



BTS GROUP HOLDINGS PCL

ANNUAL REPORT 2015/16

LIMITLESS
POSSIBILITIES



TABLE OF CONTENTS

1.0

INTRODUCTION

1.1 Our Ambition	4
1.2 BTS Group Overview	14
1.3 Key Figures	16

2.0

HIGHLIGHTS 2015/16 & OUTLOOK

2.1 Message from the Chairman	20
2.2 Audit Committee Report	22
2.3 Corporate Governance Committee Report	24
2.4 Nomination and Remuneration Committee Report	26
2.5 Important Events 2015/16	28
2.6 Business Target Assessment 2015/16	30
2.7 Business Outlook 2016/17	31
2.8 Financial Highlights	32

3.0

THE COMPANY AND OUR INDUSTRY

3.1 Corporate Structure and Information	34
3.2 Our History	36
3.3 Our Board of Directors	38
3.4 Our Management	40
3.5 Organisation Chart	41
3.6 Business and Industry Overview	
3.6.1 Mass Transit	42
3.6.2 Media	48
3.6.3 Property	52
3.6.4 Services	58
3.7 Subsidiaries, Associated Companies and Jointly Controlled Entities Information	62

4.0

ANNUAL BUSINESS REVIEW

4.1 Capital Markets Review	70
4.2 Risk Management Review	77
4.3 Social, Community and Environmental Responsibility	83
4.4 Management Discussion & Analysis	84

5.0

CORPORATE GOVERNANCE

5.1 Management Structure	92
5.2 Corporate Governance	103
5.3 Nomination, Appointment and Remuneration of Directors and Executives	116
5.4 Internal Control and Risk Management	120
5.5 Related Party Transactions	124
5.6 Director & Executive Profiles	128

6.0

FINANCIAL REPORT

6.1 Directors' Responsibility Report	138
6.2 Independent Auditor's Report	139
6.3 Audited Financial Statements	140
6.4 Notes to Consolidated Financial Statements	155

OTHERS

Glossary of Terms	239
-------------------	-----

CG INDEX

Accounting Policy	160-168
Audit Committee	22-23, 94-96
Audit Fee	114
Board of Directors	38-39, 92-94
Meeting Attendance	92
Profiles	128-135
Responsibility Report	138
Roles and Responsibilities	92-94
Shareholdings	101
Business Overview	14-15
Cash Flow Statement	16, 32, 90, 150-154
Code of Conduct	115
Conflict of Interest Policy	114, 126-127
Company Mission, Vision, Values & Long-Term Goal	4-5
Company Secretary	35, 100
Corporate Governance Committee	97-98
Corporate Governance Committee Report	24-25
Corporate Governance Policy	103-115
Corporate Social Responsibility	83
Dividend	20, 28-29, 32, 73, 227
Employees	15, 102, 107, 166, 213-214
General Corporate Information	34-35
Independent Auditor's Report	139
Independent Director	92, 117
Internal Audit	122-123
Internal Control	120-123
Investor Relations	35, 74-76, 109
Management Discussion & Analysis	84-90
Management Structure	92-102
Minority Shareholders	104
Nature of Business	14-15, 42-61
Nomination and Remuneration Committee Report	26-27
Related Party Transactions	124-127
Revenue Structure	14-15, 42, 48, 52, 58
Risk Factors	77-82, 120-121
Risk Management Policy	120-121, 233
Risk Management Review	77-82
Shareholding Structure	72-73
Statement of Comprehensive Income	16, 32, 85-86, 144-145
Statement of Financial Position	16, 32, 140-143



