thai Economy

Our earnings performance depends materially on domestic demand. A negative development in Thailand's economic condition such as slowing growth rate of gross domestic product (GDP), high inflation rate and decreasing consumer purchasing power may erode the Company's earnings.

BTS Group believes that affordable and good quality services can fortify the Group's growth even amidst a sluggish economic environment. Historical performance of the Core SkyTrain Network of mass transit shows evidence of 'recession resilience' with revenue increasing every year since the start of commercial operations in 1999 and showing compound annual growth rate of 10.9% over the same period, as well as ridership growth of 12.0% YoY in 2012/13. Further, our customer satisfaction score (co-ordinated by an independent organisation) improved to 3.93 (out of 5.00) in 2012 from 3.91 in 2011.

1.2 Market risk

The BTS Group is exposed to various market and customer segments including mass transit, media, property and services. The business nature of each market segment is different from other market segments. The Group might not be able to achieve the earnings growth target for a certain period due to changes in market factors such as supply and demand situation, degree of competition, influence from government policy and so forth.

Our mass transit business growth significantly relies on the government's ability to execute its rail mass transit expansion plan as well as the development of other alternative mass transit systems. In the past 10 years, Bangkok's rail mass transit system has expanded from 23.5km to 79.5km which is comparatively low compared to Singapore and Hong Kong. However, the Policy Statement of the Council of Ministers delivered by the Prime Minister in August 2011 clearly stated that the government will push for 10 out of 12 routes to be completed and ready to be in service by 2017 (see *Section 3.7.1 Business & Industry Overview - Mass Transit*). If the Government decelerates the rail mass transit extension investment or the constructions of

projects are delayed, our future ridership growth may not materialise as quickly.

During 2005 - 2012, Transit and In-store media markets in Thailand grew at an outstanding compound annual growth rate (CAGR) of 22.7% and 57.4%, respectively. This is due mainly to impressive ridership growth as well as branch expansion of modern trade retailers across Thailand. Our media business, VGI Global Media, controls the largest market share estimated around 52% and 93% of the Transit and In-store media markets respectively, while the market consists of few major players. If the markets face a higher degree of competition or a slowdown in the market growth rate, our media earnings performance may be dampened.

Our property business now focuses on development along the rail mass transit system in Bangkok. The property development market in Bangkok is highly competitive and oversupply in certain segments may result in the Group not achieving its sales forecast. In order to mitigate this, the Group only develops property that is in close proximity to mass transit stations. Condominium developments near Bangkok's central business district (CBD) mass transit stations have experienced stronger demand than locations not close to the stations (see *Section 3.7.3: Business & Industry Overview - Property*).

Although there are several risks associated with the Group's business units and the Group has risk management in place to cover individual business unit risk, the management team also aims to utilise synergies across each business unit to enhance the Group's strengths. For example, our property business unit differentiates itself from other property developers by introducing a 10 years free BTS SkyTrain travelling privilege to our condominium buyers. Control of the media business unit means we are able to be more flexible in the use of our mass transit system advertising space, for example, by advertising on the ticket barriers. We believe cross-business synergies help to reduce our exposure to market risk.

1.3 Investment risk

The Company continues to consider investment opportunities in new projects or opportunistic acquisitions. If any such opportunity is executed, investment may require considerable capital resources and effort to develop the new business. For any equity component

of the investment, shareholders could be exposed to the dilution from additional capital requirements and investment return risk from the new project. For example, in 4Q 2010/11, we participated in the bidding process for the rail mass transit (purple line) extension. Had BTSC been successful in its bid, it would have had to procure significant capital to fund the project.

The Company considers new investment only in businesses related to our four core business units - Mass Transit, Media, Property and Services. Any new investment should both have projected internal rate of return (IRR) greater than our investment hurdle rate and provide business synergy to the Group.

2. Operational risk

2.1 Operating cost risk

Major items of our operating costs include personnel expense, real estate development costs, electricity costs and maintenance costs. The Company is exposed to the increase of operating costs such as a change in the price of raw materials, increase in salary costs, rising energy / electricity price and cost of spare parts, all of which may squeeze our operating profit margin.

The management team consequently monitor movement on operating costs. According to the Concession Agreement, BTSC is able to adjust the authorised fare price based on certain increases in consumer price index (CPI), significant change in energy cost and so forth. Further, the Group is less exposed to an increase in fuel prices as the electricity prices in Thailand are calculated based on approximately 65% proportion of natural gas price, 15% proportion of lignite and coal prices. Our property business represents only a small proportion of our overall business (2.9% of EBITDA in 2012/13) so the fluctuation of raw material costs in relation to property development such as steel is unlikely to have a material effect on our overall business. However, given that we are still a relatively small property player and have less purchasing power, it may have a material effect on our ability to compete with other property developers.

2.2 Business interruption risk

Our business operation is exposed to interruption risk which may be the result of political turmoil, acts of terrorism amongst other things or natural disasters. In 1Q 2010/11, BTSC lost revenue of approximately THB

180mn as a result of political demonstrations, which forced the SkyTrain system to close for 8 days and reduced service on several days. More recently in 3Q 2011/12, Bangkok was also impacted by flooding, hence there was a slight fall in ridership during that period. In the future, our earnings performance may be negatively impacted if such interruptions occur.

The Group has made insurance agreements such as business interruption insurance, property damage insurance (including from terrorism, political demonstrations or natural disasters) in order to protect the Group from such unexpected events. However, such policies will be subject to minimum 'deductibles' such that if any interruption is less than the minimum period, it would not be beneficial to claim.

2.3 Human resource risk

As of 31 March 2013, the Group employed 3,420 full-time employees. Our operations, particularly in relation to our mass transit and property businesses, require employees with specific skill sets, which may be difficult to source in the market. Although none of the Group's employees are unionised and the Company has never experienced any collective work stoppages, there can be no assurance that the Group will not experience disruptions in the operation due to disputes or other problems with employees, which would adversely affect our operation. The success of our strategy depends on our ability to attract, retain and motivate a capable workforce. In order to counter this risk, the Group has to provide an attractive remuneration package, including monetary and non-monetary components. In addition to salary benefits, the Group provides variable bonus payments, provident fund scheme and other welfare such as a savings cooperative scheme and an Employee Stock Option (ESOP) plan.

2.4 Technology management risk

Our operation requires a reasonable investment in technology such as rolling stock, signalling system, automatic fare collection system and LCDs for the media business. Our investment and maintenance budget may be positively or negatively impacted due to a change in technology.

The management team realises the importance of new technology investment in order to achieve higher operating efficiency and enlarge services

and product capability. A decision on new technology investment is based on total benefits that will arise in the future. For example, BTSC recently invested in changing the signalling system from analogue to digital. The new signalling system can increase the system capacity by reducing minimum headway from approximately 2 minutes to 1.5 minutes, decrease our ongoing maintenance cost and also reduced our dependence on any one provider of equipment, as well as increases flexibility on expansion of the network.

2.5 Reputation risk

The BTS brand is well known by the market since introduction to the market for more than 10 years ago. Recent customer surveys indicate the public has a very positive perception of the BTS brand. However, our mass transit business unit is exposed to the reputation risk if customer satisfaction on the BTS SkyTrain declines. The customer services department always analyses customer feedback and reports to the management in order to underpin customer satisfaction level.

3 Financial Risk

3.1 Liquidity risk

Liquidity risk relates to the Company's capability to manage its cash flow, including servicing interest expense and debt principal repayment within a certain period. An increase in working capital requirements or reduction in revenue may impair the Company's ability to meet its ongoing cash flow obligations.

In 2012/13, we sold two pieces of lands (Kamala and Nana) and shares of VGI, which has strengthened our cash position and reduced liquidity risk of the Group significantly.

The management team closely monitors working capital requirements and cash inflow and cash outflow using internal management data and the Group's financial projections. In analysing, the Company pays close attention to the cash conversion cycle (payables, receivables, etc.) as well as key debt-related financial indicators (debt-service coverage ratio). As of 31 March 2013, the Group's interest coverage ratio and net debt to equity ratio were 4.23 times and 0.17 times respectively, illustrating the Group's strength in meeting its debt obligation.

3.2 Credit risk

Credit risk represents the Company's ability to raise funds or re-finance debt in the capital markets. A downgrading of the Company's credit confidence may result in more difficulty in accessing the capital market as well as potentially higher progressive financial cost.

The Company as well as its subsidiary, BTSC, has been assigned an Investment grade credit rating of "A-" by TRIS ratings. In 2012/13 the BTS Group successfully achieved the reduction of its borrowing rate through negotiation with existing and new banking partners, demonstrating banker's confidence in the Company.

3.3 Interest rate risk

As of 31 March 2013, the Group had total interest bearing debt of approximately THB 11,960.6mn, the key items of which are BTSC debenture of THB 8,480mn and other bank loans of THB 3,481mn.

71% of our interest bearing debt is BTSC debenture, which is subject to fixed rate coupons at 5.64%. The rest is other bank loans, which are mostly linked to a commercial bank's minimum lending rate (MLR). The Group's interest expense will increase if a commercial bank raises the MLR. Conversely, the Group may lose an opportunity to borrow at cheaper interest rates if the market interest rate decline below the rate of existing fixed rate debt.

The Group also has interest rate risk on investment part. We invest our excess cash in many forms of instruments i.e. bank fixed deposits, bills of exchange and short-term debentures. The interest income of the Group will decline if the market interest rate goes down and we may lose an opportunity to enjoy higher interest income if we already committed to long-term investments in a rising interest rate environment.

Our management team always monitors global and domestic economic situation as well as interest rate trend in order to manage our interest rate exposure.

3.4 Foreign exchange rate risk

The Group is exposed to fluctuations in exchange rates. Although as of 31 March 2012, the Group has no outstanding debt liabilities in foreign currencies, the Group has capital expenditure obligations (for rolling stock and platform screen door) in foreign currencies

of approximately EUR 20mn, RMB 110mn and SGD 10mn and foreign currency payment obligations under the Siemens maintenance agreement of approximately of EUR 1mn per year.

The Group intends to minimise foreign currency commitments because our income is chiefly generated in THB. However, we may not be able to completely avoid certain foreign exchange transactions such as the purchase of rolling stock and spare parts, which BTSC procures directly from overseas manufacturers. The Group will consider hedging the exposure to foreign currency exposure only where the exposure is deemed material and the cost of such hedging is not punitive.

4 Legal and compliance risk

4.1 Concession agreement risk

Our mass transit revenues rely mainly on the concession agreement and the 30-year operating and maintenance (O&M) agreement. The extension of the concession agreement, which expires in December 2029, is subject to the consent of the Ministry of Interior and Bangkok Metropolitan Administration (BMA). Any termination of the concession agreement or 30-year O&M agreement or failure to extend the concession agreement may have a material impact to our future cash flows.

Following the Asian financial crisis in 1997, BTSC went through business rehabilitation following exposure to foreign currency debt. Despite this financial difficulty and owing to its technical expertise and strong relationship with the government agencies, BTSC had no issue regarding the termination of the Concession Agreement. Subsequently, we also collaborate with the BMA to design and operate many mass transit development projects such as the existing Silom line extension (Krung Thon Buri - Wongwian Yai) and Sukhumvit line (Onnut - Bearing) extension, the first Bus Rapid Transit (BRT) system in Bangkok and another future Sukhumvit line extension (Wongwian Yai - Bangwa). Further, on 3 May 2012, BTSC signed a 30-year contract for the operating and maintenance of all the extension lines under the BMA supervision (for the period 2012 - 2042) as well as the Original network for the period (2029 - 2042). We will continue to develop our operating efficiency as well as maintain strong relationships with government agencies.

4.2 Environmental risk

Our business operation is subject to environmental regulations such as pollution constraint and environment impact assessment. The Group might face an additional investing requirement or business process adjustment if there are tighter environmental requirements.

Our SkyTrain operation is an environmental friendly system which produces significantly less carbon dioxide emission than road-based transit vehicles. An increase in ridership is also positive to the environment because our SkyTrain system benefits from economies of scale in terms of energy consumption. The Group believes it is in a good position to reduce pollution to the city as rail mass transit market share increases and we will continue to play the role of a good corporate citizen by reducing environmental impact.

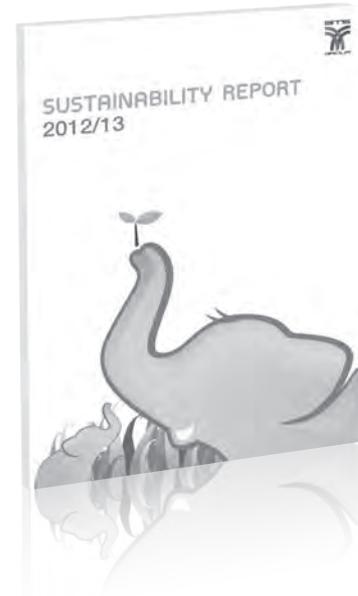
Condition Subsequent: On 17 April 2013, BTSC sold the Net Farebox Revenue from the Core BTS SkyTrain network to BTS Rail Mass Transit Growth Infrastructure Fund (BTSGIF) and invested in one third of the units of BTSGIF. As such, the risk exposure of the Group to such Mass Transit business has changed, although it still remains significant. As an example, the financial consequence of risks relating to the Concession Agreement and business interruption risk has reduced (transferred to the unit holders of BTSGIF), and exposure to Liquidity risk and Investment Risk (dilution from new capital) also reduces on account of the strong cash position of BTS Group following the sale of Net Farebox Revenues.

4.3

CORPORATE SOCIAL RESPONSIBILITY REVIEW

BTS Group's business operation focuses on the following 4 core values: Delivering Customer Satisfaction, Creating Shareholder Value, Supporting Sustainable Growth, and Developing Communities. Based on the principles of Good Compliance and Governance (CG), the Company conducts its business with integrity, transparency and fairness. It ensures that its performance can be reviewed and is in compliance with the laws and regulations, as well as giving importance to environmental concerns and improving the quality of life of employees and the society.

This is the first year that we have developed a "Sustainability Report". As such, you will find the details of all programmes and activities relating to our sustainable business practices in this separate report.



4.4

MANAGEMENT DISCUSSION & ANALYSIS

“The fiscal year results display another period of exceptional results; Operating revenue increase of 34.4% YoY to THB 10,375.5mn, Operating EBITDA¹ increase of 27.3% YoY to THB 5,273.0mn and net profit attributable to the equity holders of the Company, increased by 18.2% YoY to THB 2,488.3mn.”

Introduction

On 17 April 2013, Bangkok Mass Transit System plc (BTSC) sold the future net farebox revenues under its concession contract with the Bangkok Metropolitan Administration for the BTS SkyTrain Core Network to BTS Rail Mass Transit Growth Infrastructure Fund (BTSGIF). Although the transaction occurred in 1Q 2013/14, in accordance with TFRS5 - Non-current Assets Held for Sale and Discontinued Operations, the Company is required to separately present the assets, liabilities and profitability of the asset held for sale in the financial statements. As such, in the balance sheet for 31 March 2013 “Elevated rail project costs” have been re-classified to “Non-current assets held for sale” and revenue net of costs and expenses from the Core network have been presented as a single line item “Profit from discontinued operations” within the Income Statement. For more information, please refer to Notes 27 and 49 to the financial statements. Within the MD&A, in order to present certain figures on a comparable basis to previous quarters, certain mass transit revenue figures include the net revenue from the Core network.

Income Statement

BTS Group Holdings Public Company Limited (“BTSG” or the “Company”) and subsidiaries (together, the “Group”) recorded consolidated total revenue of THB 6,713.5mn in 2012/13. This represented an increase of 35.5% (or THB 1,758.5mn) from THB 4,955.0mn in 2011/12. The increase was primarily due to both stronger operating performance as well as the proceeds from divestment of non-core Property assets (land plots in Bangkok and Phuket). Operating revenue (see below) also grew 34.4% YoY to THB 10,375.5mn. The increase in operating revenues was on account of the improved performance from the Mass transit, Media, and Property business sectors (see segmental performance for more details). Revenues from the Mass transit, Media, Property and Services businesses accounted for 58.0%, 26.9%, 14.7% and 0.4% of total operating revenue, respectively.

Operating Revenue (THB mn)	2012/13	% of Total ⁴	2011/12	% of Total	% Change (YoY)	2012/13 margin ⁵	2011/12 margin ⁵
Mass transit ²	6,015.5	58.0%	5,031.9	65.2%	19.5%	48.2%	45.7%
Media	2,794.7	26.9%	1,958.8	25.4%	42.7%	59.1%	59.0%
Property ³	1,522.7	14.7%	728.3	9.4%	109.1%	36.8%	26.6%
Services	42.6	0.4%	0.7	0.0%	N/A	N/A	N/A
TOTAL ⁴	10,375.5	100.0%	7,719.8	100.0%	34.4%	48.8%	47.2%

1 Operating EBITDA excludes non-recurring items

2 Mass transit revenues include ‘Fare-box revenue’ as well as ‘Service Income from Train Operation Management’. As per the introductory note to the MD&A, however, the net farebox revenues from the Core BTS SkyTrain network is now recorded as a separate line item “Profit from discontinued” in accordance with TFRS5. More details can be seen in note 27 to the financial statements)

3 Property includes Sales from Real Estate, Rental and Service Income, Construction & Services Businesses and Service income related to Thana City Golf & Sports Club Co., Ltd. Note that income related to Thana City Golf & Sports Club Co., Ltd. was reclassified from Services Business to Property business in 4Q 2011/12.

4 Total operating revenue for 2012/13 and 2011/12 exclude other income from dividend income, interest income, reversal of allowance for diminution in value of civil works awaiting transfer, revenue from court-ordered compensation, gain from sales of investments in subsidiary, gain (loss) on exchange, and others

5 Operating gross profit margin

Although total expenses rose by 51.3% YoY to THB 4,188.0mn in relation to the growth of Mass transit, Media and Property business sectors, the Group demonstrated a strong operating performance with its operating gross profit margin increasing to 48.8% from 47.2% in the previous year as a result of operating leverage in such three business sectors. Despite the fact that SG&A expenses increased 45.7% YoY or by THB 398.9mn to THB 1,271.1mn (mainly due to the increase in Mass transit, Media and Property SG&A expenses), operating EBITDA improved by 27.3% YoY to THB 5,273.0mn.

Finance costs decreased YoY by 12.9% or THB 184.1mn to THB 1,247.8mn. The reduction was mainly due to debt reduction, specifically from continued conversion of BTSG convertible bonds, maturity of the first tranche of BTSC Debenture (THB 2,500.0mn in August 2012) as well as other debt repayment. Consolidated Group Income tax rose by 154.4% to THB 439.2 mn on higher profit as well as a higher BTSC income tax following the expiry of tax losses carried forward at BTSC in December 2012. All the above taken into account, the Group recorded a consolidated profit (increasing 22.4% YoY to THB 2,736.1mn) and profit attributable to the equity holders of the Company (an increase of 18.2% YoY to THB 2,488.3mn).

Balance Sheet

Total assets as of 31 March 2013 stood at THB 67,031.1mn, a 0.2% increase from 31 March 2012. Total non-current assets reduced by 74.9% to THB 14,800.8mn largely as i) Elevated rail project costs were re-classified as in accordance with TFRS5 (see note 27 to the financial statements) and ii) Land and projects awaiting development fell by 100.0% or THB 2,676.3mn as the Group sold a land plot in Phuket and transferred land plots of THB 1,440.4mn to investment properties. Total liabilities decreased

from 31 March 2012 by 45.2% or THB 13,528.3mn to stand at THB 16,428.4mn largely due to the conversion of all BTSG convertible bonds (THB 8,648.3mn), the first tranche repayment of BTSC debenture (THB 2,500.0mn) in August 2012, as well as repayment of bank loans (THB 1,977.9mn). On the equity side, total equity increased by THB 13,670.5mn or 37.0% to THB 50,602.7mn. This increase was attributable to i) increase in paid-up capital to THB 44,426.5mn resulting from additional 1,956.5mn ordinary shares issued from the conversion of all convertible bonds and the first exercise of BTS-W2 which brought issued and fully paid-up shares to increase to 11,106.6mn shares and ii) surplus from sale of shares in the subsidiary, VGI Global Media. Note that the gain on sale of VGI shares was recorded in the consolidated balance sheet as equity under 'Surplus from the changes in the ownership interests in subsidiaries' but not recorded in the profit & loss account, as the changes in the Company's ownership interest in a subsidiary did not result in a loss of control.

Cash Flow

For the year ended 31 March 2013, net cash provided from operating activities was at THB 4,683.1mn compared to THB 1,755.8mn in the previous year. Key contributors of the increase were improved profit and a reduction in accrued income following receipt of payment from the Treasury Department. Net cash generated from investing activities stood at THB 4,979.8mn. Key items were proceeds from the sale of investment in subsidiaries (Kamala, Nana, and VGI) and cash received from issuance of ordinary shares of the subsidiaries (VGI IPO). Net cash used in financing activities was at THB 7,494.7mn mainly from debt repayment and dividend payment. As a result, the consolidated cash flow statements showed an increase of THB 2,180.0mn in cash and cash equivalents to THB 3,513.3mn from the previous year of THB 1,333.2mn.

Summary Cash Flow (THB mn)	2012/13	2011/12	Change
Cash from operating activities	6,040.8	3,046.6	98.3%
Net cash from operating activities	4,683.1	1,755.8	166.7%
Net cash from (used in) investing activities	4,979.8	(2,319.5)	N.A.
Net cash from (used in) financing activities	(7,494.7)	70.6	N.A.
Net increase (decrease) in cash and cash equivalents	2,168.2	(493.1)	N.A.
Cash and cash equivalents at end of the year	3,500.5	1,332.3	162.7%

Mass Transit Business

Total revenue from our Mass transit business increased by 19.5% YoY to THB 6,015.5mn supported by an increase in fare-box revenue and an increase in train operating & management (O&M) income. Fare-box revenue increased 13.9% (or THB 598.7mn) to THB 4,895.5mn on account of ridership growth and increased average fare (which rose by 1.7% YoY to THB 24.8 per trip). Annual ridership reached a new record of 197.2mn passengers, up 12.0% YoY and within our target range of 12%-15%). Key growth factors included i) organic growth; ii) increased popularity of Mass transit in Bangkok, especially from the Property development along the core network; iii) the full year effect of the opening of the Sukhumvit line (On nut-Bearing) extension which opened in August 2011 and iv) the introduction into service of new carriages (all trains on the Sukhumvit line were extended from 3-car trains to 4-car trains). Average weekday ridership also reached a new record (603,696 passengers per weekday), increasing 11.5% YoY. Income from train operating management rose by 52.4% or THB 384.9mn YoY to THB 1,120.0mn, mainly related to the full year effect of the Sukhumvit line (On nut-Bearing extension) and the increased revenue from the revised O&M contract for Silom line extension.

Cost of Mass transit revenue, including SG&A increased 14.8% or THB 463.0mn YoY tied to higher ridership (but less than the increase in operating revenue as a result of economies of scale). Key cost items were mainly from depreciation recorded (from higher ridership, new signaling system and new trains) and employee costs which mainly rose from the full year effect of the On nut-Bearing extension as well as the indirect impact of the increased minimum wage. As higher SG&A expenses were offset by the improved economies of scale across Mass transit network, the operating EBITDA margin of the Mass transit business was steady at 65.9% (66.6% in 2011/12).

Media Business

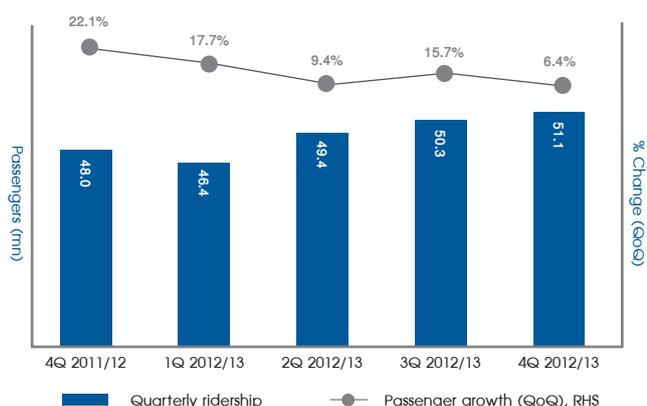
Our Media business achieved 42.7% (or THB 835.8mn) revenue growth YoY to THB 2,794.7mn, exceeding the targeted growth of 40%. Factors contributing to our record revenue came from the revenue growth across all three business segments.

BTS-related Media revenue was THB 1,379.4mn, representing growth of 22.6% or THB 254.7mn YoY. The growth in BTS-related revenue came from i) increased occupancy on existing In-Train static and digital Media and added capacity (12 additional 4-car trains that were added in 2011, from which the Company fully recognised revenue in 20 12/13); ii) the increased utilisation from On-Station Media and iii) the increase in rent for long-term contracts of merchandising space on the BTS stations which became effective in 2012/13, coupled with the increased occupancy of small rental shops on the stations, which grew with an increase of 12.0% ridership.

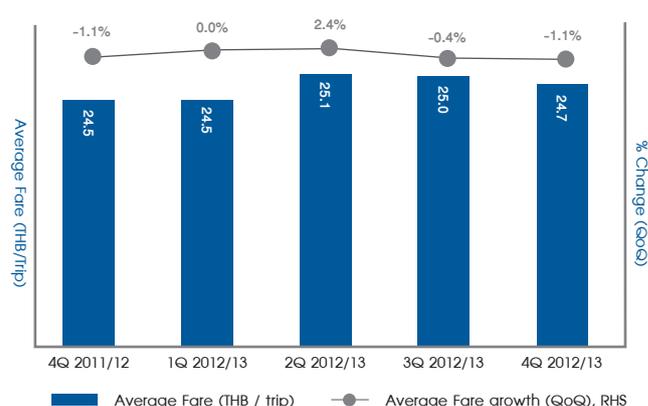
Revenue from Modern Trade Media reached THB 1,249.6mn, representing growth of 65.7% or 495.5mn YoY largely due to i) significantly higher earnings from static Media, Media production and radio in relation to additional contracts signed with Tesco Lotus and Big C in sales floor areas in 2H 2011/12 and ii) a low base effect from last year's flooding.

Office Building & other Media revenue reached THB 165.8mn, representing growth of 107.0% or THB 85.7mn YoY. The increase was driven by i) additional rights for advertising Media in 4 additional office buildings; ii) the adjustment in sales strategy by bundling Office Building Media with BTS-related Media; iii) business expansion by acting as a sole sales agent for mega-LED screens at Watergate, Rama 9 and Rama 4 junctions as well as Victory Monument and iv) obtaining rights to advertise in Chulalongkorn University's bus system.

Historical Quarterly Ridership (mn passengers / quarter)



Historical Quarterly Average Fare (THB / trip)



Cost of revenue increased 42.1% or THB 338.2mn YoY to THB 1,141.7mn, which is in line with sales growth. Media SG&A increased 42.4% or THB 109.2mn YoY to THB 366.9mn as a result of i) increase in selling expenses as commissions increased which is in line with sales growth and ii) increase in the number of employees to support Modern Trade operations from the acquisition of additional sales floor licenses in Tesco Lotus and Big C. The operating EBITDA margin of the Media business decreased to 50.8% in 2012/13 (52.3% in 2011/12) due to the higher revenue contribution from the lower margin business of Modern Trade media.

Property Business

In 2012/13, revenue from the Group's Property business showed a significant improvement increasing by 588.6% to THB 5,014.9mn. The increase was attributable to i) the disposal of the Group's entire investment in Kamala Beach Resort & Hotel Management Co.,Ltd. (THB 1,643.0mn in 2Q 2012/13); ii) the divestment of Kampoo Property Company Limited (land plot next to Nana BTS SkyTrain station) (THB 1,849.2mn in 3Q 2012/13); and iii) an improvement in operating revenue.

Property operating revenue increased by THB 794.4mn YoY to THB 1,522.7mn. The increase in operating performance was primarily driven by i) revenue in relation to 198 units transferred from Abstracts Phahonyothin Park (started transferring in December 2012) and ii) revenue from Eastin Grand Hotel operations at Surasak BTS SkyTrain station which had its grand opening in October 2012. Presales of Abstracts Phahonyothin Park and Abstracts Sukhumvit 66/1 reached 84% and 86% respectively as of 31 March 2013.

Operating costs rose at a lower rate than operating revenues. An increase of THB 428.2mn YoY to THB 962.6mn was mainly from costs from transferred units of Abstracts Phahonyothin Park and the newly completed Eastin Grand Hotel. Property SG&A expenses increased by THB 229.9mn or 66.9% YoY to THB 573.8mn mainly driven by expenses related to transfers from Abstracts Phahonyothin Park, including transfer fees, marketing expenses, sales commission and depreciation expenses of Eastin Grand Hotel. Due to the improved operating performance, coupled with the aforementioned sale of land of Kamala and Nana, this resulted in a positive net profit of THB 890.9mn for our Property business this year.

Services Business

Our Services business saw 2012/13 revenues increase by THB 41.8mn YoY to THB 42.6mn. This increase was primarily due to the growth of Rabbit card sales (common ticketing cards for Bangkok's Mass transit network and retail e-payment card which were launched in May 2012), which reached over 1mn cards by 31 March 2013 and the increase of revenue of HHT construction services. There was also THB 98.1mn cost of revenue as well as THB 101.0mn SG&A expenses related to the establishment of the Rabbit card and Carrot Rewards programme.

Business Performance Outlook

Please refer to *Section 2.5: Business Outlook 2013/14*.

5.0 CORPORATE GOVERNANCE REPORT

In this Section we outline our Corporate Governance Structure and Policy as well as our Corporate Governance Committee. Here you will also find the roles and responsibilities of the Board of Directors and sub-committees, meeting attendance and remuneration details. BTS Group's approach to Risk Management and Directors' and Executives' profiles are also found here.

**5.1
POLICY
STATEMENT
AND STRUCTURE**

**5.2
CG POLICY AND
CG COMMITTEE**

**5.3
NOMINATION AND
REMUNERATION
COMMITTEE REPORT**

**5.4
RISK MANAGEMENT
POLICY**

**5.5
INTERNAL
CONTROL**

**5.6
RELATED PARTY
TRANSACTIONS**

**5.7
DIRECTOR AND
EXECUTIVE PROFILES**



5.1 POLICY STATEMENT AND STRUCTURE

Definition & Objective

Corporate governance can be defined as the set of processes, rules and standards that govern the manner in which a corporation is run. The purpose of corporate governance is to facilitate effective, accountable and prudent management in order to deliver the long-term strategy of the company. This should be achieved whilst aligning as closely as possible, the interests of all stakeholders. Stakeholders range from individuals and companies (including customers, shareholders, employees, suppliers, and investors) to the corporation itself and the society as a whole.

Corporate Governance in Thailand

The development of effective corporate governance (CG) has high priority in Thailand and the country was ranked 3rd in Asia in accordance with CG Watch 2012. CG Watch is a report produced in collaboration between CLSA and the Asian Corporate Governance Association. The four key promoters of CG in Thailand are:-

- The Stock Exchange of Thailand (SET) and Securities and Exchange Commission (SEC) who issue regulations as well as guidelines and monitor compliance in relation to various corporate governance aspects. The SEC also implements a prevention, intervention and sanction scheme for CG enforcement.
- The National Corporate Governance Committee (NCGC) established by the Thai Government in 2002 and chaired by the Prime Minister or assigned Deputy Prime Minister to promote principles of CG and ensure delivery of concrete outcomes.
- Thai Institute of Directors (IOD) which together educates local market participants on director professionalism and best CG practices, as well as publishing an annual CG report in collaboration with the SET, SEC and NCGC which includes CG ratings of Thai-listed companies. The ratings are based on the Principles of Corporate Governance of the Organisation for Economic Co-operation and Development (OECD) and the results are available to the capital markets participants. The SEC requires securities companies to disclose the rating in its research reports.

Several other capital markets participants such as the Thai Investors Association and the Thai Listed Companies Association also promote best CG practices as part of their corporate mission.

Corporate Governance in the BTS Group

BTS Group Holdings Plc. is a public limited liability company established under the laws of Thailand. Its common shares are listed on the SET and it is a member of the SET50 Index, which comprises Thailand's largest 50 companies by market capitalisation. The company's management and supervision structure is based on a two-tiered system, comprising a Board of Directors (and sub-committees, including a Nomination and Remuneration Committee, Audit Committee and Corporate Governance Committee) as well as an Executive Committee.

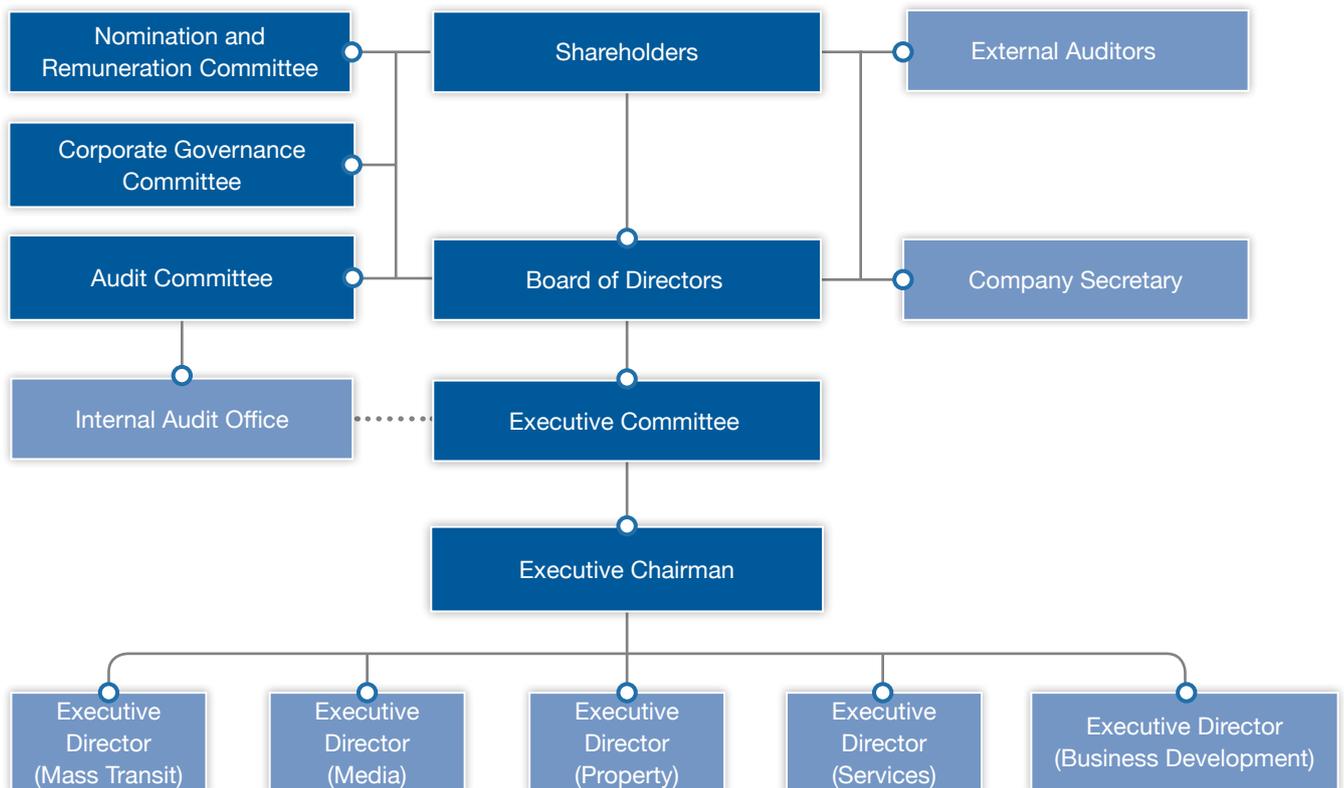
The BTS Group Board is committed to maintaining high standards of corporate governance and has complied with the Principles of Good Corporate Governance for Listed Companies 2006. In particular, the underlying principles of CG which we focus on achieving are:-

- Accountability
- Leadership
- Transparency
- Fairness (Equitable Treatment)
- Focus on long term sustainability
- Integrity

Our corporate governance structure is based on the requirements of the Code of Good Corporate Governance promoted by the SET and supported by the IOD, the Company's Articles of Association, law on public limited companies, rules and regulations of the SEC as well as the principles of good corporate governance under the SET. This is further complimented by several internal procedures.

The BTS Group conducts ongoing assessments of its corporate governance policy in order to ensure that the policy is appropriate for the current market situation and the Company's business operations. In accordance with corporate governance best practices, the Company has developed an Information & Investor Relations policy to ensure adequate disclosures to the capital markets.

The following is a summary of the members, key responsibilities and dynamics of the key bodies in our corporate governance structure:-



BOARD OF DIRECTORS

As of 31 March 2013 the Board of Director consists of 12 members as follows:-

Name	Position	Authorised Director	Appointment Date	Meeting Attendance
1. Mr. Keeree Kanjanapas	Chairman	Group A	26 July 2011	8/8
2. Mr. Paul Tong	Director	No	29 July 2010	3/8
3. Mr. Anat Arbhabhirama	Director	Group B	26 July 2012	8/8
4. Mr. Surapong Laoha-Unya	Director	Group A	26 July 2011	7/8
5. Mr. Kavin Kanjanapas	Director	Group A	26 July 2012	7/8
6. Mr. Rangsin Kritalug	Director	Group B	26 July 2011	8/8
7. Mr. Kong Chi Keung	Director	Group B	26 July 2011	8/8
8. Lt. Gen. Phisal Thepsithar	Independent Director	No	26 July 2012	8/8
9. Mr. Amorn Chandara-Somboon	Independent Director	No	29 July 2010	8/8
10. Mr. Suchin Wanglee	Independent Director	No	29 July 2010	6/8
11. Mr. Charoen Wattanasin	Independent Director	No	26 July 2012	8/8
12. Mr. Cheong Ying Chew, Henry	Independent Director	No	26 July 2012	8/8

The detailed profile of the Board of Directors can be found in Section 5.7: Director and Executive Profiles.

Directors who have authority to sign for and on behalf of the Company consist of any one Director from the Group A Directors signing jointly with any one Director from the Group B Directors, totaling 2 persons together with the Company's seal affixed.

Authorities, Roles and Responsibilities of the Board of Directors

- To perform their duties in accordance with the laws, the objectives and Articles of Association of the Company as well as the resolutions of the shareholders' meeting with honesty and due care for the benefit of the Company;
- To determine the Company's vision, policies and business direction and to supervise the Management to ensure the implementation of those policies effectively and efficiently so as to maximize the value for the Company and the shareholders;
- To determine the Company's policies, strategies, business plans, annual budget including progress of the monthly and quarterly performance of the Company, in comparison with the business plan and budget, and to also consider the future trends for the next period;
- To evaluate the works of the Management regularly and to monitor the remuneration mechanism of high level executives as deemed appropriate, by having the Nomination and Remuneration Committee to act as superintendent efficiently;
- To supervise the Management to ensure that the accounting system, financial reports and accounting audit system are accountable, as well as to ensure that the Company has an appropriate and sufficient internal control system;
- To consider and approve the acquisition and disposal of assets, investment in new businesses and any matters as required by the laws, save for the matters that the resolution of the shareholders' meeting are required under the laws;
- To consider, and/or provide opinion on the connected transactions of the Company and its subsidiaries with regard to compliance with the laws, notifications, regulations and relevant rules;
- To monitor and prevent conflict of interests amongst stakeholders of the Company;
- To consider all the Company's affairs by taking into account the benefits of all groups of shareholders and stakeholders equitably. The Director shall report to the Company, without delay, if he has any conflict of interests in a contract executed with the Company or acquires more shares or sells shares in the Company or its subsidiaries. Hence, for any transaction with the Director or the person having conflict of interests or conflict of any kind with the Company or its subsidiaries, the Director in conflict shall have no right to vote to approve such transaction;
- To govern the business operations with business ethics and conduct and to review the corporate governance policy and code of conduct regularly, including to evaluate the implementation of such policies at least once a year;
- To establish the risk policy and framework, to review the appropriateness of the policy and framework on an ongoing basis and to ensure that risk management and internal controls are implemented;
- To establish a corporate social responsibility (CSR) policy and to monitor the implementation of such CSR policy;

13. To report the responsibilities of the Board of Directors in the preparation of the financial statements by disclosing such report along with the external auditor report in the Company's Annual Report, covering key issues under the policy statement on code of best practice of directors of listed companies of the SET;
 14. To delegate one or more Directors or other persons to perform any task on behalf of the Board of Directors. However, such delegation shall not be the authorisation or sub-authorisation that allows the Director or any authorised person, who has conflict of interests or conflict of any kind with the Company or its subsidiaries, to approve such transaction;
 15. To appoint sub-committees to assist and monitor the management system and the internal control system to ensure the compliance with the Company's policies, such as the Executive Committee, the Audit Committee, and the Nomination and Remuneration Committee;
 16. To appoint the Company Secretary to ensure that the Board of Directors and the Company comply with the laws and relevant regulations.
5. To consider the connected transactions or the transactions that may lead to conflict of interests to ensure that those transactions are in compliance with the laws and the regulations of the Stock Exchange of Thailand, and are justifiable and for the utmost benefit of the Company;
 6. To prepare and disclose in the Company's annual report, the Audit Committee's report which must be signed by the Chairman of the Audit Committee and consist of at least the following information:
 - (1) an opinion on the accuracy, completeness and creditability of the Company's financial report;
 - (2) an opinion on the adequacy of the Company's internal control system;
 - (3) an opinion on the compliance with the securities and exchange laws, the regulations of the Stock Exchange of Thailand, or the laws relevant to the Company's business;
 - (4) an opinion on the suitability of the external auditor(s);
 - (5) an opinion on the transactions that may lead to conflict of interests;
 - (6) number of the Audit Committee's meeting, and the meeting attendance by each committee member;
 - (7) an opinion or overview comment of the Audit Committee derived from their performance of duties under the scope of the Audit Committee Charter;
 - (8) other transactions which, according to the Audit Committee's opinion, should be known to the shareholders and general investors, which are in the scope of the duties and responsibilities assigned by the Board of Directors;

AUDIT COMMITTEE

Current Member Name	Position	Meeting Attendance
1 Lt. Gen. Phisal Thepsithar	Chairman of the AC*	7/7
2 Mr. Suchin Wanglee	Member of the AC	6/7
3 Mr. Charoen Wattanasin	Member of the AC	7/7

Mr. Pipop Intaratut, Internal Audit Office Director is the Secretary to the Audit Committee.
 *Remarks: Lt. Gen. Phisal Thepsithar is a member of the Audit Committee, who is knowledgeable and experienced in reviewing the Company's financial statements.

Roles and Responsibilities of the Audit Committee

1. To review the Company's financial reporting process to ensure that it is accurate, in accordance with the generally accepted accounting principles, and adequately disclosed;
 2. To review the Company's internal control system, internal audit system and risk management policy to ensure their appropriateness and efficiency, and to review the independence of the Internal Audit Office as well as to approve the appointment, transfer and dismissal of the head of the Internal Audit Office or any other unit in charge of an internal audit;
 3. To review that the Company is in compliance with the securities and exchange laws, the regulations of the Stock Exchange of Thailand and the laws relevant to the Company's business;
 4. To consider, select and nominate independent person(s) to be elected as the Company's external auditor(s) as well as to propose their remuneration, and to attend a non-management meeting with the external auditor(s) at least once a year;
7. To review and provide opinion on the internal audit plan and the performance of the Internal Audit Office. In the course of the performance of duties of the Audit Committee, the Audit Committee has the authority to invite the management, executives, or employees relevant to the issues to provide opinion, attend the meeting or submit any relevant and necessary documents;
 8. In the performance of the duties of the Audit Committee, if it is found or suspected that there is a transaction or any of the following acts which may materially affect the Company's financial conditions and operating results, the Audit Committee shall report such to the Board of Directors for rectification within the period of time that the Audit Committee deems appropriate:
 - (1) a transaction which causes a conflict of interest;
 - (2) any fraud, irregularity, or material defect in the internal control system;
 - (3) an infringement of the securities and exchange laws, the regulations of the Stock Exchange of Thailand, or the laws relevant to the Company's business;

If the Board of Directors or executives fail to make a rectification within the period of time that the Audit Committee deems appropriate, any member of the Audit Committee may report such transaction or act to the Office of the Securities and Exchange Commission or the Stock Exchange of Thailand;

9. To review and update the Audit Committee Charter and present to the Board of Directors for consideration and approval;
10. To perform any other duties as assigned by the Board of Directors as the Audit Committee may agree.