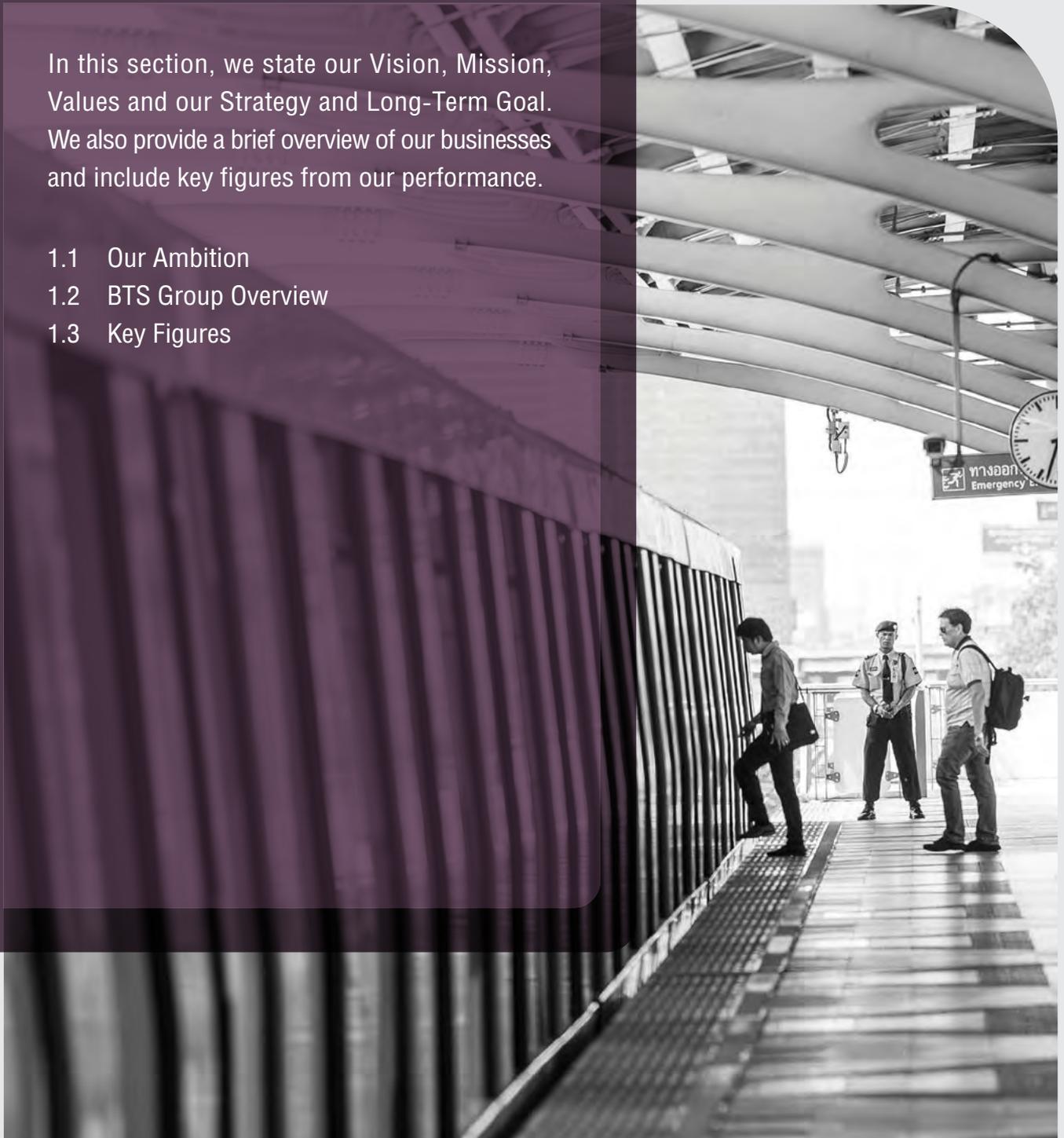
“ across all of our
4 business units,
we are poised to make
pivotal advances. ”

1.0

INTRODUCTION

In this section, we state our Vision, Mission, Values and our Strategy and Long-Term Goal. We also provide a brief overview of our businesses and include key figures from our performance.

- 1.1 Our Ambition
- 1.2 BTS Group Overview
- 1.3 Key Figures



1.1

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.

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.

STRATEGY AND LONG-TERM GOAL

BTS Group companies aim to be the leader in developing and operating **Rail Mass Transit** in Thailand, reinforce our position as the leading **Out-of-Home (OOH) Media** player in the country and selectively expand our network across the ASEAN region, cautiously grow our **Property** business and lead efforts towards a cashless society via integrated **e-Payment** solutions.

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.

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 the environmental impact of our activities compared to competing products and services.

DEVELOPING COMMUNITIES

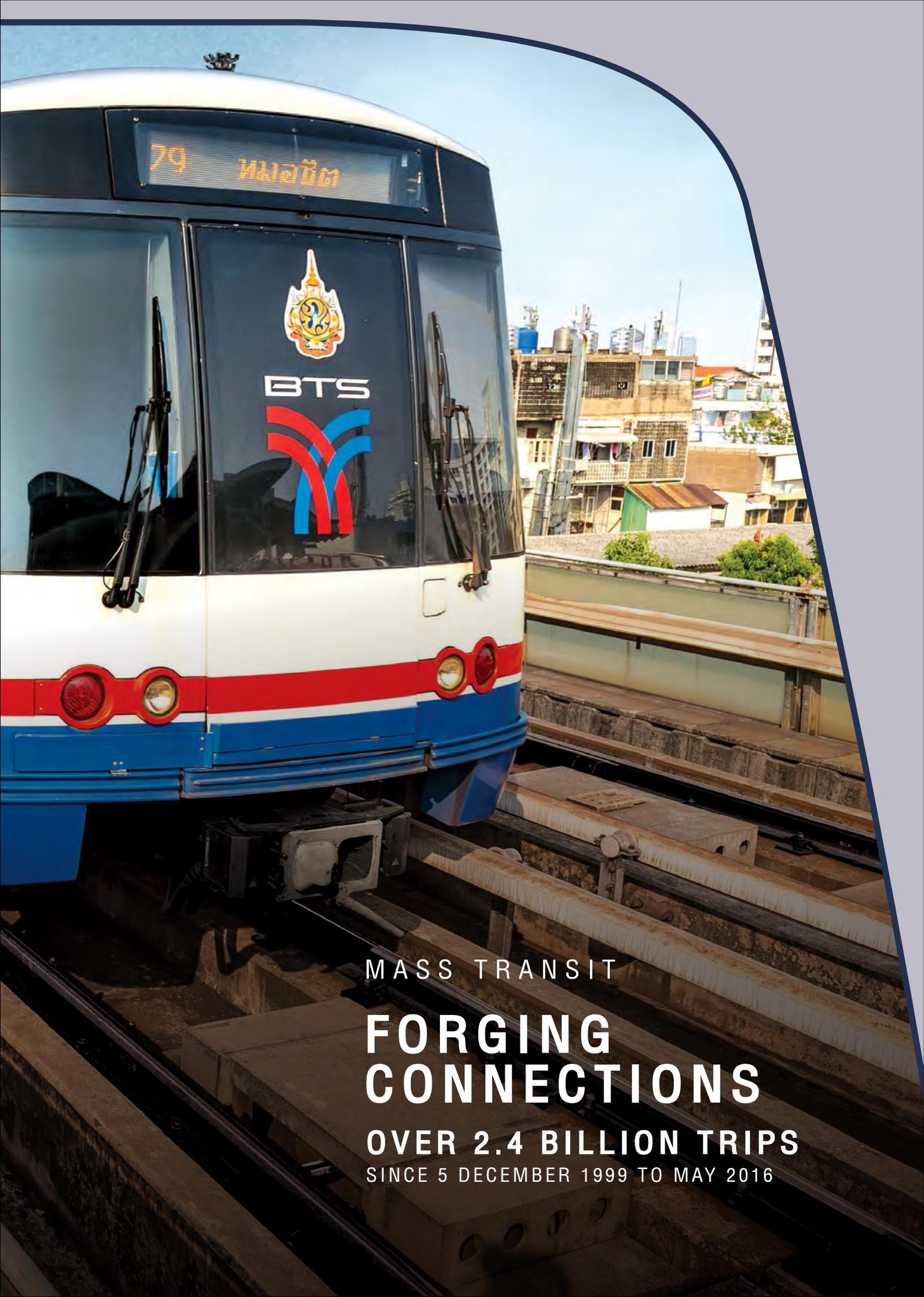
We are an integral part of the communities which we operate in. We provide *City Solutions* that enhance our customers' sense of community. We contribute revenues and resources to work with local communities supporting education and children's welfare and we promote the health and well-being of BTS employees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

We based our strategies on five foundations:

1. Experiences in rail mass transit
2. Synergy across all four businesses with rail mass transit at our core
3. Financial strength
4. Innovation
5. Customer satisfaction

BTS Group will grow our four businesses in line with the urbanisation of Thailand and provide the community with a unique and comprehensive range of *City Solutions* that significantly contributes to an improved way of life.