As for the qualifications of the Audit Committee, the Audit Committee shall entirely consists of independent directors and have at least 3 members. The independent directors must have the qualifications as prescribed in the Company's Definition of the Independent Director, which is more stringent than the minimum requirements of the Office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). In addition, the Audit Committee shall have the qualifications as specified by the rules and regulations of SEC and SET and shall be knowledgeable and experienced to perform his duty as a member of the Audit Committee. At least one member of the Audit Committee must be knowledgeable and experienced in reviewing the accountability of the financial statements.

Nomination And Remuneration Committee

For details of the members, responsibilities and policies of the Nomination and Remuneration Committee, please refer to *Section 5.3: Nomination and Remuneration Committee Report* included in this annual report.

Corporate Governance Committee

For details of the members, responsibilities and policies of the Corporate Governance Committee, please refer to *Section 5.2: Corporate Governance Policy and Corporate Governance Committee*.

Internal Audit Office

The Internal Audit Office function has the responsibility to audit the operation of all departments, as well as the finance and accounting systems, information technology and other internal control processes and give guidance where relevant such that the integrity, accuracy and completeness of such systems are maintained. The Internal Audit Office is also responsible for an independent audit on the risk management process. To preserve the independence of the Internal Audit Office function, the Internal Audit Office Director, Mr. Pipop Intaratut reports directly to the Audit Committee. The internal audit is tasked with reporting to the Audit Committee on its findings at least on a quarterly basis.

Executive Committee

As of 31 March 2013 the Executive Committee consists of 6 members as follows:-

Current Member Name	Position
1. Mr. Keeree Kanjanapas	Executive Chairman
2. Mr. Anat Arhbabhirama	Executive Director
3. Mr. Surapong Laaha-Unya	Executive Director
4. Mr. Kavin Kanjanapas	Executive Director
5. Mr. Rangsin Kritalug	Executive Director and Chief Operating Officer
6. Mr. Kong Chi Keung	Executive Director

Miss Chayada Yodyingtammakul, Company Secretary and Legal Director, is the Secretary to the Executive Committee.

Roles and Responsibilities of the Executive Committee

The Executive Committee is delegated by the Board of Directors to (i) propose the appropriate business policy, direction, strategy, and management structure for the Company's business operations, (ii) prepare a business plan, budget, management authorities of the Company to the Board of Directors for approval, and (iii) manage the overall risk of the organisation, to evaluate such risk and plan the Company's risk management structure, and to monitor and control key risks and any conditions that may have a material impact on business operations of the Company and to report the Board of Directors. It is also charged with reviewing and monitoring the Company's performance to ensure compliance with approved policy and the business plan, approving any new projects, and reporting on progress of each to the Board of Directors.

Executive Management

As of 31 March 2013, BTS Group non-directors executives consisted of 6 persons as follows:-

Name	Position
1. Mr. Surayut Thavikulwat	Chief Financial Officer
2. Mrs. Duangkamol Chaichanakajorn	Accounting Director
3. Mrs. Patchaneeya Pootme	Corporate Communications Director
4. Mr. Daniel Ross	Financial Director
5. Miss Chawadee Rungruang	Financial Controller
6. Miss Chayada Yodyingtammakul	Legal Director / Company Secretary

The detailed profile of the executive management can be found in *Section 5.7: Director and Executive Profiles*.

Roles and Responsibilities of the Executives

Executive management is responsible for working with the Executive Committee on the preparation of the business plan, budget and management authorities of the Company for the Executive Committee's approval, and to effectively manage the business operations in accordance with such approved plan as well as the Company's policies, strategy, operational structure and any other rules and regulations. In performing these tasks or any other tasks assigned by the Board of Directors, management must exercise a duty of care and loyalty on behalf of the shareholders and provide regular updates to the Board of Directors.

Company Secretary

Miss Chayada Yodyingtammakul, Legal Director, is holding the Company Secretary position and responsible for monitoring the company to comply with statutory and regulatory requirements as well as the upkeep of good corporate governance principles. Such responsibilities include (i) the organisation and recording of the Board of Directors' and shareholders' meetings (ii) ensuring compliance with information disclosure requirements of the Stock Exchange of Thailand and Securities and Exchange Commission (iii) maintaining report on conflicts of interest as well as change of securities holding of the Directors or the Executives (iv) providing advice to the Directors as regards laws and regulations, the good corporate governance and the maintenance of the status as a listed company in the Stock Exchange of Thailand, including laws and regulations relevant to the Company's businesses. The Company Secretary has completed the Corporate Secretary Development Program (2008), organised by Thai Listed Companies Association, the Director Certification Program (2011), organised by the Thai Institute of Directors and also regularly and consistently enrolls in the training or seminar organised by the Stock Exchange of Thailand and Securities and Exchange Commission.

Meetings

The Board of Directors and Audit Committee meet at least once a quarter. The Executive Committee meets on a monthly basis, the Nomination and Remuneration Committee meets on an annual basis and the Corporate Governance Committee meets at least twice a year. The Company has scheduled the timetable for the Board of Director' meeting and the Audit Committee meeting for the Subsequent year in advance. In the case where it is deemed appropriate or consideration or approval is required for any outstanding matters, the Board and sub-committees will conduct additional meetings. In addition, the non-executive directors can have a meeting as appropriate and meet at least once a year.

In 2012, the BTS Group was assigned a 5-star rating for CG or a company with a "Excellent" standard of corporate governance. The report is issued by the IOD. Following on from its transfer to become one of Thailand's largest listed companies in May 2010, the Company recognised the importance of further improvement of its good CG structure and initiated a major enhancement. This wide-ranging reform included the expansion of the Board of Directors, the addition of sub-committees, adoption of a new Risk Management Policy, as well as the enhancement of the good CG policy. The Company continually develops its good CG.

5.2 CG POLICY AND CG COMMITTEE

The BTS Group has continually developed a corporate governance policy, with key extracts detailed below. For a copy of the full corporate governance policy, please refer to the *Company's Form 56-1*, or contact Investor Relations at ir@btsgroup.co.th

A) Right of Shareholders

The Company places emphasis on the rights of shareholders as the true owner of the Company. All shareholders no matter the retail investors or the institutional investors, are encouraged to exercise their fundamental rights, e.g. the sale/purchase or transfer of shares, sharing of profit of the business, receipt of adequate information either via the website of the Company or the website of the Stock Exchange of Thailand or through other channels, attendance at shareholders' meetings to acknowledge the Company's annual business performance, and voting rights at the shareholders' meetings to approve significant matters as specified by law, such as the appointment or removal of directors, the determination of directors' remuneration, the appointment of the auditor and determination of the audit fee, dividend payment or suspension of dividend payment, any capital increase and issuance of new shares, and making enquiries or comments on the matters that the Board of Directors presents or requests for approval at the shareholders' meetings.

Shareholders' Meeting: The Company must hold the Annual General Meeting of Shareholders within 120 days from the end of the Company's fiscal year. Other shareholders' meetings shall be called Extraordinary General Meetings and are to be held when deemed necessary and appropriate. The Company has set up a Company Secretary Office to ensure that the shareholders' meetings are called and held as required by law and in accordance with the guidelines for shareholders' meetings as stipulated by the Stock Exchange of Thailand. In the shareholders' meetings, the Company will arrange for the legal advisor to attend the meeting to provide legal advice and act as a moderator in the inspection and vote counting in case of any disputes in the meeting, as well as invite minority shareholders to nominate representative to act as a witness to the vote counting. The Company will also arrange the financial advisor to provide an explanation or answer to enquiries in the complicated matters proposed to the meeting. The Company also arranges the Company's auditor to present at the Annual General Meeting of Shareholders on the agenda of the approval of Company's financial statements.

Invitation Letter and Shareholders Facilitation: The Company assigned Thailand Securities Depository Co., Ltd., its securities registrar, to deliver the invitation to the shareholders. The invitation will provide information regarding the place, date and time of the meeting together with the meeting's agenda and sufficient

supporting documents for each agenda. The invitation will be sent to shareholders no less than 7 days before the shareholders' meeting as required by law in order to allow shareholders sufficient time to study the documents. The documents must include the objectives and reason for each proposed agenda, as well as the comments of the Board of Directors on each agenda. There shall be no hidden agenda or other agenda items not stated in the invitation to the shareholders' meeting for the consideration and approval of the shareholders, except for urgent matters that arise after the invitation is sent. The Company must send an English version of the invitation and supporting documents to the foreign shareholders. The Company will also publish the invitation to the shareholders' meeting together with the supporting documents on the Company's website in advance, as well as announce through a newspaper for 3 consecutive days prior to the meeting date. In addition, in order to accommodate the shareholders, the Company allows the shareholders to submit the inquiries to the Company prior to the meeting. As for the inquiries made by foreign shareholders, those inquiries and answers will be translated and summarised in Thai so that other shareholders at the meeting can understand.

Moreover, the Company has implemented the Barcode System of the Thailand Securities Depository Co., Ltd. for the registration and votes counting for the purpose of transparency and facilitating the shareholders. The registration opens two hours prior to the meeting and extends until the commencement of the last meeting agenda. The Company's officers are assigned to welcome and facilitate the shareholders attending the meeting. The stamp duty is also provided for the attendance by proxy.

Procedure before and after the shareholders' Meeting:

Before each meeting, the Company Secretary will introduce to the meeting the members of the Board of Directors, the executives, the Company's auditor, and the legal advisor who acts as a moderator. The Company Secretary will also inform the meeting about the voting procedures and the method on votes counting in the meeting. After the information has been provided for each agenda, the Chairman of the Meeting will open opportunities to all attendants to express opinions or make enquiries relevant to the agenda. The enquiries shall be answered clearly and precisely and giving adequate time for debate. For the agenda on the appointment of directors, there will be the casting of votes to appoint each director individually.

The minutes of meetings are correctly and completely recorded and can be reviewed by shareholders. The resolutions of the meeting are to be clearly recorded with details of approved, non-approved, and abstained votes for all agenda items requiring a vote, as well as opinions, suggestions, answers to the

material questions relating to each agenda. The Company shall report the summary on the significant resolutions through the Stock Exchange of Thailand's website within the same day as the meeting, or at least no later than 9.00 a.m. of the following business day. The minutes of the shareholders' meeting shall be submitted to the Stock Exchange of Thailand within 14 days, as well as published on the Company's website.

B) Equitable Treatment of Shareholders

Proposing Agenda and Nominating Candidates to be Elected as Director: The Company has allowed the minority shareholders to propose agenda items and nominate candidate to be elected as director in advance. The objective is to promote the equitable treatment of shareholders. The minority shareholders are entitled to propose agenda and nominate candidate to be elected as director at the Annual General Meeting of Shareholders in accordance with the criteria published on the Company's website and announced through the Stock Exchange of Thailand's information disclosure channel.

For the 2013 Annual General Meeting of Shareholders, the shareholders, with a combined holding of at least 3% of the Company's total issued shares who have continually held such shares for at least 6 months prior to the proposal or the nomination, may submit the proposal for agenda items or nomination of directors during the period between 28 December 2012-31 March 2013 (more than 3 months prior to the end of fiscal year). Nonetheless, none of the shareholders proposed the agenda nor nominated candidates to be elected as director at the 2013 Annual General Meeting of Shareholders.

Appointing Proxies: To maintain the rights of those shareholders who cannot attend the shareholders' meeting in person, the Company will attach a proxy form to the invitation and include the list of documents and evidence required for the appointment of a proxy, which is clearly stated. The shareholders may assign a representative or an independent director to attend the meeting and cast the vote on his/her behalf. The Company will specify in the invitation the name of at least one independent director, whom a shareholder can appoint as his/her proxy. The Company will also publish the invitation and proxy forms, together with details and procedures on the Company's website.

Access to Information: The Company favors no particular group of shareholders. All information is accessible by the shareholders and equally disclosed to the shareholders and the public through the Company's website at www.btsgroup.co.th, or through Investor Relations Department at telephone no. +66 (0) 2273-8631, +66 (0) 2273-8636, and +66 (0) 2273-8637, fax no. +66 (0) 2273-8610, email: ir@btsgroup.co.th.

The Company has established rules on the use of inside information and published such in the Code of Conduct as a guideline for the standard practice for the directors, executives, and employees to prevent the use of inside information by such persons for their own benefit. Policies include (i) requirement for directors, executives, including their spouses and minor children to report any changes in the holding of securities to the Securities and Exchange Commission (SEC) within 3 business days from such change and send a copy of such report to the Company Secretary. The Company Secretary shall collect and prepare the summary to report to the Board of Directors' Meeting on a quarterly basis (ii) informing directors, executives, employees and related persons to the Company, such as legal advisors, auditors and financial advisors of the prohibition use of inside information (iii) restrictions on insiders trading in Company shares during 'close' periods (which typically relates to the period leading up to the release of financial results and within 24 hours after such release or any other significant information to the public up until 48 hours after the information has been publically disclosed). Violations are punishable both under SEC regulations as well as under the company's code of conduct. There are four levels of disciplinary action depending on the characteristics of the violation and impact of the action namely; written warning, written warning and work suspension, dismissal with severance pay and dismissal without severance pay.

C) Role of Stakeholders

The Company is aware of the role of stakeholders and pays close attention to the significance of the rights of all groups of stakeholders, such as shareholders, employees, customers and business partners, as well as the public and the community, by ensuring that they are treated properly, equitably and honestly. The Company realises that the good relationship with all groups of stakeholders is significant for long-term development and sustained growth of the Company. Therefore, the Company stipulates the written policy in the Code of Conduct and distributes to all executives and employees of the Company for their acknowledgement and compliance.

Treatment of Stakeholders

Shareholders: The Company operates its business with transparency, justice and fairness to ensure business growth with the objective of generating shareholder returns that outperform returns from other investment alternatives of a similar risk profile. (Please refer to the "Rights of Shareholders" and "Equitable Treatment of Shareholders" for more details.)

Customers: The Company aims to create client satisfaction and confidence by focusing on its responsibility and client's need, so as to ensure business success, by continuing to improve

quality and features of the products and services to meet customers' needs and to maintain good relationships in the long run. The Company conducts a survey on the satisfactory of its customers and uses it as a guideline for the improvement of service and management. The Company also organises the personnel development programme for customer service staff before they begin their duties, as well as to continuously enhance their skills and knowledge for the utmost benefit of customers.

The Company also emphasises on the safety of its clients. In mass transit system business for instance, BTSC received various standard management certification, e.g. ISO 9001 for Quality Management System, OHSAS 18001 for Occupational Health and Safety Zone, and Lloyds Register Rail for Safety Management.

Employees: As the Company strongly believes that human resource is a principal and valuable resource, it prioritises fair and equitable treatment toward employees without discrimination. The Company also respects the international human rights principles and values the importance of the wellness and occupational health and safety, working environment and the support of corporate culture and team work. All employees are equally provided with the opportunity for career progression. The Company values the quality of employees and places emphasis on the personnel development. The Company consistently arranges internal and external training as well as organises joint activities to develop good relations between employees and the executives, full details of which can be seen in the *Company's Form 56-1*.

As of 31 March 2013, the Company and subsidiaries had 3,420 employees, with remuneration (salary, bonus and provident fund contribution) for the fiscal year 2012/13 of THB 1,380.8mn, full details of which can be seen in the *Company's Form 56-1*.

Business Partners: The Company values its business partners as the key to its success through mutual support. The Company therefore treats the business partners on the basis of equalities and fair competition. The Company places emphasis on the transparency and justification in negotiation and concluding contracts with its business partners, aiming for fair consideration for both parties. Terms and conditions of the contract shall be complied as well as the Company's ethics.

Competitors: The Company competes within the scope of laws and business ethics based on fair practice. The Company shall not discredit or seek for confidential information of competitors in a corrupt or unfair manner but shall professionally operate the business with trustworthiness.

Creditors: The Company places emphasis on its trustworthiness and therefore, strictly conforms with conditions and agreements made with creditors in order to create reliability. The Company pays all interest and principle accurately, timely, and completely. Also, the Company shall not use the loan proceeds in the way that is contrary to its objectives nor hide any information that may be harmful to creditors.

Society, the Community and the Environment: The Corporate Social Responsibility programme of the BTS Group is being implemented with the realisation that social responsibility stems from the Group's overall operational policies, applicable to every part of the organisation. The Company believes that if all companies actively contribute to society, conducting business with good governance and providing long-term benefits, then it would create a powerful economic driving force, offering significant advantages to society, both at the community level and for the country as a whole.

The Company considers it our responsibility to support and procure corporate social activities, which will benefit the society in various aspects. The Company continuously organises corporate social activities conformed with social context, covering the activities that benefit the society at the macro level, community level and operation level as the contribution to the society. (Please see the *Company's Sustainability Report* for more details.)

Policies on the Code of Ethics: The Company has established policies on the Code of Ethics to support the good corporate governance of the Group, i.e. Policies and Procedures on the Human Rights, Policies and Procedures on the Anti-Corruption and Bribery, Policies and Procedures on the Intellectual Property and Copyright, Policies and Procedures on the Information Technology and Communications, full details of which can be seen in the *Company's Sustainability Report*.

Complaint Channel: The Company has a channel available for all stakeholders to communicate or express any concerns or complaints on any infringement or violation of rights directly to the Board of Directors. The stakeholders may make their complaints to the Company Secretary Office at telephone no. +66 (0) 2273 8611-5 ext. 1525, 1531, fax no. +66 (0) 2273 8610 or submit their complaint by email at CompanySecretary@btsgroup.co.th or by a letter to the Company's address. All stakeholders' communication will be kept confidential. The Company Secretary will collect all concerns and complaints and report to Board of Directors.

D) Disclosure and Transparency

Financial and Non-Financial Disclosure: The Board of Directors has a duty to fully, sufficiently, reliably and on a timely basis disclose financial and non-financial information to all shareholders and stakeholders to ensure equal treatment. The Company shall develop the Company's website and regularly update information on the website to ensure its completeness and accuracy in a timely manner. Such disclosure shall be prepared with care, clarity, accuracy and transparency and also conveyed in simple and concise language.

Investor Relations: The Company has placed a high priority on a professional investor relations functions (IR). The aim of the IR function is to establish and maintain open, accurate, relevant and timely communications with existing and potential Company's investors and shareholders. For more information please refer to the *Section 4.1: Capital Markets Review* in this Annual Report.

For enquiries by shareholders and investors, please contact our Investor Relations department.

Contact Telephone +66 (0) 2273 8631, +66 (0) 2273 8636, +66 (0) 2273 8637

Email: ir@btsgroup.co.th

Significant Information Disclosure: The Company has a policy to disclose significant information to the public, namely the Company's objectives; financial status and performance; shareholding structure; voting rights; list of directors; members of the sub-committees and executives including their shareholding; material foreseeable risk factors related to the business operations and finances; corporate governance structure and policies as well as directors' responsibilities regarding the financial report and report of the Chairman of the Audit Committee; information on the numbers of meetings each director and members of the Audit Committee attended in comparison with the number the meetings of the Board of Directors and the Audit Committee, as well as the profile of each director and executive; the criteria for determining the remuneration of the directors and executives, including the remuneration of directors individually; to report the information regarding the Company's business operations, information affecting the Company's share price, investment decision making, or the rights and benefits of shareholders in accordance with the notification of the SET and relevant laws and regulations. Additionally, the Company also discloses information as required by relevant regulations and law, including the financial reports and the annual report for investors, shareholders and potential investors to use in investment decision making, via the SET and the Company's website at www.btsgroup.co.th.

E) Board Responsibilities

The Board's responsibilities include the determination of the Company vision and business direction and the regular supervision and evaluation of management (via various sub-committees or otherwise) with the purpose of delivering enhanced shareholder value. In achieving this, the Board of Directors must ensure that their duties are carried out in compliance with the law, objectives and articles of association of the Company as well as paying due concern to corporate governance, conflicts of interest, business ethics and code of conduct.

The Board of Directors is committed to build the Company and its subsidiaries into a leading organisation that is perceived at the international level as one of the most successful companies in Thailand with synergistic business operations, resilient management and competent personnel that play a key role in achieving the Company's vision, mission and strategy. The Board of Directors has the necessary leadership, vision and independence in making its decisions and takes responsibility for corporate governance for the benefit of the shareholders. The Board of Directors has duties and responsibilities to the Company's shareholders to monitor management performance. The duties of the Board of Directors and the Management are clearly segregated.

Composition of the Board of Directors

The Board of Directors consists of 12 Directors (as at 31 March 2013) as follows:-

- 6 Executive Directors
- 6 Non-Executive Directors (5 Independent Directors)

The Board's structure shall comprise at least one-thirds of Independent Directors, which in any cases, the number of Independent Directors shall not be less than three. The Board of Directors has appointed the sub-committees to manage and operate the business in line with good corporate governance, such as, the Audit Committee, the Nomination and Remuneration Committee, the Corporate Governance Committee, and the Executive Committee. The Audit Committee consists entirely of Independent Directors and shall have at least 3 members. At least one member of the Audit Committee shall have sufficient knowledge and experience to review the reliability of financial statements. The Nomination and Remuneration Committee consists of at least 3 directors, but shall not exceed 5 directors, and consists mainly of Independent Directors. The Corporate Governance Committee consists of at least 4 directors, but shall not exceed 6 directors.

Director Qualifications and Self Assessment

Directors are nominated in line with the Company's Nomination policy which can be seen in more detail in the *Nomination and Remuneration Committee Report*. Moreover, the Company encourages the Company's Directors to enroll in various director training programs organised by IOD i.e. Director Certification Program (DCP), Director Accreditation Program (DAP), Role of the Compensation Committee Program (RCC), Audit Committee Program (ACP), Anti-Corruption Training Program and the Role of the Nomination and Governance Committee Program (RNG) and the training program organised by Capital Markets Academy, i.e. Executive Program. For the Directors newly appointed to the Board, the Company organises an orientation session on the Company's business plan, the authorities and responsibilities of the Board of Directors and sub-committees, including relevant information such as annual report, corporate governance policy and code of conduct. In addition, the Company provides the Directors with the Director's Handbook, consisting of useful information for the directors of listed companies, e.g. Public Limited Company Act, Securities and Exchange Act, Director Fiduciary Duty Check List for Directors of Listed Companies, the Principles of Good Corporate Governance for Listed Companies, the Listed Companies Director's Handbook, Disclosure Guidelines for Listed Companies' Management, rules and regulations on the Acquisition or Disposal of Assets and the connected transactions.

The Board of Directors conducts **a self-assessment on the performance of the Board of Directors** annually so as to review their accomplishment, problems, and obstacle to the performance in the past year for further improvement. The assessment covers (i) structure and qualifications of the board (ii) roles and responsibilities of the board (iii) board meetings (iv) the board's performance of duties (v) relationship with management (vi) self-development of directors and executive development. In 2012/13, the assessment result is in the range of 90-100%, full details of which can be seen in the *Company's Form 56-1*.

Independent Directors

The Company's independent directors shall constitute no less than one thirds of the Board of Directors and shall consist of at least three persons. In order to be nominated as an Independent Director, such nominated person shall possess the qualifications as specified in the Company's Definition of Independent Directors, details of which can be seen in *Section 5.3: Nomination and Remuneration Committee Report*.

Conflict of Interest

The Board of Directors has established written guidelines on conflict of interest as published in the Code of Conduct, by adhering to the principles of the Stock Exchange of Thailand and the Securities and Exchange Act for the utmost benefit of the Company. It is the duties and responsibilities of the personnel at all levels to vigilantly resolve the conflict of interest with ethical conduct, honesty, judgment, rational decision making and independence. The Company also discloses sufficient information in the best interests of the Company's shareholders.

The Company requires the Directors and Executives to submit the report on the conflict of interest, and to notify of any change therein, to the Company Secretary, in the form approved by the Board of Directors. The Company Secretary shall keep and maintain the reports and submit the copy of the report to the Chairman of Board of Directors and the Chairman of the Audit Committee for the purpose of monitoring the good corporate governance on the conflict of interest. In addition, the Company Secretary shall quarterly report to the Board of Directors in the change in the holding of securities of the Directors.

In order to prevent an occurrence of a transaction which may conflict with the best interest of the shareholders, the Company has established a set of policies on the conflict of interest relating to (i) conducting new business (ii) holding shares in a company in which the Company makes investment (iii) lending money to a company with which the Company has a joint venture (iv) preparing loan documents in writing (v) entering into related party transactions with the same commercial terms as those an ordinary person would agree with any unrelated counterparty under the similar circumstances. For further details of these policies please refer to *Section 5.6: Related Party Transactions*.

Code of Conduct and Ethics

The Board of Directors has established a set of written policies and codified as Code of Conduct. These policies govern the Company to operate its business with integrity and adhere to the principles of corporate governance and the code of conduct and ethics of the Company. The Code of Conduct stipulates the guideline for treatment of shareholders, employees, all groups of stakeholders, and public, society and relevant parties. The Company consistently complies with such standard and communicates with the executives and employees. The executives and supervisors have a responsibility to ensure and encourage that their subordinates comply with such ethics, as well as to behave as a role model.

As of 31 March 2013 the Corporate Governance Committee consists of 4 members as follows:-

Corporate Governance Committee

Name	Position	Meeting Attendance
1. Mr. Keeree Kanjanapas	Chairman of the Corporate Governance Committee	2/2
2. Mr. Anat Arbhabhrama	Member of Corporate Governance Committee	2/2
3. Mr. Charoen Wattanasin	Member of Corporate Governance Committee	2/2
4. Mr. Rangsin Kritalug	Member of Corporate Governance Committee	2/2

Miss Chayada Yodyingtammakul, Company Secretary and Legal Office, is the Secretary to the Corporate Governance Committee.

Roles and Responsibilities of the Corporate Governance Committee

1. To consider, determine, review, and update the Corporate Governance Policy and Code of Business and Employees Conduct to be in line with the international standard practices and to propose to the Board of Directors for consideration and approval, and to monitor the implementation of such Corporate Governance Policy and Code of Business and Employees Conduct.
2. To consider, determine, review, and update the Corporate Social Responsibility (CSR) policy and to propose to the Board of Directors for consideration and approval, and to monitor the implementation of such CSR policy.
3. To consider, determine, review, and update the Policy and Guideline on Anti-Corruption and Bribery and to propose to the Board of Directors for consideration and approval, and to monitor the implementation of the Policy and Guideline on Anti-Corruption and Bribery.
4. To appoint the working group to assist the Corporate Governance Committee in performing their duties as well as to appoint the independent expert consultants for providing advice and assistance for the performance of duties by the Corporate Governance Committee.
5. To perform or undertake other tasks as the Board of Directors may assign.

For the full corporate governance policy, please refer to the *Company's Form 56-1*, or contact Investor Relations at ir@btsgroup.co.th.

5.3 NOMINATION AND REMUNERATION COMMITTEE REPORT

As of 31 March 2013, the Nomination and Remuneration Committee consists of 5 members as follows:

No.	Name	Position		Meeting Attendance
1	Lt. Gen. Phisal Thepsithar	Chairman of the Nomination and Remuneration Committee	Independent Director	1/1
2	Mr. Suchin Wanglee	Member of the Nomination and Remuneration Committee	Independent Director	1/1
3	Mr. Charoen Wattanasin	Member of the Nomination and Remuneration Committee	Independent Director	1/1
4	Mr. Rangsin Kritalug	Member of the Nomination and Remuneration Committee	Executive Director	1/1
5	Mr. Kong Chi Keung	Member of the Nomination and Remuneration Committee	Executive Director	1/1

Miss Chayada Yodyingtammakul, Company Secretary and Legal Director, is the Secretary to the Nomination and Remuneration Committee.

Roles and Responsibilities of the Nomination and Remuneration Committee

- To consider and provide opinion on the Board of Directors' structure, such as the appropriate size and composition of the Board of Directors, considering the Company's size and business strategy in comparison with the current size and composition of the Board of Directors as well as to review the independency of each of the Independent Directors, so as to adjust the Board of Directors' structure to be in line with the Company's strategy.
- To determine the criteria and process in selecting persons for the position of Directors, by considering:
 - Qualifications of the Directors which are in line with the Company's strategy, structure, size and composition of the Board of Directors as determined by the Board of Directors, and
 - The appropriateness of their knowledge, experience, expertise and time availability as well as other requirements as stipulated by the laws or regulations of the government authorities.
- To select Directors who have qualifications in accordance with the specified qualifications:
 - In case where the Directors retire by rotation, to recommend the person(s) to the Board of Directors for approval and to further propose to the shareholders' meeting for consideration and approval.
 - In case of any vacancy in the Board of Directors for reasons other than the retirement by rotation, to propose the person(s) to the Board of Directors for consideration and appointment as the new Director(s) to replace the vacant position.
- In case of any need on the appointment of additional Director(s) to meet the Board of Directors' structure, to recommend the person(s) to the Board of Directors for approval and to further propose to the shareholders' meeting for consideration and approval.
- To consider the structure, amount, form and criteria for all type of remuneration (monetary and non-monetary) to be payable to the Chairman of the Board of Directors, Directors and members of the sub-committees, taking into account the remuneration of other companies in the same industry or with the same range of market capitalisation in order to motivate and maintain the valuable Directors with the Company, and to propose to the Board of Directors for approval and to further propose to the shareholders' meeting for consideration and approval.
- To consider the performance assessment criteria of the Executive Chairman and to present the results of such assessment to the Board of Directors for approval, as well as to propose the amount and form of remuneration of the Executive Chairman, in correspondence with the results of the performance assessment, to the Board of Directors for consideration and approval.
- To consider the appropriateness and conditions in offering new shares, warrants, or other securities to the Directors and employees as motivation for the Directors and employees to perform their duties in order to create long-term value

for the shareholders and to maintain the qualified employees with the Company, provided that the criteria shall be impartial to the shareholders.

7. To report the performance result of the Nomination and Remuneration Committee to the Board of Directors and/or the shareholders' meeting.
8. To perform any other acts related to the nomination of Directors and determination of remuneration as assigned by the Board of Directors and to perform any other acts as stipulated by the laws or regulations of the government authorities.

Director Nomination Policy

The Nomination and Remuneration Committee is responsible for determining the qualification of candidates for Director's position as well as proposing suitable persons to the Board of Directors so that they may in turn be proposed to the Shareholder's meeting. Such nomination process should take into account the balance of skills of the Board and the knowledge, experiences, length of service and performance of the Director as well as requirements stipulated by law or regulations of the government authorities. It also reviews Director's external interests to identify any actual, perceived or potential conflicts of interests, including the time available to commit to their duties to the company. These criteria are in addition to qualification requirements as prescribed pursuant to the Public Limited Company Act B.E. 2535 (1992) (as amended), Securities and Exchange Act B.E. 2535 (1992) (as amended) and relevant notifications of the Securities and Exchange Commission of Thailand and Capital Market Supervisory Board.

In case of the nomination of Independent Director, such nominated person shall possess the qualifications as specified in the Company's Definition of Independent Directors. The Definition of Independent Directors of the Company is more stringent than the requirements of the Office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand, i.e. the shareholding for BTS shares of Independent Director shall "not be more than 0.75%" of the total number of shares with the voting rights of the Company, parent company, subsidiaries, associated companies, major shareholders, or controlling persons of the Company. By definition, an Independent Director shall:-

1. Hold no more than 0.75% of the total number of shares with the voting rights of the Company, parent company, subsidiaries, associated companies, major shareholders, or

controlling persons of the Company. For the purpose of this calculation, the number of shares held by related persons of each Independent Director shall also be included.

2. Neither be a Director who takes part, or used to take part in management, nor be or used to be an employee, staff, an advisor who receives a regular salary, nor be a controlling person of the Company, parent company, subsidiaries, associated companies, subsidiaries ranked in the same level, nor be a major shareholder nor the controlling person of the Company*.
3. Not be a blood-related person nor legally related as father, mother, spouse, brother, sister and children, including being the spouse of the children of the executives, major shareholders, controlling persons or the persons who will be nominated as the executive or controlling person of the Company or subsidiaries.
4. Neither have, nor formerly have any business relationship with the Company, parent company, subsidiaries, associated companies, major shareholders, or controlling persons of the Company in the manner that may obstruct the exercise of independent judgment as an Independent Director. Moreover, Independent Directors must neither be, nor used to be a key shareholder or controlling person of the entities having a business relationship with the Company, parent company, subsidiaries, associated companies, major shareholders, or the controlling persons of the Company*.
5. Neither be, nor used to be the auditor of the Company, parent company, subsidiaries, associated companies, major shareholders, controlling persons of the Company, nor be a key shareholder, controlling person or partner of the audit office having the auditor providing auditing service to the Company, parent company, subsidiaries, associated companies, major shareholders, or the controlling persons of the Company*.
6. Neither be, nor used to be a provider of any professional services including legal advisory or financial advisory services that received fees in the amount of more than THB 2mn per year from the Company, parent company, subsidiaries, associated companies, major shareholders, or controlling persons of the Company, nor be a key shareholder, controlling person, or partner of such professional services provider*.

* Not applicable in the case such Director has resigned from such position for at least two years

7. Not be a Director who has been appointed as a representative of the Company's Directors, major shareholders or shareholders relating to major shareholders.
8. Neither operate a business of the same nature which significantly competes with the business of Company or its subsidiaries, nor be a significant partner or a Director involved in management, nor be an employee, staff, a member, or a consultant who receives a regular salary, or holds more than 1% of the total number of shares with the voting rights of a company that operates the business having the same nature and significantly competes with the businesses of the Company or its subsidiaries.
9. Have no other conditions that may obstruct the independent expression of comment on the Company's operation.
3. Apart from retirement by rotation, the Directors shall cease holding the position in case of death, resignation, lack of qualifications or possession of prohibited characteristics according to the Public Limited Companies Act B.E. 2535 (1992), removal by a resolution of a shareholders' meeting, and removal by court order.
4. In case of a vacancy in the Board of Directors for reasons other than the retirement by rotation, the Board of Directors shall resolve, with a vote of not less than three-quarters (3/4) of the number of Directors remaining, to elect a person who has the qualification and possesses no prohibited characteristics under the Public Limited Companies Act B.E. 2535 (1992) as the substitute Director at the next meeting of the Board of Directors, unless the remaining term of office of the said Director is less than two months.

In addition, the Company allowed the minority shareholders to nominate candidates to be elected as Director at the 2013 Annual General Meeting of Shareholder. Nonetheless, none of the shareholders nominated a candidate to be elected as Director. More details can be seen in *Section 5.2: Corporate Governance Policy and Corporate Governance Committee*.

Moreover, the appointment and removal of the Company's Directors shall comply with the requirements and procedures stipulated in the laws and the Company's Articles of Association as follows:

1. In every Annual General Meeting of Shareholders, at least one-third (1/3) of the Directors shall retire by rotation. If the number of Directors to retire by rotation is not divisible by three, the number of Directors closest to one-third (1/3) of all Directors shall retire. The Directors who retire by rotation are eligible for re-election.
2. The election of Directors at the shareholders' meeting shall be in accordance with the following rules and procedures: i) Each shareholder shall have one vote for one share. ii) Each shareholder shall use all of his or her votes to elect one or several persons as Director. However, he or she may not divide his or her votes among candidates. iii) The persons who receive the most votes in descending order will be elected as Directors up to the number of Directors that are to be elected at that meeting. In the event that the persons being elected have equal votes and their election would exceed the number of Directors required to be elected at that meeting, the Chairman of the meeting shall have a casting vote.

5. The shareholders' meeting may pass a resolution removing any Director from his office prior to the retirement by rotation, by a vote of not less than three-quarters (3/4) of the number of shareholders attending the meeting who have the right to vote and who have shares totaling not less than half (1/2) of the number of shares held by the shareholders attending the meeting and having the right to vote.

Remuneration Policy

The BTS Group has established a remuneration policy with an objective to provide remuneration in a form that will attract, retain and motivate key staff at all levels of the organisation. In particular, the Group places great importance on attracting, retaining and motivating a Board of Directors and senior management team with the appropriate professional, managerial and technical expertise to help realise the strategic objectives of the Group.

The Nomination and Remuneration Committee shall consider and determine the amount and form of the remuneration of the Executive Chairman by using various indicators, including the assessment result of the performance of the Executive Chairman, success and having compared with other listed companies in the Stock Exchange of Thailand and propose such to the Board of Directors' Meeting for approval. The Nomination and Remuneration Committee has established criteria for the assessment of the performance of the Executive Chairman and uses as the framework for the determination of remuneration of the Executive Chairman and to further present to the Board of Directors for its consideration. In 2012/13, the criteria of the assessment cover 3 sections, i.e. Section I: Key Success, Section II: Performance Measures and Section III: Development Needs,

full details of which can be seen in the *Company's Form 56-1*. In addition, the Company has established a policy that the Executive Chairman should not hold a board position in other companies outside BTS Group, subject to certain exceptions.

The Executive Chairman shall consider the appropriateness of the Executives' compensation individually from the performance of each executive by using various indicators. The annual adjustment of salary shall be in accordance with the economic situation and performance of the Company.

In regards to the remuneration of the Board of Directors, the Nomination and Remuneration Committee will determine the remuneration of the Directors from the size of business and responsibilities of the Board of Directors, having compared with other companies with the same range of market capitalisation which are listed in the Stock Exchange of Thailand and further present to the Board of Directors' Meeting and shareholders' meeting for consideration and approval.

Basis of Directors Remuneration

	Year 2012	Year 2011	Year 2010
Monthly Remuneration (THB)			
Chairman of the Board of Directors	60,000 per month	60,000 per month	60,000 per month
Chairman of the Audit Committee	50,000 per month	50,000 per month	50,000 per month
Directors	30,000 per month	30,000 per month	30,000 per month
Meeting Allowance (THB)			
Chairman of Audit Committee	20,000 per meeting	20,000 per meeting	25,000 per meeting
Audit Committee Member	20,000 per meeting	20,000 per meeting	20,000 per meeting
Other sub-committees	None	None	None
Other Remuneration			
Directors' Bonus	0.5% of the total dividend payment*	0.5% of the total dividend payment**	None

* 2012/13: THB 13.7mn

** 2011/12: THB 10.1mn

Director Remuneration 2012/13

Name	Days	Monthly Remuneration (THB)	Meeting Allowance (THB)	Directors' Bonus (THB)	Total (THB)
1. Mr. Keeree Kanjanapas	365	720,000		1,962,541.89	2,682,541.89
2. Mr. Paul Tong	365	360,000		981,270.93	1,341,270.93
3. Mr. Anat Arbhahirama	365	360,000		981,270.93	1,341,270.93
4. Mr. Surapong Laoha-Unya	365	360,000		981,270.93	1,341,270.93
5. Mr. Kavin Kanjanapas	365	360,000		981,270.93	1,341,270.93
6. Mr. Rangsin Kritalug	365	360,000		981,270.93	1,341,270.93
7. Mr. Kong Chi Keung	365	360,000		981,270.93	1,341,270.93
8. Mr. Kin Chan	197	180,000		981,270.93	1,161,270.93
9. Lt. Gen. Phisal Thepsithar	365	600,000	140,000	981,270.93	1,721,270.93
10. Mr. Amorn Chandara-Somboon	365	360,000		981,270.93	1,341,270.93
11. Mr. Suchin Wanglee	365	360,000	120,000	981,270.93	1,461,270.93
12. Mr. Charoen Wattanasin	365	360,000	140,000	981,270.93	1,481,270.93
13. Mr. Cheong Ying Chew, Henry	365	360,000		981,270.93	1,341,270.93
Total Director Remuneration		5,100,000	400,000	13,737,793.05	19,237,793.05

Director Remuneration	Persons	Remuneration (THB mn)
2012/13	13*	19.2
2011/12	13	15.7
2010/11	21**	5.0

Remarks:

- * Mr. Kin Chan resigned from the director position effective on 15 October 2012.
- ** In 2010/11, the 13 former directors resigned from their position as directors effective on 29 July 2010 and the 2010 Annual General Meeting of Shareholders, held on 29 July 2010, resolved to approve the new Board of Directors, consisting of 15 Directors, 7 of which are the former directors. Therefore, in 2010/11, the Company paid remuneration to 21 directors.

Executive Remuneration	Persons	Remuneration (THB mn)
2012/13 *	9	54.3
2011/12 *	9	37.7
2010/11 *	17	39.4

Remarks:

- * Consisting of salary, bonus and provident fund contribution

Base Salary:

The objective of the base salary is to enable the Company to recruit and retain executives of a caliber in line with that of other SET50 companies in Thailand.

Short-term incentive (annual bonus):

The objective of the short-term incentive is to reward executives based on the financial performance of the consolidated Group as well as the overall economic situation.

Long-term incentive:

The Company has issued the warrants representing the rights to purchase ordinary shares of the Company to employees of BTS Group in order to provide morale support to employees taking part in our success and to encourage participation from the employees in our future growth and improving operating results of BTS Group. The Non Board executives received non monetary remuneration in a form of BTS-WA in the total amount of 11.6 mn units in the year 2011 and 2012 and in a form of BTS-WB in the total amount of 1.7mn units in year 2013.

Provident Fund:

The Company initiated a Provident Scheme in the November 2010. Under the Company's provident fund scheme, all staff members must contribute 5% of their salary to the Fund, and the Company matches this with an additional 5% of the salary. The Provident Fund scheme is regulated by the Thai Securities and Exchange Commission under The Provident Fund Act B.E 2530 which imposes strict limits on investment criteria and requires the Fund to be managed by a licensed Asset Management Company. More details can be seen at www.thaipvd.com.

5.4 RISK MANAGEMENT POLICY

In the period of 2012/13, the BTS Group had fully implemented its Risk Management Policy in accordance with the standards set out by the Committee of the Sponsoring Organisations of the Treadway Commission (COSO).

Taking risks is an integral part of entrepreneurial behaviour. The objectives of our Risk Management function is not to eliminate all risks but to ensure that we are aware of all relevant risks and efforts are made to manage these appropriately at all business levels. Management needs to take those risks into consideration when making any business decision. The aim of our Risk Management Policy is to establish a formal communication to all business levels on the Risk Management Framework and provide guidance on the risk tolerance of the BTS Group. This will ensure that all business units perform risk identification, risk evaluation, risk control and risk monitoring in a consistent manner.

The BTS Group believes Risk Management is one of the key strategies to help the organisation achieve our objectives. We ensure that all business units implement our Risk Management Framework in dealing with all foreseeable risks appropriately. All material risks will be registered, monitored and reported to Management in order to be controlled efficiently such that Risk management becomes an inherent factor to be taken into account when making business decisions. Key safeguards embedded in our Risk Management policy include ensuring compliance with legal requirements and the ensuring the integrity of the company's financial reporting but the BTS Group risk management approach is also integrated with areas of corporate governance and a system of internal controls.

Risk Management

The BTS Group has established both a "top down" and "bottom up" approach to Risk Management.

The Board of Directors (BoD) provide the top down oversight and accountability and has the responsibility of i) setting out the risk policy and framework ii) reviewing the appropriateness of the policy and framework on an ongoing basis and iii) ensuring that risk management and internal controls are implemented. In order to achieve this end, the Audit Committee is tasked with evaluating the sufficiency of the risk management policy and providing advice to both the Board and the Management.

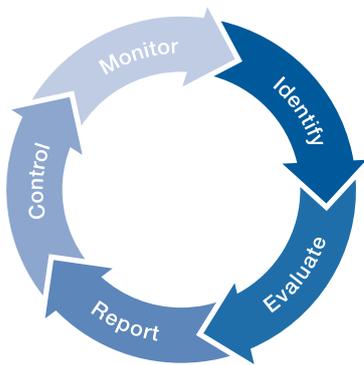
At the core of the Company's Risk Management structure is the Executive Committee (Ex-com). The Ex-com is responsible for monitoring and controlling key risks and any conditions that may have a material effect on business operations. Further, the Ex-com acts as the centre of risk management engagement with the ability to reach out to the rest of the organisation.