MASS TRANSIT

FORGING CONNECTIONS

OVER 2.4 BILLION TRIPS
SINCE 5 DECEMBER 1999 TO MAY 2016

MEDIA

TO BECOME

A NATIONWIDE INTEGRATED MEDIA PLATFORM





ทุกความรู้สึกต่อชีวิต
เห็นแค่คิดติดตัว

Lumia 730

Microsoft

WE GLOBAL MEDIA

Tefal

พร้อม
Alimant
Bakeware

เอ๊ะ...จริงไหมนี่

เป๊ปซี่

1945

เป๊ปซี่

ทำ...สดชื่น

ใหม่



PROPERTY

CEMENTING GROWTH

MOMENTUM THROUGH
PARTNERSHIPS





SERVICES

**DEFINING
CONNECTIVITY**



BTS GROUP OVERVIEW



BTS Group Holdings PCL (BTSG) is a leading provider of passenger services in Thailand. BTSG is listed on the Stock Exchange of Thailand and is amongst the 50 largest companies in Thailand with a market capitalisation of THB 108.6bn (USD 3.0bn) as of 31 May 2016. The Group's businesses can be divided into 4 main business units:

- **Mass Transit**
- **Media**
- **Property**
- **Services**

MASS TRANSIT

BTSG 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 Network as well as the exclusive operator of certain extensions to the Core Network and the Bus Rapid Transit system.

In April 2013, BTSC sold its rights to the future net farebox revenues under its concession agreement with the Bangkok Metropolitan Administration to **BTS Rail Mass Transit Growth Infrastructure Fund (BTSGIF)**. 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 BTSG. For further details, please refer to section **3.6.1: Business and Industry Overview - Mass Transit**.

MEDIA

BTSG also focuses on the Media business which it operates via its majority-owned subsidiary, VGI Global Media PCL (VGI). VGI is the Out-of-Home Media company in Thailand. It has an exclusive concession to manage advertising space on the core BTS stations. VGI has expanded to manage advertising space in key offices and commercial buildings in Bangkok as well as street furniture media sector. In addition, VGI has stepped into Outdoor Media segment through holdings in other outdoor advertising companies. VGI also had exclusive rights to manage advertising space in leading modern trade retailers nationwide up until May 2015, when it discontinued operations in this media segment. For further details, please refer to section **3.6.2: Business and Industry Overview - Media**.



MASS TRANSIT

REVENUE (THB mn)
2015/16 :
2,440.7

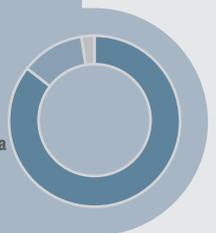
- **O&M**
65.3%
- **Share of Net Profit (loss) from BTSGIF**
34.7%



MEDIA

REVENUE (THB mn)
2015/16 :
2,069.3

- **BTS-related Media**
85.7%
- **Office Building and Others**
11.9%
- **Modern Trade Media**
2.4%





PROPERTY

REVENUE (THB mn)
2015/16 :
896.5

- Commercial Property
66.2%
- Residential Property
33.7%
- Others
0.1%



PROPERTY

BTS Group has over 40 years of experience in property development business. The book value of BTS Group's existing property assets are worth more than THB 6.8bn as of 31 March 2016, which can be divided into 3 main categories:

- Residential property business (housing and condominium portfolio)
- Commercial property business (hotel, office and serviced apartment portfolio) and
- Land bank

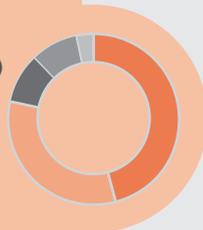
Furthermore, the Company partnered with other property players under the strategic partnership approach to strengthen the property division. For further details, please refer to section 3.6.3: *Business and Industry Overview - Property*.



SERVICES

REVENUE (THB mn)
2015/16 :
741.0

- ChefMan Restaurant
46.0%
- Rabbit Card
32.5%
- BPS
(CCH Development)
9.4%
- HHT (Construction)
8.9%
- Others
3.2%



SERVICES

The Services business division provides strategic support for the rest of the BTS Group as well as a potential source of future revenue growth. In addition to the development and operation of the "Rabbit Card", a common ticketing platform across Bangkok's BTS network and partnered retail stores, the Group is engaged in Construction Services, Hotel Management Services and the Restaurant business. For further details, please refer to section 3.6.4: *Business and Industry Overview - Services*.