Each employee in the firm is encouraged to increase awareness of the impact their own responsibilities may have on the organisation as a whole. Our 'bottom-up' risk management approach is done by business/risk owners. Each unit is responsible for identifying, assessing and controlling key risks that their business is exposed to. The company also engaged Professional Consulting Company to conduct a risk self assessment workshop with each department. This process aims to educate and increase awareness of 'bottom up' risks that each department may be exposed to.

In addition, Ex-com set up Risk Management Working Group (RMWG), which comprises of representatives from all business units. RMWG consolidates risks of all businesses and performs business impact analysis at the Group Level. On continuing basis, RMWG supports each business unit in implementing Risk Management and updates to Ex-com (quarterly) and Board of Directors (annually).

Aside from the role of verifying the effectiveness and integrity of existing internal controls, the internal audit office is also responsible for an independent audit of the risk management process.



Risk Management Framework

The Risk Management framework is a continuous and developing process which is central to the BTS Group's strategic management and designed to provide 'reasonable assurance'.

To ensure good governance of company-wide risk management, the BoD approved a Risk Management Framework as a guideline for all business units to pursue. The BoD also appointed the Ex-com to monitor and control key risks to be consistent with Group's objectives.

For reporting and compliance related objectives, the system is designed to provide reasonable assurance that objectives are actually met. For strategic and operational objectives (which are subject to external influences) the framework is designed to provide reasonable assurance that management and the board are at least aware of the progress of the company in achieving its objectives.

1. Risk Identification: With the aim of identifying our organisation's exposure to uncertainty, the BTS Group has developed a methodical approach to indentifying risk. Each business unit is responsible for identifying relevant risks and assessing its potential impact. This process is reviewed at least annually. Further, the Holding company consolidates those risks and categorises into four primary risks; Strategic, Operational, Financial and Compliance. The BTS Group believes that an in-house approach to Risk Management is most effective.

2. Risk Evaluation: The Company has developed a "Risk Map". This map summarises material risks that could impact the Company's strategic objectives and financial, such as earnings and continued operations. Risks are considered a material threat if they are above the Company's risk threshold. Each risk is also described, and estimated in terms of probability of occurrence and severity of impact in the case it occurs.

3. Risk Reporting: The efficient communication of risk intelligence within a company is critical and supported by a sound corporate governance structure. Each business unit produces a report of critical variables to help the tracking of risks of the business on regular basis.

4. Risk Control: For risks which are identified as being above the acceptable threshold, the Company will propose countermeasures to reduce or control the risk with Cost-Benefit Analysis and implement those measures if approved by Ex-com.

5. Risk Monitoring: Risk monitoring involves both the ongoing assessment of risks as well as the ongoing review of the system that controls the risks. This is in order for the risk management framework to remain effective in an external and internal environment that is dynamic in nature. Each business unit produces a report with warning threshold at both Company level and Group level to help monitoring their risks closely. If the threshold crossed, the risk will be escalated to the Head of the relevant business unit to take action immediately. To evaluate risk control, each business unit monitors the risks and their impacts on operations, which will be updated to the Ex-com on a quarterly basis. The overall system's integrity is also reviewed by the Board of Directors in the annual 'Evaluation on the Adequacy of the Internal Control System'.

5.5 INTERNAL CONTROL

Internal control can be considered a subset of the overall Risk Management process. Specifically, internal control are the systems and processes that are in place to provide reasonable assurance of achieving objectives relating to a) Effectiveness and efficiency of operations; b) Reliability of financial reporting; and c) Compliance with laws and regulations.

As with the overall Risk Management system, the Company places great importance on effectiveness of its internal control system and the Audit Committee is assigned by the Board of Directors to evaluate the adequacy of the internal control system on an annual basis. The Company assesses internal controls across 5 difference areas; The Environment for Organisational Controls, Risk Assessment Measures, Management Control Measures, Information and Communication Measures, and Monitoring Measures, as follows:

The Environment for Organisational Controls

In order to have an effective risk management and internal control system, it is critical to encourage, and promote a work environment that places importance on an effective process and the achievement of results. Therefore, the Company focuses on creating these conditions and encourages every employee to understand the key features of the internal control system as follows:

- The Board of Directors is responsible for setting clear business goals. Executive management then holds meetings to convert these business goals into short and long-term business plans (as well as the annual budget) and management in turn communicates this to all departments in order to ensure awareness of the established goals. The Company assesses business operations on a quarterly basis to assess overall performance and improve the business plan. The annual budget is revised every six months.
- The Company reviews the organisational and corporate governance structure with consideration to the efficiency of the Management, and notifies the employees of any changes to the structure.
- The Company establishes policies and procedures concerning approval of transactions related to finance, procurement and asset management to prevent any misconduct.

The Company has a Code of Conduct including rules, practices and penalties for management and employees and each employee receives a copy of this at the commencement of employment and is notified of any changes. Each employee also received a copy of the Company's Corporate Governance Policy (see *Section 5.2: CG Policy and CG Committee*).

Risk Assessment Measures

The Company has specified clear and harmonised objectives; both at the organisational and operational level in order for the Company to accomplish its goals using the approved annual budget and available resources. More details on the Risk Management framework, including Risk Assessment is included in this annual report in (see *Section 5.4: Risk Management Policy*).

Management Control Measures

The Company has policies, operational guidelines and controls for Management to ensure that the policies specified by the Management are complied with and communicated to the Company's employees. Policies include the scope of duties and authorised credit limit of each level of management, clear separation of the duties relating to (i) purchase approval (ii) accounting entries and (iii) safe keeping of property in order to ensure the efficiency of cross-checking and monitoring. The Company also has strict guidelines relating to 'related or connected' party transactions, which must be conducted in accordance with normal market practice and presented to the Independent Audit Committee for their comments. If a transaction may be deemed not to be in line with market standard, then the Audit Committee must consider and propose to the Board of Directors / Shareholders, as the case may be for their approval. More details on these internal controls can be found in the *Company's Form 56-1*. The Company also monitors the operations of the Company's subsidiaries and affiliates on a regular basis, as well as providing guidelines to the persons appointed as Directors or Management of such companies in order to ensure that these companies' operations are in line with the Company's goals. The Company has also set up a monitoring policy to ensure that the operations of the Company, its subsidiaries and affiliates comply with all relevant laws and regulations. The Company adopts preventive measures as appropriate to prevent any violation of the law.

Information and Communication Measures

As specified in the Risk Management policy, a key component of effective internal controls is the effective communication and reporting. The Company organises its information system to cover the Company's performance at the company level, the financial reporting level, the business unit level and the policy compliance level to enhance the ability to achieve of the objectives of the Company. Our policies include (i) providing the Board of Directors with essential information to support their decision making at least 7 days in advance of the Director's meeting (ii) recording comprehensive minutes of the Board of Directors' meeting including Directors' inquiries, comments

and observations on each matter and (iii) maintaining and categorising all accounting records and books in a manner that can be easily investigated.

Monitoring Measures

As with the monitoring of risk, the Company regularly monitors (i) compliance of performance with the established goals and (ii) the integrity of the internal control system, improving it where appropriate. For example, the Board of Directors conducts quarterly meetings to consider whether the performance result is different from the established goals, and proposes necessary operational guidelines so that the Company can rectify any errors in a timely manner. Further, the internal audit conducts a regular audit of the internal control system as part of a clearly specified internal control audit plan. The Company also requires that the internal audit function shall be under the direct supervision and report directly to the Audit Committee to ensure the independence of the internal auditor's performance. If a material error is found by either the internal or external auditors or management, the relevant persons must report it to the Board of Directors or the Audit Committee to clarify the reasons and to propose a solution for the error. The Company requires that progress on rectification of the error is monitored. The progress must be reported to the Board of Directors or the Audit Committee within a defined period of time.

5.6 RELATED PARTY TRANSACTIONS

Disclosure of related party transactions in the Annual Report has been prepared in accordance with the Annual Registration Statement Disclosure Form (Form 56-1). The Company discloses and describes the related party transactions occurred in the past period as well as the policy on the execution of related party transactions between the Company/subsidiaries and the person that may have conflict of interest. Nonetheless, the related party transactions with the associated companies or subsidiaries, to which the directors, executives, major shareholders, or controlling persons of the Company hold no greater than 10% shareholding collectively, will not be disclosed. The disclosure of related party transactions in this Annual Report is different from the disclosure in the financial statements. That is to say the disclosure in the financial statements has been prepared in accordance with the Accounting Standards regarding Related Party Disclosures which includes the disclosure of the related party transactions with the subsidiaries and associated companies who are not the person having conflict of interest.

Necessity and Rationale of Related Party Transactions

The related party transactions of the Company are the outstanding transactions that occurred a long time ago. The Audit Committee has reviewed these transactions as regards the appropriateness of the monitoring and collection process, evaluation of transaction status and evaluation of competency in debt servicing by the debtors, as well as the appropriateness of making provision for the doubtful debt covering the losses may occur.

Measures or Procedures in approving Related Party Transactions

All related party transactions must be approved by the Audit Committee and the Board of Directors or the shareholders' meeting, as the case may be, in accordance with the Notification of the Board of Governors of the Stock Exchange of Thailand re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (2003) (as amended) and the Notification of Capital Market Supervisory Board No. Tor Jor. 21/2551 re: Rules on Connected Transactions (as amended), as well as laws on securities and exchange, regulations, notifications, orders or requirements of the Stock Exchange of Thailand relating to the execution of connected transactions or the transactions which might be in conflict of interest or the relevant regulations applicable at such time (the "Relevant Rules on Regulations on Connected Transactions").

Policy and Trend of Related Party Transactions

The Company may need to enter into related party transactions with the connected person(s) or with the person(s) who may have conflict of interest in the future. In such an event, the Company will determine the terms and conditions to be in

line with the general trading conditions and market price that can be compared with those offered to other third parties. The Company will also comply with the relevant regulations of the Stock Exchange of Thailand, and the relevant laws on securities and exchange.

If there are any related party transactions between the Company/subsidiaries and a connected person or a person who may have conflict of interest or conflict of any kind, the Company will request the Audit Committee to review and give opinion on the necessity and appropriateness of such transactions. Moreover, if the Audit Committee does not possess expertise to review such transaction, the Company will involve an independent expert, independent financial advisor, or the Company's auditor to provide the opinion on such transaction, so that the Board of Directors or the shareholders, as the case may be, can use such opinion to support their decision making. In case where the related party transaction is proposed to the shareholders' meeting for its consideration and approval, the Company shall appoint an independent financial advisor to report and give their opinion on the execution of such transaction to the shareholders. The Company will disclose related party transactions in the remarks of the financial statements as audited by the Company's auditor, the Annual Registration Statement Disclosure Form (Form 56-1) and in the Annual Report of the Company.

Policies Relating to Transactions which may be in Conflict with the Company's Interest

In order to prevent an occurrence of a transaction which may be conflict with the best interest of the Company and shareholders and to maintain the good corporate governance, the Company has established a set of policies relating to transactions which may be in conflict with the Company's interest as follows:

Policy on doing a new business

The Company shall propose the details of the business plan to the Board of Directors or any persons appointed by the Board of Directors. The investment plan shall be reviewed and considered by mainly taking into account the returns and benefits to the Company and its shareholders. Nevertheless, the Company has no policy to do business with its director, executive, major shareholder or any related person thereof except in the case of necessity or to support the businesses of the Company and mainly for the best interest of the Company and its shareholders in general. The Company shall also comply with the Relevant Rules on Regulations on Connected Transactions.

Policy on holding shares in a company the Company makes investment

The Company has a policy to hold shares of any investments it makes by its own except in the case of necessity and for the best interest of the Company or its shareholders in general which shall be brought to the consideration of the Audit Committee and the Board of Directors for approval, provided that any person who has an interest in the transaction shall not be present at the Board of Directors' meeting during the course of consideration of such transaction and shall have no right to vote.

Policy on lending money to a joint venture company

Lending money is not the business of the Company. However, if the Company has a necessity to lend money to its joint venture company to support the financing of the joint venture company in a form of shareholders loan, the Company will grant the loan pro rata to its investment, except in the case of necessity and appropriateness which may be approved by the Board of Directors on a case by case basis. Nevertheless, the Company has no policy to lend money to its director, executive, major shareholder and/or any related person thereof or the business of the joint venture company with such person, except in the case of providing loan pro rata to the investment or for the best interest of the Company or its shareholders in general. The Company shall also comply with the Relevant Rules on Regulations on Connected Transactions.

In addition, if such transaction has the size smaller than the disclosure requirements, the Company shall report such transaction to the Audit Committee for acknowledgment.

Policy on preparing documents in writing

The Company will prepare promissory notes, loan agreements and/or any financial support agreements with due care and will prepare them in writing as well as keep all evidence properly, regardless such loan is lent to companies in the group.

Policy on entering into the connected transactions with the same commercial terms as those the person in general would agree with any unrelated counterparty under the similar circumstances

The Board of Directors approved in principle a policy on the execution of connected transactions between the Company/ subsidiaries and directors, executives or related person thereof with the same commercial terms and/or market price as those the person in general would agree with any unrelated counterparty under the similar circumstances on the basis of commercial negotiation and without any dependent interest resulting from the status of the director, executive or related person as stipulated in Article 89/12 of the Securities and Exchange Act (No. 4) B.E. 2551. For the connected transaction with different commercial terms or differ from the market price, the Company shall comply with rules and regulations of relevant authorities.

Related Party Transactions (as of 31 March 2013)

Persons who may have conflict of interest	Companies having related party transactions	Relationship	Transactions	2012/13 (THB mn)	2011/12 (THB mn)	Necessity / Remarks
Hwa Kay Thai (Thailand) Co., Ltd.	The Company, VGI Global Media Plc. and Bangkok Smartcard System Co., Ltd.	<ul style="list-style-type: none"> HwaKayThai (Thailand) Co., Ltd. was formerly a subsidiary of the Company but all shares in Hwa Kay Thai (Thailand) Co., Ltd. were transferred to the Company's creditors as debts settlement. Mr. Man Ka Ho Donald, a son in law of Mr. Keeree Kanjanapas, Chairman, Executive Chairman and a major shareholder of the Company, has benefit and controlling power of more than 10% in Oriental Field Ltd. which in turn holds 49% shares in Hwa Kay Thai (Thailand) Co., Ltd. 	<ul style="list-style-type: none"> Accommodation and banquet expenses at Eastin Hotel Makkasan, Bangkok 	0.1	2	This transaction occurred as necessary with terms and service fee at the rate which Eastin Hotel Makkasan, Bangkok charges to other third parties. This transaction is in compliance with the policy on the execution of connected transactions having market price and the same commercial terms as those the person in general would agree with the unrelated counterparty under the similar circumstances. The policy on the execution of connected transactions between the Company/ subsidiaries and the connected persons has been approved in principle by the Board of Directors.

Persons who may have conflict of interest	Companies having related party transactions	Relationship	Transactions	2012/13 (THB mn)	2011/12 (THB mn)	Necessity / Remarks
	Muangthong Assets Co., Ltd. and PrannaKiri Assets Co., Ltd.		<ul style="list-style-type: none"> Loan which is THB 26mn principal plus interest. Muangthong Assets Co., Ltd. and PrannaKiri Assets Co., Ltd. are still charging interest at the rate equaling to their financial cost. However, Muangthong Assets Co., Ltd. and PrannaKiri Assets Co., Ltd. already made the provision of the doubtful debt in full amount. In 1995, Muangthong Assets Co. Ltd. and PrannaKiri Assets Co., Ltd. provided loan to Hwa Kay Thai (Thailand) Co., Ltd. with the interest rate equaling to their financial cost. At the date of borrowing, Hwa Kay Thai (Thailand) Co., Ltd. was still a subsidiary of the Company. At such time, inter-company loan among companies in the group was applied in the course of working capital management. All shares in Hwa Kay Thai (Thailand) Co., Ltd. held by the Company were pledged as the collateral to the Company's loan and subsequently the Company transferred those shares to creditors during the course of business rehabilitation in 2006. Muangthong Assets Co., Ltd. and PrannaKiri Assets Co., Ltd. have constantly followed up on the debt collection process with Hwa Kay Thai (Thailand) Co., Ltd. Currently, the parties are under negotiation process with some progress. 	55	55	This transaction occurred a long time ago. It is a normal transaction of which the interest rate is equivalent to the cost of the borrowing of Muangthong Assets Co., Ltd. and PrannaKiri Assets Co., Ltd.
EGV Co., Ltd.	The Company	<ul style="list-style-type: none"> Mr. Keeree Kanjanapas, Chairman, Executive Chairman and major shareholder of the Company, is a director and a major shareholder holding 40% shares in EGV Co., Ltd. 	<ul style="list-style-type: none"> Loan which is THB 4mn principal plus interest. The Company is still charging interest at the rate equaling to its financial cost. However, the Company has already made the provision of the doubtful debt in full amount due to the fact that EGV Co., Ltd. has ceased its operation and the Company believes that the opportunity to receive the repayment is low. EGV Co., Ltd. is a company founded in 1994 in order to make joint investment as a founder of Siam Infotainment Co., Ltd., as now known as ITV Plc. ("ITV"). In 1995, EGV Co., Ltd. borrowed money from the Company at the interest rate equivalent to the financial cost of the Company in order to invest in ITV, and EGV Co., Ltd. pledged all shares in ITV to secure the Company's debt. Later in 2002, the Company underwent the business rehabilitation process. The financial institutional creditor, who was the pledgee of ITV's shares, applied for repayment of the debt with the official receiver. The official receiver issued an order that such financial institutional creditor would receive only a part of the debt applied for repayment. Nevertheless, such creditor filed an objection to the official receiver's order with the Central Bankruptcy Court. The matter is still pending under the consideration of the Supreme Court. The only asset of EGV Co., Ltd. is its ITV shares which have been pledged as collateral with the financial institutional creditor while EGV Co., Ltd. did not charge any fee from the Company. Therefore, the Company will proceed to have EGV Co., Ltd. transferred these ITV shares to the Company as a debt settlement after the case between the Company and such financial institution creditor in the Supreme Court is final. Currently, such financial institution is under the liquidation process. The Company is following up on the resolution of the liquidation committee regarding the case between the Company and such financial institution. 	11	11	This transaction occurred a long time ago. It is a normal transaction of which the interest rate is equivalent to the Company's cost of the borrowing.

5.7 DIRECTOR AND EXECUTIVE PROFILES

DIRECTORS AND EXECUTIVES

Mr. Keeree Kanjanapas

Age 63	
Title	Chairman / Executive Chairman / Chairman of the Corporate Governance Committee
Education	<ul style="list-style-type: none"> • Top Executive Program (CMA 10) Year 2010, Capital Market Academy • Director Accreditation Program (DAP) Year 2011, Thai Institute of Directors
No. of Shares held (%)*	4,262,634,128 (37.382%)
Family Relationship with the Executives	Father of Mr. Kavin Kanjanapas
Working Experience for the 5-year period	
2006 - Present	Chairman, BTS Group Holdings Plc.
2010 - Present	Executive Chairman, BTS Group Holdings Plc.
1993 - 2006	Managing Director, BTS Group Holdings Plc.
2012 - Present	Chairman, VGI Global Media Plc.
2010 - Present	Chairman, Bangkok Mass Transit System Plc.
1996 - Present	Executive Chairman, Bangkok Mass Transit System Plc.
2010 - Present	Director, Kamkoong Property Co., Ltd. Director, Carrot Rewards Co., Ltd.
2009 - Present	Director, Nuvo Line Agency Co., Ltd. Director, BTS Land Co., Ltd. Chairman, Bangkok Smartcard System Co., Ltd. Director, Bangkok Smartcard System Co., Ltd.
1994 - Present	Director, Tanayong International Limited
1993 - Present	Director, PrannaKiri Assets Co., Ltd. Director, Sam Pao Petch Co., Ltd.
1992 - Present	Director, Tanayong Food and Beverage Co., Ltd.
1991 - Present	Director, Thana City Golf and Sports Club Co., Ltd.
1990 - Present	Director, Siam Paging and Communication Co., Ltd. Director, Tanayong Property Management Co., Ltd.
1988 - Present	Director, Muangthong Assets Co., Ltd.
2010 - 2012	Director, Kampoo Property Co., Ltd.
2009 - 2010	Director, BTS Assets Co., Ltd.
2007 - 2012	Director, Kamala Beach Resort & Hotel Management Co., Ltd.
1996 - 2009	Director, Yongsu Co., Ltd.
1991 - 2009	Director, DNAL Co., Ltd
1990 - 2011	Director, Saraburi Property Co., Ltd.

Mr. Paul Tong

Age 72	
Title	Director
Education	<ul style="list-style-type: none"> • Ph.D. Engineering University of Manchester, UK • Master of Science in Engineering, University of Hong Kong, Hong Kong • Bachelor of Science in Engineering, University of Hong Kong, Hong Kong
No. of Shares held (%)*	30,347,888 (0.266%)
Family Relationship with the Executives	-
Working Experience for the 5-year period	
2007 - Present	Director, BTS Group Holdings Plc.
2010 - Present	Chairman, BTS Assets Co., Ltd.
2007 - Present	Managing Director, Hip Hing Construction (China) Co., Ltd. Director, Kamala Beach Resort & Hotel Management Co., Ltd.
2008 - 2012	Managing Director, Hip Hing Construction Co., Ltd.
2006 - 2011	Director, NW Project Management Limited Chairman, Bangkok Mass Transit System Plc.
2006 - 2010	Director, Parsons Brinckerhoff International Pte Ltd., Singapore
2005 - 2010	

Mr. Anat Arbhabhrama

Age 75	
Title	Executive Director / Corporate Governance Committee Member
Education	<ul style="list-style-type: none"> • Ph.D. Engineering (Civil Engineering), Colorado State University, USA • Honorary Doctorate Degree in Engineering, Prince of Songkla University • Honorary Doctorate Degree in Civil Engineering, Chulalongkorn University • Master of Engineering (Hydraulic Engineering), Asian Institute of Technology • Bachelor of Engineering (Civil Engineering), Chulalongkorn University • Director Accreditation Program (DAP) Year 2011, Thai Institute of Directors
No. of Shares held (%) *	-
Family Relationship with the Executives	-
Working Experience for the 5-year period	
2010 - Present	Executive Director, BTS Group Holdings Plc.
2009 - 2010	Director, BTS Group Holdings Plc.
1998 - 2009	Audit Committee and Independent Director, BTS Group Holdings Plc.

*Shares held by directors and executives, including shares held by their spouse and minor child. As at 27 May 2013, the Company has 11,402,793,531 issued shares in total.

2010 - Present	Director, Kamkoong Property Co., Ltd.
2009 - Present	Director, BTS Land Co., Ltd.
2008 - 2013	Director, Bangkok Mass Transit System Plc.
1996 - 2008	Advisor to the Board of Directors, Bangkok Mass Transit System Plc.
2010 - 2012	Director, Kampoo Property Co., Ltd.
2009 - 2010	Director, BTS Assets Co., Ltd.

Mr. Surapong Laoha-Unya

Age 51

Title

Executive Director

Education

- M.M.E. Civil Engineering, Chulalongkorn University
- Bachelor of Engineering (Civil Engineering), Kasetsart University
- Director Accreditation Program (DAP) Year 2010, Thai Institute of Directors

No. of Shares held (%)* 5,552,627 (0.049%)

Family Relationship with the Executives -

Working Experience for the 5-year period

2010 - Present	Executive Director, BTS Group Holdings Plc. Director, Carrot Rewards Co., Ltd. Director, Kamkoong Property Co., Ltd.
2009 - Present	Director, Nuvo Line Agency Co., Ltd. Director, BTS Land Co., Ltd. Director, Bangkok Smartcard System Co., Ltd.
2006 - Present	Director and Chief Operating Officer, Bangkok Mass Transit System Plc. Director, VGI Global Media Plc.
2010 - 2012	Director, Kampoo Property Co., Ltd.
2009 - 2010	Director, BTS Assets Co., Ltd.

Mr. Kavin Kanjanapas

Age 38

Title

Executive Director

Education

- Stonyhurst College, UK
- Director Accreditation Program (DAP) Year 2007, Thai Institute of Directors
- Currently studying in Top Executive Program (CMA 16) Year 2013, Capital Market Academy

No. of Shares held (%)* 2,459,295 (0.022%)

Family Relationship with the Executives Son of Mr. Keeree Kanjanapas

Working Experience for the 5-year period

2010 - Present	Executive Director, BTS Group Holdings Plc.
2006 - 2010	Managing Director, BTS Group Holdings Plc.
2012 - Present	Executive Chairman, VGI Global Media Plc.
2003 - 2012	Director, VGI Global Media Plc.
2010 - Present	Director, Tanayong Hong Kong Limited Director, Absolute Hotel Services Hong Kong Limited Director, 999 Media Co., Ltd. Director, 888 Media Co., Ltd.

2009 - Present

2002 - 2007

2009 - Present

2004 - 2007

2008 - Present

2010 - 2012

2007 - 2012

2008 - 2011

2008 - 2009

Director, Carrot Rewards Co., Ltd.
Director, BTS Land Co., Ltd.
Director, Kamkoong Property Co., Ltd.
Director, VGI Advertising China Limited
Executive Chairman, BTS Assets Co., Ltd.
Director, Bangkok Mass Transit System Plc.
Director, Nuvo Line Agency Co., Ltd.
Director, Bangkok Smartcard System Co., Ltd.
Director,
Point of View (POV) Media Group Co., Ltd.
Director, VGI Advertising Media Co., Ltd.
Director, VGI Advertising Media Co., Ltd.
Director, VGI Multi-Tech International Co., Ltd.
Director, VGI Multi-Tech International Co., Ltd.
Director, Thana City Golf and Sports Club Co., Ltd.
Director, Tanayong Property Management Co., Ltd.
Director, Muangthong Assets Co., Ltd.
Director, Prannakiri Assets Co., Ltd.
Director, Sam Pao Petch Co., Ltd.
Director,
Siam Paging And Communication Co., Ltd.
Director, Tanayong Food and Beverage Co., Ltd.
Director, Absolute Hotel Services Co., Ltd.
Director, Kampoo Property Co., Ltd.
Director, Kamala Beach Resort & Hotel
Management Co., Ltd.
Director, Saraburi Property Co., Ltd.
Director, DNAL Co., Ltd
Director, Yongsu Co., Ltd.

Mr. Rangsin Kritalug

Age 51

Title

Executive Director / Chief Operating Officer /
Nomination and Remuneration Committee
Member/ Corporate Governance Committee
Member

Education

- MBA, Thammasat University
- Bachelor of Architecture, Silpakorn University
- Director Accreditation Program (DAP) Year 2003, Thai Institute of Directors
- Role of the Compensation Committee (RCC) Year 2011, Thai Institute of Directors
- Director Certification Program (DCP) Year 2011, Thai Institute of Directors
- Anti-Corruption for Executive Program Year 2012, Thai Institute of Directors
- Role of the Nomination and Governance Committee (RNG) Year 2012, Thai Institute of Directors

No. of Shares held (%)* -

Family Relationship with the Executives -

*Shares held by directors and executives, including shares held by their spouse and minor child. As at 27 May 2013, the Company has 11,402,793,531 issued shares in total.

Working Experience for the 5-year period

2010 - Present	Executive Director and Chief Operating Officer, BTS Group Holdings Plc.
2006 - 2010	Deputy Managing Director, BTS Group Holdings Plc.
1997 - 2006	Director, BTS Group Holdings Plc.
2011 - Present	Director, BTS Land Co., Ltd.
2010 - Present	Director, Kamkoong Property Co., Ltd. Director, Nuvo Line Agency Co., Ltd. Director, BTS Assets Co., Ltd.
2008 - Present	Director, Siam Paging and Communication Co., Ltd. Director, Absolute Hotel Services Co., Ltd.
2007 - Present	Director, Muangthong Assets Co., Ltd. Director, HHT Construction Co., Ltd.
2001 - Present	Director, DNAL Co., Ltd. Director, Tanayong Food and Beverage Co., Ltd. Director, Sam Pao Petch Co., Ltd. Director, PrannaKiri Assets Co., Ltd. Director, Tanayong Property Management Co., Ltd. Director, Yongsu Co., Ltd.
1998 - Present	Director, Thana City Golf & Sports Club Co., Ltd.
2010 - 2012	Director, Kampoo Property Co., Ltd.
2007 - 2012	Director, Kamala Beach Resort & Hotel Management Co., Ltd.
2001 - 2012	Director, Saraburi Property Co., Ltd.

Mr. Kong Chi Keung

Age 38

Title	Executive Director / Nomination and Remuneration Committee Member
Education	<ul style="list-style-type: none"> MBA (Executive) Sasin Graduate Institute of Business Administration of Chulalongkorn University BA (Honorary Degree), Business Administrative, University of Greenwich, UK Director Accreditation Program (DAP) Year 2007, Thai Institute of Directors

No. of Shares held (%)* 3,200,000 (0.028%)

Family Relationship with the Executives -

Working Experience for the 5-year period

2010 - Present	Executive Director, BTS Group Holdings Plc.
2008 - 2010	Deputy Managing Director, BTS Group Holdings Plc.
2006 - 2008	Director, BTS Group Holdings Plc.
2012 - Present	Chief Financial Officer, Bangkok Mass Transit System Plc.
2010 - 2013	Director, Bangkok Mass Transit System Plc.
2010 - Present	Director, Tanayong Hong Kong Limited Director, VGI Advertising China Limited

*Shares held by directors and executives, including shares held by their spouse and minor child. As at 27 May 2013, the Company has 11,402,793,531 issued shares in total.

2008 - Present	Director, BTS Assets Co., Ltd.
2000 - Present	Director, Absolute Hotel Services Co., Ltd. Director, VGI Global Media Plc.

Lt. Gen. Phisal Thepsithar

Age 81

Title	Independent Director / Chairman of the Audit Committee / Chairman of the Nomination and Remuneration Committee
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Education

- MBA, Thammasat University
- BA and Higher Diploma in Accounting, Thammasat University
- Bachelor of Law, Thammasat University
- Bachelor of Education (First Class Honor), Sukhothai Thammathirat University
- Bachelor of Dental Surgery (Second Class Honor), University of Medical Science
- Director Certification Program (DCP) Year 2002, Thai Institute of Directors
- Audit Committee Program (ACP) Year 2009, Thai Institute of Directors

No. of Shares held (%)* 80,000 (0.001%)

Family Relationship with the Executives -

Working Experience for the 5-year period

2000 - Present	Chairman of the Audit Committee and Independent Director, BTS Group Holdings Plc.
2001 - Present	Independent Director and Chairman of the Audit Committee, President Rice Products Plc. Chairman of the Audit Committee and Independent Director, Rockworth Plc.
1999 - Present	Independent Director and Audit Committee, Bangkok Mass Transit System Plc.
2009 - 2010	Independent Director, President Bakery Plc.
2005 - 2013	Independent Director, President Bakery Plc.

Mr. Amorn Chandara-Somboon

Age 83

Title	Independent Director
Education	<ul style="list-style-type: none"> Doctoral Degree, Public International Law, Paris University, France Bachelor of Law, Thammasart University Honorary Doctoral Degree of Law, Thammasat University Honorary Doctoral Degree of Law, Chulalongkorn University Honorary Doctoral Degree of Law, Ramkhamhaeng University Distinguished Research Professor, Sukhothai Thammathirat University Certificate, National Defence College of Thailand (Class 14) Director Certification Program (DCP) Year 2003, Thai Institute of Directors

- Directors Accreditation Program (DAP)
Year 2003, Thai Institute of Directors
- Finance of Non-Finance Director (FND)
Year 2003, Thai Institute of Directors
- Audit Committee, Program (ACP)
Year 2009, Thai Institute of Directors
- Monitoring the System of Internal
Control and Risk Management (MIR)
Year 2009, Thai Institute of Directors
- Monitoring the Internal Audit Function (MIA)
Year 2009, Thai Institute of Directors
- Monitoring Quality of Financial Reporting (MFR)
Year 2009, Thai Institute of Directors
- Financial Institutions Governance Program
(FGP) year 2011, Thai Institute of Directors

No. of Shares held (%) * -

Family Relationship
with the Executives -

Working Experience for the 5-year period

2010 - Present	Independent Director, BTS Group Holdings Plc.
1990 - Present	Director and Executive Director, Bangkok Bank Plc.
2010 - Present	Honorary Member of Academic Committee, The National Institute of Development Administration (NIDA) Distinguished Scholar, Law Faculty, The National Institute of Development Administration (NIDA)
2000 - Present	Honorary Members of University Council, Mahidol University
1996 - Present	Honorary Members of University Council, Ubon Ratchathani University
1984 - Present	Member of the Advisory Council, Sasin Graduate Institute of Business Administration of Chulalongkorn University
1999 - 2004	Member of the Anti-Money Laundering Board, Chairman of the Sub-Committee on the Organisational Improvement of the Anti-Money Laundering Office, Anti-Money Launder Board
1995 - 2004	Member of the Securities and Exchange Commission, Securities and Exchange Commission
1996 - 2000, 1985 - 1991, 1981 - 1985, 1984 - 1988	Senator, Senate house Member of the Bank of Thailand Board, Bank of Thailand

Mr. Suchin Wanglee

Age 77

Title Independent Director / Audit Committee
Member / Nomination and Remuneration
Committee Member

Education

- Bachelor Degree Electrical Engineering,
Northrop Institute of Technology, U.S.A.
- Executive Course, Harvard University, U.S.A
- Role of the Chairman Program (RCP)
Year 2001, Thai Institute of Directors
- Top Executive Program (CMA 9) Year 2009,
Capital Market Academy
- Top Executive Program in Commerce and Trade,
Commerce Academy 2010
- The Urban Development & Administration
Training Course for the Executive Administrator,
Year 2011, Urban Green Development Institute
- Thailand Insurance Leadership Program,
Year 2012, Office of Insurance Commission

No. of Shares held (%)* 5,157,166 (0.045%)

Family Relationship
with the Executives -

Working Experience for the 5-year period

2010 - Present	Audit Committee and Independent Director, BTS Group Holdings Plc.
2011 - Present	Vice Chairman, Serm Suk Plc.
2010 - Present	Director, Serm Suk Plc.
2010 - Present	Vice Chairman, Thai Metal Drums MFG. Plc.
1989 - Present	Director, Thai Metal Drums MFG. Plc.
2007 - Present	Director, Aqua Infinite Co., Ltd.
2006 - Present	Director, Wanglee Pattana Co., Ltd.
2005 - Present	Director, Rajadamri Hotel Plc.
2001 - Present	Chairman, Navakij Insurance Plc.
2000 - Present	Chairman, Thaire Life Assurance Plc.
1994 - Present	Independent Director, Varopakorn Plc.
1991 - Present	Chairman, Rangsit Plaza Co., Ltd.
1990 - Present	Director, Nuchapon Co., Ltd.
1988 - Present	Director, The Pet Co., Ltd.
1982 - Present	Chairman, Sathorn Thani Co., Ltd.
1978 - Present	Chairman, Thai Reinsurance Plc.
1970 - Present	Chairman, The Falcon Insurance Plc.
1968 - Present	Director, Wanglee Co., Ltd.
2007 - 2009, 2003 - 2005, 2001 - 2003, 1974 - 1976	Chairman, The General Insurance Association
1971 - 2010	Director, The General Insurance Association
2003 - 2005, 2001 - 2003, 1974 - 1976	Director, Board of Trade of Thailand
1997 - 2005	Director, Audit Committee, Minor Food Group Plc.
1988-2010	Director, Thai-Petchaboon Co., Ltd.
1975-1976	Director, Asian Reinsurance Pool
1974-1976	Director, National Housing Authority
1969-2013	Director, East Asian Insurance Congress
	Independent Director, Thai-German Ceramics Industry Plc.

*Shares held by directors and executives, including shares held by their spouse and minor child. As at 27 May 2013, the Company has 11,402,793,531 issued shares in total.

Mr. Charoen Wattanasin

Age 76

Title

Independent Director / Audit Committee Member / Nomination and Remuneration Committee Member / Corporate Governance Committee Member

Education

- Business Administration, City of Liverpool College of Commerce, UK
- Management, B.I.M. London, UK
- Director Accreditation Program (DAP) Year 2011, Thai Institutes of Directors
- Director Certification Program (DCP) Year 2011, Thai Institutes of Directors
- Audit Committee Program (ACP) Year 2011, Thai Institutes of Directors

No. of Shares held (%)* with the Executives 276,571 (0.002%) -

Working Experience for the 5-year period

2010 - Present Audit Committee and Independent Director, BTS Group Holdings Plc.

2003 - Present Vice President, National Olympic Committee of Thailand under the Royal Patronage of H.M. the King

2002 - Present President, The Badminton Association of Thailand under the Royal Patronage of H.M. the King

1987 - Present Special Professorship of Marketing, Faculty of Commerce and Accountancy, Chulalongkorn University

2001 - 2007 Advisory Board Chairman, Pacific Food Processing Co., Ltd.

1995 - 1998 Advisory Board Chairman, Media of Medias Plc.

1976 - 1995 Managing Director, IFF (Thailand) Co., Ltd.

1972 - 1976 General Manager, Thai Amarit Brewery Co., Ltd.

1969 Marketing Director, Richardson-Merrell (Thailand) Co., Ltd.

1962 - 1972 Senior Management - General Sales Manager, Lever Brother (Thailand) Ltd., Unilever Group

2010 - Present

2009 - Present

2008 - Present

2007 - Present

2006 - Present

2004 - Present,
2000 - 2012

2000 - Present

1997 - Present

1996 - Present

2005 - 2011

2003 - 2006

2003 - 2005

2002 - 2006

2002 - 2006

2002 - 2006

2000 - 2006

2001 - 2007

2000 - 2008

2000 - 2006

2002 - 2009

1993 - 1999

Independent Non-Executive Director, Creative Energy Solutions Holdings Limited

Independent Non-Executive Director, Hutchison Telecommunications Hong Kong Holdings Limited / Member of Securities and Futures Appeals Tribunal, Hong Kong / Member of Advisory Committee of the Securities and Futures Commission, Hong Kong

Independent Non-Executive Director, CNNC International Limited

Independent Non-Executive Director, New World Department Store China Limited

Independent Non-Executive Director, SPG Land (Holdings) Limited

Independent Non-Executive Director, Cheung Kong (Holdings) Limited (currently known as Hong Kong Jewellery Holding Limited)

Independent Non-Executive Director, TOM Group Limited

Deputy Chairman and Executive Director, Worldsec Limited

Independent Non-Executive Director, Cheung Kong Infrastructure Holdings Limited

Member of the Disciplinary Panel (Panel A) of the Hong Kong Institute of Certified Public Accountants

Member of the Committee on Real Estate Investment Trust, Securities and Futures Commission, Hong Kong

Independent Non-Executive Director, Hutchison Global Communications Holdings Limited

Member of Main Board Listing Committee, Hong Kong Exchanges and Clearing Limited

Member of GEM Listing Committee, Hong Kong Exchanges and Clearing Limited

Member of the Derivatives Market Consultative Panel, Hong Kong Exchanges and Clearing Limited

Independent Non-Executive Director, Forefront International Holdings Limited (currently known as Forefront Group Limited)

Independent Non-Executive Director, Jade Asia Pacific Fund Inc. (currently known as FPP Golden Asia Fund Inc.)

Member of the Process Review Panel, Securities and Futures Commission, Hong Kong

Member of Corporate Advisory Council, Hong Kong Securities Institute Limited

Member Advisory Committee of the Securities and Futures Commission, Hong Kong

Mr. Cheong Ying Chew, Henry

Age 65

Title

Independent Director

Education

- Master of Science in Operational Research and Management, Imperial College, University of London, UK
- Bachelor of Science (Mathematics), Chelsea College, University of London, UK

No. of Shares held (%)* -

Family Relationship with the Executives -

Working Experience for the 5-year period

2010 - Present Independent Director, BTS Group Holdings Plc.

*Shares held by directors and executives, including shares held by their spouse and minor child. As at 27 May 2013, the Company has 11,402,793,531 issued shares in total.

Mrs. Duangkamol Chaichanakajorn

Age	53
Title	Accounting Director
Education	<ul style="list-style-type: none"> MBA, Thammasat University BA, Thammasat University
No. of Shares held (%)*	-
Family Relationship with the Executives	-
Working Experience for the 5-year period	
2001 - Present	Accounting Director, BTS Group Holdings Plc.

Mrs. Patchaneeya Pootme

Age	61
Title	Corporate Communications Director
Education	<ul style="list-style-type: none"> BA, (English Major), Ramkhamhaeng University
No. of Shares held (%)*	166,000 (0.001%)
Family Relationship with the Executives	-
Working Experience for the 5-year period	
2010 - Present	Corporate Communications Director, BTS Group Holdings Plc.
2002 - Present	Corporate Communications Department Manager, Bangkok Mass Transit System Plc.

Mr. Surayut Thavikulwat

Age	41
Title	Chief Financial Officer
Education	<ul style="list-style-type: none"> MBA, Ross School of Business, University of Michigan - Ann Arbor, U.S.A. BA, Chulalongkorn University
No. of Shares held (%)*	17,000 (0.0001%)
Family Relationship with the Executives	-
Working Experience for the 5-year period	
2011 - Present	Chief Financial Officer, BTS Group Holdings Plc.
2013 - Present	Director of Thai Investor Relations Club, Thai Listed Companies Association
2010 - 2011	Chief Financial Officer, Unique Mining Services Plc.
1998 - 2010	SVP, Head of Strategic Planning & Budgeting Bangkok Bank Plc.
1994-1996	Senior Auditor, Ernst & Young Office Limited

Mr. Daniel Ross

Age	37
Title	Financial Director and Head of Investor Relations
Education	<ul style="list-style-type: none"> Bachelor of Science in Mathematics (First Class Honours) King's College, University of London, UK Director Certification Program (DCP) Year 2009, Thai Institute of Directors

No. of Shares held (%)*	32,000 (0.0003%)
Family Relationship with the Executives	-
Working Experience for the 5-year period	
2010 - Present	Financial Director and Head of Investor Relations, BTS Group Holdings Plc.
2008 - 2010	Independent Director and Audit Committee, SFG Plc.
2007 - 2009	Director and Project Management Committee Member, AP Pacific Star Co., Ltd. (Ratchada) Director and Project Management Committee Member, AP Pacific Star Co., Ltd. (Sathorn)
2006 - 2009	Vice President and Head of Investments, Pacific Star International (Thailand) Co., Ltd.
2002 - 2006	Associate Director, Mullis Partners
2002	Business Relations Associate, The Stock Exchange of Thailand
1999 - 2001	Credit Analyst, JPMorgan Chase, London, UK

Miss Chawadee Rungruang

Age	36
Title	Financial Controller
Education	<ul style="list-style-type: none"> MBA, Chulalongkorn University BA, Chulalongkorn University
No. of Shares held (%)*	-
Family Relationship with the Executives	-
Working Experience for the 5-year period	
2011 - Present	Financial Controller, BTS Group Holdings Plc.
2003 - 2010	Assistant Corporate Controller, Central Plaza Hotel Plc.
1998 - 2003	Assistant Auditor, Ernst & Young Office Limited

Miss Chayada Yodyingtammakul

Age	36
Title	Legal Director / Company Secretary
Education	<ul style="list-style-type: none"> Master of Law (LL.M), Commercial Law University of Bristol, UK Bachelor of Law, (LL.B), Thammasat University Director Certification Program (DCP) Year 2011, Thai Institute of Directors
No. of Shares held (%)*	-
Family Relationship with the Executives	-
Working Experience for the 5-year period	
2011 - Present	Company Secretary, BTS Group Holdings Plc.
2008 - 2010	Company Secretary, BTS Group Holdings Plc.
2007 - Present	Legal Director, BTS Group Holdings Plc.
2000 - 2007	Lawyer, Baker & McKenzie Ltd.

*Shares held by directors and executives, including shares held by their spouse and minor child. As at 27 May 2013, the Company has 11,402,793,531 issued shares in total.