Total Operating Revenue (THB mn)
6,147.5

Gross Operating Profit (THB mn)
3,522.9

EMPLOYEES	2015/16
MASS TRANSIT	2,144
MEDIA	236
PROPERTY	476
SERVICES	767
BTS GROUP HOLDINGS	129
TOTAL EMPLOYEES	3,752

1.3

KEY FIGURES



STATEMENT OF COMPREHENSIVE INCOME

Operating revenue ¹		Operating EBITDA ²		Net recurring profit ³		Net profit after minority interest ⁴	
(THB mn)		(THB mn)		(THB mn)		(THB mn)	
7,102.1	6,147.5	2,836.2	2,560.0	3,072.2	2,282.7	2,944.0	4,141.1
2014/15	2015/16	2014/15	2015/16	2014/15	2015/16	2014/15	2015/16
CHANGE (13.4)%		CHANGE (9.7)%		CHANGE (25.7)%		CHANGE 40.7%	

PROFITABILITY AND RETURN

Gross operating profit margin		Operating EBITDA margin ⁵		Net recurring profit margin ⁶		Earnings per share	
(%)		(%)		(%)		(THB)	
55.5	57.3	39.9	41.6	34.7	33.7	0.248	0.350
2014/15	2015/16	2014/15	2015/16	2014/15	2015/16	2014/15	2015/16
CHANGE 3.3%		CHANGE 4.2%		CHANGE (2.9)%		CHANGE 41.1%	

CASH FLOW

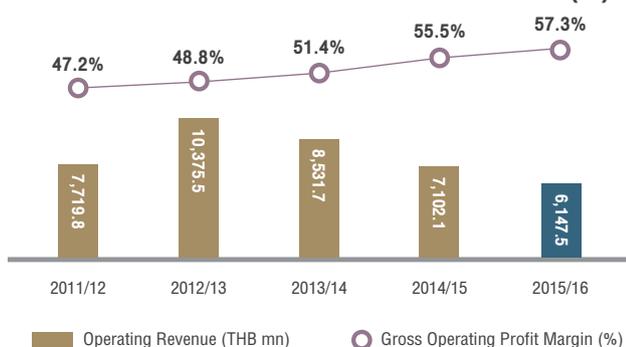
CFO ⁷		Capex ⁸		Total dividend ⁹		DSCR ¹⁰	
(THB mn)		(THB mn)		(THB mn)		(X)	
(70.7)	332.3	1,697.1	1,633.2	7,093.8	8,048.0	7.03x	8.84x
2014/15	2015/16	2014/15	2015/16	2014/15	2015/16	2014/15	2015/16
CHANGE N.A.		CHANGE (3.8)%		CHANGE 13.5%		CHANGE 25.7%	

STATEMENT OF FINANCIAL POSITION

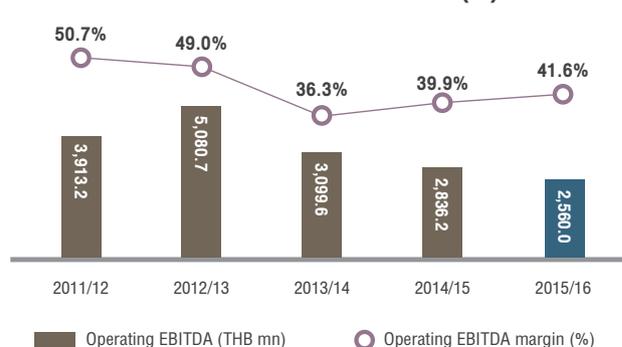
Cash and cash equivalents		Net debt / equity		Total assets		Total equity	
(THB mn)		(X)		(THB mn)		(THB mn)	
8,668.5	2,364.7	(0.11x)	0.15x	66,810.3	65,168.7	52,012.5	46,916.9
2014/15	2015/16	2014/15	2015/16	2014/15	2015/16	2014/15	2015/16
CHANGE (72.7)%		CHANGE N.A.		CHANGE (2.5)%		CHANGE (9.8)%	