Information on the Position of Directors and Executives in Subsidiaries and Associated Companies as at 31 March 2013

Directors and Executives	Companies													
	BTS Group Holdings Plc.	Bangkok Mass Transit System Plc.	VGI Global Media Plc.	VGI Advertising Media Co., Ltd.	999 Media Co., Ltd.	888 Media Co., Ltd.	Point of View (POV) Media Group Co., Ltd.	VGI Multi-Tech International Co., Ltd.	VGI Advertising China Co., Ltd.	BTS Assets Co., Ltd.	Sam Pao Patch Co., Ltd.	PrannaKiri Assets Co., Ltd.	BTS Land Co., Ltd.	Siam Paging And Communication Co., Ltd.
1. Mr. Keeree Kanjanapas	A,B,D	A,B,D	A,D											
2. Mr. Paul Tong	D									A,D				
3. Mr. Anat Arbhabhirama	C,D	D*											D	
4. Mr. Surapong Laoha-Unya	C,D	D	D										D	
5. Mr. Kavin Kanjanapas	C,D	D	B,D,G	D	D	D	D	D	D	B,D	D	D	D	D
6. Mr. Rangsin Kritalug	C,D									D	D	D	D	D
7. Mr. Kong Chi Keung	C,D	D*,G	D						D	D				
8. Lt. Gen. Phisal Thepsithar	E,F													
9. Mr. Amorn Chandara-Somboon	F													
10. Mr. Suchin Wanglee	E,F													
11. Mr. Charoen Wattanasin	E,F													
12. Mr. Cheong Ying Chew, Henry	F													
13. Mrs. Duangkamol Chaichanakajorn	G													
14. Mrs. Patchaneeya Pootme	G													
15. Mr. Surayut Thavikulwat	G													
16. Mr. Daniel Ross	G													
17. Miss Chawadee Rungruang	G													
18. Miss Chayada Yodyingtammakul	G													

* Mr. Anat Arbhabhirama and Mr. Kong Chi Keung have resigned from the position of Director of Bangkok Mass Transit System Plc. effective from 9 April 2013.

Directors and Executives	Companies														
	Kamkoong Property Co., Ltd.	DNAL Co., Ltd.	Muangthong Assets Co., Ltd.	Tanayong Food and Beverage Co., Ltd.	Tanayong Property Management Co., Ltd.	Yongsu Co., Ltd.	Thana City Golf & Sports Club Co., Ltd.	Nuvo Line Agency Co., Ltd.	Tanayong International Limited	Tanayong Hong Kong Limited	Carrot Rewards Co., Ltd.	Bangkok Smartcard System Co., Ltd.	HHT Construction Co., Ltd.	Absolute Hotel Services Co., Ltd.	Absolute Hotel Services Hong Kong Limited
1. Mr. Keeree Kanjanapas	D		D	D	D		D	D	D		D	A,D			
2. Mr. Paul Tong															
3. Mr. Anat Arhbabhirama	D														
4. Mr. Surapong Laoha-Unya	D							D			D	D			
5. Mr. Kavin Kanjanapas	D		D	D	D		D	D		D	D	D		D	D
6. Mr. Rangsin Kritalug	D	D	D	D	D	D	D	D					D	D	D
7. Mr. Kong Chi Keung										D				D	
8. Lt. Gen. Phisal Thepsithar															
9. Mr. Amorn Chandara-Somboon															
10. Mr. Suchin Wanglee															
11. Mr. Charoen Wattanasin															
12. Mr. Cheong Ying Chew, Henry															
13. Mrs. Duangkamol Chaichanakajorn															
14. Mrs. Patchaneeya Pootme															
15. Mr. Surayut Thavikulwat															
16. Mr. Daniel Ross															
17. Miss Chawadee Rungruang															
18. Miss Chayada Yodyingammakul															

The Company
 Subsidiaries
 Associated Companies

A = Chairman
 E = Audit Committee

B = Executive Chairman
 F = Independent Director

C = Executive Director
 G = Executive

D = Director

Report on Securities Holding by Directors and Executives

The Company has a policy requiring directors and executives of the Company to report their movement in holding of the Company's securities to the Board of Directors' Meeting on a quarterly basis and send a copy of Report of Changes in Securities Holding (Form 59-2) to the Company Secretary Office. The Company Secretary Office shall collect, prepare and present the summary to report to the Board of Directors' Meeting on a quarterly basis.

The report of changes in securities holding of the Directors and Executives, including their spouse and minor children during the period from 31 March 2012 to 9 April 2013 is as follows:

Name	Number of Shares (BTS)		Number of Increased (Decreased) Shares
	31 Mar 2012 Restated (Par THB 4.00)	9 Apr 2013	
1. Mr. Keeree Kanjanapas	4,124,658,742	4,262,634,128	137,975,386
2. Mr. Paul Tong	30,347,888	30,347,888	-
3. Mr. Anat Arbhahirama	-	-	-
4. Mr. Surapong Laoha-Unya	5,552,627	5,552,627	-
5. Mr. Kavin Kanjanapas	1,753,761	2,459,295	705,534
6. Mr. Rangsin Kritalug	-	-	-
7. Mr. Kong Chi Keung	3,200,000	3,200,000	-
8. Lt. Gen. Phisal Thepsithar	80,000	80,000	-
9. Mr. Amorn Chandara-Somboon	-	-	-
10. Mr. Suchin Wanglee	4,080,003	5,157,166	1,077,163
11. Mr. Charoen Wattanasin	276,571	276,571	-
12. Mr. Cheong Ying Chew, Henry	-	-	-
13. Mr. Surayut Thavikulwat	17,000	17,000	-
14. Mrs. Duangkamol Chaichanakajorn	-	-	-
15. Mrs. Patchaneeya Pootme	204,208	166,000	(38,208)
16. Mr. Daniel Ross	32,000	32,000	-
17. Miss Chawadee Rungruang	-	-	-
18. Miss Chayada Yodyingtammakul	-	-	-

Remark: The Company has completed the share consolidation and the change of par value of the Company's shares from Baht 0.64 per share to Baht 4.00 per share effective from August 7, 2012 onwards.

Name	Number of Warrants BTS-W2		Number of Increased (Decreased) Warrants
	31 Mar 2012	9 Apr 2013	
1. Mr. Keeree Kanjanapas	2,401,260,792	-	(2,401,260,792)
2. Mr. Paul Tong	2,678,834	2,678,834	-
3. Mr. Anat Arbhahirama	-	-	-
4. Mr. Surapong Laoha-Unya	-	-	-
5. Mr. Kavin Kanjanapas	4,409,588	-	(4,409,588)
6. Mr. Rangsin Kritalug	-	-	-
7. Mr. Kong Chi Keung	-	-	-
8. Lt. Gen. Phisal Thepsithar	-	-	-
9. Mr. Amorn Chandara-Somboon	-	-	-
10. Mr. Suchin Wanglee	2,625,130	142,857	(2,482,273)
11. Mr. Charoen Wattanasin	157,142	157,142	-
12. Mr. Cheong Ying Chew, Henry	-	-	-
13. Mr. Surayut Thavikulwat	-	-	-
14. Mrs. Duangkamol Chaichanakajorn	-	-	-
15. Mrs. Patchaneeya Pootme	-	300,000	300,000
16. Mr. Daniel Ross	-	-	-
17. Miss Chawadee Rungruang	-	-	-
18. Miss Chayada Yodyingtammakul	-	-	-

Remark: On 30 April 2013, Mrs. Patchaneeya Pootme sold 300,000 units of Warrants BTS-W2. In addition, the Executives also hold Warrants BTS-WA and Warrants BTS-WB issued to the employees of the Company and its subsidiaries.

The Company has a total of 26 subsidiaries. Bangkok Mass Transit System Plc. and VGI Global Media Plc. are two core subsidiaries as each of their revenue is more than 10% of the total revenue of the Profit & Loss statement 2012/13. The directors of these two subsidiaries are as follows:

Companies	Directors	
	Bangkok Mass Transit System Plc.	VGI Global Media Plc.
1. Mr. Keeree Kanjanapas	A	A
2. Mr. Chulchit Bunyaketu	B	
3. Mr. Surapong Laoha-Unya	A	A
4. Mr. Anat Arbhahirama	A	
5. Mr. Anan Santichewasatian	B	
6. Mr. Kavin Kanjanapas	A	A
7. Pol.Maj.Gen. Vara leammongkol	A	
8. Mr. Kong Chi Keung	A	A
9. Mrs. Pichitra Mahaphon	B	
10. Mr. Marut Arthakaivalvatee		A
11. Mr. Chan Kin Tak		A
12. Mrs. Jaruporn Viyanant		B
13. Mrs. Maneeporn Siriwatanawong		B
14. Mr. Mana Jantanayingyong		B

A = Director B = Independent Director

* Mr. Anat Arbhahirama, Pol.Maj.Gen. Vara leammongkol and Mr. Kong Chi Keung resigned from the director position of Bangkok Mass Transit System Plc., effective on 9 April 2013, and the persons nominated by BTS Rail Mass Transit Growth Infrastructure Fund namely Mrs. Voravan Tarapoom, Mr. Wasin Wattanaorakijkul and Mr. Sudhipongse Phuaphanprasert were appointed as Director to replace three resigned directors, effective on 10 April 2013.

A black and white photograph of a hand pouring water into a scale pan. The water is captured in mid-air, creating a clear stream. The scale is dark and has a circular pan. The background is blurred, showing what appears to be a person's face.

6.0 FINANCIAL REPORT

In this Section we provide information on the financial position of the Company including the Audited Financial Statements. You will also find the Director's Responsibility Report, Audit Committee Report, and Independent Auditor's Report. The Management Discussion and Analysis can be found in Section 4.4.

6.1
DIRECTOR'S
RESPONSIBILITY
REPORT

6.4
AUDITED
FINANCIAL STATEMENTS

6.2
AUDIT
COMMITTEE
REPORT

6.5
NOTES TO CONSOLIDATED
FINANCIAL STATEMENTS

6.3
INDEPENDENT
AUDITOR'S
REPORT

6.1 DIRECTORS' RESPONSIBILITY REPORT

Report on the Responsibilities of the Board of Directors for the Financial Report

The Board of Directors of BTS Group Holdings Public Company Limited is responsible for the financial statements of the Company and its subsidiaries, which have been prepared in accordance with generally accepted accounting standards (GAAP) in Thailand under the Accounting Profession Act B.E. 2547, and the presented in compliance with stipulations under Accounting Act B.E. 2543. The Board is aware of the accounting policies and believes that these are appropriate and have been consistently applied. The notes to the financial statements disclose details of useful and material financial information supported by reasonable and prudent judgments and estimations where necessary. The Company's external auditor has audited the financial statements and expressed an unqualified opinion in the auditor's report.

The Board of Directors further recognises the importance of presenting a comprehensive view of the Company's financial position and has reviewed and included in this annual report, the Management's discussion and analysis report on the Company's business performance for the benefit of shareholders and other stakeholders.

The Board is also responsible for overseeing that an effective system of corporate governance, including risk management, internal controls and compliance is put in place in order to have reasonable assurance that the financial records of the Company are accurate and complete. The Board evaluates the adequacy of the internal controls system on an annual basis.

The Board of Directors has also appointed the Audit Committee, entirely comprised of Independent Directors, to oversee the accuracy and adequacy of the financial reporting process as well as review the suitability and efficiency of the internal control and independence of the internal audit system. The opinion of the Audit Committee is shown in the Audit Committee Report contained in this Annual Report.

In the opinion of the Board, the audited financial statements and accompanying notes show essential and accurately the financial status, performance and cash flow of the Company during the reporting period in accordance with GAAP, and that the management discussion and analysis offer a fair and relevant view of the business performance of the Company. Further, that the Company has established and maintains a system of corporate governance and internal controls that give reasonable assurance on the integrity of the financial reporting procedures.



Mr. Keeree Kanjanapas

Chairman of the Board of Directors



Mr. Kavin Kanjanapas

Executive Director

6.2 AUDIT COMMITTEE REPORT

To the Shareholders and the Board of Director of BTS Group Holdings Public Company Limited.

The Audit Committee of BTS Group Holdings Public Company Limited (“the Company”) consists of 3 Independent Directors, namely Lt. Gen. Phisal Thepsithar as the Chairman of the Audit Committee, Mr. Suchin Wanglee and Mr. Charoen Wattanasin as the Members of the Audit Committee and Mr. Pipop Intaratut as the Secretary to the Audit Committee. The Audit Committee has the duties and core responsibilities as assigned by the Board of Directors in accordance with its Charter as follows:

1. To review the Company’s financial reporting process to ensure that it is accurate, accordance with generally accepted accounting principles and adequate disclosure;
2. To review The Company’s internal control system, internal audit system and risk assessment policy to ensure that the system are suitable and efficient, to consider the independency of the internal audit unit, and to approve the appointment, transfer or dismissal of the Head of the internal audit office any other unit in charge of the internal audit;
3. To review the Company’s Complies with the law on securities and the Stock Exchange, the Stock Exchange’s regulations, and the laws relating to the Company’s business;
4. To consider, select and nominate an independent person to act as the Company’s auditor, and to propose such person’s remuneration to the Board of Directors, as well as to attend a meeting with the auditor without the attendance of any Company management at least once a year;
5. To consider the connected transactions, or the transactions that may lead to conflicts of interest, to ensure that they are in compliance with the law and the Stock Exchange’s regulations, and are reasonable and for the utmost benefit of the Company;
6. To prepare, and to disclose in the Company’s annual report, the Audit Committee Report which must be signed by the Chairman of the Audit Committee and contain certain specified details;
7. To review and comment on the internal audit office plan, and performance of duties, the Audit Committee has the power to invite the management, the executives directors or employees of the Company, to participate with the Audit Committee to dedicates their comments or send support documents as deemed necessary.

8. Duty of the Audit Committee. If it is found or suspected. The following items or actions. Which may have a significant impact on the financial position and results of operations of the Company. The Audit Committee reports to the Board of Directors. To continue to improve in time, the Audit Committee deems appropriate:
 - (1) the transactions that may have a conflict of interest.
 - (2) fraud or irregularity or a defect in the internal control system.
 - (3) breach of the Securities and Exchange Commission (SEC) requirements of the Stock Exchange of Thailand (SET), Laws relating to the business of the Company.

If the Board of Directors or the management does not perform to make a rectification within time that the Audit Committee deems appropriate. Any one of Audit Committee may report the such transactions or operation to SEC or SET.

9. Consider, review and update the Audit Committee Charter and presented to the Board of Directors for approval.
10. To perform any other act as assigned by the Board of Directors, with prior content of the Audit Committee.

In 2012/13, the Audit Committee has performed the duties as follows;

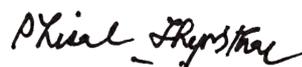
1. Reviewed the Company’s financial reports, including quarterly and annual financial statements with regards to their accuracy and adequacy of disclosure. The Audit Committee had meetings with the Company’s auditor and found no causes to believe that such financial reports were not accurate as mentioned by Generally Accepted Accounting Principles.
2. Reviewed and ensured the Company has an appropriate and efficient internal control and internal audit system by internal audit office is under Audit Committee perform to evaluate the appropriateness and effectiveness of the internal control system to ensure internal control system of the company has and appropriate and adequate internal control system in each of the Company’s activities to achieve the purpose and goals of the Company and to manage the Company’s business.
3. Considered, reviewed and evaluated the Company’s risk assessment process on a quarterly basis as well as gave advice, suggestion and support the performance of the board of director and executive management in relation to risk management policy.

4. Reviewed the Company's operations to be in compliance with the law on securities and the Stock Exchange, the Stock Exchange's regulations, and the laws relating to the Company's business. Conducted meetings with the management and head of related department to ensure the company had good and efficient operations and management processes in accordance with the principle of good corporate governance.
5. Considered, selected and nominated independent persons to act as the Company's auditor by proposing to the Board of Directors to appoint any one of Mr. Narong Puntawong, Certified Public Accountant (Thailand) No. 3315, or Miss Siraporn Ouaanunkun, Certified Public Accountant (Thailand) No. 3844 or Mrs. Cholros Santiuswaraporn Certified Public Accountant (Thailand) No. 4523 from Ernst & Young Office Limited to act as the Company's auditor for the fiscal year ended March 31, 2013 to review and give opinion on the Company's financial statements. The audit fee was not more than THB 3mn Such appointment and fee were approved by the Board of Directors and the General Meeting of Shareholders of the Company, In addition, The Audit Committee members also participated in a private meeting with the company's auditor without any executive management to ensure that the auditors can independently performed their function appropriately.
6. Considered and reviewed the connected transactions or the transactions that may lead to conflicts of interest between the Company with related person or related companies whether these transactions were complied and practiced to trade of condition and business agreement. The Company's auditors were of the opinion that such transaction were significant and disclosed such transactions in the financial statements and notes to the financial statements. The Audit Committee agreed with the auditor that such transactions were reasonable.

7. During the period between 1 April 2012 and 31 March 2013, the Audit Committee had a total of 7 meetings. Each member of Audit Committee attended the Audit Committee Meeting as follows:

Name	Title	Number of Attendances
Lt. Gen Phisal Thepsithar	Chairman of the Audit Committee	7/7
Mr. Suchin Wanglee	Audit Committee	6/7
Mr. Charoen Wattanasin	Audit Committee	7/7

8. Overall, the Audit Committees received full cooperation from the relevant units and persons in performing their duties and therefore, was able to perform its duties efficiently.
9. Prepared this Audit Committee Report and disclosed the Report signed by the Chairman of the Audit Committee in the Annual Report 2012/13.
10. All members of the Audit Committee attended training sessions, seminars and meetings regarding the roles and responsibilities of the Audit Committee that were arranged by state agencies, the private sector, professional councils or the Thai institute of Directors in order to enhance the knowledge and understanding of the Audit Committee to perform their duties more efficiently.
11. Overall, the Audit Committee is of the opinion that the performing duties under the Audit Committee charter, can be independently performed, in line with the principles of good corporate governance. In this regard with fully cooperation and support of all parties, the Audit Committee can be efficiently performing functions with a responsible and satisfactory.



Lt. Gen. (Phisal Thepsithar)

Chairman of the Audit Committee

6.3 INDEPENDENT AUDITOR'S REPORT

To the Shareholders of BTS Group Holdings Public Company Limited

I have audited the accompanying consolidated financial statements of BTS Group Holdings Public Company Limited and its subsidiaries, which comprise the consolidated statement of financial position as at 31 March 2013, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information, and have also audited the separate financial statements of BTS Group Holdings Public Company Limited for the same period.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of BTS Group Holdings Public Company Limited and its subsidiaries as at 31 March 2013, and their financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

Emphasis of matters

I draw attention the following matters:

- a) As discussed in Notes 14, 15, 16 and 30 to the financial statements regarding the Company's compliance with the rehabilitation plan, although the Central Bankruptcy Court issued an order terminating the plan on 14 November 2006, there are still undue debts and debts pending final court judgment or comptroller's orders and mandatory terms and conditions stipulated in the rehabilitation plan with which the Company needs to comply.
- b) As discussed in Note 49 to the financial statements, regarding the Infrastructure Fund transaction. My opinion is not qualified in respect of these matters.



Siraporn Ouaanunkun

Certified Public Accountant (Thailand) No. 3844
Ernst & Young Office Limited
Bangkok: 27 May 2013

6.4 STATEMENT OF FINANCIAL POSITION

(Unit : Baht)

As at 31 March 2013 and 2012	Note	Consolidated financial statements		Separate financial statements	
		2013	2012 (Restated)	2013	2012 (Restated)
Assets					
Current assets					
Cash and cash equivalents	7	3,513,281,951	1,333,240,137	1,628,917,898	453,132,248
Current investment	8	993,849,166	-	993,849,166	-
Cash received in advance from cardholders	9	78,881,627	1,142,006	-	-
Trade and other receivables	10	945,646,126	1,106,681,106	194,489,057	276,156,542
Unbilled receivables - related party	6, 11	-	-	-	284,440,564
Consumable spare parts	12	29,153,286	92,956,330	-	-
Advances to contractors					
Related party	6	-	-	34,648,509	27,055,252
Unrelated parties		25,565,132	13,818,246	-	-
Short-term loans to related parties	6	-	-	111,500,000	18,500,000
Real estate development costs	13	3,510,307,262	3,349,068,113	670,895,620	778,394,620
Assets awaiting transfer under rehabilitation plan	15	73,008,516	73,026,618	68,308,516	68,326,618
Investments in subsidiaries awaiting transfer under rehabilitation plan	16	224,342,586	224,342,586	197,438,333	197,438,333
Accrued income	20	247,768,779	1,202,547,505	-	-
Prepaid expenses		100,582,369	127,991,280	7,168,125	7,440,020
Other current assets		315,913,680	342,853,416	44,608,614	37,075,374
		10,058,300,480	7,867,667,343	3,951,823,838	2,147,959,571
Non-current assets classified as held for sale	27	42,172,034,381	-	-	-
Total current assets		52,230,334,861	7,867,667,343	3,951,823,838	2,147,959,571

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

6.4 STATEMENT OF FINANCIAL POSITION (CONTINUED)

(Unit : Baht)

As at 31 March 2013 and 2012	Note	Consolidated financial statements		Separate financial statements	
		2013	2012 (Restated)	2013	2012 (Restated)
Non-current assets					
Restricted deposits	15	88,527,047	323,833,601	81,644,467	321,492,842
Cash deposited as collateral for debt settlement	14	232,657,728	232,657,728	232,657,728	232,657,728
Loans to related parties	6	-	-	2,986,836,748	2,931,324,091
Investments in subsidiaries	17	-	-	42,442,849,862	42,777,903,572
Investments in associates	18	10,026,474	7,033,070	4,000,000	4,000,000
Other long-term investments	19	367,522,165	148,826,514	267,522,165	148,826,514
Elevated rail project costs	20	-	45,144,217,633	-	-
Reusable spare parts - elevated train system	12	22,402,665	81,230,587	-	-
Spare parts - maintenance contract	21	-	292,771,346	-	-
Land and projects awaiting development	22	-	2,676,340,050	-	-
Investment properties	23	2,867,628,616	2,461,013,308	1,139,353,748	1,226,078,312
Property, plant and equipment	24	9,590,801,393	6,039,192,913	244,589,940	67,877,076
Leasehold rights	25	81,473,401	90,025,135	7,308,253	10,799,626
Intangible assets	26	50,215,370	26,696,704	493,075	1,452,161
Retention receivable					
Related party	6	-	-	105,558,500	87,753,520
Unrelated parties		2,045,000	2,145,000	2,045,000	2,145,000
Goodwill		78,656,476	78,656,476	-	-
Deposit and advances for asset acquisitions		469,737,050	496,939,338	-	-
Advances to contractors		208,650	79,586,010	-	-
Rights of claim from acquisition of					
debts per rehabilitation plan	15	545,087,021	741,501,854	-	-
Other non-current assets		393,761,473	98,542,150	10,258,344	10,201,257
Total non-current assets		14,800,750,529	59,021,209,417	47,525,117,830	47,822,511,699
Total assets		67,031,085,390	66,888,876,760	51,476,941,668	49,970,471,270

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

6.4 STATEMENT OF FINANCIAL POSITION (CONTINUED)

(Unit : Baht)

As at 31 March 2013 and 2012	Note	Consolidated financial statements		Separate financial statements	
		2013	2012 (Restated)	2013	2012 (Restated)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdraft and short-term loans from					
financial institutions	28	1,117,000,000	1,941,501,854	-	741,501,854
Trade and other payables	29	1,862,063,110	1,452,442,165	140,532,472	274,949,264
Advances received from cardholders		77,746,794	1,102,377	-	-
Accrued costs of construction					
Related party	6	-	-	6,957,441	90,414,726
Unrelated parties		152,322,301	351,908,026	4,706,053	10,767,640
Short-term loans from related parties	6	-	-	-	98,000,000
Current portion of creditors per rehabilitation plan	30	745,356,001	745,356,001	745,356,001	745,356,001
Current portion of long-term loans	31	1,967,221,105	583,400,000	-	-
Current portion of long-term debentures	32	2,078,656,425	2,495,767,044	-	-
Advance received from employer - related party	6	-	-	-	41,745,000
Liability awaiting final court order	15	80,830,972	-	80,830,972	-
Unearned income		565,433,178	297,883,880	-	-
Income tax payable		148,015,777	55,842,452	-	-
Other current liabilities		227,232,827	412,805,528	30,129,891	27,941,216
Total current liabilities		9,021,878,490	8,338,009,327	1,008,512,830	2,030,675,701
Non-current liabilities					
Creditors per rehabilitation plan - net of current portion	30	51,852,561	52,074,344	51,852,561	52,074,344
Long-term loans - net of current portion	31	396,747,178	2,933,972,800	-	-
Long-term debentures - net of current portion	32	6,400,979,526	9,443,811,417	-	-
Convertible debentures - liability component	33	-	8,648,338,304	-	8,648,338,304
Retention payable					
Related party	6	-	-	51,627,179	92,391,777
Unrelated parties		68,019,430	127,514,613	6,010,908	6,092,464
Provision for long-term employee benefits	34	481,713,903	400,178,249	21,296,395	25,986,847
Other non-current liabilities		7,180,668	12,727,283	-	-
Total non-current liabilities		7,406,493,266	21,618,617,010	130,787,043	8,824,883,736
Total liabilities		16,428,371,756	29,956,626,337	1,139,299,873	10,855,559,437

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

6.4 STATEMENT OF FINANCIAL POSITION (CONTINUED)

(Unit : Baht)

As at 31 March 2013 and 2012	Note	Consolidated financial statements		Separate financial statements	
		2013	2012 (Restated)	2013	2012 (Restated)
Shareholders' equity					
Share capital	35				
Registered					
11,986,444,024 ordinary shares of Baht 4 each					
(2012: 74,815,275,124 ordinary shares of Baht 0.64 each)		47,945,776,096	47,881,776,079	47,945,776,096	47,881,776,079
Issued and fully paid					
11,106,634,594 ordinary shares of Baht 4 each					
(2012: 57,188,274,676 ordinary shares of Baht 0.64 each)		44,426,538,376	36,600,495,793	44,426,538,376	36,600,495,793
Share premium		1,486,058,428	350,729,674	1,486,058,428	350,729,674
Share subscriptions received in advance		1,295,600,058	-	1,295,600,058	-
Deficit on business combination under common control		(3,371,978,137)	(3,371,978,137)	(4,812,208,580)	(3,371,978,137)
Surplus on swap of investment in subsidiary under common control		-	-	250,065,107	175,065,107
Surplus (deficit) from the changes in the ownership interests in subsidiaries		3,357,495,014	(123,129,489)	-	-
Retained earnings					
Appropriated - statutory reserve	38	1,750,522,658	1,476,047,924	649,537,658	376,047,924
Retained earnings (deficit)		(4,506,401,872)	(3,508,626,402)	5,639,715,572	3,615,469,179
Other components of shareholders' equity		4,262,430,375	3,866,259,352	1,402,335,176	1,369,082,293
Equity attributable to owners of the Company		48,700,264,900	35,289,798,715	50,337,641,795	39,114,911,833
Non-controlling interest of the subsidiaries		1,902,448,734	1,642,451,708	-	-
Total shareholders' equity		50,602,713,634	36,932,250,423	50,337,641,795	39,114,911,833
Total liabilities and shareholders' equity		67,031,085,390	66,888,876,760	51,476,941,668	49,970,471,270

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

6.4 STATEMENT OF COMPREHENSIVE INCOME

(Unit : Baht)

As at 31 March 2013 and 2012	Note	Consolidated financial statements		Separate financial statements	
		2013	2012 (Restated)	2013	2012 (Restated)
Continued operation					
Revenues					
Service income	39	4,787,610,589	3,281,174,423	108,930,940	109,490,010
Revenues from sales of real estate		787,913,864	325,466,705	159,873,208	325,466,705
Revenues from construction services (reversal)		9,188,325	72,833,901	(42,850,000)	730,853,901
Other income					
Management income		-	-	49,135,000	40,020,000
Dividend income	17	1,847,330	409,486	4,631,508,053	4,029,109,814
Interest income		58,948,999	39,705,461	106,559,617	87,822,471
Reversal of allowance for diminution in value of civil works awaiting transfer	20	-	705,248,291	-	-
Revenue from court-ordered compensation	20	7,272,461	367,031,292	-	-
Gain from sales of investments in subsidiaries	17	999,710,660	-	1,453,532,152	-
Gain on exchange		-	36,928,974	-	-
Others		61,024,747	126,232,494	27,325,601	60,387,676
Total revenues		6,713,516,975	4,955,031,027	6,494,014,571	5,383,150,577
Expenses					
Cost of services		2,346,798,631	1,586,099,844	85,562,694	84,533,153
Cost of sales of real estate		527,307,957	226,791,064	117,449,751	234,548,188
Cost of construction services		8,367,252	83,427,473	10,961,391	651,679,612
Selling and servicing expenses		223,076,877	132,122,715	29,523,061	38,010,356
Administrative expenses		1,048,014,003	740,062,052	344,887,276	343,070,033
Loss on exchange		34,468,680	-	-	-
Total expenses		4,188,033,400	2,768,503,148	588,384,173	1,351,841,342
Profit before share of income (loss) from investments					
in associates, finance cost and income tax expenses					
Share of income (loss) from investments in associates	18	2,993,214	(2,316,967)	-	-
Profit before finance cost and income tax expenses		2,528,476,789	2,184,210,912	5,905,630,398	4,031,309,235
Finance cost	41	(1,247,834,600)	(1,431,942,291)	(435,835,711)	(588,154,194)
Profit before income tax expenses		1,280,642,189	752,268,621	5,469,794,687	3,443,155,041
Income tax expenses	42	(439,177,997)	(172,641,874)	-	-
Profit from continued operation for the year		841,464,192	579,626,747	5,469,794,687	3,443,155,041
Discontinued operation					
Profit from discontinued operation for the year	27	1,894,670,596	1,655,996,829	-	-
Profit for the year		2,736,134,788	2,235,623,576	5,469,794,687	3,443,155,041

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

6.4 STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

(Unit : Baht)

As at 31 March 2013 and 2012	Note	Consolidated financial statements		Separate financial statements	
		2013	2012 (Restated)	2013	2012 (Restated)
Other comprehensive income:					
Actuarial gains (losses)	34	(39,086,076)	-	1,199,421	-
Exchange differences on translation of financial statements in foreign currency		11,861,533	936,442	-	-
Gain on revaluation of assets		351,056,606	-	-	-
Gain on changes in value of available-for-sale investments		18,695,651	4,240,483	18,695,650	4,240,483
Other comprehensive income for the year		342,527,714	5,176,925	19,895,071	4,240,483
Total comprehensive income for the year		3,078,662,502	2,240,800,501	5,489,689,758	3,447,395,524
Profit attributable to:					
Equity holders of the Company					
Profit from continued operation		624,934,049	509,499,026	5,469,794,687	3,443,155,041
Profit from discontinued operation		1,863,368,646	1,596,126,964	-	-
		2,488,302,695	2,105,625,990	5,469,794,687	3,443,155,041
Non-controlling interests of the subsidiaries					
Profit from continued operation		216,530,143	70,127,721		
Profit from discontinued operation		31,301,950	59,869,865		
		247,832,093	129,997,586		
		2,736,134,788	2,235,623,576		
Total comprehensive income attributable to:					
Equity holders of the Company					
Profit from continued operation		968,202,389	514,675,951	5,489,689,758	3,447,395,524
Profit from discontinued operation		1,863,368,646	1,596,126,964	-	-
		2,831,571,035	2,110,802,915	5,489,689,758	3,447,395,524
Non-controlling interests of the subsidiaries					
Profit from continued operation		215,789,517	70,127,721		
Profit from discontinued operation		31,301,950	59,869,865		
		247,091,467	129,997,586		
		3,078,662,502	2,240,800,501		
Earning per share					
43					
Basic earnings per share					
Profit attributable to equity holders of the Company		0.24904	0.23107	0.54745	0.37784
Diluted earnings per share					
Profit attributable to equity holders of the Company		0.23729		0.49940	0.36706
Earning per share from continued operation					
43					
Basic earnings per share					
Profit attributable to equity holders of the Company		0.06255	0.05591	0.54745	0.37784
Diluted earnings per share					
Profit attributable to equity holders of the Company		0.06077		0.49940	0.36706

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

6.4

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

As at 31 March 2013 and 2012

(Unit : Baht)

Consolidated financial statements

	Equity attributable to owners of the Company																	
	Retained earnings (deficit)					Other comprehensive income					Other components of equity							
	Share premium	Share subscriptions received in advance	Deficit on business combination common control	Surplus (deficit) from the changes ownership interests in subsidiaries	Appropriated	Unappropriated	Translation adjustment	Revaluation surplus on assets	Revaluation surplus on value of investments	Convertible debtures - equity component	Surplus on debture conversion	Capital reserve on consolidation subsidiaries	Share premium on sales of company's held by subsidiaries	Capital reserve on share-based payment transaction	Total other components shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
Balance as at 1 April 2011	35,769,136,566	-	(3,371,978,137)	-	1,303,890,172	(2,779,682,694)	(134,774,019)	2,619,803,941	864,585	1,356,596,955	-	2,685,013	8,525,682	-	3,853,702,137	34,775,048,044	2,734,400,903	37,509,448,947
Issuance of ordinary shares for acquisition of subsidiary (Note 17)	831,359,227	350,729,674	-	(123,129,489)	-	-	-	-	-	-	-	-	-	-	1,058,959,412	(1,058,959,412)	-	-
Dividend paid (Note 44)	-	-	-	(2,662,411,946)	-	-	-	-	-	-	-	-	-	-	(2,662,411,946)	-	(2,662,411,946)	-
Dividend paid of subsidiaries to non-controlling interest of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(162,987,369)	(162,987,369)
Share-based payment transaction (Note 36)	-	-	-	-	-	-	-	-	-	-	-	-	-	7,380,290	7,380,290	-	7,380,290	
Retained earnings transferred to statutory reserve	-	-	-	-	172,157,752	(172,157,752)	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	172,157,752	(172,157,752)	936,442	-	4,240,483	-	-	-	-	-	5,176,925	2,110,802,915	129,997,586	2,240,800,501
Balance as at 31 March 2012	36,600,495,793	350,729,674	(3,371,978,137)	(123,129,489)	1,476,047,924	(3,508,626,402)	(133,837,577)	2,619,803,941	5,105,048	1,356,596,955	-	2,685,013	8,525,682	7,380,290	3,866,259,352	35,289,798,715	1,642,461,708	36,932,260,423
Balance as at 1 April 2012	36,600,495,793	350,729,674	(3,371,978,137)	(123,129,489)	1,476,047,924	(3,508,626,402)	(133,837,577)	2,619,803,941	5,105,048	1,356,596,955	-	2,685,013	8,525,682	7,380,290	3,866,259,352	35,289,798,715	1,642,461,708	36,932,260,423
Debiture conversion to ordinary shares (Note 33)	7,820,299,127	1,134,790,310	-	-	-	-	-	-	-	(1,356,596,955)	1,356,596,955	-	-	-	-	8,955,089,437	-	8,955,089,437
Exercised warrants (Note 36)	5,743,456	538,444	-	-	-	-	-	-	-	-	-	-	-	-	6,281,900	-	6,281,900	
Share subscriptions received in advance (Note 36)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,295,600,058	-	1,295,600,058	
Dividend paid (Note 44)	-	-	-	-	-	(3,173,257,981)	-	-	-	-	-	-	-	-	(3,173,257,981)	-	(3,173,257,981)	
Dividend paid of subsidiaries to non-controlling interest of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(253,676,048)	(253,676,048)
Purchase of investment in subsidiary (Note 17)	-	-	-	(181,708,030)	-	-	-	-	-	-	-	-	-	-	-	(181,708,030)	(283,468,703)	(465,176,733)
Sale of investment in subsidiary (Note 17)	-	-	-	2,926,003,243	-	-	-	-	-	-	-	-	-	-	-	2,926,003,243	404,254,239	3,330,257,482
Issuance of ordinary shares of subsidiary (Note 17)	-	-	-	736,329,290	-	-	-	-	-	-	-	-	-	-	-	736,329,290	145,796,091	882,125,381
Share-based payment transaction (Note 36)	-	-	-	-	-	-	-	-	-	-	-	-	-	14,557,233	14,557,233	-	14,557,233	
Retained earnings transferred to statutory reserve	-	-	-	(274,474,734)	274,474,734	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	2,449,957,245	(2,449,957,245)	11,861,533	351,056,606	18,695,651	-	-	-	-	-	381,613,790	2,831,571,035	247,091,467	3,078,662,502
Balance as at 31 March 2013	44,426,538,376	1,486,056,428	(3,371,978,137)	3,357,495,014	1,750,522,658	(4,506,401,872)	(121,976,044)	2,970,860,547	23,800,699	1,356,596,955	-	2,685,013	8,525,682	21,937,523	4,262,480,375	48,700,264,900	1,902,448,734	50,602,713,634

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

6.4 STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)

As at 31 March 2013 and 2012

(Unit : Bahr)

	Separate financial statements											
	Retained earnings					Other components of equity						
	Share premium	Share subscriptions received in advance	Deficit on business combination under common control	Surplus on swap of investment in subsidiary under common control	Appropriated	Unappropriated	Other comprehensive income	Revaluation surplus on changes in value of investments	Convertible debentures - equity component	Surplus on debenture conversion	Capital reserve for share-based payment transaction	Total other components of shareholders' equity
Balance as at 1 April 2011	35,769,136,566	-	(3,371,978,137)	325,065,107	203,890,172	3,006,883,836	864,565	1,356,596,955	-	1,357,461,520	37,290,459,064	
Issuance of ordinary shares for acquisition of subsidiary (Note 17)	831,359,227	350,729,674	-	-	-	-	-	-	-	-	1,182,088,901	
Deficit on debt settlement by ordinary shares of subsidiaries (Note 17)	-	-	-	(150,000,000)	-	-	-	-	-	-	(150,000,000)	
Dividend paid (Note 44)	-	-	-	-	(2,662,411,946)	-	-	-	-	-	(2,662,411,946)	
Share-based payment transaction (Note 36)	-	-	-	-	172,157,752	(172,157,752)	-	-	-	7,380,290	7,380,290	
Retained earnings transferred to statutory reserve	-	-	-	-	-	-	-	-	-	-	-	
Total comprehensive income for the year	36,600,495,793	350,729,674	(3,371,978,137)	175,065,107	376,047,924	3,615,469,179	5,105,048	1,356,596,955	-	7,380,290	1,369,082,293	39,114,911,833
Balance as at 31 March 2012	36,600,495,793	350,729,674	(3,371,978,137)	175,065,107	376,047,924	3,615,469,179	5,105,048	1,356,596,955	-	7,380,290	1,369,082,293	39,114,911,833
Debtenture conversion to ordinary shares (Note 33)	7,820,299,127	1,134,790,310	-	-	-	-	-	(1,356,596,955)	1,356,596,955	-	-	8,955,089,437
Exercised warrants (Note 36)	5,743,456	538,444	-	-	-	-	-	-	-	-	-	6,281,900
Share subscriptions received in advance (Note 36)	-	-	-	-	-	-	-	-	-	-	-	1,295,600,058
Dividend paid (Note 44)	-	-	-	-	-	(3,173,257,981)	-	-	-	-	-	(3,173,257,981)
Share-based payment transaction (Note 36)	-	-	-	-	-	-	-	-	-	14,557,233	14,557,233	14,557,233
Purchase of investment in subsidiary (Note 17)	-	-	(1,734,155,024)	-	-	-	-	-	-	-	-	(1,734,155,024)
Sale of investment in subsidiary (Note 17)	-	-	293,924,581	75,000,000	273,489,734	(273,489,734)	-	-	-	-	-	368,924,581
Retained earnings transferred to statutory reserve	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	44,426,538,376	1,486,058,428	(4,812,208,580)	250,065,107	649,537,658	5,639,715,572	18,695,650	1,356,596,955	-	21,937,523	1,402,335,176	50,337,641,795
Balance as at 31 March 2013	44,426,538,376	1,486,058,428	(4,812,208,580)	250,065,107	649,537,658	5,639,715,572	23,800,698	1,356,596,955	-	21,937,523	1,402,335,176	50,337,641,795

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

6.4 CASH FLOW STATEMENT

(Unit : Baht)

As at 31 March 2013 and 2012	Consolidated financial statements		Separate financial statements	
	2013	2012 (Restated)	2013	2012 (Restated)
Cash flows from operating activities				
Profit before tax from continue operation	1,280,642,189	752,268,621	5,469,794,687	3,443,155,041
Plus Profit before tax from discountinue operation	1,894,670,596	1,655,996,829	-	-
Profit before tax	3,175,312,785	2,408,265,450	5,469,794,687	3,443,155,041
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	409,208,485	284,154,337	69,402,718	74,702,109
Spare part and elevated rail project cost amortisation	1,353,863,792	1,219,242,934	-	-
Share of loss (income) from investments in associates	(2,993,214)	2,316,967	-	-
Allowance for doubtful debts	19,090,710	6,414,056	46,038,986	43,162,208
Allowance for loss on diminution in value of assets (reversal)	-	5,348,211	-	(32,062,867)
Withholding tax written-off	-	27,522,580	-	26,809,299
Penalty expense	-	15,476,728	-	13,180
Allowance for loss on diminution in value of investments	-	-	-	39,500,000
Loss (gain) on disposal of property, plant and equipment/ write off of assets	18,071,428	(2,325,187)	21,651,245	(113,127)
Gain on debt settlement	(221,783)	(548,318)	(221,783)	(548,318)
Unrealised loss on exchange	25,609,105	30,598,530	-	-
Provision for long-term employee benefits	60,887,697	55,074,036	3,438,969	3,197,616
Amortisation of deferred debenture issuing costs	26,757,643	33,021,333	-	-
Amortisation of liability component of convertible debentures	170,826,182	297,420,651	170,826,182	297,420,651
Amortisation of letter of credit fee for convertible debentures	135,924,929	151,235,412	135,924,929	151,235,412
Reversal of revenue from construction	-	-	42,850,000	-
Reversal of allowance for diminution in value of civil works awaiting transfer	-	(705,248,291)	-	-
Revenue from court-ordered compensation	(7,272,461)	(367,031,292)	-	-
Dividend income	(1,847,330)	(409,486)	(4,631,508,053)	(4,029,109,814)
Share-based payment transaction	14,557,233	7,380,290	2,034,610	839,531
Gain from receiving the return of advance payment for investment in subsidiary	-	(43,999,700)	-	(43,999,700)
Gain on sales of investments in subsidiaries	(999,710,660)	-	(1,453,532,152)	-
Interest income	(58,948,999)	(39,705,461)	(106,559,617)	(87,822,471)
Interest expenses	902,816,196	940,634,416	129,084,599	139,498,130
Profit (loss) from operating activities before changes in operating assets and liabilities	5,241,931,738	4,324,838,196	(100,774,680)	25,876,880

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

6.4 CASH FLOW STATEMENT (CONTINUED)

(Unit : Baht)

As at 31 March 2013 and 2012	Consolidated financial statements		Separate financial statements	
	2013	2012 (Restated)	2013	2012 (Restated)
Decrease (increase) in operating assets				
Cash received in advance from cardholders	(77,739,621)	-	-	-
Trade and other receivables	144,416,790	(507,524,899)	155,692,312	(31,035,513)
Unbilled receivables	-	31,933,603	241,590,564	179,334,144
Spare parts - Automatic Fare Collection system	(7,280,282)	(101,427,849)	-	-
Real estate development costs	(108,418,418)	(463,512,910)	107,499,000	172,991,280
Advances to contractors	67,630,474	(62,446,123)	(7,593,256)	147,709,727
Accrued income	962,051,187	(115,973,570)	-	-
Other current assets	12,805,839	(115,636,299)	9,215,086	12,439,047
Other non-current assets	(291,805,840)	(48,579,719)	(18,516,405)	(35,972,606)
Increase (decrease) in operating liabilities				
Trade and other payables	217,729,624	(3,610,398)	(127,446,776)	(51,559,455)
Advances received from cardholders	76,644,418	-	-	-
Accrued costs of construction	(199,585,725)	(36,032,364)	(89,518,872)	(216,244,506)
Advances received from employers	-	-	(41,745,000)	(126,555,000)
Retention payable	(50,677,296)	61,926,214	(40,846,154)	35,994,865
Unearned fare box revenues	267,549,298	40,123,829	-	-
Provision for long-term employee benefits	(18,438,119)	(4,649,588)	(6,930,000)	-
Other current liabilities	(195,990,224)	(772,400)	2,188,697	(80,654,392)
Cash from operating activities	6,040,823,843	2,998,655,723	82,814,516	32,324,471
Cash paid for interest expenses	(1,064,096,963)	(1,108,929,108)	(95,959,121)	(137,173,775)
Cash paid for corporate income tax	(371,110,511)	(208,871,401)	(16,476,431)	(28,097,982)
Returning of withholding tax	26,506,042	35,052,696	-	-
Cash received for interest income	50,958,322	39,899,202	18,053,155	11,301,804
Net cash from (used in) operating activities	4,683,080,733	1,755,807,112	(11,567,881)	(121,645,482)

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

6.4 CASH FLOW STATEMENT (CONTINUED)

(Unit : Baht)

As at 31 March 2013 and 2012	Consolidated financial statements		Separate financial statements	
	2013	2012 (Restated)	2013	2012 (Restated)
Cash flows from investing activities				
Increase in short-term investments	(993,849,166)	-	(993,849,166)	-
Decrease (increase) in restricted deposits	235,306,554	101,347	239,848,375	(23,878)
Increase in short-term loans to related parties	-	-	(93,000,000)	(18,500,000)
Increase in loans to related parties	-	-	(278,671,497)	(2,069,233,854)
Decrease (increase) in rights of claim from acquisition of debts per rehabilitation	196,414,833	(741,501,854)	-	-
Interest income	-	-	12,798,848	197,486
Cash received from sales of investments in subsidiaries	6,628,102,638	-	2,991,942,284	-
Cash paid for purchases of investments in subsidiaries	(465,176,733)	-	(723,780,096)	(1,500,000)
Cash received from issuance of ordinary shares of the subsidiary	882,125,385	-	-	-
Cash paid for purchases of other long-term investments	(200,000,000)	-	(100,000,000)	-
Cash received from the return of advance payment for investment in subsidiary	-	293,999,700	-	293,999,700
Dividend income	1,847,330	40,950	2,908,975,731	4,028,741,277
Increase in deposit and advances for asset acquisitions	(39,255,620)	(472,866,820)	-	-
Increase in elevated rail project costs	(20,274,631)	(577,648,408)	-	-
Increase in land and projects awaiting development	-	(16,619,656)	-	-
Cash paid for purchases of property, plant and equipment	(1,180,167,818)	(805,004,181)	(171,638,963)	(17,091,392)
Cash received from sales of property, plant and equipment	13,565,257	9,109,288	119,000	113,493
Cash paid for purchase of investment properties	(71,587,638)	(27,860,773)	(20,932)	(6,927,330)
Cash received from sales of investment properties	10,561,699	43,349,731	10,561,699	43,366,655
Cash paid for purchases of intangible assets	(17,813,907)	(15,352,545)	(13,856)	(752,656)
Cash paid for purchases of leasehold rights	-	(9,274,120)	-	(9,274,120)
Net cash from (used in) investing activities	4,979,798,183	(2,319,527,341)	3,803,271,427	2,243,115,381

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

6.4 CASH FLOW STATEMENT (CONTINUED)

(Unit : Baht)

As at 31 March 2013 and 2012	Consolidated financial statements		Separate financial statements	
	2013	2012 (Restated)	2013	2012 (Restated)
Cash flows from financing activities				
Increase (decrease) in short-term loans from financial institutions	(824,501,854)	1,441,501,854	(741,501,854)	741,501,854
Increase (decrease) in short-term loans from a related party	-	-	(98,000,000)	98,000,000
Increase in long-term loans	-	1,732,100,000	-	-
Cash paid for long-term loans	(1,153,404,517)	(151,750,000)	-	-
Cash received from exercised warrants	6,281,900	-	6,281,900	-
Cash paid for letter of credit fee for convertible debentures	-	(163,515,625)	-	(163,515,625)
Dividend paid	(3,159,128,972)	(2,647,109,209)	(3,159,128,972)	(2,647,109,209)
Cash paid for long-term debentures	(3,486,700,154)	-	-	-
Dividend paid of a subsidiary to non-controlling interest of subsidiary	(253,676,068)	(140,625,200)	-	-
Increase in debts pending final court judgment	80,830,972	-	80,830,972	-
Increase in share subscriptions received in advance	1,295,600,058	-	1,295,600,058	-
Net cash from (used in) financing activities	(7,494,698,635)	70,601,820	(2,615,917,896)	(1,971,122,980)
Increase in translation adjustment	11,861,533	936,442	-	-
Net increase (decrease) in cash and cash equivalents	2,180,041,814	(492,181,967)	1,175,785,650	150,346,919
Cash and cash equivalents at beginning of the year	1,333,240,137	1,825,422,104	453,132,248	302,785,329
Cash and cash equivalents at end of the year	3,513,281,951	1,333,240,137	1,628,917,898	453,132,248

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

6.4 CASH FLOW STATEMENT (CONTINUED)

(Unit : Baht)

As at 31 March 2013 and 2012	Consolidated financial statements		Separate financial statements	
	2013	2012 (Restated)	2013	2012 (Restated)
Supplemental cash flow information				
Non-cash transactions				
Issuance of ordinary shares to acquire				
BTSC's ordinary shares	-	1,182,088,901	-	1,182,088,901
Conversion of debentures to ordinary shares	8,955,089,415	-	8,955,089,415	-
Transfer property, plant and equipment to intangible assets	21,502,404	-	-	-
Transfer leasehold to property, plant and equipment	3,091,373	-	3,091,373	-
Transfer advances for asset acquisitions to				
elevated project costs	13,707,583	1,133,489,174	-	-
Transfer advances for asset acquisitions to property,				
plant and equipment	2,171,588,495	-	-	-
Transfer land and projects awaiting development to				
investment properties	1,440,405,737	-	-	-
Increase in liability from acquisitions of elevated rail				
project costs - net	-	137,996,178	-	-
Increase in liability from acquisition of property,				
plant and equipment - net	242,791,301	95,559,803	15,580,652	-
Record settlement of investments in subsidiaries with				
loan to related parties	-	-	-	1,600,000,000
Record settlement of dividend received with				
inter-company loans and liability from purchase of				
investment in subsidiary	-	-	1,722,532,323	-

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

6.5 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. General information

BTS Group Holdings Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its major shareholder is the group of Keeree Kanjanapas. The group is principally engaged in the mass transit business, property business, media business and service business. The registered office of the Company is at 21 Soi Choei Phuang, Viphavadi-Rangsit Road, Jompol, Jatujak, Bangkok.

2. Basis of preparation

2.1 The financial statements have been prepared in accordance with accounting standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 28 September 2011, issued under the Accounting Act B.E. 2543.

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

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

The consolidated financial statements include the financial statements of BTS Group Holdings Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”):

(Unit : Baht)

Company's name	Nature of business	Country of incorporation	Percentage of shareholding as at 31 March	
			2013	2012
Subsidiaries directly owned by the Company				
Bangkok Mass Transit System Public Co., Ltd. ("BTSC")	Elevated mass rapid transit system service	Thailand	97.46	96.44
Dnal Co., Ltd.	Office rental	Thailand	100	100
Muangthong Assets Co., Ltd.	Hotel	Thailand	100	100
PrannaKiri Assets Co., Ltd.	Property development	Thailand	100	100
Yong Su Co., Ltd.	Ceased operation	Thailand	100	100
Tanayong Food and Beverage Co., Ltd.	Property development	Thailand	100	100
Thana City Golf & Sports Club Co., Ltd.	-	Thailand	100	100
Siam Paging and Communication Co., Ltd.	Property development	Thailand	100	100
Sampaopetch Co., Ltd.	Property development	Thailand	100	100
Tanayong Property Management Co., Ltd.	Building management	Thailand	100	100
Tanayong International Ltd.	Ceased operation	Cayman Island	100	100
HHT Construction Co., Ltd.	Construction services	Thailand	51	51
Tanayong Hong Kong Ltd.	Securities investment	Hong Kong	100	100
Carrot Rewards Co., Ltd.	CRM Loyalty Program and Coupon Kiosks	Thailand	100	100

(Unit : Baht)

Company's name	Nature of business	Country of incorporation	Percentage of shareholding as at 31 March	
			2013	2012
Nuvo Line Agency Co., Ltd.	Property development	Thailand	80	80
BTS Assets Co., Ltd.	Hotel and property development	Thailand	100	100
BTS Land Co., Ltd.	Trademark development for property development and service business	Thailand	100	100
Kampoo Property Co., Ltd.	Property development	Thailand	-	100
Kamkoong Property Co., Ltd.	Property development	Thailand	100	100
Subsidiaries indirectly owned by the Company Held by BTSC				
Bangkok Smartcard System Co., Ltd.	Provides e-money and common ticketing system services	Thailand	90	90
VGI Global Media Public Co., Ltd.	Advertising services on Bangkok Mass Transit System (BTS), in modern trade locations (Big C and Tesco Lotus), in office buildings and other locations	Thailand	67.33 ¹	100
Kamala Beach Resort & Hotel Management Co., Ltd.	Property development	Thailand	-	100
Held by VGI Global Media Public Co., Ltd.				
VGI Advertising Media Co., Ltd.	Management of advertising in department stores	Thailand	100	100
VGI Multi-Tech International Co., Ltd.	Rental of advertising equipment	Thailand	100	100
999 Media Co., Ltd.	Production of radio advertisements at point of purchase in leading retail stores	Thailand	100	100
888 Media Co., Ltd.	Management of advertising in department stores	Thailand	100	100
Point Of View (POV) Media Group Co., Ltd.	Managing and providing of the advertising spaces in office buildings	Thailand	100	100
VGI Advertising China Company Limited	Management of advertising in department stores	China	100	100

¹16.33% held by the Company and 51% held by BTSC

- b) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- c) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- d) The assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of "Exchange differences on translation of financial statements in foreign currency" in the statements of changes in shareholders' equity.
- e) Material balances and transactions between the Company and its subsidiary companies have been eliminated from the consolidated financial statements.
- f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.
- g) On 6 June 2011, the Company offered an additional 1,289,987,791 ordinary shares with a par value of Baht 0.64 each to BTSC's existing shareholders, excluding the Company, and received 472,827,433 ordinary shares of BTSC at a value of Baht 2.50 each in payment, resulting in an increase in the Company's shareholding in BTSC from 93.50% to 96.44%, as discussed in Note 17 to the financial statements.
- h) On 20 February 2012, the Company received ordinary shares of Kampoo Property Company Limited valued at Baht 1,150 million and Kamkoong Property Company Limited valued at Baht 450 million, to settle debt of BTS Assets Company Limited amounting to Baht 1,600 million, as discussed in Note 17 to the financial statements.
- i) On 12 September 2012, BTSC sold all investments in Kamala Beach Resort & Hotel Management Company Limited to a company, as discussed in Note 17 to the financial statements. The Company has excluded the financial statements of Kamala Beach Resort & Hotel Management Company Limited from the consolidated financial statements since 12 September 2012.
- j) The Executive Committee Meeting of the Company held on 18 October 2012 had a resolution to approve the purchase of 163,088,137 ordinary shares with a par value of Baht 1 each of BTSC from a company, at a price of Baht 2.8325 each. On 10 January 2013, the Company purchased 1,133,188 ordinary shares of BTSC, at a price of Baht 2.85 each, from an individual. As a result, the Company's shareholding in BTSC increased from 96.44% to 97.46%, as discussed in Note 17 to the financial statements.
- k) The Executive Committee Meeting of the Company held on 18 October 2012 had a resolution to approve the sale of all ordinary shares of Kampoo Property Company Limited to a company, at a price of Baht 1,810 million, as discussed in Note 17 to the financial statements.
- m) The Company and BTSC sold investments in VGI Global Media Public Company Limited and VGI Global Media Public Company Limited issued the additional ordinary shares, as discussed in Note 17 to the financial statements, resulting in the Group's shareholding in VGI Global Media Public Company Limited decreasing from 100% to 66.04%.

2.3 The separate financial statements, which present investments in subsidiaries and associates under the cost method, have been prepared solely for the benefit of the public.

3. New accounting standards not yet effective

The Federation of Accounting Professions issued the following new/revised accounting standards that are effective for fiscal years beginning on or after 1 January 2013.

Accounting standards:

TAS 12	Income Taxes
TAS 20 (revised 2009)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2009)	The Effects of Changes in Foreign Exchange Rates

Financial Reporting Standard:

TFRS 8	Operating Segments
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Accounting Standard Interpretations:

SIC 10	Government Assistance - No Specific Relation to Operating Activities
SIC 21	Income Taxes - Recovery of Revalued Non-Depreciable Assets
SIC 25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders

The Company's management believes that these accounting standards will not have any significant impact on the financial statements for the year when they are initially applied, except for the following accounting standard.

TAS 12 Income Taxes

This accounting standard requires an entity to identify temporary differences between the carrying amount of an asset or liability in the statement of financial position and its tax base, and recognise the tax effects as deferred tax assets or liabilities subjecting to certain recognition criteria. The management of the Company is still evaluating the first-year impact to the financial statements and has yet to each a conclusion.

In addition, The Federation of Accounting Professions has issued notifications, already published in the Royal Gazette during the current year, mandating the use of financial reporting standard, accounting standard interpretation and financial reporting standard interpretations as follows.

		Effective date
Financial Reporting Standard:		
TFRS 4	Insurance Contracts	1 January 2016
Accounting Standard Interpretation:		
TSIC 29	Service Concession Arrangements: Disclosures	1 January 2014
Financial Reporting Standard Interpretations:		
TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities	1 January 2014
TFRIC 4	Determining whether an Arrangement contains a Lease	1 January 2014
TFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	1 January 2014
TFRIC 7	Applying the Restatement Approach under TAS 29	1 January 2014
	Financial Reporting in Hyperinflationary Economies	
TFRIC 10	Interim Financial Reporting and Impairment	1 January 2014
TFRIC 12	Service Concession Arrangements	1 January 2014
TFRIC 13	Customer Loyalty Programmes	1 January 2014

The management of the Company and its subsidiaries has assessed the effect of the above financial reporting standard, accounting standard interpretation and financial reporting standard interpretations and believes that they are not relevant to the business of the Company and its subsidiaries, except TFRIC 1 and TFRIC 13, for which the management is still evaluating the first-year impact to the financial statements and has yet to reach a conclusion.

4. Significant accounting policies

4.1 Revenue recognition

Fare box revenues

Fare box revenues are recognised when services have been rendered. Fare box revenues are valued at ticket price after deducting discounts on fare. Prepaid value in passengers' stored value ticket is recorded as unearned revenues in the current liabilities.

On 17 April 2013, BTSC sold the net fare box revenue in the future to BTS Rail Mass Transit Growth Infrastructure Fund. Therefore, the Company presented fare box revenues as discussed in Note 27 to the financial statements.

Service income

Advertising income

Advertising income is recognised when services have been rendered taking into account the stage of completion, charged is in accordance with service areas, service rate charged per area, and service period as stipulated in the contract.

Revenue from provision of operating services

Income from providing of operating services is recognised when services have been rendered and represent the invoiced value (excluding value added tax) of services rendered after deducting discounts and service charges. Service rate charged is in accordance with rates as stipulated in the contracts.

Revenue from provision of spaces

Space rental income is income from renting of the advertising spaces and the spaces for retails. Space rental income is recognised on an accrual basis in accordance with the contracts. Rental rate charged is in accordance with rental areas, rental rate charged per area, and rental period as stipulated in the contract.

Other service income

Service revenue is recognised when services have been rendered taking into account the stage of completion, excluding value added tax.

Revenues from utility services are recognised when services have been rendered and represent the invoiced value (excluding value added tax) of services rendered after deducting discounts and service charges reference to the term of the contract.

Rental income in conjunction with apartments and condominiums is recognised as revenue on an accrual basis.

Revenues from hotel operations, mainly consisting of room and restaurant revenues, are recognised when services have been rendered and represent the invoiced value (excluding value added tax) of goods supplied and services rendered after deducting discounts and service charges.

Revenues from sales of real estate

Revenues from sales of land, land and houses and condominium units are recognised in full when ownership is transferred to the buyers.

Revenues from construction services

Revenues from construction are recognised on a percentage of completion basis based on the assessment of the Company's engineers. The recognised revenue which is not yet due per the contracts has been presented under the caption of "Unbilled receivables" in the statement of financial position.

Other income

Management income is recognised when services have been rendered, with reference to the term of the contract, excluding value added tax.

Interest income is recognised on an accrual basis based on the effective interest rate.

Dividends are recognised when the right to receive the payment is established.

4.2 Expenses

Cost of sales of real estate

Cost of sales of real estate, which is determined by attributing the total anticipated real estate development costs after recognition of the costs incurred to date to the units already sold on the basis of salable area, is recognised as costs in the statement of comprehensive income.

Cost of construction services

Cost of construction is recognised in accordance with the percentage of work completed based on total estimated costs. Provision for anticipated losses on construction projects is made in the accounts in full when the possibility of loss is ascertained. Differences between the estimated costs and the actual costs are recognised as current assets or current liabilities in the statement of financial position.

Expenses

Cost of sales and services and other expenses is recognised on an accrual basis.

4.3 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.4 Trade accounts receivable

Trade accounts receivable are stated at net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

4.5 Real estate development costs

Real estate development costs are valued at the lower of cost and net realisable value.

Real estate development costs consist of the costs of land, land development, project management fees, design, construction and related interest.

4.6 Investments

- a) Investments in available-for-sale securities are stated at fair value. Changes in the fair value of these securities are recorded as a separate item in shareholders' equity, and will be recorded as gains or losses in profit or loss when the securities are sold.
- b) Investments in debt securities, both due within one year and expected to be held to maturity, are recorded at amortised cost. The premium/discount on debt securities is amortised/accreted by the effective rate method with the amortised/accreted amount presented as an adjustment to the interest income.

- c) Investments in non-marketable equity securities, which the Company classifies as other investments, are stated at cost net of allowance for loss on diminution in value (if any).
- d) Investments in associates are accounted for in the consolidated financial statements using the equity method.
- e) Investments in subsidiaries and associates are accounted for in the separate financial statements using the cost method.

The fair value of marketable securities is based on the latest bid price of the last working day of the year. The fair value of unit trusts is determined from their net asset value.

The weighted average method is used for computation of the cost of investments.

In the event the Company reclassifies investments from one type to another, such investments will be readjusted to their fair value as at the reclassification date. The difference between the carrying amount of the investments and the fair value on the date of reclassification are recorded in profit or loss or recorded as surplus (deficit) from changes in the value of investments in shareholders' equity, depending on the type of investment that is reclassified.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

4.7 Elevated rail project costs and Unit of Throughput Amortisation Method (Unit of production)

Elevated rail project costs are stated at cost less any accumulated amortisation and any impairment losses (if any). The subsidiary has capitalised all expenditures and other related expenses as an asset (elevated rail project costs) and amortised as costs of fare box and administrative expenses over the concession period.

Elevated rail project costs include management and consulting fees, design costs, civil works, electrical and mechanical works and rolling stock purchased during the concession period, interest and other financing expenses, including exchange gains and losses incurred before commencement of operations.

Amortisation of elevated rail project costs is calculated by reference to their costs on the Unit of Throughput Amortisation Method as the following formula:-

Annual amortisation = Net elevated rail project costs x Percentage of passengers for the year

Net elevated rail project costs are elevated rail project costs less accumulated amortisation.

Percentage of passengers for the year =
$$\frac{\text{Current year's actual passengers}}{(\text{Current year's actual passengers} + \text{Projected passengers during the remaining concession period})}$$

4.8 Spare parts and amortisation

Spare parts - Automatic Fare Collection system are consisted as follows:

- a) Consumable spare parts are valued at the lower of cost (weighted average method) and net realisable value and are charged to costs of fare box whenever actually consumed.
- b) Reusable spare parts are stated at cost less accumulated amortisation. Amortisation of reusable spare parts is calculated by reference to their costs on the unit of production basis as it is used in elevated rail project costs. The subsidiary amortises them as costs of fare box over the concession period.

Spare parts - awaiting transfer, presented as a part of elevated rail project costs, are stated at cost less accumulated amortisation. Amortisation of spare parts-awaiting transfer is calculated by reference to their costs on the unit of production basis, as it is used in elevated rail project costs. The subsidiary amortises them as costs of fare box over the concession period.

Spare parts - maintenance contract are stated at cost as defined in the maintenance contract. The subsidiary recognises them as costs of fare box whenever actually consumed, after the contract expires.

4.9 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Golf course and construction	5 - 30 years
Buildings for rent	20 years
Condominiums for rent	period of lease

Depreciation of the investment properties is included in determining income.

No depreciation is provided on land awaiting sales.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

4.10 Property, plant and equipment and depreciation

Land is stated at revalued amount and buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Land is initially recorded at cost on the acquisition date, and subsequently revalued by an independent professional appraiser to its fair values. Revaluation is made with sufficient regularity to ensure that the carrying amount does not differ materially from fair value at the end of reporting period.

Differences arising from the revaluation are dealt with in the financial statements as follows:

- When an asset's carrying amount is increased as a result of a revaluation of the Company's assets, the increase is credited directly to equity under the heading of "Revaluation surplus on assets". However, a revaluation increase will be recognised as income to the extent that it reverses a revaluation decrease of the same asset previously recognised as an expense.
- When an asset's carrying amount is decreased as a result of a revaluation of the Company's assets, the decrease is recognised as an expense in profit or loss. However, a revaluation decrease is to be charged directly against the related "Revaluation surplus on assets" to the extent that the decrease does not exceed the amount held in the "Revaluation surplus on assets" in respect of those same assets. Any excess amount is to be recognised as an expense in the statements of comprehensive income.

Depreciation of plant and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Rolling stock	30 years under operation and maintenance contract
Buildings and improvements	5 - 30 years
Leasehold improvement	At the lower of lease period or 5 years
Golf course development costs	5 - 30 years
Furniture and office equipment	3 - 10 years
Machinery and equipment	3 - 10 years
Motor vehicles	5 years

Depreciation is included in determining income.

No depreciation is provided on land and construction in progress.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

4.11 Leasehold rights and amortisation

Leasehold rights are stated at cost less accumulated amortisation and allowance for loss on impairment of assets (if any). Amortisation of leasehold rights is calculated by reference to their cost on a straight-line basis over the leasehold period.

Amortisation is included in determining income.

4.12 Intangible assets

Intangible assets acquired through business combination are initially recognised at their fair value on the date of business acquisition while intangible assets acquired in other cases are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

Intangible asset with finite useful life of the Company is computer software with estimated useful life of 3 years.

No amortisation is provided on intangible assets under development.

4.13 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Company estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognized in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

4.14 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

4.15 Impairment of assets

At the end of each reporting period, the Company performs impairment reviews in respect of the property, plant and equipment whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Company estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

4.16 Convertible debentures

Convertible debentures are classified into liability and equity components and these are presented separately in the statements of financial position. In separately presenting such components, the Company determines the liability component by discounting the stream of future payments of principal, interest and fee charged at the prevailing market rate, while the carrying amount of the equity component is determined by deducting the liability component from the total face value of the convertible debentures and amortising the difference over the life of the debentures.

4.17 Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.18 Equity-settled share-based payment transactions

The Company recognises the share-based payment transactions at the date on which the options are granted, based on the fair value of the share options. They are recorded as expenses over the expected life of the share options, and a capital reserve for share-based payment transactions is presented in shareholders' equity.

Estimating fair value for share-based payment transactions requires determination relating to appropriate assumptions, including the expected life of the share options, share price volatility and dividend yield.

4.19 Long-term leases

Leases of property, plant or equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present

value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to profit or loss over the lease period.

Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease term.

4.20 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of the Company's operations.

4.21 Foreign currencies

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

4.22 Interest Rate Swap agreements

The subsidiary will recognise the net amount of interest to be received from or paid to the counterparty under the interest rate swap contracts as income or expenses on an accrual basis.

Interest rate risk and financial instruments management policy are discussed in Note 48.1 to the financial statements.

4.23 Gains from troubled debt restructuring

The Company adopts an accounting policy related to troubled debt restructuring whereby in case of transfer of assets to settle debts which the excess of the debt extinguished by the creditors over the fair value of the assets transferred is recognised as a gain from debt restructuring and the difference between the fair value and the net book value of the assets transferred is treated as a gain (loss) from transfer of assets.

When the debt restructuring involves a waiver of debts, a portion of the waived debts that exceeds the aggregate amount of interest expenses to be incurred over the term of the new agreement is recognised as a gain from debt restructuring.

4.24 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plans

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company's contributions are recognised as expenses when incurred.

Defined benefit plans

The Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

For the first-time adoption of TAS 19 Employee Benefits during the year ended 31 March 2012, the Company elected to recognise the transitional liability, which exceeds the liability that would have been recognised at the same date under the previous accounting policy, retrospectively as though the Company and its subsidiaries initially recorded these employee benefit expenses.

4.25 Income tax

Income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

5. Significant accounting judgments and estimates

The preparation of financial statements in conformity with generally accepted accounting principles at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures and actual results could differ from these estimates. Significant judgments and estimates are as follows:

Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgment regarding whether significant risk and rewards of ownership of the leased asset have been transferred, taking into consideration terms and conditions of the arrangement.

Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgment and estimates based upon, among other things, past collection history, ageing profile of outstanding debts and the prevailing economic condition.

Fair value of financial instruments

In determining the fair value of financial instruments that are not actively traded and for which quoted market prices are not readily available, the management exercise judgment, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of liquidity, correlation and long-term volatility of financial instruments.

Impairment of equity investments

The Company treats available-for-sale investments and other investments as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgment of the management.

Property, plant and equipment and depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the Company's and its subsidiaries' plant and equipment and to review estimated useful lives and residual values when there are any changes.

The Company measures land, buildings and improvements and golf course development costs at revalued amounts in the consolidated financial statements. Such amounts are determined by the independent valuer using the market approach for land and the depreciated replacement cost for buildings and improvements and golf course development costs. The valuation involves certain assumptions and estimates.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying amount. This requires judgments regarding forecast of future revenues and expenses relating to the assets subject to the review.

Real estate development cost estimation

In recognising revenue from real estate sales, the Company needs to estimate all project development costs, including land costs, land improvement costs, design costs, construction costs, and borrowing costs for construction. The management estimates these costs based on their business experience and revisits the estimation on a periodical basis or when the actual costs incurred significantly vary from the estimation.

Estimated construction costs

The Company estimates cost of construction based on details of the construction work, taking into account the volume and value of construction materials to be used in the project, labour costs and overhead costs to be incurred to completion of service, including forecast for any changes. Estimates are reviewed regularly or whenever actual costs differ significantly from the figures used in the original estimates.

Goodwill and intangible assets

The initial recognition and measurement of goodwill and other intangible assets, and subsequent impairment testing, require management of the Company to make judgment, based on regulations, information and assumption to determine the fair value of identifiable assets, liabilities and contingent liabilities at the acquisition date, and make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Accrued expenses

In determining a provision for the Company's operation, the management needs to make judgment and estimates, based upon regulations, and information relating to the scope of works and benefits received by the Company, recording expenses as of the statement of financial position date. The management of the Company believes that the actual expenses will be closed to their estimation as recorded.

Equity-settled share-based payment transactions

Estimating fair value for share-based payment transactions requires determination relating to appropriate assumptions, including the expected life of the share options, share price volatility and dividend yield.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

Allocation of non-current assets classified as held for sale and profit from discontinued operation

Allocation of non-current assets classified as held for sale and profit from discontinued operation requires management to apply judgment, bases, information and assumptions, regarding matters such as route length and reimbursable expenses.

Litigation

The Company and its subsidiaries have contingent liabilities as a result of litigation. The Company's and its subsidiaries' management have used judgment to assess of the results of the litigation and believe that no loss will result. Therefore no contingent liabilities are recorded as at the end of reporting period.

6. Related party transactions

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

(Unit: Million Baht)

For the years ended 31 March	Consolidated financial statements		Separate financial statements		Transfer Pricing Policy
	2013	2012	2013	2012	
Transactions with subsidiaries					
(Eliminated from the consolidated financial statements)					
Interest income	-	-	87	77	At cost of funds
Management income	-	-	49	40	Contract price
Revenues from construction services (reversal)	-	-	(43)	658	Contract price
Rental income	-	-	39	41	Contract price
Utility income	-	-	3	-	Contract price
Dividend income	-	-	4,630	4,029	Approved by the meeting of Board of Directors
Cost of construction of services	-	-	14	549	Contract price
Cost of construction of fixed assets	-	-	182	2	Contract price
Cost of construction of condominium	-	-	-	50	Contract price
Rental expenses	-	-	5	-	Contract price
Management fee	-	-	13	14	Contract price
Interest expenses	-	-	60	2	Contract price
Purchase of investment in subsidiary (Note 17)	-	-	2,065	-	Contract price
Transactions with associates					
Interest income	-	1	-	-	At cost of funds
Cost of construction of fixed assets	-	2	-	-	Contract price
Management fee	34	26	17	17	Contract price
Transactions with related parties					
Cost of construction services	25	19	-	-	Contract price
Administrative expenses	-	2	-	-	Contract price

As at 31 March 2013 and 2012, the balances of the accounts between the Company and those related companies are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Trade and other receivables - related parties (Note 10)				
Trade receivables - subsidiary companies	-	-	-	157,433
Trade receivable - associated company	-	32	-	-
Trade receivable - related party	269	-	-	-
Other receivables - subsidiary companies	461	-	2,338	31
Other receivable - associated company	-	4,387	-	-
Accrued interest income - subsidiary companies	-	-	159,872	87,852
Total trade and other receivables - related parties	730	4,419	162,210	245,316
Unbilled receivable - related party				
Subsidiary company	-	-	-	284,441
Total unbilled receivable - related party	-	-	-	284,441
Advance to contractor - related party				
Subsidiary company	-	-	34,649	27,055
Total advance to contractor - related party	-	-	34,649	27,055
Retention receivable - related party				
Subsidiary company	-	-	105,559	87,754
Total retention receivable - related party	-	-	105,559	87,754
Trade and other payables - related parties (Note 29)				
Trade payables - subsidiary companies	-	-	-	81,278
Trade payable - related company	85	66	-	-
Other payables - subsidiary companies	-	-	22,457	17,626
Other payables - related companies	788	356	-	-
Accrued interest expenses - subsidiary companies	-	-	-	2,200
Accrued expenses - subsidiary company	-	-	-	-
Total trade and other payables - related parties	873	422	22,457	101,104
Accrued cost of construction - related party				
Subsidiary company	-	-	6,957	90,415
Total accrued cost of construction - related party	-	-	6,957	90,415
Advance received from employer - related party				
Subsidiary company	-	-	-	41,745
Total advance received from employer - related party	-	-	-	41,745
Retention payable - related party				
Subsidiary company	-	-	51,627	92,392
Total retention payable - related party	-	-	51,627	92,392

Loans to related parties and loans from related parties

As at 31 March 2013 and 2012, the balances of loans between the Company and those related companies and the movement are as follows:

(Unit: Thousand Baht)

		Consolidated financial statements			
Short-term loans to related parties	Related by	Balance as at 31 March 2012	Increase during the year	Decrease during the year	Balance as at 31 March 2013
EGV Co., Ltd.	Related company	4,018	-	-	4,018
Less: Allowance for doubtful debts		(4,018)	-	-	(4,018)
Total		-	-	-	-

(Unit: Thousand Baht)

		Separate financial statements			
Short-term loans to related parties	Related by	Balance as at 31 March 2012	Increase during the year	Decrease during the year	Balance as at 31 March 2013
Carrot Rewards Co., Ltd.	Subsidiary company	18,500	93,000	-	111,500
E.G.V. Co., Ltd.	Related company	4,018	-	-	4,018
		22,518	93,000	-	115,518
Less: Allowance for doubtful debts		(4,018)	-	-	(4,018)
Total		18,500	93,000	-	111,500

(Unit: Thousand Baht)

		Consolidated financial statements			
Long-term loans to related parties	Related by	Balance as at 31 March 2012	Increase during the year	Decrease during the year	Balance as at 31 March 2013
Hwa Kay Thai (Thailand) Co., Ltd.	Related company	26,409	-	(629)	25,780
Less: Allowance for doubtful debts		(26,409)	-	629	(25,780)
Total		-	-	-	-

(Unit: Thousand Baht)

		Consolidated financial statements			
Long-term loans to related parties	Related by	Balance as at 31 March 2012	Increase during the year	Decrease during the year	Balance as at 31 March 2013
Yongsu Co., Ltd.	Subsidiary company	-	6,220	(550)	5,670
Tanayong Food and Beverage Co., Ltd.	Subsidiary company	778,108	74,629	(271,044)	581,693
Muangthong Assets Co., Ltd.	Subsidiary company	44,000	43,700	(4,000)	83,700
Tanayong International Ltd.	Subsidiary company	433,445	-	(3,084)	430,361
Tanayong Hong Kong Limited	Subsidiary company	1,271	838	-	2,109
Nuvo Line Agency Co., Ltd.	Subsidiary company	108,000	-	(88,000)	20,000
Bangkok Mass Transit System Public Co., Ltd.	Subsidiary company	990,000	960,000	(1,950,000)	-
Siam Paging and Communication Co., Ltd.	Subsidiary company	32,600	50	-	32,650
Sampaopetch Co., Ltd.	Subsidiary company	897,296	60	-	897,356

(Unit: Thousand Baht)

		Consolidated financial statements			
Long-term loans to related parties	Related by	Balance as at 31 March 2012	Increase during the year	Decrease during the year	Balance as at 31 March 2013
Kampoo Property Co., Ltd.	Subsidiary company	37,033	555	(37,588)	-
Kamkoong Property Co., Ltd.	Subsidiary company	148,768	450	(68)	149,150
BTS Asset Co., Ltd.	Subsidiary company	765,199	1,390,801	(35,500)	2,120,500
BTS Land Co., Ltd.	Subsidiary company	71,929	-	(4,929)	67,000
Thana City Golf & Sports Club Co., Ltd.	Subsidiary company	-	15,400	-	15,400
		4,307,649	2,492,703	(2,394,763)	4,405,589
Less: Allowance for doubtful debts		(1,376,325)	(50,121)	7,694	(1,418,752)
Total		2,931,324	2,442,582	(2,387,069)	2,986,837

(Unit: Thousand Baht)

		Separate financial statements			
Long-term loans to related parties	Related by	Balance as at 31 March 2012	Increase during the year	Decrease during the year	Balance as at 31 March 2013
Dnal Co., Ltd.	Subsidiary company	40,000	14,500	(54,500)	-
PrannaKiri Assets Co., Ltd.	Subsidiary company	58,000	-	(58,000)	-
Tanayong Property Management	Subsidiary company	-	8,000	(8,000)	-
Total		98,000	22,500	(120,500)	-

Directors' and management's benefits

During the years ended 31 March 2013 and 2012, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Short-term employee benefits	219	176	67	53
Post-employment benefits	27	19	9	2
Termination benefit	-	1	-	-
Share-based payment	5	5	1	1
Total	251	201	77	56

7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Cash	69,502	39,356	149	135
Current deposits and saving deposits	859,633	454,222	569,071	22,979
Fixed deposits with maturity date due not more than 3 months	23	23	4	4
Certificates of deposits	1,208,348	-	-	-
Bills of exchange	1,375,776	274,647	1,059,694	100,014
BOT bonds with maturity date due not more than 3 months	-	564,992	-	330,000
Total	3,513,282	1,333,240	1,628,918	453,132

As at 31 March 2013, bank deposits in savings accounts, fixed deposits, certificates of deposits and bills of exchange carried interests between 0.10 and 3.40% per annum (2012: between 0.10 and 3.20% per annum).

The Company is waiting to transfer the outstanding balance of cash and cash equivalents of Baht 81 million to the creditors per the rehabilitation plan of the Company, when the court issues its final judgment, as described in Note 15 to the financial statements.

8. Current investment

As at 31 March 2013, the Company has investment in 1,000,000 units of short-term debentures, with face value of Baht 1,000 each, of a company amounting to Baht 1,000 million (2012: Nil). The debentures matured on 18 June 2013.

9. Cash received in advance from cardholders

In order to comply with the Notification of the Bank of Thailand applicable to electronic card businesses, the subsidiary (Bangkok Smartcard System Co., Ltd.) has to deposit cash received in advance from cardholders with a financial institution in an amount not less than the outstanding balance of the advance receipts at the end of each day. These funds cannot be used for any purposes other than making payment to goods or service providers on behalf of the cardholder. As at 31 March 2013, the balance of cash received in advance from cardholders was Baht 79 million (2012: Baht 1 million).

10. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Trade accounts receivable				
Total value of contracts signed	13,402,910	12,331,145	10,681,790	10,669,844
Percentage of total project sale value	75.42	69.72	73.70	73.58
Installments due	11,096,293	10,776,536	10,468,252	10,636,010
Less: Cash received	(11,096,293)	(10,776,536)	(10,468,252)	(10,636,010)
Trade accounts receivable - real estate	-	-	-	-
Trade accounts receivable - construction	-	-	-	156,781
Trade accounts receivable - management and consulting	-	-	-	652
Trade accounts receivable - hotel, rental and services, net	30,598	9,262	-	-
Trade accounts receivable - mass transit system	163,244	578,248	-	-
Trade accounts receivable - advertising	633,372	479,889	-	-
Total trade accounts receivable	857,213	1,067,399	-	157,433

As at the date of the statement of financial position, the balances of trade accounts receivable aged on the basis of due dates and the balances of other receivables were summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Trade receivables - related parties				
Not yet due	258	27	-	-
Past due				
Up to 3 months	11	5	-	103,933
3 - 6 months	-	-	-	53,500
Total trade receivables - related parties	269	32	-	157,433
Trade receivables - unrelated parties				
Not yet due	478,938	578,150	-	-
Past due				
Up to 3 months	340,822	280,126	-	-
3 - 6 months	20,924	158,099	-	-
6 - 12 months	2,008	6,395	-	-
Over 12 months	30,361	43,329	-	-
Total	873,053	1,066,099	-	-
Posted date cheques	13,220	18,161	-	-
Less: Allowance for doubtful debts	(29,329)	(16,893)	-	-
Total trade receivables - unrelated parties, net	856,944	1,067,367	-	-
Total trade receivables - net	857,213	1,067,399	-	157,433

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Other receivables				
Advances	42,663	1,761	244	-
Interest receivables - related parties	-	-	159,872	87,852
Interest receivable	9,387	368	2,473	-
Retention receivable	7,702	10,371	7,702	10,371
Other receivables - related parties	461	4,387	2,338	31
Other receivables	28,220	22,395	21,860	20,470
Total other receivables - net	88,433	39,282	194,489	118,724
Trade and other receivables - net	945,646	1,106,681	194,489	276,157

11. Unbilled receivables (construction contracts)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Unbilled receivables				
Project value as per contracts	-	1,521,065	2,111,170	3,721,065
Accumulated amounts recognised as revenue on percentage of completion basis	-	1,521,065	2,111,170	3,675,086
Less: Value of total billed	-	(1,521,065)	(2,111,170)	(3,390,645)
Unbilled receivables	-	-	-	284,441

12. Spare parts - Automatic Fare Collection system

As at the statement of financial position date, the balances of spare parts - Automatic Fare Collection system were comprised as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	
	2013	2012
Consumable spare parts	97,257	92,956
Transfer to non-current assets classified as held for sale (Note 27)	(68,104)	-
Consumable spare parts - net	29,153	92,956
Reusable spare parts	94,614	91,999
Less: Accumulated amortisation on reusable spare parts	(13,036)	(10,768)
	81,578	81,231
Transfer to non-current assets classified as held for sale (Note 27)	(59,175)	-
Reusable spare parts - net	22,403	81,231
Total spare parts - elevated train system	51,556	174,187

For the year ended 31 March 2013, BTSC consumed and charged for consumable spare parts and also recorded an amortisation of reusable spare parts totally amounting to Baht 12 million. The Company recorded Baht 10 million, as a part of costs of fare box and the remaining of Baht 2 million was included in costs of service in the statements of comprehensive income (2012: Baht 14 million as a part of costs of fare box).

13. Real estate development costs

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Land and construction development	3,532,232	802,146	692,821	814,036
Land and construction under development	-	2,582,563	-	-
Total	3,532,232	3,284,709	692,821	814,036
Less: Reduce cost to net realisable value	(21,925)	(35,641)	(21,925)	(35,641)
Real estate development costs - net	3,510,307	3,349,068	670,896	778,395

As at 31 March 2013, land with construction thereon of the Company and its subsidiary (Nuvo Line Agency Co., Ltd.) amounting to approximately Baht 2,979 million (Separate financial statement: Nil) (2012: Baht 2,731 million (Separate financial statements: Baht 25 million)) had been mortgaged as collateral for credit facilities from a financial institution as discussed in Notes 28 and 31 to the financial statements.

During the year ended 31 March 2013, a subsidiary (Nuvo Line Agency Company Limited) included borrowing costs of Baht 53 million as cost of "Real estate development costs" (2012: Baht 30 million). Interest is charged at rate of 3 - 6.5% per annum (2012: 2.750 - 6.125% per annum).

14. Cash deposited as collateral for debt settlement

As at 31 March 2013, the Company had the outstanding balances of cash deposited with the Central Bankruptcy Court as guarantees of settlement of unsecured and secured creditors, amounting to Baht 192.0 million and Baht 40.7 million, respectively (2012: Baht 192.0 million and Baht 40.7 million, respectively), due to the debts pending final court judgment or comptroller's orders. Such amounts of cash deposited are still lower than the maximum amount of debt that may arise on a proportional basis of unsecured and secured creditors by Baht 95.6 million and Baht 416.5 million, respectively. The Company is obliged to pay or transfer assets to settle such debts as stipulated in the rehabilitation plan. However, the Company completely recorded such debts in its accounts and the secured creditors are provided guarantees by the mortgage of the Company's assets in full.

15. Assets awaiting transfer under rehabilitation plan

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Real estate development costs - net	33,015	33,015	28,315	28,315
Land and projects awaiting development - net	39,921	39,921	39,921	39,921
Property, plant and equipment - net	73	91	73	91
Total	73,009	73,027	68,309	68,327

The Company held an open auction of five assets awaiting transfer under the rehabilitation plan and on 14 May 2009, a company successfully bid to purchase the assets at a price of Baht 1,200 million (appraisal value of Baht 3,089 million). The Company was to transfer ownerships of the assets to this company within 29 July 2009, or the date set by order of the Central Bankruptcy Court. The successful bidder had made payment amounting to Baht 120 million to the Company as a guarantee and the Company recorded this transaction under the heading of "Restricted deposits" in the statement of financial position. The Company signed an agreement to purchase and to sell the assets on 10 July 2009.

On 1 July 2009, the Company entered into an agreement to acquire the rights to purchase certain auctioned assets (4 items), at a price of Baht 800 million, from such company. The Company paid an advance amounting to Baht 40 million to such company in accordance with a memorandum between the Company and such company. On 29 September 2010, the Company amended the agreement to acquire the rights to purchase certain of the assets that were auctioned to that company, so that from covering assets valued at Baht 800 million (4 items) it covered assets valued at Baht 500 million (3 items). The Company received the return of guarantee money amounting to Baht 15 million from that company.

The Company and the purchaser are in the process of complying with the terms and conditions stipulated in the agreements. However, a creditor of the Company submitted a petition to cancel the auction to the Central Bankruptcy Court. The Central Bankruptcy Court dismissed the petition and the creditor appealed the decision. However, the Supreme Court has also dismissed the petition.

In addition, the Company has deposited two assets awaiting transfer under the rehabilitation plan (not included in the agreement to acquire the rights to purchase auctioned assets) with the Central Bankruptcy Court as collateral for debt settlement.

However, on 11 November 2011, a meeting of the Company's Board of Directors passed a resolution to approve and/or ratify a subsidiary executing a contract to purchase rights of claim from a group of creditors for a total consideration not exceeding Baht 1,200 million. The purchase of these claims relates to an open auction of assets awaiting transfer (5 items) by the Company under its rehabilitation plan, at which a company successfully bid to purchase the assets at a price of Baht 1,200 million as detailed above. The Company and the purchaser are in the process of complying with the terms and conditions stipulated in the agreement between them. Moreover, the subsidiary entered into agreements with creditors to acquire rights of claim and other rights in accordance with the Company rehabilitation plan. The subsidiary has made payment of approximately Baht 816.1 million for these rights and the subsidiary recorded this transaction under the heading of "Rights of claim from acquisition of debts per rehabilitation plan" in the statement of financial position.