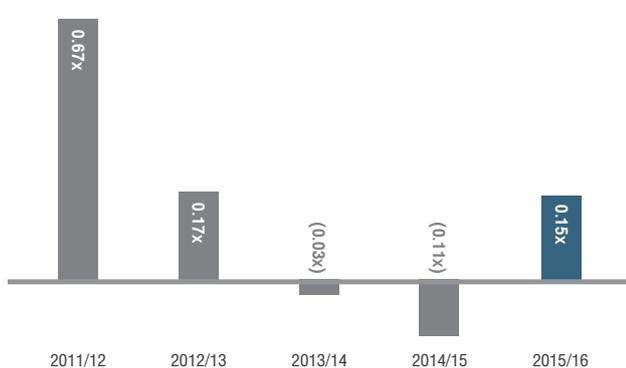
OPERATING REVENUE¹ (THB mn) AND GROSS OPERATING PROFIT MARGIN (%)



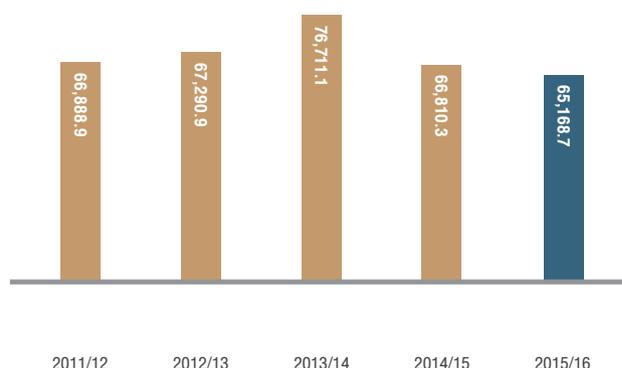
OPERATING EBITDA² (THB mn) AND OPERATING EBITDA MARGIN⁵ (%)



NET DEBT TO EQUITY (X)



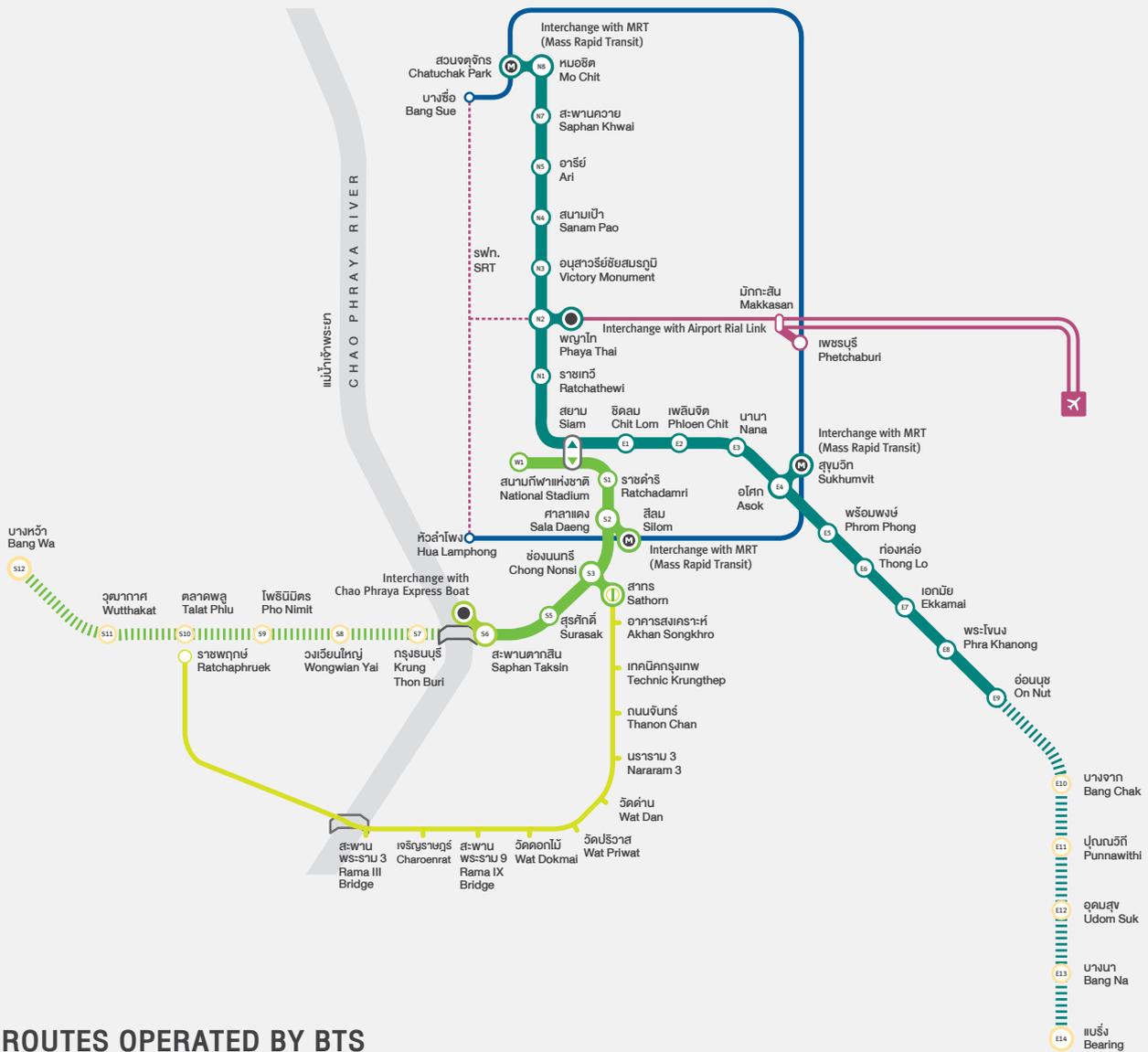
TOTAL ASSETS (THB mn)



- 1 Operating revenues includes revenue from 4 BUs and share of profit (loss) from BTS/IF
- 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)

EXISTING BANGKOK MASS TRANSIT NETWORK



ROUTES OPERATED BY BTS

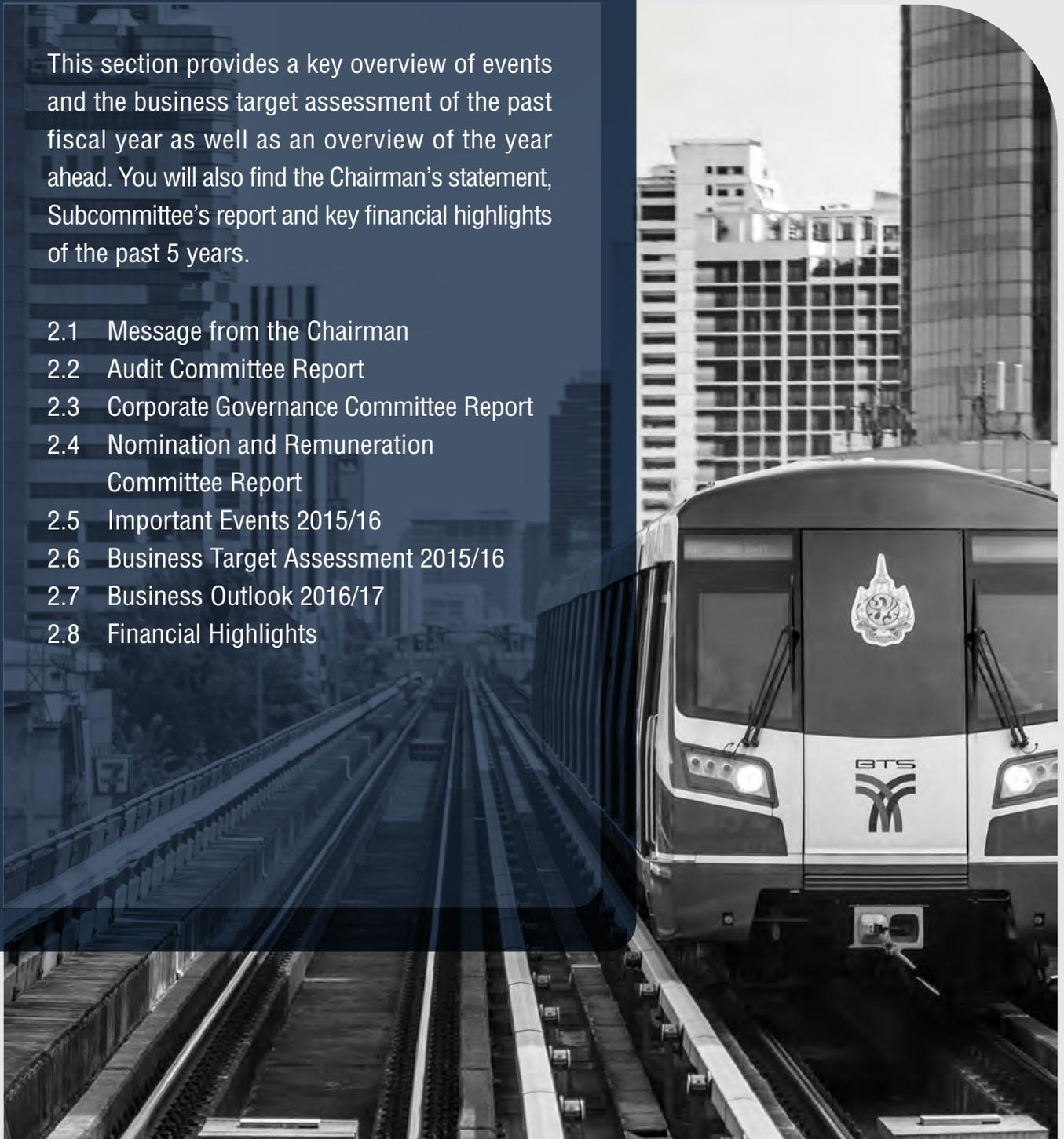
CORE NETWORK	
	Silom Line
	Sukhumvit Line
EXTENSION LINES	
	Silom Line Extension
	Sukhumvit Line Extension
OTHERS	
	BRT