Subsequently, on 19 June 2012, a meeting of creditors passed a resolution by majority vote to add debt repayment options, whereby the transfer of and/or redemption from mortgage and payment for secured assets can be done separately (5 items), with the transfer of and/or redemption of mortgaged collateral of item No.5 (Yongsu apartment) to be processed first, at a price of Baht 400 million.

Therefore, the Company submitted a request for the return of the cash deposit amounting to Baht 40 million placed with the Bankruptcy Court, to use in partial payment of item No.5 (Yongsu apartment), and transferred ownership to a company as stipulated by the buyer on 16 October 2012. Most of the cash received from the buyer was transferred to the creditors per the rehabilitation plan, while some of approximately Baht 81 million was reserved to be transferred to entitled creditors per the order of the Central Bankruptcy Court as discussed in Note 7 to the financial statements. The Company recorded this transaction under the heading of "Liability awaiting final court order" in the statement of financial position.

A subsidiary, as a creditor to which rights of claim over debts and other rights under the rehabilitation plan had been transferred, received settlement of debt totaling Baht 271 million, leaving a balance of "Rights of claim from acquisition

of debts per rehabilitation plan” in the statement of financial position of Baht 545 million as at 31 March 2013 (2012: Baht 742 million).

In addition, on 15 October 2012, another subsidiary entered into an agreement to acquire rights to purchase certain auctioned assets (item No.4) from the company that had lodged the successful bid for those assets, at a price of Baht 300 million. The subsidiary paid Baht 45 million to that company in accordance with an agreement between the Company and that company. The subsidiary recorded this transaction as a part of the heading of “Deposit and advances for asset acquisitions” in the statement of financial position.

16. Investments in subsidiaries awaiting transfer under rehabilitation plan

The remaining balance consists of 72 million ordinary shares of BTSC which will be transferred to the creditors per rehabilitation. However, these shares are not yet transferred to the creditors since some of the Company’s debts are pending final court judgment.

17. Investments in subsidiaries

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

(Unit: Thousand Baht)

Company's name	Paid-up capital		Percentage owned by the Company		Cost		Dividend income	
	2013	2012	2013	2012	2013	2012	2013	2012
Bangkok Mass Transit System Public Co., Ltd. (“BTSC”)	16,067,134	16,067,134	97.46	96.44	41,681,791	41,216,615	4,534,585	4,013,247
VGI Global Media Public Co., Ltd. (51% held by BTSC)	300,000	-	16.33	-	1,715,000	-	70,800	-
Dnal Co., Ltd.	50,000	50,000	100	100	680,609	680,609	-	-
Muangthong Assets Co., Ltd.	125,000	125,000	100	100	503,695	503,695	-	-
PrannaKiri Assets Co., Ltd.	311,000	311,000	100	100	310,010	310,010	-	-
Yong Su Co., Ltd.	234,000	234,000	100	100	236,570	236,570	-	-
Tanayong Food and Beverage Co., Ltd.	1,000	1,000	100	100	1,000	1,000	-	-
Thana City Golf & Sports Club Co., Ltd.	20,000	20,000	100	100	77,472	77,472	-	-
Siam Paging and Communication Co., Ltd.	5,000	5,000	100	100	5,000	5,000	-	-
Sampaopetch Co., Ltd.	1,000	1,000	100	100	1,000	1,000	-	-
Tanayong Property Management Co., Ltd.	1,000	1,000	100	100	1,000	1,000	-	-
Tanayong International Ltd.	25	25	100	100	25	25	-	-
HHT Construction Co., Ltd.	25,000	25,000	51	51	12,750	12,750	24,276	15,453
Tanayong Hong Kong Limited	42	42	100	100	42	42	-	-
Carrot Rewards Co. Ltd.	2,000	2,000	100	100	2,000	2,000	-	-
BTS Assets Co., Ltd.	800,000	800,000	100	100	1,424,078	1,424,078	-	-
BTS Land Co., Ltd.	10,000	10,000	100	100	10,000	10,000	-	-

(Unit: Thousand Baht)

Company's name	Paid-up capital		Percentage owned by the Company		Cost		Dividend income	
	2013	2012	2013	2012	2013	2012	2013	2012
Nuvo Line Agency Co., Ltd.	2,001,000	2,001,000	80	80	1,637,915	1,637,915	-	-
Kampoo Property Co., Ltd.	-	1,075,000	-	100	-	1,075,000	-	-
Kamkoong Property Co., Ltd.	375,000	375,000	100	100	375,000	375,000	-	-
Total					48,674,957	47,569,781		
Less: Surplus on business combination under common control					(4,812,208)	(3,371,978)		
					43,862,749	44,197,803		
Less: Provision for loss on diminution in value					(1,419,899)	(1,419,899)		
Net					42,442,850	42,777,904		

Bangkok Mass Transit System Public Co., Ltd. ("BTSC")

The Company's shareholding structure in BTSC

On 6 June 2011, the Company offered an additional 1,289,987,791 ordinary shares with a par value of Baht 0.64 each to BTSC's existing shareholders, excluding the Company, and received 472,827,433 ordinary shares of BTSC at a value of Baht 2.50 each in payment, resulting in an increase in the Company's shareholding in BTSC from 93.50% to 96.44%.

The issuance of the ordinary shares to purchase investment in the subsidiary was detailed below.

(Unit: Thousand Baht)

Additional ordinary shares of the Company	1,182,088
Less: Non-controlling interests of subsidiary adjusted	(1,058,959)
Deficit from the changes in the ownership interests in subsidiary	<u>123,129</u>

The Executive Committee Meeting of the Company held on 18 October 2012 had a resolution to approve the purchase of 163,088,137 ordinary shares with a par value of Baht 1 each of BTSC from a company, at a price of Baht 2.8325 each. The Company entered in the sale and purchase agreement with that company on 19 October 2012. On 10 January 2013, the Company purchased 1,133,188 ordinary shares of BTSC from an individual, at a price of Baht 2.85 each, totaling Baht 3.3 million. As a result, the Company's shareholding in BTSC increased from 96.44% to 97.46%.

The purchase transaction of investment in the subsidiary was detailed below.

(Unit: Thousand Baht)

Purchase price	465,177
Less: Non-controlling interests of subsidiary adjusted	(283,469)
Deficit from the changes in the ownership interests in subsidiary	<u>181,708</u>

In this regards, changes in the Company's ownership interest in a subsidiary do not result in a loss of control. Therefore, the Company recorded deficit from the changes in the ownership interests in a subsidiary in the shareholders' equity in the consolidated statements of financial position.

Operation and Maintenance Contract of a Mass Transit System

On 3 May 2012, BTSC and The Krungthep Thanakom Co., Ltd. entered into the operation and maintenance contract of a mass transit system in Bangkok. The contract period is 30 years, starting 8 May 2012 to 2 May 2042. The total price

of the contract for 30 years is not exceeding of Baht 187,000 million (VAT inclusive). The aforementioned contract does not amend or revise the existing concession contract.

Dividend income from BTSC

On 12 July 2011, the Annual General Meeting of BTSC's shareholders passed a resolution to pay dividends of Baht 6,009.1 million (at a rate of Baht 0.374 per share) in respect of the BTSC's past operating results and approved the setting aside of retained earnings of Baht 708.9 million to the statutory reserve. BTSC already paid a part of that dividend in the form of an interim dividend amounting to approximately Baht 4,659.5 million (at a rate of Baht 0.29 per share), which was approved by the meeting of Board of Directors of BTSC held on 7 February 2011. Therefore, BTSC had a remaining dividend of Baht 1,349.6 million (the Company's share is Baht 1,301.6 million) (at a rate of Baht 0.084 per share) and paid the dividend on 25 July 2011.

On 5 January 2012, the meeting of Board of Director of BTSC passed a resolution to pay interim dividend of Baht 1,687 million (the Company's share is Baht 1,626.9 million) (at a rate of Baht 0.105 per share) from operating results of BTSC for the six-month period ended 30 September 2011. BTSC paid the dividend on 31 January 2012.

On 6 March 2012, the meeting of Board of Director of BTSC passed a resolution to pay interim dividend of Baht 1,124.7 million (the Company's share is Baht 1,084.7 million) (at a rate of Baht 0.07 per share) from operating results of BTSC for the nine-month period ended 31 December 2011. BTSC paid the dividend on 26 March 2012.

On 12 July 2012, the Annual General Meeting of BTSC's shareholders passed resolutions to pay a dividend of Baht 3,454 million (at a rate of Baht 0.215 per share) in respect of BTSC's past operating results. BTSC has paid an interim dividend totaling approximately Baht 2,811 million (at a rate of Baht 0.175 per share), as approved by a meeting of Board of Directors held on 6 March 2012 and 5 January 2012. The outstanding dividend of Baht 643 million (the Company's share is Baht 620 million) (at a rate of Baht 0.04 per share) was paid to the shareholders on 30 July 2012.

On 2 November 2012, the meeting of BTSC's Board of Directors No. 11/2012 passed a resolution to pay an interim dividend of Baht 964 million (The Company's dividend is Baht 940 million) (at a rate of Baht 0.06 per share) in respect of BTSC's past operating results to the shareholders. BTSC has paid the interim dividend to the shareholders on 16 November 2012.

On 4 January 2013, the meeting of BTSC's Board of Directors No. 1/2013 passed a resolution to pay an interim dividend of Baht 1,285 million (The Company's dividend is Baht 1,253 million) (at a rate of Baht 0.08 per share) in respect of BTSC's past operating results to the shareholders. BTSC paid the interim dividend to the shareholders on 30 January 2013.

On 12 March 2013, the meeting of BTSC's Board of Directors No. 3/2013 passed a resolution to pay an interim dividend of Baht 1,767 million (The Company's dividend is Baht 1,723 million) (at a rate of Baht 0.11 per share) in respect of BTSC's past operating results to the shareholders. BTSC paid the interim dividend to the shareholders on 22 March 2013.

In April 2013, BTSC's ordinary shares have been pledged with BTS Rail Mass Transit Growth Infrastructure Fund in accordance with an agreement relating to the Net Revenue Purchase and Transfer Agreement.

HHT Construction Company Limited ("HHT")

Capital structure of HHT

The Extraordinary General Meeting of HHT's shareholders held on 15 August 2011 passed the following resolutions:

- a) Approved the change of the par value of the ordinary shares from Baht 10 per share (registered share capital of Baht 100 million divided into 10 million ordinary shares with a par value of Baht 10 each) to Baht 5 per share (registered share capital of Baht 100 million divided into 20 million ordinary shares with a par value of Baht 5 each).

- b) Approved the reduction of the registered capital by Baht 75 million by cancelling 15 million ordinary shares with a par value of Baht 5 each, resulting in a remaining registered share capital of Baht 25 million divided into 5 million ordinary shares with a par value of Baht 5 each).

HHT registered the corresponding change and decrease in its registered share capital with the Ministry of Commerce on 25 August 2011 and 30 September 2011, respectively.

Dividend income from HHT

On 29 July 2011, the Annual General Meeting of HHT's shareholders passed a resolution to pay dividend of Baht 30.3 million (the Company's share is Baht 15.5 million) from its operating results for the year ended 31 March 2012.

On 31 July 2012, the Annual General Meeting of HHT's shareholders passed a resolution to pay dividend of Baht 48 million (the Company's share is Baht 24 million) from its operating results for the year ended 31 March 2012.

Kampoo Property Company Limited ("Kampoo") and Kamkoong Property Company Limited ("Kamkoong")

On 20 February 2012, the Company received ordinary shares of Kampoo valued at Baht 1,150 million and ordinary shares of Kamkoong valued at Baht 450 million, to settle debt of BTS Assets Co., Ltd. amounting to Baht 1,600 million. As a result, the Company's shareholding in these two companies is 100%. In addition, there is novation of the inter-company loans among group companies, for which all two subsidiaries are borrowers (Kampoo with Baht 24 million and Kamkoong with Baht 132 million), with the lender changing from BTS Assts Company Limited to the Company.

As a result of the above debt settlement, the Company recognised deficit on debt settlement by ordinary shares of subsidiaries under common control amounting to Baht 150 million, presenting it in the other components of equity in the separate financial statements.

The Executive Committee Meeting of the Company held on 18 October 2012 had a resolution to approve the sale of all of ordinary shares of Kampoo Property Company Limited to a company, at a price of Baht 1,810 million. The Company entered in the sale and purchase agreement with that company on 30 October 2012. The Company had selling expenses relating to the sale of investment in the subsidiary approximately amounting to Baht 57 million.

The sale of the investment in Kampoo was considered to be the sale of a discontinued operation of Kampoo but the results of discontinued operation of Kampoo are insignificant to the consolidated financial statements. The Company has therefore not disclosed them separately in the comprehensive income statements.

The sale transaction of the investment in the subsidiary on 30 October 2012 was detailed below;

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Contract selling price	1,849,230	1,849,230
Less: Selling expenses relating to the sale of investment in the subsidiary	(57,288)	(57,288)
Cash receipt from the sale of investment in the subsidiary	1,791,942	1,791,942
Less: Value of investment in the subsidiary under the equity method/cost method	(1,081,268)	(1,075,000)
Surplus from exchange of investments in subsidiaries under common control	-	(75,000)
Repayment of loan	-	(38,410)
Gain on sale of investment in subsidiary	710,674	603,532

The Company recorded gain from sale of the investment in subsidiary in the statements of comprehensive income during the year ended 31 March 2013.

In accordance with the sale of investment in subsidiary, the Company has excluded Kampoo's financial statements from the consolidated financial statements since 30 October 2012.

As at the date, the Company ceases control in Kampoo, the net asset value of that company was as follows:

	(Unit: Thousand Baht)
Current assets	2,009
Investment properties	<u>1,079,314</u>
Total assets	<u>1,081,323</u>
Current liabilities	<u>55</u>
Total liabilities	<u>55</u>
Net asset value	<u>1,081,268</u>
Investment sale amount	1,791,942
Less: Cash and cash equivalents in subsidiary of which control is lost	<u>(3)</u>
Net cash received from disposal of subsidiary	<u>1,791,939</u>

Sampaopetch Company Limited (“Sampaopetch”)

On 29 November 2012, the Central Bankruptcy Court issued a receivership order for Sampaopetch, as discussed in Note 45.8 b) to the financial statements, and the creditors lodged claims for settlement of debts with the Comptroller. Subsequently, on 27 May 2013, the Board of Directors of the Company approved the write off of investment in the subsidiary.

Subsidiaries indirectly owned by the Company

VGI Global Media Public Company Limited (“VGI”)

Capital structure of VGI and the Company's shareholding in VGI

On 2 April 2012, VGI registered the change of its status to Public Company Limited and the change in the par value of its ordinary shares from Baht 10 each to Baht 1 each, as a result of which VGI's registered and paid-up share capital of Baht 100 million comprises 100 million ordinary shares of Baht 1 each. VGI has also increased its registered share capital from Baht 100 million (100 million ordinary shares of Baht 1 each) to Baht 400 million (400 million ordinary shares of Baht 1 each), in accordance with the resolutions passed by the Extraordinary General Meeting of VGI's shareholders No.2/2012. Subsequently, on 11 May 2012, BTSC acquired 174 million newly issued ordinary shares of VGI for a price of Baht 1 per share, in proportion to its existing shareholding. As a result, VGI's paid-up share capital was Baht 274 million (274 million ordinary shares of Baht 1 each).

On 26 July 2012, meeting of BTSC's Board of Directors No.8/2012 passed a resolution approving an initial offering of 62 million shares that BTSC held in VGI to the public, at a price of Baht 35 per share. On 3 October 2012, BTSC transferred the 62 million ordinary shares of VGI to the public, receiving Baht 2,170 million from disposal of this investment. The Company had selling expenses relating to the sale of investment in the subsidiary approximately amounting to Baht 40 million.

The sale transaction of investment in the subsidiary was detailed below.

	(Unit: Thousand Baht)
Selling price	2,170,000
Less: Selling expenses relating to the sale of investment in the subsidiary	<u>(39,742)</u>
Cash receipt from the sale of investment in the subsidiary	2,130,258
Less: Non-controlling interests of subsidiary adjusted	<u>(347,668)</u>
Surplus from the changes in the ownership interests in subsidiary	<u>1,782,590</u>

In this regards, changes in the Company's ownership interest in a subsidiary do not result in a loss of control. Therefore, the Company recorded surplus from the changes in the ownership interests in a subsidiary in the shareholders' equity in the consolidated statements of financial position.

On 14 August 2012, the Extraordinary General Meeting of VGI's shareholders No. 3/2012 approved an increase of VGI's issued and paid-up capital from Baht 274 million (274 million ordinary shares of Baht 1 each) to Baht 300 million (300 million ordinary shares of Baht 1 each), through the issuance of 26 million additional ordinary shares with a par value of Baht 1 each, to be offered by private placement to the existing shareholders of the Company and BTSC at a price of Baht 35 per share. The remaining additional ordinary shares from the private placement will be offered to the public. VGI has issued the new ordinary shares and registered the increase of its capital with the Ministry of Commerce on 4 October 2012. For the issuance of such additional ordinary shares, VGI had total related expenses approximately amounting to Baht 28 million.

The issuance of the additional ordinary shares of the subsidiary was detailed below.

	(Unit: Thousand Baht)
Selling price of the additional ordinary shares of the subsidiary	910,000
Less: Selling expenses relating to the issuance of the additional ordinary shares of the subsidiary	<u>(27,875)</u>
Cash receipt from the issuance of the additional ordinary shares of the subsidiary	882,125
Less: Non-controlling interests of subsidiary adjusted	<u>(145,796)</u>
Surplus from the changes in the ownership interests in subsidiary	<u>736,329</u>

In this regards, changes in the Company's ownership interest in a subsidiary do not result in a loss of control. Therefore, the Company recorded surplus from the changes in the ownership interests in a subsidiary in the shareholders' equity in the consolidated statements of financial position.

In addition, on 20 August 2012, BTSC entered into a share sale and purchase agreement with the Company in order to sell off 59 million shares that BTSC held in VGI at a price of Baht 35 each, or for a total of Baht 2,065 million. Under the agreement, BTSC has to transfer the 59 million ordinary shares of VGI to the Company within 7 days from the date of VGI's initial public offering, and the Company is to pay the purchase price within six months, while BTSC is entitled to charge interest at 6.25% per annum for this six-month period. BTSC completed the transfer of the ordinary shares of VGI to the Company on 11 October 2012, which was the date VGI's initial public offering. As a result, the Company has a 19.67% shareholding in VGI. Currently, the Company already paid the purchase of ordinary shares and related interest.

The purchase transaction of investment in the subsidiary under common control was detailed below.

	(Unit: Thousand Baht)
Purchase price	2,065,000
Less: Net assets value of the subsidiary attributable to the Company	<u>(330,845)</u>
Deficit on business combination under common control	<u>1,734,155</u>

The Company recorded deficit on business combination under common control in the shareholders' equity in the separate statement of financial position because the transaction was considered to be the restructuring of the companies under common control.

As a result of sales of investments in VGI and issuance of additional ordinary shares of VGI, the Group has shareholding in VGI decreasing from 100% to 69.37%.

In March 2013, the Company sold 5 million ordinary shares of VGI, at a price of Baht 120 each and sold 5 million ordinary shares of VGI, at a price of Baht 121 each, totaling Baht 1,205 million. The Company had selling expenses relating to the sale of investment in the subsidiary approximately amounting to Baht 5 million. As a result of sales of ordinary shares of VGI, the Group has shareholding in VGI decreasing from 69.37% to 67.33% (the Company: decreasing from 19.67% to 16.33%).

The sale transaction of investment in the subsidiary was detailed below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Selling price of investment in the subsidiary	1,205,000	1,205,000
Less: Selling expenses relating to the sale of investment in the subsidiary	(5,000)	(5,000)
Cash receipt from the sale of investment in the subsidiary	1,200,000	1,200,000
Less: Value of investment in the subsidiary		
- Investment in the subsidiary	-	(56,075)
- Surplus on business combination under common control	-	(293,925)
Cash receipt from the sale of investment in the subsidiary/ Gain on sales of investments in subsidiaries	1,200,000	850,000
Less: Non-controlling interests of subsidiaries	(56,587)	-
Surplus from the changes in the ownership interests in a subsidiary/ Gain on sales of investments in subsidiaries	1,143,413	850,000

The Company recorded surplus from the changes in the ownership interests in a subsidiary in the shareholders' equity in the consolidated statements of financial position and recorded gain on sales of investments in subsidiaries in the separate comprehensive income statement for the year ended 31 March 2013.

BTSC had pledged the shares certificates of VGI to 16 million shares with a local commercial bank as a secured for a credit facility, as discussed in Note 28 to the financial statements.

Dividend income from VGI

On 29 November 2012, the meeting of VGI's Board of Directors No. 9/2012 agreed to pay interim dividend of Baht 360 million (at a rate of Baht 1.2 per share) in respect of the VGI's operation results in the past. VGI paid the dividend in accordance with percentage of shareholding to the Group by approximately amounting to Baht 254 million (the Company's portion by approximately Baht 71 million (19.67% shareholding)) and to non-controlling interests of the subsidiary approximately amounting to Baht 106 million, totaling amounting to Baht 360 million, on 27 December 2012.

Bangkok Smartcard System Company Limited ("Bangkok Smartcard")

On 28 March 2012, the meeting of Board of Directors of Bangkok Smartcard No.3/2012 approved Bangkok Smartcard to register an increase in 30 branches with the Ministry of Commerce. Bangkok Smartcard registered the increase with the Ministry of Commerce on 3 April 2012.

Kamala Beach Resort & Hotel Management Co., Ltd. (“Kamala”)

On 12 June 2012, BTSC entered into a share sale and purchase agreement relating to the sale of all of the shares of Kamala to two companies for a price of Baht 1,600 million. This selling price was to be adjusted by the net value of the cash and cash equivalent accounts (net of Kamala’s liabilities as at 31 March 2012). BTSC received a deposit for the sale of its investment in Kamala of Baht 80 million on the date of the agreement, and the remaining amount was to be received on the date ownership of Kamala’s shares is transferred. The agreement stipulated that BTSC was to transfer the ownership of Kamala’s shares within 90 days after the date of the agreement (i.e. by 12 September 2012).

Subsequently, on 10 October 2012 the two acquirer companies (buyers) entered into an agreement to transfer their rights to purchase Kamala’s ordinary shares to another company (new buyer).

On 12 September 2012, BTSC transferred Kamala’s shares to the new buyer and received full settlement of the remainder of the selling price. BTSC incurred selling expenses relating to the sale of the investment in Kamala of approximately Baht 93 million.

The sale of the investment in Kamala was considered to be the sale of a discontinued operation of Kamala but the results of discontinued operation of Kamala are insignificant to the consolidated financial statements. The Company has therefore not disclosed them separately in the comprehensive income statements.

The sale transaction of the investment in Kamala on 12 September 2012 was detailed below:

	(Unit: Thousand Baht)
	<u>Consolidated</u>
	<u>financial statements</u>
Contract selling price	1,600,000
Add: Outstanding balance of cash and cash equivalents account, net of Kamala’s liabilities as at 31 March 2012	<u>43,036</u>
Selling price after adjusted of conditions stipulated in the agreement	1,643,036
Less: Selling expenses relating to the sale of the investment in subsidiary	<u>(93,457)</u>
Cash receipt from sale of the investment in subsidiary	1,549,579
Less: Value of investment in Kamala	<u>(1,260,542)</u>
Gain from sale of the investment in subsidiary	<u>289,037</u>

The Company recorded gain from sale of the investment in subsidiary in the comprehensive income statements for the year ended 31 March 2013.

In accordance with the sale of investment in subsidiary, the Company has excluded Kamala’s financial statements from the consolidated financial statements since 12 September 2012.

As at the date BTSC ceases control in Kamala, the net asset value of that company was as follows:

	(Unit: Thousand Baht)
Current assets	43,840
Land and projects awaiting development - net ¹	<u>1,197,750</u>
Total assets	<u>1,241,590</u>
Current liabilities	<u>142</u>
Total liabilities	<u>142</u>
Net asset value	<u>1,241,448</u>
Investment sales amount	1,549,579
Less: Cash and cash equivalents in subsidiary of which control is lost	<u>(43,673)</u>
Net cash received from disposal of subsidiary	<u>1,505,906</u>

¹ Net of revaluation surplus on land of approximately Baht 19 million.

Surplus (deficit) from the changes in the ownership interests in subsidiaries

The changes in the Company's ownership interests in subsidiaries do not result in a loss of control. Therefore, the Company recorded surplus (deficit) from the changes in the ownership interests in subsidiaries in the shareholders' equity in the consolidated statements of financial position.

In this regards, the balance of surplus (deficit) from the changes in the ownership interests in subsidiaries account presented in the shareholders' equity in the consolidated statements of financial position was the differences of considerations paid or received from the changes in the ownership interests in the subsidiaries of the Company and the equity interests of non-controlling interests of the subsidiaries in net book value of the subsidiaries on the changing date.

Non-controlling interests of subsidiaries are valued at identifiable net assets value of the subsidiaries based on shareholding percentage held by the non-controlling interests.

As at the dates of the statements of financial position, the balances of surplus (deficit) from the changes in the ownership interests in a subsidiary account presented in the shareholders' equity in the statements of financial position were detailed below.

(Unit: Thousand Baht)

	Consolidated financial statements	
	2013	2012
Receive BTSC's ordinary shares for the Company's additional shares	(123,129)	(123,129)
Purchase BTSC's ordinary shares	(181,708)	-
Issue additional shares of VGI	736,329	-
Sell investments in VGI	2,926,003	-
Total	3,357,495	(123,129)

Deficit on business combination under common control

As at the dates of the statements of financial position, the balances of deficit on business combination under common control account presented in the shareholders' equity in the statements of financial position were detailed below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2556	2555	2556	2555
Purchase ordinary shares of BTSC under common control	3,371,978	3,371,978	3,371,978	3,371,978
Purchase ordinary shares of VGI under common control	-	-	1,734,155	-
Sell ordinary shares of VGI under common control	-	-	(293,925)	-
Total	3,371,978	3,371,978	4,812,208	3,371,978

18. Investments in associates

18.1 Details of associates

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Consolidated financial statements					
			Shareholding percentage		Cost		Carrying amounts based on equity method	
			2013	2012	2013	2012	2013	2012
Absolute Hotel Services Co., Ltd.	Hotel management	Thai	50	50	4,000	4,000	10,026	7,033
Absolute Hotel Services Hong Kong Ltd. ¹	Hotel management	Hong Kong	50	50	3,049	3,409	-	-
Total					7,049	7,049	10,026	7,033

¹ held by Tanayong Hong Kong Limited

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Separate financial statements							
			Shareholding percentage		Cost		Provision for impairment of investments		Carrying amounts based on cost method - net	
			2013	2012	2013	2012	2013	2012	2013	2012
Absolute Hotel Services Co., Ltd.	Hotel management	Thai	50	50	4,000	4,000	-	-	4,000	4,000
Total					4,000	4,000	-	-	4,000	4,000

18.2 Share of income (loss) During the year, the Company has summarized its share of income (loss) from investments in associates in the consolidated financial statements as follows:

(Unit: Thousand Baht)

Company's name	Consolidated financial statements			
	Share of income (loss) from investments in associates for the years ended 31 March			
	2013		2012	
Absolute Hotel Services Co., Ltd.	2,993		(160)	
Absolute Hotel Services Hong Kong Ltd.	-		(2,157)	
Total	2,993		(2,317)	

18.3 Summarised financial information of associates

Financial information of the associates is summarised below.

(Unit: Thousand Baht)

Company's name	Issued and paid-up capital (including share premium) as at 31 March		Total assets as at 31 March		Total liabilities as at 31 March		Total revenues for the years ended 31 March		Profit (loss) for the years ended 31 March	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
	Absolute Hotel Services Co., Ltd. (Unit: Million Baht)	8.0	8.0	27.7	22.8	7.7	8.7	43.3	35.3	5.9
Absolute Hotel Services Hong Kong Ltd. (Unit: Million USD)	0.2	0.1	0.5	0.5	0.6	0.6	0.2	0.3	(0.2)	0.1

18.4 Investment in associate with capital deficit

The Company recognised share of loss from investment in an associate, as listed below, until the value of the investment under equity method reached zero. Subsequent loss incurred by this associate has not been recognised in the Company's accounts since the Company has no obligations, whether legal or constructive, to make any payments on behalf of this associate. The amount of such unrecognised share of loss is set out below.

(Unit: Million Baht)

Company's name	Unrecognised share of loss	
	Share of loss for the year ended 31 March 2013	Cumulative share of loss up to 31 March 2013
Absolute Hotel Services Hong Kong Ltd.	-	3

19. Other long-term investments

(Unit: Thousand Baht)

Company's name	Consolidated financial statements				Separate financial statements			
	2013		2012		2013		2012	
	Percentage of shareholding	Amount	Percentage of shareholding	Amount	Percentage of shareholding	Amount	Percentage of shareholding	Amount
Investments in available-for-sale securities								
Grand Canal Land Plc.	0.28	24,283	0.28	24,283	0.28	24,283	0.28	24,283
Bangkok Land Plc.	0.01	855	0.01	855	0.01	855	0.01	855
Total		25,138		25,138		25,138		25,138
Add: Revaluation		23,801		5,105		23,801		5,105
		48,939		30,243		48,939		30,243
Long-term investments								
Held to maturity debt security - debentures		200,000		-		100,000		-
Total		200,000		-		100,000		-
Other investments								
Chanthaburi Country Club Co., Ltd.	0.17	2,000	0.17	2,000	0.17	2,000	0.17	2,000
Community and Estate Management Co., Ltd.	15.00	3,000	15.00	3,000	15.00	3,000	15.00	3,000
Changkran Way Co., Ltd.	15.15	117,375	15.15	117,375	15.15	117,375	15.15	117,375
Total		122,375		122,375		122,375		122,375
Less: Provision for loss on diminution in value		(3,792)		(3,791)		(3,792)		(3,791)
		118,583		118,584		118,583		118,584
Total other long - term investments - net		367,522		148,827		267,522		148,827

20. Elevated rail project costs

(Unit: Thousand Baht)

	Consolidated financial statements	
	2013	2012
Rights to use of civil works transferred to authorities	20,760,132	20,565,830
Electrical works and machinery		
- Rolling stock	10,428,342	10,952,667
- Other machinery and equipment	16,879,540	16,879,540
Other project costs	5,453,532	5,453,532
Spare parts - awaiting transfer (Note 21)	132,428	132,428
Total	53,653,974	53,983,997
Less: Accumulated amortisation on project costs	(10,905,832)	(9,564,964)
Allowance for diminution in value of project costs	(1,146,982)	(1,146,982)
	41,601,160	43,272,051
Work under construction	54,220	1,814,922
Capitalised interest	21,324	57,245
Total	41,676,704	45,144,218
Transfer to non-current assets classified as held for sale (Note 27)	(41,676,704)	-
Project costs - net	-	45,144,218

BTSC recorded an amortisation of project costs for the year ended 31 March 2013, amounting to Baht 1,322 million as a part of costs of fare box and the remaining of Baht 37 million was included in administrative expenses (2012: Baht 1,181 million as a part of costs of fare box and the remaining of Baht 24 million was included in administrative expenses).

On 2 December 2010, BTSC entered into a loan agreement with a local financial institution in order to fund for the acquisition of 35 elevated train carriages, for use in BTSC's operations (Note 31). These elevated train carriages will be ready for use within approximately four years. BTSC, therefore, capitalised interests, incurred in relation to the loan for the year ended 31 March 2013, of approximately Baht 21 million (2012: Baht 57 million) as part of the costs of the elevated train carriages, presented under the heading of project costs account.

In 2002, BTSC invested an additional Baht 705 million for the construction of the maintenance depot foundation on behalf of a third party. BTSC was to be compensated for the additional investment by the land developer to whom the government agency which owns the land granted the right to develop the area above the maintenance depot. BTSC therefore recorded the above costs as a cost of civil works awaiting transfer, which is a part of the project costs. However, there had been no progress with bidding for the project to construct the extension and the outcome of the government agency's scheme to develop the land above the maintenance depot remained unclear. For conservative purposes, BTSC therefore recorded an allowance for diminution in the value of civil works awaiting transfer in full in the income statement for the year ended 31 March 2007.

Subsequently, on 15 September 2011, BTSC received an announcement of the verdict of the Supreme Administrative Court regarding BTSC's claim seeking compensation for the cost of civil works. The court ordered the government agency owning the land to compensate BTSC for all costs of civil works plus interest at the rate of 7.5% per annum within 60 days from the date on which the case is final. Therefore, BTSC recorded the reversal of allowance for diminution in value of civil works awaiting transfer and calculated the compensation to be received from the government agency totaling amount approximately of Baht 1,072 million, recorded this in "Accrued income" in the statements of financial position because BTSC has yet received such compensation and interest from the government agency at that time.

Subsequently, on 5 October 2012, BTSC has received the compensation plus interest from the government agency owning the land in amounting to approximately Baht 1,119 million (VAT inclusive). BTSC has recorded the excess of interest received of approximately Baht 7 million as income and separately presented under the heading of "Revenue from court-ordered compensation" in the comprehensive income statement for the year ended 31 March 2013.

As at 31 March 2013, BTSC classified the rolling stock and work under construction under the project costs with a net book value of Baht 2,169 million as the rolling stock and assets under installation under property, plant and equipment since the assets are under an operation and maintenance contract as discussed in Note 45.4 e) to the financial statements.

21. Spare parts - maintenance contract

On 30 December 2004, BTSC entered into a ten-year maintenance contract for spare parts of an elevated mass transit system with a contractor. Under the contract, BTSC has spare parts - maintenance contract valued at Baht 425 million which the contractor is responsible for sourcing spare parts to replace at no cost, and maintain stocks at a constant level to sufficient for one year's commercial operations. This value of spare parts is to be maintained over the contract period and at the end of the contract, the contractor will transfer all such spare parts, amounted to Baht 425 million, which is equal to those sourced in the first year, to the custody of BTSC.

In accordance with the elevated mass transit system concession made with the BMA, BTSC has an obligation to transfer a number of spare parts sufficient for two years' commercial operations (the concession does not identify a specific value for these spare parts) to BMA when the concession expires, at no cost. Therefore, BTSC estimated the spare parts' value to be Baht 132 million, using the actual numbers consumed for two years by BTSC's contractor and classified such spare parts as Spare parts - awaiting transfer, which is presented as a part of project costs as discussed in Note 20 to the financial statements.

As at 31 March 2013, the spare parts were presented as non-current assets classified as held for sale in accordance with bases and assumptions determined by the Company's management as discussed in Note 27 to the financial statements.

22. Land and projects awaiting development

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Land and projects awaiting development	-	2,699,300	-	-
Less: Allowance for impairment	-	(22,960)	-	-
Net	-	2,676,340	-	-

A subsidiary (BTS Assets Co., Ltd.) has mortgaged certain plots of land and projects awaiting development thereon with net book value as at 31 March 2012 of Baht 918 million as collateral for credit facilities from a financial institution as discussed in Note 31 to the financial statements.

During the year ended 31 March 2013, the subsidiary transferred land and projects awaiting development amounting to Baht 1,440 million to investment properties. In addition, BTSC sold investments in Kamala Beach Resort & Hotel Management Co., Ltd. (which owns land and projects awaiting development amounting to Baht 1,236 million) to a company, as discussed in Note 17 to the financial statements. As at 31 March 2013, there are no outstanding balances of land and projects awaiting development.

23. Investment properties

The net book value of investment properties as at 31 March 2013 and 2012 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements			
	Land awaiting sales	Buildings and condominiums for rent	Total	Land awaiting sales	Buildings and condominiums for rent	Golf course and construction	Total
31 March 2013							
Cost	3,209,940	399,467	3,609,407	1,278,940	360,708	1,069,158	2,708,806
Less Accumulated depreciation	-	(112,230)	(112,230)	-	(110,463)	(618,841)	(729,304)
Less Allowance for impairment	(550,269)	(79,279)	(629,548)	(550,269)	(69,049)	(220,830)	(840,148)
Net book value	2,659,671	207,958	2,867,629	728,671	181,196	229,487	1,139,354
31 March 2012							
Cost	2,854,715	387,200	3,241,915	1,316,163	361,472	1,341,725	3,019,360
Less Accumulated depreciation	-	(96,604)	(96,604)	-	(95,903)	(829,662)	(925,565)
Less Allowance for impairment	(605,019)	(79,279)	(684,298)	(577,838)	(69,049)	(220,830)	(867,717)
Net book value	2,249,696	211,317	2,461,013	738,325	196,520	291,233	1,226,078

A reconciliation of the net book value of investment properties for the years 2013 and 2012 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Net book value at beginning of year	2,461,013	2,497,289	1,226,078	1,284,761
Acquisition of assets	71,588	27,861	21	6,927
Transfer from land and projects awaiting development	1,440,406	-	-	-
Disposals - net book value	(37,740)	(42,175)	(59,900)	(42,191)
Decrease from disposal of investment in subsidiary	(1,079,314)	-	-	-
Depreciation charged	(15,893)	(16,614)	(54,414)	(55,482)
Decrease (increase) in allowance for impairment	27,569	(5,348)	27,569	32,063
Net book value at end of year	2,867,629	2,461,013	1,139,354	1,226,078

A reconciliation of the net book value of investment properties for the years 2013 and 2012 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Land awaiting sales	2,816,304	1,153,000
Buildings and condominiums for rent	231,509	202,000
Golf course and construction	-	2,641,816

The fair values of the above investment properties have been determined based on valuations performed by an accredited independent valuer. The basis of the appraisal was as follows:

- Land awaiting sales has been determined based on market prices.
- Buildings and condominiums for rent have been determined using the income approach and depreciated replacement cost approach.
- Golf course and construction have been determined using the depreciated replacement cost approach.

The main assumptions used in the valuation are yield rate, inflation rate, long-term vacancy rate and long-term growth in real rental rates.

The Company and its subsidiary (BTS Assets Company Limited) have pledged investment properties amounting to approximately Baht 1,302 million (2012: Baht 155 million) (Separate financial statements: Baht 229 million (2012: Baht 291 million)) as collateral against credit and guarantee facilities received from a financial institution as discussed in Notes 28, 31 and 45.7 b) to the financial statements.

During the year ended 31 March 2013, the Company transferred land and projects awaiting development amounting to Baht 1,440 million to investment properties as discussed in Note 22 to the financial statements.

24. Property, plant and equipment

(Unit: Thousand Baht)

Consolidated financial statements									
Company's name	Land (revalued)	Rolling stock	Buildings and improvements	Golf course develop- ment costs	Machinery and equip- ment	Furniture and office equipment	Motor vehicles	Construction in progress	Total
Cost									
1 April 2011	181,896	-	820,518	602,676	487,990	701,228	298,374	1,650,437	4,743,119
Additions									
Capitalised interest	-	-	6,008	6,560	2,559	51,925	2,924	830,588	900,564
Disposals	-	-	(557)	-	(853)	(22,817)	(6,611)	(5,176)	(36,014)
Transfer in (out)	-	-	175	800	20,870	94	-	(21,939)	-
31 March 2012	181,896	-	826,144	610,036	510,566	730,430	294,687	2,537,244	5,691,003
Additions									
Capitalised interest	-	-	20,053	2,390	48,040	159,459	7,160	1,185,858	1,422,960
Disposals	-	-	(253,029)	(33,626)	(1,086)	(92,083)	(12,732)	(701)	(393,257)
Transfer in (out)	-	1,818,537	2,330,816	-	417,086	17,394	(7)	(2,513,641)	2,070,185
31 March 2013	181,896	1,818,537	2,923,984	578,800	974,606	815,200	289,108	1,242,270	8,824,401
Accumulated depreciation									
1 April 2011	-	-	549,110	317,104	257,038	546,224	142,161	-	1,811,637
Depreciation for the year	-	-	42,054	9,951	96,908	57,682	42,688	-	249,283
Depreciation on disposals	-	-	(89)	-	(579)	(22,657)	(5,905)	-	(29,230)
31 March 2012	-	-	591,075	327,055	353,367	581,249	178,944	-	2,031,690
Depreciation for the year	-	24,801	96,521	9,690	133,982	68,829	37,799	-	371,622
Depreciation on disposals	-	-	(230,868)	(33,626)	(125)	(84,556)	(12,490)	-	(361,665)
Depreciation on transfer out	-	-	-	-	(56,638)	(1,376)	(3)	-	(58,017)
31 March 2013	-	24,801	456,728	303,119	430,586	564,146	204,250	-	1,983,630
Revaluation surplus									
1 April 2011	2,600,711	-	-	-	-	-	-	-	2,600,711
31 March 2012	2,600,711	-	-	-	-	-	-	-	2,600,711
Addition	370,150	-	-	-	-	-	-	-	370,150
31 March 2013	2,970,861	-	-	-	-	-	-	-	2,970,861
Allowance for impairment									
1 April 2011	-	-	12,405	208,426	-	-	-	-	220,831
31 March 2012	-	-	12,405	208,426	-	-	-	-	220,831
31 March 2013	-	-	12,405	208,426	-	-	-	-	220,831
Net book value									
31 March 2012	2,782,607	-	222,664	74,555	157,199	149,181	115,743	2,537,244	6,039,193
31 March 2013	3,152,757	1,793,736	2,454,851	67,255	544,020	251,054	84,858	1,242,270	9,590,801
Depreciation for the years									
2012									249,283
2013									371,622

(Unit: Thousand Baht)

	Separate financial statements					
	Buildings and improvements	Golf course development costs	Furniture and office equipment	Motor vehicles	Construction in progress	Total
Cost						
1 April 2011	45,795	51,857	73,453	71,332	15,884	258,321
Additions	-	1,596	2,177	-	13,318	17,091
Transfer in (out)	-	800	33	-	(833)	-
Disposals	(451)	-	(16,110)	(347)	(581)	(17,489)
31 March 2012	45,344	54,253	59,553	70,985	27,788	257,923
Additions	-	-	863	3,154	183,202	187,219
Transfer in (out)	-	-	-	-	3,091	3,091
Disposals	-	(14,087)	(21,673)	(136)	-	(35,896)
31 March 2013	45,344	40,166	38,743	74,003	214,081	412,337
Accumulated depreciation						
1 April 2011	28,261	37,549	55,121	70,947	-	191,878
Depreciation for the year	4,104	3,875	6,243	269	-	14,491
Depreciation on disposals	-	-	(15,975)	(348)	-	(16,323)
31 March 2012	32,365	41,424	45,389	70,868	-	190,046
Depreciation for the year	3,855	4,044	5,372	325	-	13,596
Depreciation on disposals	-	(14,087)	(21,672)	(136)	-	(35,895)
31 March 2013	36,220	31,381	29,089	71,057	-	167,747
Net book value						
31 March 2012	12,979	12,829	14,164	117	27,788	67,877
31 March 2013	9,124	8,785	9,654	2,946	214,081	244,590
Depreciation for the years						
2012						14,491
2013						13,596

For the years ended 31 March 2013 and 2012, the Company and its subsidiaries recorded depreciation for the years as a part of costs and expenses in the statements of comprehensive income as details below.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Costs of fare box	8	9	-	-
Costs of services	197	127	-	1
Administrative expenses	167	113	14	13
Total	372	249	14	14

The Company arranged for an independent professional valuer to appraise the value of certain assets in 2013 on an asset-by-asset basis. The basis of the revaluation was as follows:

- Land was revalued using the market approach.
- Buildings and improvements and Golf course development costs were revalued using the depreciated replacement cost approach.

The Company and its subsidiary recorded revaluation surplus on land of approximately Baht 370 million in other comprehensive income in the statement of comprehensive income for the year ended 31 March 2013.

The Company and a subsidiary (BTS Assets Co., Ltd.) have mortgaged land and construction thereon with net book value as at 31 March 2013 of Baht 5,386 million (2012: Baht 5,356 million) as collateral for credit and guarantee facilities from a financial institution, as discussed in Note 28, 31 and 45.7 b) to the financial statements.

As at 31 March 2013, certain assets have been fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation and allowance for impairment loss) of those assets amounted to approximately Baht 1,186 million (2012: Baht 1,198 million) (Separate financial statements: Baht 126 million (2012: Baht 152 million)).

During the year ended 31 March 2013, the subsidiaries included borrowing costs of Baht 34 million as cost of "Property, plant and equipment" (2012: Baht 83 million). Interest is charged at rate of 5.0 - 6.125% per annum (2012: 5.625 - 6.125% per annum).

As at 31 March 2013, BTSC classified the rolling stock and assets under installation under the project costs with a net book value of Baht 2,169 million as discussed in Note 20 to the financial statements as the rolling stock and assets under installation under property, plant and equipment since the assets are under an operation and maintenance contract as discussed in Note 45.4 e) to the financial statements.

As at 31 March 2013, the subsidiary transferred equipment amounting to Baht 22 million to intangible assets.

As at 31 March 2013, certain equipment with a net book value of Baht 26 million were presented as non-current assets classified as held for sale in accordance with bases and assumptions determined by the Company's management as discussed in Note 27 to the financial statements.

25. Leasehold rights

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Cost		
1 April 2011	110,278	12,000
Addition	9,274	9,274
31 March 2012	119,552	21,274
31 March 2013	119,552	21,274
Accumulated amortisation		
1 April 2011	22,382	8,400
Amortisation for the year	7,145	2,074
31 March 2012	29,527	10,474
Amortisation for the year	8,552	3,492
31 March 2013	38,079	13,966

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Net book value		
31 March 2012	90,025	10,800
31 March 2013	81,473	7,308
Amortisation for the years as included in administrative expenses		
2012	7,145	2,074
2013	8,552	3,492

26. Intangible assets

(Unit: Thousand Baht)

	Consolidated financial statements		
	Computer software	Intangible assets under development	Total
Costs			
1 April 2011	84,188	-	84,188
Disposal	12,439	2,914	15,353
31 March 2012	96,627	2,914	99,541
Addition	17,819	-	17,819
Transfer-in (out)	24,829	(2,914)	21,915
31 March 2013	139,275	-	139,275
Accumulated amortisation			
1 April 2011	62,629	-	62,629
Amortisation on disposals	10,215	-	10,215
31 March 2012	72,844	-	72,844
Amortisation for the year	16,216	-	16,216
31 March 2013	89,060	-	89,060
Net book value			
31 March 2012	23,783	2,914	26,697
31 March 2013	50,215	-	50,215
Amortisation for the years included in administrative expenses			
2012			10,215
2013			16,216

(Unit: Thousand Baht)

Separate financial statements

Computer Software

Costs	
1 April 2011	6,758
Addition	753
31 March 2012	7,511
Addition	14
31 March 2013	7,525
Accumulated amortisation	
1 April 2011	4,302
Amortisation for the year	1,757
31 March 2012	6,059
Amortisation for the year	973
31 March 2013	7,032
Net book value	
31 March 2012	1,452
31 March 2013	493
Amortisation for the years included in the administrative expenses	
2012	1,757
2013	973

27. Non-current assets classified as held for sale

As discussed in Note 49 to the financial statements, the Extraordinary General Meeting of the Company's shareholders held on 18 December 2012 passed a resolution to sell the net fare box revenue that BTSC will receive from its operation of a core line of its skytrain business to BTS Rail Mass Transit Growth Infrastructure Fund ("BTSGIF"), and subsequently, on 17 April 2013, the Company and BTSGIF entered into the Net Revenue Purchase and Transfer Agreement. In accordance with TFRS 5 (revised 2009) "Non-current Assets Held for Sale and Discontinued Operations", an asset classified as held for sale, and the assets and liabilities included within a disposal group classified as held for sale, are presented separately in the statement of financial position. As a result, as at 31 March 2013, the Company classified the assets derecognized from its accounts on 17 April 2013 as non-current assets classified as held for sale, and presented them as a separate item in the statement of financial position.

The classification of the non-current assets classified as held for sale as at 31 March 2013 is detailed below.

(Unit: Thousand Baht)

Consolidated financial statements

Consumable spare parts - elevated train system	68,104
Prepaid expenses	36,971
Project costs	41,676,704
Reusable spare parts - elevated train system	59,175
Spare parts - maintenance contract	292,771
Property, plant and equipment	26,344
Advances for acquisitions of assets	11,965
Total non-current assets classified as held for sale	42,172,034

The above assets were classified as non-current assets classified as held for sale in accordance with bases and assumptions determined by the Company's management.

Revenues and expenses relating to the assets for the years ended 31 March 2013 and 2012 were detailed below.

(Unit: Thousand Baht)

	Consolidated financial statements	
	2013	2012
Fare box revenues - net	4,895,758	4,296,839
Costs of fare box	(2,481,154)	(2,242,324)
Administrative expenses	(479,029)	(356,953)
Selling expenses	(40,904)	(41,565)
Profit from discontinued operation for the year	1,894,671	1,655,997

The revenues and expenses were allocated in accordance with bases and assumptions determined by the Company's management.

The Company did not present separate cash flows from the discontinued operation since the Company was unable to clearly distinguish these cash flows.

28. Bank overdraft and short-term loans from financial institution

Details of the bank overdraft and short-term loans from financial institution are as follows:

The Company

A facility of Baht 10 million (2012: Baht 1,200 million) is subject to interest at a market rate and is secured by the mortgage of investment properties of the subsidiary as discussed in Note 23 to the financial statements. As at 31 March 2013, there is no outstanding balance of this loan (2012: Baht 742 million).

BTS Assets Company Limited

A facility of Baht 15 million (2012: Nil) is subject to interest at a rate tied to the Minimum Overdraft Rate (MOR) and is secured by the mortgage of a plot of property plant and equipment of the subsidiary as discussed in Note 24 to the financial statements. As at 31 March 2013, there is no outstanding balance of this bank overdraft (2012: Nil).

A facility of Baht 500 million (2012: Baht 500 million) is subject to interest at a rate tied to the Minimum Loan Rate (MLR) and is secured by the mortgage of investment properties of the subsidiary as discussed in Note 23 to the financial statements. As at 31 March 2013, there is no outstanding balance of this loan and the subsidiary closed this facility (2012: Baht 200 million).

Nuvo Line Agency Company Limited

A facility of Baht 25 million (2012: Baht 25 million) is subject to interest at a rate tied to the Minimum Overdraft Rate (MOR) and is secured by the mortgage of a plot of land with construction included in real estate development cost of the subsidiary as discussed in Note 13 to the financial statements. As at 31 March 2013, there is no outstanding balance of this bank overdraft (2012: Nil).

BTSC

The short-term loans in the form of promissory notes with a local commercial bank of Baht 1,117 million (2012: Baht 1,000 million). The loan is repayable not later than 6 months after draw down, is secured by the pledge of share certificates of a subsidiary as discussed in Note 17 to the financial statements, and carries interest at 3.90% per annum and a rate tied to the minimum loan rate minus 3.30% per annum (2012: 4.05 to 4.10% per annum).

29. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Trade payables - related parties	85	66	-	81,278
Trade payables	537,801	208,635	-	144
Other payables - related parties	788	356	22,457	17,626
Other payables	263,954	144,796	2,063	3,590
Accrued interest expenses - related parties	-	-	-	2,200
Accrued interest expenses	53,812	107,438	-	21,957
Retention payable	241,949	197,446	6,963	9,381
Deposit payable	107,437	95,000	55,000	95,000
Accrued expenses	537,518	617,880	21,461	25,309
Accrued Expenses - related parties	-	-	-	5
Dividend payable	118,719	80,825	32,588	18,459
Total trade and other payables	1,862,063	1,452,442	140,532	274,949

30. Creditors per rehabilitation plan

Creditors per rehabilitation plan are detailed as follows:

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	2013	2012
Creditors per rehabilitation plan	797,209	747,430
Less: Current portion	(745,356)	(745,356)
Creditors per rehabilitation plan - net of current portion	51,853	52,074

The outstanding balances as at 31 March 2013 and 2012 are detailed as follows:

(Unit: Thousand Baht)

2013	Consolidated and separate financial statements		
	Debts pending final judgment	Undue debts/ Installment debts	Total
Secured creditors/Unsecured creditors for which other parties' assets are placed as security	457,159	-	457,159
Unsecured creditors	283,538	56,512	340,050
Total	740,697	56,512	797,207
Less: Current portion	(696,551)	(48,805)	(745,356)
Net	44,146	7,707	51,853

(Unit: Thousand Baht)

2012	Consolidated and separate financial statements		
	Debts pending final judgment	Undue debts/ Installment debts	Total
Secured creditors/Unsecured creditors for which other parties' assets are placed as security	457,159	-	457,159
Unsecured creditors	283,538	56,733	340,271
Total	740,697	56,733	797,430
Less: Current portion	(696,551)	(48,805)	(745,356)
Net	44,146	7,928	52,074

The Company has been unable to transfer the Company's 245,825,783 ordinary shares temporarily registered in the name of a subsidiary, part of which are deposited with the Central Bankruptcy Court as guarantee of debt settlement, to creditors since there are still undue debts and debts pending final court judgment or comptroller's orders. As a result, the number of shares allocated to each creditor is still uncertain as the debt ratio might be altered to accord with final court judgment or comptroller's orders. However, the creditors will still receive total numbers of ordinary shares as stipulated in the rehabilitation plan and the Company adjusted issuance of ordinary shares for debt settlement to settle the Company's debts during the year ended 31 March 2007.

31. Long-term loans

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Long-term loans	2,363,968	3,517,373	-	-
Less: Current portion	(1,967,221)	(583,400)	-	-
Long-term loans - net of current portion	396,747	2,933,973	-	-

Details of the long-term loans are as follows:

The Company

A facility of Baht 150 million (2012: Baht 150 million) is subject to interest at a rate tied to the Minimum Loan Rate (MLR) and is secured by the mortgage of a plot of the Company's investment properties thereon, as discussed in Note 23 to the financial statements. Interest is to be paid monthly and principal is to be repaid within 120 months from the drawdown date. As at 31 March 2013, the Company has not drawn down such loan.

BTSC

A facility of Baht 2,300 million (2012: Baht 2,300 million), for acquisition of 35 elevated train carriages, is subject to interest at a rate tied to the Minimum Loan Rate (MLR) minus a certain spread stipulated in the agreement and is not collateralised. It is to be repaid principal in installments every 3 months as from March 2012 to December 2015. As at 31 March 2013, a subsidiary had fully repaid this loan from a financial institution (2012: Baht 886 million).

On 2 April 2012, a subsidiary entered into a long-term loan agreement with a local commercial bank for total credit facility of Baht 1,165 million (2012: Nil), for acquisition of 5 elevated trains. The loan has no collateral and carries interest at the Minimum Loan Rate (MLR). As at 31 March 2013, the subsidiary has not yet drawn down of this loan.

BTS Assets Company Limited

A facility of Baht 1,800 million (2012: Baht 1,800 million) is subject to interest at a rate tied to the Minimum Loan Rate (MLR) and is secured by the mortgage of the subsidiary's land and construction as discussed in Notes 22,23 and 24 to the financial statements. It is to be repaid principal in installments every 3 months as from March 2014 to December 2017. As at 31 March 2013, the outstanding balance of this loan was approximately Baht 1,000 million (2012: Baht 1,609 million).

As at 31 March 2013, a credit facility agreement includes a covenant regarding the debt service coverage ratio which is lower than the ratio stipulated in the agreement. In addition, the major shareholder was changed from BTSC to the Company. The subsidiary therefore classified this loan as current liabilities in the statement of financial position. However, the Company repaid this loan in full in April 2013.

Muangthong Assets Company Limited

A facility of Baht 65 million (2012: Baht 65 million) is subject to interest at a rate tied to the Minimum Loan Rate (MLR) and is secured by the Company. Repayment of principal is to be made in 84 installments of at least Baht 600,000 each, with the first installment due in August 2009 and full settlement to be made within July 2016. As at 31 March 2013, there is no outstanding balance of this loan and the subsidiary closed this facility (2012: Baht 45 million).

Nuvo Line Agency Company Limited

A facility of Baht 2,100 million (2012: Baht 2,400 million), to construct the building and parking area of a real estate development project, is subject to interest at a rate tied to the Minimum Loan Rate (MLR) and is secured by the mortgage of the subsidiary's land and construction included in real estate development cost, as discussed in Note 13 to the financial statements. Interest is to be paid monthly and principal is to be repaid within 36 months from the drawdown date. As at 31 March 2013, the outstanding balance of this loan was approximately Baht 1,134 million (2012: Baht 877 million).

A facility of Baht 900 million (2012: Baht 900 million), to construct the building of a real estate development project, is subject to interest at a rate tied to the Minimum Loan Rate (MLR), is secured by the mortgage of the subsidiary's land and construction included in real estate development cost, as discussed in Note 13 to the financial statements. Interest is to be paid monthly and principal is to be repaid within 30 months from the drawdown date. As at 31 March 2013, the subsidiary has not drawn down such loan.

Bangkok Smartcard System company Limited

A facility of Baht 300 million (2012: Baht 300 million) is subject to interest at a rate tied to the Minimum Loan Rate (MLR). The principal is to be repaid in monthly installments, from November 2014 to October 2021. As at 31 March 2013, the outstanding balance of this loan was approximately Baht 230 million (2012: Baht 100 million).

Loan agreements contain covenants specified in the agreement pertaining to, among other things; the maintenance of a certain debt service coverage ratio, the incurrence of additional indebtedness, and the maintenance of direct shareholding by BTSC in the subsidiary of not less than 55% of its issued share capital or not less than 25% of its registered share capital in the case that the subsidiary has the other investor who has specific qualification as stipulated on the contract.

As at 31 March 2013, the long-term credit facilities of the Company and its subsidiaries which have not been drawn down amounted to Baht 3,251 million (2012: Baht 4,234 million).

32. Long-term debentures

On 21 August 2009, BTSC issued and offered 12 million units of unsubordinated and unsecured debentures ("the debentures"), with a par value of Baht 1,000 each, total value of Baht 12,000 million to the public. In addition, for the issuance of the debentures, BTSC incurred the issuing costs approximately amounting to Baht 146 million deducting from the debenture's value. The issuing costs will be amortised to increase the debentures' valuation gradually throughout the period of the debentures.

As at the statement of financial position date, details of the debentures were as follows:

(Unit: Thousand Baht)

	Maturity date	Interest rate p.a. %	Consolidated financial statements	
			2013	2012
Tranche 1	21 August 2012	4.75	-	2,500,000
Tranche 2	21 August 2013	5.25	2,081,300	2,500,000
Tranche 3	21 August 2014	5.75	3,611,300	4,000,000
Tranche 4	21 August 2015	6.25	1,468,900	1,500,000
Tranche 5	21 August 2016	6.75	1,348,450	1,500,000
Total			8,509,950	12,000,000
Less: the issuing costs			(30,314)	(60,422)
Total long-term debentures			8,479,636	11,939,578
Less: Current portion of long-term debentures			(2,078,656)	(2,495,767)
Long-term debentures - net of current portion			6,400,980	9,443,811

The debenture agreement includes certain restrictive covenants pertaining to, among other things, limitations on creation of indebtedness, compliance with the concession agreement, and the maintenance of financial ratios.

A subsidiary (BTSC) has interest rate risk associated with the long-term debentures carrying fixed interest rates, therefore, BTSC has used financial instrument to manage this risk by entering into an interest rate swap agreement to swap fixed interest rate to floating interest rate only for the debentures - Tranche 3, amounting to Baht 3,000 million. The amount of interest expenses depends on the interest rate and conditions stipulated in the agreement with a maximum rate of interest payment at 8.85% per annum. The agreement has scheduled for interest settlement every six months and the last settlement will be in February 2013. Currently, there is no outstanding balance of such agreement.

33. Convertible debentures

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	2013	2012
Balance of the beginning of year	8,648,338	8,363,198
Add: Amortisation of liability component of convertible debentures	170,826	297,421
Amortisation of letter of credit fee for convertible debentures	135,925	151,235
Less: Cash paid for letter of credit fee for convertible debentures	-	(163,516)
Less: Debenture conversion to ordinary shares	(8,955,089)	-
Balance of the end of year	-	8,648,338

The Company issued the convertible debentures as follows:

Value	:	Baht 10,000 million to be redeemed in US dollars, using a stipulated exchange rate of Baht 30.604 per USD 1
Term	:	5 years
Maturity date	:	25 January 2016
Interest	:	1.0% per annum for the first 2 years and no interest for next 3 years
Call/Put options	:	Called in full after 25 January 2014 and puttable on 25 January 2013
Conversion price	:	Baht 0.85 per share
Collateral	:	Letter of credit facility issued by a local bank with fee charge at 1.5% per annum with in 25 months and no fee charge for the remaining periods
Allocation method	:	Full offering to be made to overseas investors

The Company adjusted the conversion price of the convertible debentures from Baht 0.85 per share to Baht 0.82 per share, effective from 29 June 2012. This is in line with the terms and conditions of the convertible debentures in cases where a dividend is paid. Following the change in the number and par value of the shares of the Company, as discussed in Note 35 to the financial statements, the conversion price of the convertible debentures will be adjusted from Baht 0.82 per share to Baht 5.12 per share.

The Company adjusted the conversion price of the convertible debentures from Baht 5.12 per share to Baht 5.00 per share, effective from 29 January 2013.

During the year ended 31 March 2013, all holders of the convertible bonds exercised rights to convert Baht 10,000 million of bonds. Such convertible bonds were thus converted to 1,955,074,778 ordinary shares of the Company with a par value of Baht 4 per share (For comparative purposes, some of ordinary shares of the Company converted by convertible bonds were adjusted in accordance with the change in their par value, as discussed in Note 35 to the financial statements, with the number of ordinary shares adjusted as if the change had occurred at the beginning of the earliest period reported.).

As at 31 March 2013, the bank redeemed letter of credit facility issued by a local bank and a bank account as a guarantee of interest payment on the convertible debentures. The Company also recorded convertible debentures - equity component of Baht 1,356.6 million as surplus on debenture conversion in other components of equity under the Company's shareholders' equity.

34. Provision for long-term employee benefits

Provision for long-term employee benefits as at 31 March 2013 and 2012, which is compensations on employees' retirement, was as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Balance at beginning of year	400,178	349,754	25,987	22,789
Current service cost	44,333	40,509	2,348	2,241
Interest cost	16,555	14,565	1,091	957
Benefits paid during the year	(18,438)	(4,650)	(6,930)	-
Actuarial (gain) loss	39,086	-	(1,200)	-
Balance at end of year	481,714	400,178	21,296	25,987

Long-term employee benefit expenses included in the profit or loss were as follows:

(Unit: Thousand Baht)

For the years ended 31 March	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Current service cost	44,333	40,509	2,348	2,241
Interest cost	16,555	14,565	1,091	957
Total expense recognised in profit or loss	60,888	55,074	3,439	3,198
Line items under which such expenses are included in profit or loss				
Costs of fare box	24,027	29,900	-	-
Cost of construction service	1,995	1,938	-	-
Cost of services	1,002	953	-	-
Selling and servicing expenses	22	75	-	-
Administrative expenses	33,842	22,208	3,439	3,198

Total actuarial losses recognised in the other comprehensive income of the Company and its subsidiaries as at 31 March 2013 amounted to approximately Baht 39 million (2012: Nil) (The Company only: gain by Baht 1 million (2012: Nil)).

Principal actuarial assumptions at the valuation date were as follows:

	Consolidated financial statements		Separate financial statements	
	31 March 2013 (% per annum)	31 March 2012 (% per annum)	31 March 2013 (% per annum)	31 March 2012 (% per annum)
Discount rate	4.1	4.2	4.1	4.2
Future salary increase rate	5.0	5.0	5.0	5.0
Staff turnover rate	2.0 - 9.0	2.0 - 8.0	2.0 - 9.0	2.0 - 8.0

Amounts of defined benefit obligation for the current and previous 3 years are as follows:

(Unit: Thousand Baht)

	Defined benefit obligation		Experience adjustments arising on the plan liabilities	
	Consolidated financial statements	Separate financial statements	Consolidated financial statements	Separate financial statements
For the years ended 31 March				
2013	481,714	21,296	34,609	(2,133)
2012	400,178	25,987	-	-
2011	349,754	22,789	-	-
2010	314,658	19,855	-	-

35. Share capital / Share premium

The Annual General Meeting of the Company's shareholders held on 26 July 2011 passed the following resolutions:

- Approved the reduction of the registered share capital from Baht 49,420,252,268.80 (77,219,144,170 ordinary shares with a par value of Baht 0.64 each) to Baht 47,817,776,079.36 (74,715,275,124 ordinary shares with a par value of Baht 0.64 each) by canceling the 2,503,869,046 unissued shares with a par value of Baht 0.64 each remaining from the offering to BTSC's existing shareholders, excluding the Company, as discussed in Note 17 to the financial statements.
- Approved an increase in the registered share capital from Baht 47,817,776,079.36 (74,715,275,124 ordinary shares with a par value of Baht 0.64 each) to Baht 47,881,776,079.36 (74,815,275,124 ordinary shares with a par value of Baht 0.64 each) by issuing 100 million ordinary shares with a par value of Baht 0.64 each to reserve for the exercise of the warrants to purchase new ordinary shares of the Company issued to the employees of the Company and its subsidiaries (BTS-WA) as discussed in Note 36 to the financial statements.

The Company registered the corresponding decrease and increase in its paid-up capital with the Ministry of Commerce on 28 July 2011 and 29 July 2011, respectively.

As at 31 March 2012, the Company's issued and fully paid share capital has increased from Baht 35,769,136,566.40 (55,889,275,885 ordinary shares with a par value of Baht 0.64 each) to Baht 36,600,495,792.64 (57,188,274,676 ordinary shares with a par value of Baht 0.64 each) as a result of the issuance of Baht 831,359,226.24 of ordinary shares (1,298,987,791 ordinary shares with a par value of Baht 0.64 each) to BTSC's existing shareholders, as discussed in Note 17 to the financial statements, resulting in a share premium of Baht 350,729,673.57.

The Company registered the corresponding increase in its paid-up capital with the Ministry of Commerce on 6 June 2011.

The Annual General Meeting of the Company's shareholders held on 26 July 2012 passed the following resolutions:

- Approved an increase in the registered share capital from Baht 47,881,776,079.36 (74,815,275,124 ordinary shares with a par value of Baht 0.64 each) to Baht 47,881,776,096 (74,815,275,150 ordinary shares with a par value of Baht 0.64 each) by issuing 26 new ordinary shares at a par value of Baht 0.64 each to ensure that the calculation of the change in the number of shares as a result of the change in par value of the Company's shares in b) will not cause a fraction of shares by allocating as follows:
 - Allocating 2 newly issued ordinary shares at a par value of Baht 0.64 per share to accommodate the exercise of the warrants to purchase the newly issued ordinary shares of the Company No. 2 (BTS-W2).

2) Allocating up to 24 newly issued ordinary shares at a par value of Baht 0.64 per share to accommodate the exercise of the conversion right of the convertible debentures.

In this regard, if there are shares remaining from the allocation pursuant to 2) above, to allocate such remaining shares to an employee of the Company and is not a connected person of the Company, at an offering price of Baht 1 per share.

The Company registered the corresponding increase in its registered capital with the Ministry of Commerce on 30 July 2012.

- b) Approved the change in the par value of shares of the Company from Baht 0.64 per share to Baht 4 per share, which will cause the number of the Company's shares to decrease by 62,844,831,126 shares, from the existing 74,815,275,150 shares at the par value of Baht 0.64 per share to 11,970,444,024 shares at the par value of Baht 4 per share. Such change in the number and par value of shares of the Company will cause the number of shares held by each shareholder to be reduced at the rate of 25 existing shares to 4 new shares (or equivalent to 6.25 existing shares for 1 new share).

The Company registered the change in the par value of shares with the Ministry of Commerce on 7 August 2012.

- c) Approved to propose to the 2012 Annual General Meeting of Shareholders to consider and approve the amendment of Agenda 11.1 and Agenda 11.2 of the resolution of the Extraordinary General Meeting of Shareholders No. 2/2010 held on 16 November 2010, and Agenda 14 of the resolution of the 2011 Annual General Meeting of Shareholders held on 26 July 2011, in order to be in line with the change in the number and par value of shares of the Company, as follows:
- 1) To amend the number of shares issued to accommodate the exercise of the warrants to purchase the ordinary shares of the Company No. 2 (BTS-W2) and the par value of the Company's shares, including the additional shares to be further allocated to accommodate such warrants by replacing "To allocate up to 5,027,000,450 newly issued ordinary shares of the Company at the par value of Baht 0.64 per share" with "To allocate up to 804,320,072 newly issued ordinary shares of the Company at the par value of Baht 4 per share".
 - 2) To amend the number of shares issued to accommodate the exercise of conversion right of the convertible debentures of the Company and the par value of the Company's shares, including the additional shares to be further allocated to accommodate such convertible debentures by replacing "To allocate up to 12,500,000,000 newly issued ordinary shares at the par value of Baht 0.64 per share in order to accommodate the exercise of conversion right at the aggregate value of up to Baht 10,000,000,000" with "To allocate up to 2,000,000,000 newly issued ordinary shares at the par value of Baht 4 per share in order to accommodate the exercise of conversion right at the aggregate value of up to Baht 10,000,000,000".
 - 3) To amend the number of shares issued to accommodate the exercise of the warrants to purchase the newly issued ordinary shares of the Company issued to employees of the Company and its subsidiaries under the BTS Group ESOP 2011 (BTS-WA) and the par value of the Company's shares by replacing "To allocate up to 100,000,000 newly issued ordinary shares of the Company at the par value of Baht 0.64 per share" with "To allocate up to 16,000,000 newly issued ordinary shares of the Company at the par value of Baht 4 per share".
- d) Approved the increase of the registered capital of the Company by Baht 64,000,000, from the existing registered capital of Baht 47,881,776,096 to Baht 47,945,776,096 by issuing 16,000,000 new ordinary shares at the par value of Baht 4 per share in order to accommodate the exercise of the warrants to be issued and offered to the employees of the Company and its subsidiaries No. 2 under the BTS Group ESOP 2012 Scheme (BTS - WB).

The Company registered the corresponding increase in its registered capital with the Ministry of Commerce on 8 August 2012.

- e) Allocated up to 16,000,000 newly issued ordinary shares at the par value of Baht 4 per share to accommodate the exercise of the warrants to purchase the ordinary shares of the Company, in the amount of up to 16,000,000 units, issued to the employees of the Company and its subsidiaries No. 2 under the BTS Group ESOP 2012 Scheme (BTS-WB).

For comparative purposes, the Company's ordinary shares were adjusted in accordance with the change in their par value, as discussed in b), with the number of ordinary shares adjusted as if the change had occurred at the beginning of the earliest period reported.

As at 31 March 2013, the Company's issued and fully paid share capital has increased from Baht 36,600,495,792 (9,150,123,948 ordinary shares with a par value of Baht 4 each) to Baht 44,426,538,376 (11,106,634,594 ordinary shares with a par value of Baht 4 each) as a result of the conversion of convertible debentures to ordinary shares amounting to Baht 7,820,299,112 (1,955,074,778 ordinary shares with a par value of Baht 4 each), as discussed in Note 33 to the financial statements, the exercise of the warrants (BTS-W2) to ordinary shares amounting to Baht 5,743,456 (1,435,864 ordinary shares with a par value of Baht 4 each), as discussed in Note 36 to the financial statements, and the issuance of ordinary shares amounting to Baht 16 in order to prevent the occurrence of fractions of shares (4 ordinary shares with a par value of Baht 4 each), resulting in an increase in total share premium to Baht 1,486,058,428.

The Company registered the corresponding increases in its paid-up capital with the Ministry of Commerce during May 2012 and March 2013.

36. Warrants

The warrants are detailed as follows:

	BTS-W2 Units	BTS-WA Units
Outstanding as at 31 March 2012	5,027,000,448	87,470,000
Issued during the year	-	12,530,000
Exercised during the year	(1,859,831,377)	-
Outstanding as at 31 March 2013	3,167,169,071	100,000,000

Warrants to purchase new ordinary shares of the Company issued to the Company's existing shareholders (BTS-W2)

On 29 April 2010, the Extraordinary General Meeting No. 1/2010 of the Company's shareholders passed a resolution to issue the warrants to purchase new ordinary shares of the Company issued to the Company's existing shareholders (BTS-W2) in a ratio of 1 warrant for every 4 existing ordinary shares, without specifying the offer price. Details are as follows:

Date of grant	23 November 2010
Number granted (Units)	5,027,000,448
Contractual lives	3 years from the issue date
Exercisable	Last business day of each quarter, after completion of a 2-year period from the issue date
Exercise price per 1 ordinary share (Baht)	0.70
Exercise ratio (warrant to ordinary share)	1:1

After the change in the number and par value of the shares of the Company as discussed in Note 35 to the interim financial statements, the exercise price of the warrants will be from Baht 0.70 per share to Baht 4.375 per share and the exercise ratio will be adjusted from 1 unit : 1 share to 1 unit : 0.16 share.

In December 2012, the Company received advance subscription of Baht 4.375 per share to 1,435,864 of the additional ordinary shares arising from the exercise of the warrants (BTS-W2) of 8,974,167 units, a total of Baht 6,281,900. The Company registered the resulting increase of Baht 5,743,456 in its capital with the Ministry of Commerce on 4 January 2013.

In March 2013, the Company received advance subscription of Baht 4.375 per share to 296,137,154 of the additional ordinary shares arising from the exercise of the warrants (BTS-W2) of 1,850,857,210 units, a total of Baht 1,295,600,048. The Company registered the resulting increase of Baht 1,184,548,616 in its capital with the Ministry of Commerce on 3 April 2013. As at 31 March 2013, there were a total of 3,167,169,071 outstanding unexercised warrants.

Warrants to purchase new ordinary shares of the Company issued to the employees of the Company and its subsidiaries (BTS-WA)

On 26 July 2011, the Annual General Meeting of the Company's shareholders passed a resolution to approve the issue of registered and non-transferable warrants to purchase new ordinary shares of the Company issued to the employees of the Company and its subsidiaries (BTS-WA), at no cost. Details of the warrants are below.

Date of grant	18 August 2011
Number granted (Units)	100,000,000 (2012: 87,470,000)
Contractual lives	5 years from the issue date
Exercisable	Last business day of each quarter, after completion of a 2-year period from the issue date
Exercise price per 1 ordinary share (Baht)	0.70
Exercise ratio (warrant to ordinary shares)	1:1

During the year ended 31 March 2013, the Company issued 12,530,000 warrants to purchase new ordinary shares of the Company issued to the employees of the Company and its subsidiaries (BTS-WA), resulting in that warrants for a total of 100,000,000 warrants.

The estimated fair value of each warrant granted is Baht 0.27. This was calculated by applying the Black-Scholes-Merton formula. The model inputs were the share price at price determination date of Baht 0.68, exercise price of Baht 0.70, expected volatility of 60%, expected dividend yield of 3%, contractual life of five years, and a risk-free interest rate of 3.48%.

After the change in the number and par value of the shares of the Company as discussed in Note 35 to the financial statements, the exercise price of the warrants will be from Baht 0.70 per share to Baht 4.375 per share and the exercise ratio will be adjusted from 1 unit : 1 share to 1 unit : 0.16 share.

In addition, after the change in par value and amount of the shares of the Company as discussed in Note 35 to the financial statement, the approximately fair value of each warrant will be adjusted from Baht 0.27 to Baht 1.69.

Warrants to purchase new ordinary shares of the Company issued to the employees of the Company and its subsidiaries (BTS-WB)

On 26 July 2012, the Annual General Meeting of the Company's shareholders passed a resolution to approve the issue of warrants to employees of the Company and its subsidiaries No. 2 under the BTS Group ESOP 2012 Scheme (BTS-WB), at no cost. Details of the warrants are below.

Date of original grant	To be determined by the Board of Executive Directors (within 1 year from the date of the Annual General Meeting)
No. of warrants granted (Units)	Up to 16,000,000
Life of warrants	5 years from the issue date
Exercisable	Last business day of each quarter, after completion of 2 to 4 year periods from the issued date

Exercise price per 1 ordinary share (Baht)	5.01
Exercise ratio (warrant to ordinary shares)	1:1
Allocation method	Direct allocation to employee as stipulated in the details

However, the Company's management is authorised to stipulate, amend and add details and conditions of the issue of the warrants.

Currently, the Company has not issued the warrants as detailed above.

37. Revaluation surplus on assets

The revaluation surplus on assets can neither be offset against deficit nor used for dividend payment.

38. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5% of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered capital. The statutory reserve is not available for dividend distribution.

39. Service income

Details of service income are as follows:

For the years ended 31 March	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Advertising income	2,353,530	1,620,692	-	-
Revenue from provision of operating services	1,146,150	880,108	-	-
Revenue from provision of spaces	246,283	221,329	-	-
Other service income	1,041,648	559,045	108,931	109,490
Total	4,787,611	3,281,174	108,931	109,490

(Unit: Thousand Baht)

40. Expenses by nature

Significant expenses by nature are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Continued operation:				
Salaries, wages and other benefits	924,187	696,548	108,505	86,414
Subcontractor costs	-	83,004	10,961	631,853
Design and construction cost	-	603	-	11,047
Consultation, project management and professional fee	114,741	94,454	40,332	39,731
Depreciation and amortisation	401,772	245,040	91,172	74,702
Withholding tax written-off	-	27,523	-	26,809
Premise tax and other taxes	38,220	80,470	24,204	28,207
Allowance for loss on diminution in value of assets	-	5,348	-	-
Allowance for loss on diminution in value of investments	-	-	-	39,500
Rental expenses from operating lease agreements	65,506	39,861	28,936	22,676
Repair and maintenance expenses	118,304	100,318	8,693	6,526
Utility expenses	115,299	95,120	14,033	12,217
Penalty charge	3	15,477	3	13
Advertising and promotional expenses	106,201	77,815	15,438	14,038
Subcontractor expenses for train operating service	28,774	31,092	-	-
Concession fee	589,990	454,346	-	-
Costs of advertising services	137,475	70,637	-	-
Real estate development during the year	635,726	690,304	9,950	61,557
Change in real estate development costs	(161,239)	(493,757)	107,499	172,991
Finance cost	1,300,656	1,462,186	435,836	588,154
Discontinued operation:				
Salaries, wages and other benefits	606,707	557,680	-	-
Depreciation and amortisation	29,205	39,114	-	-
Amortisation of spare parts and elevated rail project costs	1,346,361	1,187,575	-	-
Rental expenses from operating lease agreements	70,895	4,911	-	-
Consultation, project management and professional fee	66,285	54,684	-	-
Repair and maintenance expenses	406,044	409,803	-	-
Utility expenses	270,392	224,983	-	-
Advertising and promotional expenses	27,563	31,733	-	-

41. Finance cost

Details of finance cost are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Interest expenses and other fees	914,326	950,265	129,085	139,498
Amortisation of deferred debenture issuing costs	26,758	33,021	-	-
Amortisation of liability component of convertible debentures	170,826	297,421	170,826	297,421
Amortisation of letter of credit fee for convertible debentures	151,235	135,925	151,235	135,925
Total	1,247,835	1,431,942	435,836	588,154

42. Corporate income tax

The Company had no corporate income tax payable for the years ended 31 March 2013 and 2012 since its tax loss brought forward exceeds its profit for the years.

A subsidiary (BTSC) had no corporate income tax payable for the year ended 31 March 2012 since its tax loss brought forward exceeds its profit for the year.

43. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year in proportion to the change in the number of shares as a result of the change in par value from Baht 0.64 each to Baht 4 each as discussed in Note 35 to the financial statements. The number of ordinary shares is adjusted as if the share split down had occurred at the beginning of the earliest period reported.

Diluted earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that such conversion took place either at the beginning of the period or on the date the potential ordinary shares were issued and adjusts the number of ordinary shares in issue during the year plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares in proportion to the change in the number of shares as a result of the change in par value from Baht 0.64 each to Baht 4 each as discussed in Note 35 to the financial statements. The number of ordinary shares is adjusted as if the share split down had occurred at the beginning of the earliest period reported.

Details of calculation of earnings per share for the years ended 31 March 2013 and 2012 are as below.

(Unit: Thousand Baht)

	Consolidated financial statements					
	Profit		Weighted average number of ordinary shares		Earnings per share	
	2013 (Thousand Baht)	2012 (Thousand Baht)	2013 (Thousand shares)	2012 (Thousand shares)	2013 (Baht)	2012 (Baht)
Basic earnings per share						
Profit attributable to equity holders of the Company	2,488,303	2,105,626	9,991,489	9,112,645	0.24904	0.23107
Effect of dilutive potential ordinary shares						
Warrants 3,167,169,071 units (BTS-W2) (2012: 5,027,000,448 units)	-		286,973			
Warrants 100,000,000 units (BTS-WA) (2012: 87,470,000 units)	-		4,578			
Convertible debentures	210,929		1,092,076			
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	2,699,232		11,375,116		0.23729	

(Unit: Thousand Baht)

	Separate financial statements					
	Profit		Weighted average number of ordinary shares		Earnings per share	
	2013 (Thousand Baht)	2012 (Thousand Baht)	2013 (Thousand shares)	2012 (Thousand shares)	2013 (Baht)	2012 (Baht)
Basic earnings per share						
Profit attributable to equity holders of the Company	5,469,795	3,443,155	9,991,489	9,112,645	0.54745	0.37784
Effect of dilutive potential ordinary shares						
Warrants 3,167,169,071 units (BTS-W2) (2012: 5,207,000,448 units)	-	-	286,973	-		
Warrants 100,000,000 units (BTS-WA) (2012: 87,470,000 units)	-	-	4,578	-		
Convertible debentures	210,929	567,053	1,092,076	1,812,442		
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	5,680,724	4,010,208	11,375,116	10,925,087	0.49940	0.36706

Details of calculation of earnings per share from continued operation for the years ended 31 March 2013 and 2012 are as below.

(Unit: Thousand Baht)

Consolidated financial statements						
	Profit		Weighted average number of ordinary shares		Earnings per share	
	2013 Thousand Baht	2012 Thousand Baht	2013 Thousand shares	2012 Thousand shares	2013 Baht	2012 Baht
Basic earnings per share						
Profit attributable to equity holders of the Company	624,934	509,499	9,991,489	9,112,645	0.06255	0.05591
Effect of dilutive potential ordinary shares						
Warrants 3,167,169,071 units (BTS-W2) (2012: 5,027,000,448 units)	-		286,973			
Warrants 100,000,000 units (BTS-WA) (2012: 87,470,000 units)	-		4,578			
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	624,934		10,283,040		0.06077	

(Unit: Thousand Baht)

Separate financial statements						
	Profit		Weighted average number of ordinary shares		Earnings per share	
	2013 Thousand Baht	2012 Thousand Baht	2013 Thousand shares	2012 Thousand shares	2013 Baht	2012 Baht
Basic earnings per share						
Profit attributable to equity holders of the Company	5,469,795	3,443,155	9,991,489	9,112,645	0.54745	0.37784
Effect of dilutive potential ordinary shares						
Warrants 3,167,169,071 units (BTS-W2) (2012: 5,207,000,448 units)	-	-	286,973	-		
Warrants 100,000,000 units (BTS-WA) (2012: 87,470,000 units)	-	-	4,578	-		
Convertible debentures	210,929	567,053	1,092,076	1,812,442		
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	5,680,724	4,010,208	11,375,116	10,925,087	0.49940	0.36706

The conversion to ordinary shares of warrants representing rights to purchase ordinary shares of the Company (BTS-W2) would increase earnings per share and earnings per share from continued operation for the year ended 31 March 2012 in the consolidated and separate financial statements and the exercise prices (including fair value of services yet to be rendered per warrant) of the warrants to purchase the ordinary shares of the Company issued to the employees of the Company and its subsidiaries (BTS-WA) are higher than the average market price of the Company's shares for the year ended 31 March 2012. Therefore, the Company has not assumed conversion of the warrants in the calculation of diluted earnings per share.

In addition, convertible debentures would increase earnings per share and earnings per share from continued operation for the year ended 31 March 2012 and increase earnings per share from continued operation for the year ended 31 March 2013 in the consolidated financial statements. Therefore, the Company has not assumed conversion of convertible debentures in the calculation of diluted earnings per share.

44. Dividends

Dividends	Approved by	Total dividends	Dividend per share
Final dividends for 2011	Annual General Meeting of the shareholders on 26 July 2011	1,294	0.14
Interim dividends for 2012	Board of Directors' meeting on 13 January 2012	1,368	0.15
Total for the year ended 31 March 2012		2,662	
Final dividends for 2012	Annual General Meeting of the shareholders on 26 July 2012	1,379	0.15
Interim dividends for 2013	Board of Directors' meeting on 11 January 2013	1,794	0.16
Total for the year ended 31 March 2013	3,173		

For comparative purpose, the dividend per share for the year ended 31 March 2012 were recalculated on the change of the par value of the Company's ordinary shares from Baht 0.64 to Baht 4 per share, as discussed in Note 35 to the financial statements.

45. Commitments and contingent liabilities

As at 31 March 2013, the Company and its subsidiaries had commitments as follows:

45.1 Capital commitments

- The Company and its subsidiaries (HHT Construction Company Limited, Muangthong Assets Company Limited, Nuvo Line Agency Company Limited and Kamkoong Property Company Limited) had outstanding commitments of approximately Baht 253 million (2012: Baht 760 million) in respect of agreements of consultation, design and construction projects.
- The Company and its subsidiaries (BTS Assets Company Limited and Nuvo Line Agency Company Limited) had outstanding commitments with a subsidiary (HHT Construction Company Limited) approximately Baht 364 million (2012: Baht 1 million) in respect of renovation and development of golf course and construction in progress.

- c) The Company entered into agreements with the Ministry of Finance to lease land for building construction, which the Company must complete in no more than 3 years. During the construction, the Company is to pay rental of Baht 0.1 million per month for land usage, and after handing over the building, the Company is committed to pay an annual rental for 30 years. The rental charge is Baht 0.8 million per year and will be increased by 15% every 5 years of the lease period.
- d) A subsidiary (BTSC) had capital commitments of Baht 27 million (2012: Baht 43 million) in respect of a change and improvement of signaling system for elevated train operation.
- e) A subsidiary (BTSC) had capital commitments of EUR 6 million, USD 1 million, RMB 110 million and Baht 38 million (2012: EUR 20 million, USD 2 million, RMB 110 million and Baht 83 million) in respect of the acquisition of 55 elevated train carriages under an operation and maintenance contract for a mass transit system in Bangkok and related transportation fees per the related agreements signed by the Company. In addition, under the operation and maintenance contract for a mass transit system in Bangkok, the Company had further capital commitments of Baht 8,627 million (2012: Nil) in respect of acquisitions of elevated train carriages required for future compliance with the contract.
- f) A subsidiary (BTSC) had capital commitments of EUR 1 million and Baht 1 million (2012: EUR 1 million and Baht 3 million) in respect of radio upgrade project for the signaling system for elevated train operation.
- g) A subsidiary (BTSC) has capital commitments of AUD 1 million (2012: AUD 1 million) in respect of the acquisition of spareparts for Automatic Farebox system.
- h) A subsidiary (BTS Assets Company Limited) had an outstanding commitment of Baht 15 million (2012: Baht 16 million) relating to building design services for the investment property.
- i) A subsidiary (Bangkok Smartcard System Company Limited) had outstanding commitments of RMB 5 million (2012: SGD 1 million and RMB 6 million) relating to development costs for common ticketing system.
- j) A subsidiary (Carrot Rewards Company Limited) entered into a contract for implementation and management the privileges card of the common ticketing system and installation of related equipment. Under the contract, the subsidiary is committed to pay a service fee in the future and comply with certain conditions as specified in the agreement.
- k) A subsidiary (VGI Global Media Public Company Limited) had capital commitments of approximately SGD 10 million and Baht 375 million (2012: Nil), relating to the acquisition and installation of equipment.
- l) A subsidiary (Dnal Company Limited) had an outstanding commitment of Baht 255 million (2012: Nil) relating to the agreement to purchase and to sell of a building as discussed in Note 15 to the financial statements.

45.2 Operating lease commitments

- a) The Company entered into leasehold agreements for the period of 30 years, as from 1 July 1997 and 1 December 1997. The monthly rental charges are Baht 200,000 and Baht 500,000, respectively and will be increased by 5% each year of the lease period.
- b) A subsidiary (Muangthong Assets Company Limited) had an outstanding commitment of approximately Baht 5 million (2012: Baht 5 million) in respect of a 15-year land and building lease agreement.

45.3 Commitments under maintenance contract

On 30 December 2004, a subsidiary (BTSC) entered into a ten-year maintenance contract with a contractor. Under the contract, the subsidiary has capital commitments in respect of the cost of maintenance and spare supply service fees in relation to the project over a period of 10 years. The amount to be paid for the first year is approximately Baht 195.7 million and EUR 1.7 million and in the future years, the amount to be paid will be adjusted upwards with reference to the consumer price index. During the year ended 31 March 2013, the subsidiary paid the cost of maintenance and spare supply service fees amounting to Baht 189 million and Euro 2 million (2012: Baht 201 million and EUR 2 million).

45.4 Service / long-term contract commitments

- a) In 2008, the Company entered into a service agreement with an associate (Absolute Hotel Services Company Limited), which is to furnish the Company and its subsidiary with consultation and hotel business management-related services. Under the conditions of the agreement, the Company is to pay service fees of Baht 1.4 million per month. The fees for the year ended 31 March 2013 amounted to approximately Baht 16 million (2012: Baht 16 million).
- b) In 2010, the Company entered into a management agreement with a subsidiary (Tanayong Property Management Company Limited), which is to furnish the Company with systems management services. Under the conditions of the agreement, the Company is to pay service fees at the rate specified in the agreement. During the year ended 31 March 2013, the Company paid management fee amounted to Baht 11 million (2012: Baht 11 million).
- c) In 2009, a subsidiary (BTS Assets Company Limited) entered into the project awaiting development management agreement with an oversea company in which it committed to pay fees based on hotel operating revenues at certain percentage and comply with certain conditions as specified in the agreements. The agreement is for a period of 20 years with an option to renew for a further 10 years.
- d) A subsidiary (BTSC) had commitments of approximately Baht 188 million (2012: Baht 226 million) relating to its operations in the project under the agreements of the Bus Rapid Transit (BRT) project - Chong Nonsi to Sapan Krung Thep Line (Chong Nonsi - Ratchaphruek).
- e) In 2012, a subsidiary (BTSC) and The Krungthep Thanakom Co., Ltd. entered into an operation and maintenance contract for a mass transit system in Bangkok. The contract period is 30 years, running from 8 May 2012 to 2 May 2042. The total contract value over its 30-year term is not more than Baht 187,000 million (inclusive of VAT). As at 31 March 2013, BTSC had commitments relating to its operations under this contract of Baht 76 million (2012: Nil).
- f) The subsidiaries (Muangthong Assets Company Limited and BTS Assets Company Limited) entered into service agreements with an associate (Absolute Hotel Services Company Limited), which is to furnish the subsidiaries with royalty and hotel business management - related services. The subsidiaries are to pay service fees at a rate as stipulated in the agreements. The fees for the year ended 31 March 2013 amounted to approximately Baht 17 million (2012: Baht 9 million).
- g) The subsidiaries has committed to pay fees of HKD 1 million and Baht 344 million relating to other rental and service agreements (2012: USD 3 million, HKD 2 million, RMB 1 million and Baht 198 million).

45.5 Commitments under the concessions

The subsidiaries had outstanding commitments with respect to minimum guarantee under the concession agreements for managing and providing of advertising spaces in department stores, and other related agreements. Fees payable within next 12 months as from the date on the financial statements amounting to approximately Baht 642 million (2012: Baht 564 million and RMB 1 million), while approximately Baht 583 million (2012: Baht 1,198 million and RMB 12 million) is payable within 2 and 5 years. These amounts will be adjusted in accordance with actual performance, based on certain rates stipulated in the agreements.

45.6 Other commitments

- a) The Company and its subsidiary (Nuvo Line Agency Company Limited) had outstanding commitments with its subsidiary (BTSC) in respect of the train ticket for project. The Company is to pay at a rate as specified in the agreement.
- b) The Company and its subsidiary (Nuvo Line Agency Company Limited) had outstanding commitments with its subsidiary (BTS Land Co., Ltd.) in respect of the royalty fee of the project. The Company is to pay at a rate as specified in the agreement.

45.7 Guarantees

- a) There were bank guarantees of Baht 44 million (2012: Baht 118 million) issued by a bank on behalf of the Company to the National Housing Authority for the low-cost residential housing projects and Baht 17 million (2012: Baht 17 million) issued by a bank on behalf of the Company, for construction of a building on state-owned land.
- b) A subsidiary (BTSC) had outstanding bank guarantees issued by a bank on behalf of the subsidiary of Baht 42 million (2012: Baht 29 million) to the Metropolitan Electricity Authority to guarantee electricity use, of Baht 200 million (2012: Baht 200 million) to Mass Rapid Transit Authority of Thailand in respect of bidding, and of Baht 200 million (2012: Nil) to The Krungthep Thanakom Company Limited to guarantee a deposit received under the operation and maintenance contract for a mass transit system in Bangkok agreement. In addition, as at 31 March 2013, the subsidiary had Letter of Credit facilities from a local commercial bank of EUR 10 million and RMB 110 million (2012: EUR 13 million) in respect of acquisitions of elevated trains and elevated train carriages for the subsidiary's operation.

In addition, as at 31 March 2013 the subsidiaries had additional bank guarantees issued by banks as required in their normal operations of SGD 9 million and Baht 187 million (2012: Baht 252 million).

45.8 Litigations

As at 31 March 2013, the litigations involving the Company and its subsidiaries are as detailed below.

- a) The Company and two subsidiaries (Yong Su Company Limited and Dnal Company Limited), as mortgagors of the assets placed as security for the Company's bonds, were sued by a local bank, for payment of the secured bonds, together with interest charges and other related expenses, totaling approximately Baht 4,251 million. The Court of First Instance ordered the two subsidiaries to make payment of such amount. The two subsidiaries appealed the decision and the Appeals Court found in accordance with the Court of First Instance. However, the bank has submitted settlement claims under the Company's rehabilitation plan and the Company held an open auction of such assets in order to make payment to the bank, as discussed in Note 15 to the financial statements. Therefore, the subsidiaries have not set aside provision for the contingent liability in their accounts.

- b) A subsidiary (Sampaopetch Company Limited) has been sued, together with the Company and subsidiary's directors, by a creditor claiming land costs of approximately Baht 437 million because of the breach of a condition of a contract to purchase and to sell the land. The Court of First Instance ordered a subsidiary to make payment amounting to Baht 38 million and interest. Currently, the case is in the process of consideration of the Court of Appeals.

Subsequently, on 29 November 2012, the Central Bankruptcy Court issued a receivership order for the subsidiary. The Comptroller in Bankruptcy will therefore conduct the lawsuit in place of the subsidiary.

- c) A subsidiary (Muangthong Assets Company Limited) has been sued by an individual for payment for loss of property amounting to approximately Baht 6 million. Currently, the lawsuit is being in the Supreme Court process. However, the subsidiary believes that it will suffer no significant loss as a result of this litigation.
- d) On 11 February 2002, a subsidiary (BTSC) was sued for damages as the second defendant in a tort case, whereby a company alleged that the subsidiary's contractor caused damage to a section of underground fuel pipeline in the area of a train station and claimed compensation of approximately Baht 108 million. At present, the case is under consideration of the courts. However, the subsidiary has not recorded any allowance for the damage in its accounts since the subsidiary believes that, as an employer, it is, in any case, not liable to third parties for damages caused by its contractor, and that the case will therefore have no significant impact on the subsidiary.

46. Segment information

The Company's and its subsidiaries' financial information of elevated mass transit system business, service business, real estate business, real estate business and construction service business in the consolidated financial statements for the years ended 31 March 2013 and 2012 are as follows:

(Unit: Million Baht)

	Elevated mass transit system business			Service business			Real estate business			Construction service business			Elimination		Total	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
For the years ended 31 March																
Revenues from external customers	-	-	4,788	3,281	788	325	73	9	788	325	73	-	-	-	5,585	3,679
Inter-segment revenues	-	-	300	625	-	-	153	162	-	-	1,260	(453)	(1,885)	-	-	-
Total revenues	-	-	5,088	3,906	788	325	1,333	162	788	325	1,333	(453)	(1,885)	5,585	3,679	
Segment operating profit (loss)	-	-	2,441	1,695	260	99	(10)	1	260	99	(10)			2,702	1,784	
Unallocated profit and expenses:																
Interest income														59	40	
Reversal of allowance for diminution in value of civil works awaiting transfer														-	705	
Revenue from court-ordered compensation														7	367	
Gain from sales of investments in subsidiaries														1,000	-	
Gain on exchange														-	37	
Other income														63	126	
Selling and servicing expenses														(223)	(132)	
Administrative expenses														(1,048)	(740)	
Loss on exchange														(35)	-	
Share of income (loss) from investments in associates														3	(2)	
Finance cost														(1,248)	(1,432)	
Income tax expenses														(439)	(173)	
Profit from discontinued operation for the year														1,895	1,656	
Profit for the year														2,736	2,236	
Profit attributable to non-controlling interests of subsidiaries														(248)	(130)	
Profit attributable to equity holders of the Company														2,488	2,106	

The Company's and its subsidiaries' assets of elevated mass transit system, business and services business, real estate business, and construction service business in the consolidated financial statements as at 31 March 2013 and 2012 are as follows:

(Unit: Million Baht)

	Elevated mass transit system business		Service business		Real estate business		Construction service business		Total	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
Trade and other receivables	-	3	910	1,065	36	28	-	11	946	1,107
Real estate development costs	-	-	-	-	3,510	3,349	-	-	3,510	3,349
Elevated project costs	-	45,144	-	-	-	-	-	-	-	45,144
Spare parts - elevated train system	-	174	52	-	-	-	-	-	52	174
Spare parts - maintenance contract	-	293	-	-	-	-	-	-	-	293
Land and projects awaiting development	-	-	-	-	-	2,676	-	-	-	2,676
Investment properties	-	-	1,902	-	965	2,461	-	-	2,868	2,461
Property, plant and equipment	-	-	3,599	501	5,991	5,536	1	2	9,591	6,039
Leasehold right	-	-	-	-	81	90	-	-	81	90
Intangible assets	-	-	48	24	1	1	1	1	50	26
Goodwill	-	-	79	79	-	-	-	-	79	79
Deposit and advances for asset acquisitions	-	491	470	-	-	6	-	-	470	497
Advances to contractors	-	-	-	-	-	79	-	-	-	79
Non-current assets classified as held for sale	42,172	-	-	-	-	-	-	-	42,172	-
Unallocated assets	-	-	-	-	-	-	-	-	7,212	4,875
Total assets	-	-	-	-	-	-	-	-	67,031	66,889

47. Provident fund

The Company, its subsidiaries and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company and its subsidiaries contributed to the fund monthly at the rate of 5% of basic salary. The fund, which is managed by BBL Asset Management Co., Ltd., will be paid to employees upon termination in accordance with the fund rules. During the year ended 31 March 2013, the Company and its subsidiaries contributed to the fund Baht 41.5 million (2012: Baht 32.5 million) (Separate financial statements: Baht 1.9 million (2012: Baht 1.7 million)).

48. Financial instruments

48.1 Financial risk management

The Company's and its subsidiaries' financial instruments, as defined under Thai Accounting Standard No. 107 "Financial Instruments: Disclosure and Presentations", principally consist of the following:

<u>Financial assets</u>	<u>Financial liabilities</u>
- Cash and cash equivalents	- Bank overdraft and short-term loans from financial institutions
- Current investment	- Trade and other payables
- Cash received in advance from cardholders	- Short-term loans from related parties
- Trade and other receivables	- Deposit payable
- Short-term loans to related parties	- Advance received from employer
- Restricted deposits	- Retention payable
- Cash deposited as collateral for debt settlement	- Creditors per rehabilitation plan
- Long-term loans to related parties	- Long-term loans
- Retention receivable	- Long-term debentures
- Advance payment for investment in subsidiary	- Convertible debentures
- Deposit and advances for asset acquisitions	
- Deposit and advances to contractors	

The financial risks associated with these financial instruments and how they are managed are described as follows:

Credit risk

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade and other receivables and loans. The Company and its subsidiaries manage the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses. In addition, the Company and its subsidiaries do not have high concentration of credit risk since they have a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade and other receivables and loans as stated in the statement of financial position.

Interest rate risk

The Company's and its subsidiaries' exposure to interest rate risk relates primarily to their cash at bank, current investment, bank overdrafts, loans, debentures and convertible debentures. However, since most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal. However, BTSC has interest rate risk associated with the long-term debentures carrying fixed interest rates, as discussed in Note 32 to the financial statements, and has used financial instrument to manage this risk by entering into an interest rate swap agreement to swap fixed interest rates for floating interest rates as

stipulated in the agreement on debentures totaling Baht 3,000 million, out of the tranche of 4 million units with a par value of Baht 1,000 each, total value of Baht 4,000 million a five-year term, and a coupon rate of 5.75% per annum that mature on 21 August 2014. The interest rate swap agreement was expired in February 2013.

Significant financial assets and liabilities as at 31 March 2013 classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the re-priced date if this occurs before the maturity date.

(Unit: Million Baht)

As at 31 March 2013	Consolidated financial statements						
	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Interest rate (% p.a.)
	Within 1 year	1-5 years	Over 5 years				
Financial assets							
Cash and cash equivalents	2,722.1	-	-	730.2	61.0	3,513.3	0.10 - 3.40
Current investment	993.8	-	-	-	-	993.8	2.9
Cash received in advance							
from cardholders	-	-	-	-	78.9	78.9	-
Trade and other receivables	-	-	-	-	945.6	945.6	-
Restricted deposits	-	5.1	-	3.4	80.0	88.5	0.75 - 2.05
Cash deposited as collateral							
for debt settlement	-	-	-	-	232.7	232.7	-
Retention receivable	-	-	-	-	2.0	2.0	-
Deposit and advances							
for asset acquisitions	-	-	-	-	469.7	469.7	-
Advances to contractors	-	-	-	-	0.2	0.2	-
	3,715.9	5.1	-	733.6	1,870.1	6,324.7	
Financial liabilities							
Bank overdraft and short-term							3.90 and
loans from financial institution	200.0	-	-	917.0	-	1,117.0	MLR - 3.30
Trade and other payables	-	-	-	-	1,862.1	1,862.1	-
Retention payable	-	-	-	-	68.0	68.0	-
Creditors per rehabilitation plan	-	-	-	-	797.2	797.2	-
Long-term debentures	-	-	-	2,364.0	-	2,364.0	MLR -1 to-2
Convertible debentures	2,078.6	6,401.0	-	-	-	8,479.6	4.75 - 6.75
	2,278.6	6,401.0	-	3,281.0	2,727.3	14,687.9	

(Unit: Million Baht)

Consolidated financial statements							
As at 31 March 2012	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Interest rate (% p.a.)
	Within 1 year	1-5 years	Over 5 years				
Financial assets							
Cash and cash equivalents	839.6	-	-	454.3	39.3	1,333.2	0.10 - 3.20
Cash received in advance							
from cardholders	-	-	-	-	1.1	1.1	-
Trade and other receivables	-	-	-	-	1,106.7	1,106.7	-
Restricted deposits	0.2	200.0	-	3.6	120.0	323.8	0.75 - 2.05
Cash deposited as collateral							
for debt settlement	-	-	-	-	232.7	232.7	-
Retention receivable	-	-	-	-	2.1	2.1	-
Deposit and advances							
for asset acquisitions	-	-	-	-	496.9	496.9	-
Advances to contractors	-	-	-	-	93.4	93.4	-
	839.8	200.0	-	457.9	2,092.2	3,589.9	
Financial liabilities							
Bank overdraft and short-term loans from financial institution	1,000.0	-	-	941.5	-	1,941.5	MLR and 4.05 - 4.10
Trade and other payables	-	-	-	-	1,452.4	1,452.4	-
Retention payable	-	-	-	-	127.5	127.5	-
Creditors per rehabilitation plan	-	-	-	-	797.4	797.4	-
Long-term loans	-	-	-	3,517.4	-	3,517.4	MLR
Long-term debentures	2,495.8	9,443.8	-	-	-	11,939.6	4.75 - 6.75
Convertible debentures	-	8,648.3	-	-	-	8,648.3	4.26
	3,495.8	18,092.1	-	4,458.9	2,377.3	28,424.1	

(Unit: Million Baht)

As at 31 March 2013	Separate financial statements						
	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Interest rate (% p.a.)
	Within 1 year	1-5 years	Over 5 years				
Financial assets							
Cash and cash equivalents	1,059.7	-	-	569.2	-	1,628.9	0.375 - 3.15
Current investment	993.8	-	-	-	-	993.8	2.9
Trade and other receivables	-	-	-	-	194.5	194.5	-
Short-term loans							
to related parties	111.5	-	-	-	-	111.5	3.00 - 6.50
Restricted deposits	-	-	-	1.6	80.0	81.6	0.75 - 2.00
Cash deposited as collateral							
for debt settlement	-	-	-	-	232.7	232.7	-
Long-term loans to related parties	-	-	-	2,986.8	-	2,986.8	3.375
Retention receivable	-	-	-	-	107.6	107.6	-
	2,165.0	-	-	3,557.6	614.8	6,337.4	
Financial liabilities							
Trade and other payables	-	-	-	-	140.5	140.5	-
Retention payable	-	-	-	-	57.6	57.6	-
Creditors per rehabilitation plan	-	-	-	-	797.2	797.2	-
	-	-	-	-	995.3	995.3	

(Unit: Million Baht)

As at 31 March 2012	Separate financial statements						Total	Interest rate (% p.a.)
	Fixed interest rates			Floating interest rate	Non- inter- est bearing			
	Within 1 year	1-5 years	Over 5 years					
Financial assets								
Cash and cash equivalents	430.0	-	-	23.1	-	453.1	0.375 - 2.96	
Trade and other receivables	-	-	-	-	276.2	276.2	-	
Short-term loans								
to related parties	18.5	-	-	-	-	18.5	3.375 - 3.50	
Restricted deposits	-	200.0	-	1.5	120.0	321.5	0.75 - 2.00	
Cash deposited as collateral								
for debt settlement	-	-	-	-	232.7	232.7	-	
Long-term loans to related								
parties	-	-	-	2,931.3	-	2,931.3	3.375	
Retention receivable	-	-	-	-	89.9	89.9	-	
Advances to contractors	-	-	-	-	27.1	27.1	-	
	448.5	200.0	-	2,955.9	745.9	4,350.3		
Financial liabilities								
Bank overdraft and short-term								
loans from financial institution	-	-	-	741.5	-	741.5	MLR	
Trade and other payables	-	-	-	-	274.9	274.9	-	
Short-term loans								
from related parties	40.0	-	-	58.0	-	98.0	3.00 - 3.375	
Advances received								
from employers	-	-	-	-	41.7	41.7	-	
Retention payable	-	-	-	-	98.5	98.5	-	
Creditors per rehabilitation plan	-	-	-	-	797.4	797.4	-	
Convertible debentures	-	8,648.3	-	-	-	8,648.3	4.26	
	40.0	8,648.3	-	799.5	1,212.5	10,700.3		

Foreign currency risk

The Company's and subsidiaries' exposure to foreign currency risk arises mainly from cash at bank trading transactions, purchase transactions of spare parts and equipment for the project, advances paid to contractors, trade and other payables, and retentions payable, that are denominated in foreign currencies. The Company and its subsidiaries do not use any derivatives to manage its foreign currency risk.

As at 31 March 2013 and 2012 date, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	Consolidated financial statements					
	Foreign currency		Financial assets		Average exchange rate as at 31 March	
	2013 (Million)	2012 (Million)	2013 (Million)	2012 (Million)	2013 (Million)	2012 (Million)
USD	-	-	1	-	29.3085	30.8431
EUR	11	11	5	1	37.5712	41.1741
SGD	-	-	2	2	23.5880	24.5461
RMB	1	3	22	3	4.7284	4.9039

48.2 Fair value of financial instruments

Since the majority of the Company's and its subsidiaries' financial assets and liabilities are short-term or have interest rates close to the market rates, the fair values of these financial assets and liabilities are not expected to differ materially from the amounts presented in the statements of financial position.

A fair value is the amount for which an asset can be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction, the fair value is determined by reference to the market price of the financial instrument or by using an appropriate valuation technique, depending on the nature of the instrument.

49. Infrastructure Fund Transaction

On 18 December 2012, an extraordinary meeting of the Company's shareholders passed a resolution approving the sale by BTSC to BTS Rail Mass Transit Growth Infrastructure Fund ("BTSGIF") of future farebox revenues of BTSC from operation of the Core BTS Skytrain System, which covers a distance of 23.5 km, comprising the 17 km of the Sukhumvit line from Mo-Chit to On-Nut stations, and the 6.5 km of the Silom line from National Stadium to Taksin Bridge stations, under the concession agreement dated 9 April 1992 and the amendment to the concession agreement between the Bangkok Metropolitan Authority and BTSC, for the remainder of the concession.

On 17 April 2013, the Securities and Exchange Commission approved the registration of the assets of BTSGIF as an Infrastructure Fund, with 5,788 million investment units and an offer price and par value of Baht 10.80 per unit, or a total of Baht 62,510 million. On 17 April 2013, BTSC and BTSGIF entered into an agreement to buy and to transfer the rights to net farebox revenues of the Core BTS Skytrain System.

In addition, a resolution of the extraordinary general meeting of shareholders held of 18 December 2012 approved the Company's execution of the Infrastructure Fund Transactions, and these are now complete, as detailed below.

Net Sales Revenue Transaction

On 17 April 2013, BTSC and BTSGIF entered into an agreement to sell and transfer the rights to net farebox revenues, whereby BTSC sold to BTSGIF net farebox revenues from the operation of the Core BTS Skytrain System, covering 23.5 km of the Sukhumvit and Silom lines, under the concession agreement dated 9 April 1992 and the amendment concession agreement between the Bangkok Metropolitan Authority and BTSC, for the remainder of the concession. The price was set at Baht 61,399 million (net of the expense of establishing BTSGIF, totaling Baht 1,111 million). The key details relating to the agreement are as follows:

Net Revenue Purchase and Transfer Agreement

a) Key Obligations of BTSC

BTSC is to procure and deliver net farebox revenues to BTSGIF, and agrees to grant BTSGIF rights to participate in the management of BTSC's business, which BTSGIF entitled to nominate one-third of the directors appointed to BTSC's Board. BTSC is also required to comply with other obligations specified in the agreement.

b) Right to Purchase and Right of First Refusal

BTSGIF has the right to purchase BTSC's or any of its subsidiaries' revenues, rights, benefits, title, interests and/or investment in relation to the identified skytrain projects. In cases where BTSC or any of its subsidiaries receive a third party offer, BTSGIF has the right of first refusal to purchase revenues, rights, benefits, title, interests and/or any investments in relation to the the identified skytrain projects, the greenfield projects for any Bangkok and Vicinity Mass Transit Systems, and brownfield projects for any Bangkok and Vicinity Mass Transit Systems in respect of which BTSC or any of its subsidiaries have entered into or will enter into relevant agreements, or have operated or will operate relevant projects, including the identified skytrain projects. The brownfield projects of the Bangkok and Vicinity Mass Transit Systems include the long-term operation and maintenance agreement and any agreements extending the concession.

c) Key Obligations of BTSGIF

As long as there is no event of default under the agreement affecting BTSC's ability to deliver the net farebox revenues to BTSGIF, BTSGIF agrees to pay BTSC incentive fees at the following rates.

1. If the net farebox revenues for any year exceed 100 percent but not 125 percent of the annual net farebox revenues target for that year, BTSC is entitled to incentive fees at the rate of 10 percent of the net farebox revenue amount exceeding 100 percent but not 125 percent of the annual net farebox revenue target.
2. If the net farebox revenues for any year exceed 125 percent of the annual net farebox revenue target for that year, BTSC is entitled to incentive fees at the rate of 15 percent of the net farebox revenue amount exceeding 125 percent of the annual net farebox revenue target.

d) Insurance

BTSC agrees to procure and maintain at all times its normal insurance policies, including directors' liability insurance, and to be responsible for payment of any damages in excess of the insurance coverage that are the result of gross negligence or willful misconduct by BTSC. BTSGIF agrees to be responsible for payment of damages and losses incurred by the Core BTS SkyTrain System which (a) exceed the insured sum under the relevant insurance policies, (b) relate to uninsured events and (c) are not covered by the insurance, to the extent that such damages

or losses are not the result of gross negligence or willful misconduct by BTSC, subject to the terms and conditions of this agreement. Regardless, in any case, the obligation of BTSGIF to pay for such damages and losses incurred by the Core BTS SkyTrain System shall cease on the concession expiry date.

This agreement provides details of the matters described above, reserved matters and negative undertakings of BTSC, as well as events of default and consequences, with which BTSC and BTSGIF must comply.

Guarantee Transaction

The performance of BTSC under the Net Revenue Purchase and Transfer Agreement between BTSC and BTSGIF dated 17 April 2013 is secured by a limited guarantee under the Sponsor Support and Guarantee Agreement between the Company and BTSGIF dated 17 April 2013, and the Share Pledge Agreement dated 17 April 2013. Under the Sponsor Support and Guarantee Agreement, the Company also grants BTSGIF the right to purchase shares in BTSC by entering into an Agreement to Purchase and to Sell Shares. The key terms and conditions of the Sponsor Support and Guarantee Agreement are as follows:

Sponsor Support and Guarantee Agreement

a) Key Obligations of the Company

- 1) The Company agrees to maintain its shareholding in BTSC at all times while obligations under this agreement are outstanding and not to transfer or create any encumbrance over such shares.
- 2) The Company agrees to grant BTSGIF participation in BTSC's Board of Directors by (a) appointing one-third of the directors of BTSC from the persons nominated by BTSGIF; and (b) appointing another one-third of the directors of BTSC from those with the specified qualifications for independent directors of BTSC's Board.
- 3) The Company agrees not to permit BTSC to enter into any transactions that are which is the subject of any Reserved Matters, unless such Reserved Matter has been approved by the Board of Directors of BTSC with at least two affirmative votes from BTSC directors nominated by BTSGIF.
- 4) The Company agrees to the terms and conditions of the Transaction Documents and agrees to take all actions necessary to procure that BTSC complies with all its obligations under the Transaction Documents, subject to the terms and conditions of this agreement.
- 5) The Company agrees to pledge its shares in BTSC to secure its obligations under this agreement.
- 6) The Company agrees to provide a guarantee to secure BTSC's performance of its obligations under the Net Revenue Purchase and Transfer Agreement. BTSGIF cannot enforce the Company's settlement of its obligations under the Sponsor Support and Guarantee Agreement by any method other than enforcement upon BTSC shares under the Agreement to Purchase and to Sell Shares. Upon transfer of BTSC shares under the Agreement to Purchase and to Sell Shares or the Share Pledge Agreement, the Company shall be immediately released from its obligations related to its guarantee and the obligations imposed upon it as a holder of BTSC shares under the Sponsor Support and Guarantee Agreement, but BTSGIF shall retain certain rights (such as the right to purchase and the right of first refusal in accordance with the relevant terms of the Sponsor Support and Guarantee Agreement), and certain obligations of the Company as specified under the Sponsor Support and Guarantee Agreement shall remain until all obligations of BTSC and the Company under the relevant Transaction Documents to which it is a party have been fully satisfied or until such other time as agreed under the Sponsor Support and Guarantee Agreement.

- 7) If the Company has any claim against BTSC, under the Transaction Documents or otherwise, the Company agrees to defer its rights to make such claim until all obligations of the Company and BTSC under the Transaction Documents have been fully discharged, except in the cases specifically exempted under the Sponsor Support and Guarantee Agreement.
- 8) In the event that BTSGIF allows BTSC to implement a plan to remedy an event of default pursuant to the Net Revenue Purchase and Transfer Agreement, from the commencement of the consultation to consider such remedy plan until such event of default is remedied in accordance with the approved remedy plan to the satisfaction of BTSGIF or waived by BTSGIF, the Company and BTSGIF agree to take or not to take certain actions as specified in the Sponsor Support and Guarantee Agreement. These include (a) the Company's agreement to remit all dividends received on the BTSC shares it holds to BTSGIF in settlement of any amounts due and payable by BTSC under the Transaction Documents which has not been paid to BTSGIF, (b) BTSGIF being granted voting rights on the BTSC shares held by the Sponsor pursuant to the conditions prescribed in the Sponsor Support and Guarantee Agreement, and (c) BTSGIF's agreement not to exercise its right to demand BTSC make payment of debt in the amount and under the conditions set out under the Net Revenue Purchase and Transfer Agreement or demand the Sponsor perform its obligations under the Sponsor Support and Guarantee Agreement, or exercise or enforce any other rights it has upon such event of default.

BTSC or the Sponsor's failure to comply with their specified obligations required to be undertaken after BTSGIF approves the implementation of the remedy plan shall constitute an event of default under the Net Revenue Purchase and Transfer Agreement, whereupon BTSGIF shall have the right to exercise any of its rights under the Transaction Documents.

- 9) If BTSGIF either purchases BTSC shares from the Company in accordance with the Agreement to Purchase and to Sell Shares or becomes the owner of BTSC shares as a result of the enforcement of the Share Pledge Agreement, BTSGIF agrees to take certain actions as stipulated in the agreement.

b) Right to Purchase and Right of First Refusal

The Company irrevocably grants BTSGIF (a) the right to purchase the revenues, rights, benefits, titles, interest and/or investments of the Company and its affiliates in relation to the identified skytrain projects, and (b) where the Company or any of its affiliates receive a third party offer, the right of first refusal to purchase revenues, rights, benefits, titles, interest and/or any investments in relation to the identified skytrain projects, the greenfield projects for any Bangkok and Vicinity Mass Transit Systems, and brownfield projects for any Bangkok and Vicinity Mass Transit Systems in respect of which the Company and/or any of its affiliates has entered or will enter into relevant agreements, or have operated or will operate the relevant projects, including the identified skytrain projects.

The terms and conditions of the right to purchase and the right of first refusal the Company granted to BTSGIF are similar to those specified in the Net Revenue Purchase and Transfer Agreement.

c) The Company's Right to Purchase BTSC Shares

BTSGIF agrees that:

- (a) After BTSGIF exercises its right to purchase BTSC shares held by the Company in accordance with the Agreement to Purchase and to Sell Shares and it wishes to sell such shares to any person who provides an offer to purchase such shares from it, or
- (b) If BTSGIF does not purchase BTSC shares held by the Company in accordance with the Agreement to Purchase and to Sell Shares itself, but wishes to sell such shares to an independent third party (other than BTSGIF's affiliate) and designate such third party to take the transfer of the shares from the Company pursuant to the Agreement to Purchase and to Sell Shares,

In these cases, BTSGIF grants the Company the right of first refusal to buy such shares at a price equal to the third party offer (in respect of (a)) or to pay BTSGIF an amount equal to the purchase price of the shares offered to BTSGIF by the independent third party (in respect of (b)) on terms and conditions not less favourable than those offered by the relevant third party. BTSGIF is to issue a written notice to BTSG containing the name of the offeror, the price offered for the purchase of the shares and all material terms and conditions of the third party offer. In exercising its right to purchase the shares from BTSGIF (in respect of (a)) or to pay the purchase price to BTSGIF (in respect of (b)), the Company is required to comply with the procedures and to act within the timeframe as agreed under the Sponsor Support and Guarantee Agreement. If the Company fails to confirm BTSGIF in writing that it wishes to purchase such shares or pay the purchase price (as the case may be) within the agreed period, or if the Company fails to complete the purchase of the shares or pay the purchase price within the agreed period, BTSGIF will be entitled to sell the shares to the third party who made the offer or another third party in accordance with such third party offer that was proposed to the Company at the offered purchase price or higher; or transfer the shares to the independent third party that BTSGIF designated as the person to take the transfer of the shares from the Company in accordance with the Agreement to Purchase and to Sell Shares, subject to all material terms and conditions being not more favourable than those under the third party offer that BTSGIF proposed to the Company.

BTSGIF and the Company agree that if BTSGIF designates its affiliate to receive the transfer of the shares pursuant to the Agreement to Purchase and to Sell Shares, the transfer of the shares to BTSGIF's affiliate is not subject to the Company's right of first refusal set out above, provided that upon BTSGIF's affiliate becoming the owner of the shares pursuant to the Agreement to Purchase and to Sell Shares, BTSGIF shall procure that such affiliate confirms to the Company in writing that it agrees to comply with the provisions and procedures in relation to the Company's right of first refusal under the Sponsor Support and Guarantee Agreement.

d) Units Lock-up Undertaking

For a period of ten years from the Closing Date, the Company may not, without prior written consent of BTSGIF, sell, transfer or dispose of the Units to which it is to subscribe in the amount of not less than one-third of the total number of Units.

e) Negative Undertakings

Restrictions on the Company relate to, among others, undertaking amalgamations or mergers, allowing an issue of shares or convertible securities by BTSC to any person that results in a reduction of the Company's percentage shareholding in BTSC, allowing BTSC to reduce its capital (except for the purpose of returning capital to BTSC's shareholders and provided that such capital reduction does not reduce the Company's percentage shareholding in BTSC or cause BTSC's paid up capital to fall below Baht 3,000,000,000) and allowing BTSC to remove or appoint its Chief Executive Officer, Chief Financial Officer or Chief Operating Officer.

Share Pledge Agreement

a) Key Obligations of the Company

- 1) The Company agrees to pledge its shares in BTSC to BTSGIF to secure its obligations under the Sponsor Support and Guarantee Agreement.
- 2) The Company shall procure that BTSC shall record such pledge in the share registrar book.
- 3) The Company undertakes that if it acquires additional shares in BTSC as a result of a change in the registered capital of BTSC, it will pledge these additional shares with BTSGIF such that the shares in BTSC held by the Company are pledged and delivered to BTSGIF.

- 4) Before the enforcement of the share pledge by BTSGIF upon the acceleration of the event of default under the Net Revenue Purchase and Transfer Agreement, the rights to vote and receive dividends derived from such shares shall remain with the Company.

b) Key Obligations and Rights of BTSGIF

BTSGIF may set off any obligations due from the Company under the Sponsor Support and Guarantee Agreement and other Transaction Documents to which the Company is a party against any obligation owed by BTSGIF to the Company, regardless of the place of payment.

c) Enforcement of Pledge

The Company and BTSGIF agree to prescribe conditions of the public auction sale of the pledged shares such that a third party winning bidder is required to enter into an agreement with form and content similar to that of the Sponsor Support and Guarantee Agreement.

Agreement to Purchase and to Sell Shares

a) Key Obligations of the Company

- 1) The Company agrees to sell BTSC's shares it holds to BTSGIF, and BTSGIF agrees to purchase shares from the Company when an event of default under the Net Revenue Purchase and Transfer Agreement has occurred and an exercise notice for the purchase of the shares has been delivered by BTSGIF to the Company.
- 2) The Company irrevocably appoints and authorises BTSGIF Supervisor and/or its permitted assignees to transfer the shares to BTSGIF.
- 3) The Company agrees that BTSGIF can offset the purchase price against the Company's obligations under the Sponsor Support and Guarantee Agreement. The Company also agrees not to call for BTSGIF to make payment of the share purchase price in cash.
- 4) BTSC agrees to perform all acts in order to transfer the shares to BTSGIF, including an undertaking to arrange for BTSC to record the transfer in the share register.

b) Key Obligations and Rights of BTSGIF

- 1) BTSGIF has the right to purchase shares from the Company upon the occurrence of an event of default under the Net Revenue Purchase and Transfer Agreement.
- 2) The purchase price will be determined in accordance with the procedures set out in the Agreement to Purchase and to Sell Shares.
- 3) BTSGIF has the right to offset any debt obligations of the Company to BTSGIF under the Sponsor Support and Guarantee Agreement and other Transaction Documents to which the Company is a party against any debt obligations of BTSGIF to the Company, regardless of the place of payment. The Company agrees not to call for BTSGIF to make payment of the share purchase price in cash.

Investment Unit Subscription Transaction

The Company subscribed to 1,929 million investment units in the Fund at a price of Baht 10.80 per unit, totalling Baht 20,833 million, or one-third of the total number of investment units offered (approximately 33.33%), and obtained a loan from a commercial bank to make payment for the unit subscribed. The Company repaid the loan with a loan from BTSC.

In addition, the Company entered into other agreements with respect to or as a consequence of the execution of the infrastructure fund transactions, in conformity with the agreements and memorandums relating to the infrastructure fund transactions mentioned above.

50. Capital management

The primary objective of the Company's capital management is to ensure that it has an appropriate financial structure and preserves the ability to continue its business as a going concern.

According to the statement of financial position as at 31 March 2013, the Group's debt-to-equity ratio was 0.32:1 (2012: 0.81:1) and the Company's was 0.02:1 (2012: 0.28:1).

51. Subsequent events

Significant subsequent events are detailed below.

- 51.1 The Board of Directors of the Company held on 19 April 2013 passed a resolution to approve propose the payment of dividends of Baht 2,052 million (at a rate of Baht 0.18 per share) in respect of the Company's net profit and retained earnings for the threemonth period ended 31 December 2012.
- 51.2 The Board of Directors of the Company held on 27 May 2013 passed a resolution to amend dividend policy, whereby amounts of no less than Baht 6,000 million would be paid for the year ending 31 March 2014, no less than Baht 7,000 million for the year ending 31 March 2015 and no less than Baht 8,000 million for the year ending 31 March 2016.
- 51.3 The Board of Directors of the Company held on 27 May 2013 passed a resolution to approve proposal of the payment of a dividend of Baht 0.045 per share, totaling Baht 513 million in respect of the year ended 31 March 2013 income.
- 51.4 On 1 April 2013, the meeting of BTSC's Board of Directors No. 1/2013 passed a resolution to procure the letter of guarantee amounting to Baht 9,422 million as a security for BTSC's debentures.
- 51.5 On 11 April 2013, the Company entered into a loan agreement with BTSC for total credit facility of Baht 20,833 million. The loan carries interest at a rate mutually agreed and is repayable on 31 March 2014 or any date as may be mutually agreed between the parties.
- 51.6 On 17 April 2013, BTSC agreed to pay the guarantee fee to the Company at a rate stipulated in the agreement between the parties.
- 51.7 On 15 May 2013, the Company entered into a short-term loan agreement in form of promissory note with BTSC amounting to Baht 1,300 million. The loan is not collateralised and carries interest at a rate mutually agreed between the parties.
- 51.8 On 30 April 2013, BTSC pledged the share certificates to 38.25 million shares of VGI Global Media Public Company Limited and the share certificates to 3.6 million shares of Bangkok Smartcard System Company Limited with the Company in accordance with the agreement relating to the Net Revenue Purchase and Transfer Agreement.

52. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 27 May 2013.

Auditor's Remuneration

Audit Fees

The Company and its subsidiaries (24 companies) paid audit fees for the fiscal year ended 31 March 2013 in the amount of THB 11.5mn. to Ernst & Young Office Limited. In addition, VGI Advertising China Ltd., subsidiary incorporated in Republic of China, paid audit fee for the fiscal year ended 31 March 2013 in the amount of THB 0.7mn to BDO China Shu Lun Pan CPAs Ltd. These auditors do not have any relationship with the Company in any matters except audit works.

Non-audit fee

- Nil -



GLOSSARY OF TERMS

Unless the context otherwise requires, terms defined shall have the following meanings:

Terms	Definitions
“2010/11”	The fiscal year from 1 April 2010 to 31 March 2011
“2011/12”	The fiscal year from 1 April 2011 to 31 March 2012
“2012/13”	The fiscal year from 1 April 2012 to 31 March 2013
“1Q 2012/13”	The first quarter of fiscal year 2012/13
“2Q 2012/13”	The second quarter of fiscal year 2012/13
“3Q 2012/13”	The third quarter of fiscal year 2012/13
“4Q 2012/13”	The fourth quarter of fiscal year 2012/13
“AHS”	Absolute Hotel Services Co., Ltd.
“BMA”	Bangkok Metropolitan Administration
“BMCL”	Bangkok Metro Public Co., Ltd.
“BMTA”	Bangkok Mass Transit Authority
“BRT”	Bus Rapid Transit
“BSS”	Bangkok Smartcard System Co.,Ltd.
“BTS Assets”	BTS Assets Co., Ltd.
“BTSC”	Bangkok Mass Transit System Public Co., Ltd.
“BTSGIF” or “the Fund”	BTS Rail Mass Transit Growth Infrastructure Fund
“BTS Group” or “Group”	The Company, subsidiaries, and associates
“BTS SkyTrain”	The Sukhumvit and the Silom Line and all related Civil Works and Electrical and Mechanical Works, operated and maintained by BTSC pursuant to the Concession Agreement
“Carrot Rewards”	Carrot Rewards Co., Ltd.
“Civil Works”	Civil Works such as columns, elevated highways, depot buildings and any other constructions
“Company” or “BTSG”	BTS Group Holdings Public Company Limited
“Concession Agreement” or “Agreement”	Bangkok Mass Transit System Concession Agreement between BMA and BTSC for the operation of Silom Line and Sukhumvit Line
“Core Network”	The original mass transit line in Bangkok comprising two lines, the Sukhumvit Line and the Silom Line (collectively, the “Green Line”), covering 23 stations with a combined track length of 23.5 km
“EBIT”	Earnings before interest and taxes
“EBITDA”	Earnings before interest, taxes, depreciation and amortisation
“Electrical and Mechanical Works” or “E&M”	Electrical and Mechanical Works include electric trains, trackwork, power supply equipment, computer controlling systems, signaling systems, fare collection systems and communication systems
“Ex-Com”	Executive Committee
“HHT”	HHT Construction Co., Ltd.
“IF”	Infrastructure Fund
“IODT”	Thai Institute of Directors
“Krungthep Thanakom”	Krungthep Thanakom Co., Ltd., which is a company established by the BMA
“M-Map”	Mass Rapid Transit Master Plan of the Bangkok Metropolitan Region prepared by OTP

Terms	Definitions
“MRT” or “MRT Subway”	M.R.T Chaloeem Ratchamongkhon Subway Line which started operation in 2004
“MRTA”	Mass Rapid Transit Authority of Thailand
“NCGC”	National Corporate Governance Committee
“NHA”	National Housing Authority of Thailand
“O&M”	Operation and maintenance
“OTP”	Office of Transport and Traffic Policy and Planning under the Ministry of Transport
“POV”	Point of View (POV) Media Group Co., Ltd.
“QoQ”	Quarter-over-quarter
“SARL”	Suvarnabhumi Airport Rail Link
“SEC”	Thai Securities and Exchange Commission
“SET”	Stock Exchange of Thailand
“Silom Line”	Consists of 7 stations (including Siam station) and runs westwards and southwards for 6.5 km, connecting National Stadium and Taksin Bridge
“Silom Line Extension”	The Silom line extension is 7.5 km in length across the Chao Phraya River from Saphan Taksin station to Bang Wa station, comprising 6 stations. This extension line is divided into 2 projects:- The first project (Saphan Taksin-Wongwian Yai) is the 2.2 km extension of the Silom line, comprising Krung Thon Buri station and Wongwian Yai station which commenced operations in 2009. The second project (Wongwian Yai-Bang Wa) is the 5.3 km extension of the Silom Line, comprising 4 stations from Wongwian Yai station to Bang Wa station. 2 stations have commenced trial operations already and this extension is expected to be fully operational in December 2013.
“SRT”	State Railway of Thailand
“Sukhumvit Line”	Consists of 17 stations (including Siam station) and traverses Bangkok running northwards and eastwards for 17 km, connecting Mo Chit and On Nut
“Sukhumvit Line Extension”	The 5.25 km extension of the Sukhumvit line, comprising 5 BTS stations (from Bang Chak station to Bearing Station)
Tanayong	Tanayong Public Co., Ltd. (former name of BTS Group Holdings Public Co., Ltd.)
“VGI”	VGI Global Media Co., Ltd.
“VGI Group”	VGI and its subsidiaries
“YoY”	Year-over-year



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