2.0

HIGHLIGHTS 2015/16 & 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, Subcommittee's report and key financial highlights of the past 5 years.

- 2.1 Message from the Chairman
- 2.2 Audit Committee Report
- 2.3 Corporate Governance Committee Report
- 2.4 Nomination and Remuneration Committee Report
- 2.5 Important Events 2015/16
- 2.6 Business Target Assessment 2015/16
- 2.7 Business Outlook 2016/17
- 2.8 Financial Highlights



MESSAGE FROM THE CHAIRMAN

Dear Fellow Stakeholders,

The Thai economy has posted moderate GDP growth of 2.8% over the past year in light of sluggish global growth. In spite of this we saw continued growth in our Mass Transit business (which remains highly resilient to external factors) and encouraging signs from our Property business, with excellent presales on new launches under our joint venture with Sansiri.

In 2015/16, net profit increased from THB 3,340.2mn to THB 4,406.7mn, mainly on the back of the recognition of a net gain from the sale of property assets to U City PCL of THB 2,516mn. Operating revenue, however, declined from THB 7,102.1mn to THB 6,144.9mn, largely due to the discontinuation of our Modern Trade Media business as well as the lower of transfers in our Property business. In accordance with our committed dividend programme, BTS Group will pay total dividends of THB 8bn¹, which represents an annual dividend yield of 7.75%¹.

BTS Group is a prime beneficiary of mass transit expansion in Thailand. Through our core business of operating rail mass transit lines - which has high barriers to entry because it needs high investment and a high level of expertise. This will subsequently bring benefits across our 3 other business segments. Our existing rail business met all of its targets for the year, with core network ridership growth of 6.3% YoY (232.5 million passengers), average fare increase of 2.4% YoY and operation & maintenance revenue growth of 2.8% YoY.

On 28 March 2016, the Mass Rapid Transit Authority of Thailand signed a MoU to transfer responsibility for the Green Line North and South extensions to the Bangkok Metropolitan Authority in accordance with the government aim to provide convenience to passengers. As such, we are poised to be awarded with the new operating contracts for the 31.2km extensions of the Green Line in 2016, nearly doubling the size of our current operations. The first station of the Green Line South extension is expected to begin operating at the beginning of 2017.

Moreover on 23 May 2016, BTSC signed a landmark agreement for Thailand's largest single order of trains. Siemens Consortium and CRRC Changchun will supply 46 additional 4-car trains, totaling 184 carriages. The trains will be used to accommodate the increase in ridership on the existing network and the green line extensions mentioned above.

The government has reaffirmed its commitment to expand the rail network in Bangkok and its vicinity. During the year it has expedited the public private partnerships process. The Pink and Yellow line are the first lines expected to be awarded under this new approval framework, and we expect the first of these concessions to be awarded by 2017.

Over the next 5 years, **BTS Group targets an award of an additional 108.8km of new urban mass transit routes.** This would **potentially increase VGI Global Media's rail-related media inventory 4 times.** We also advanced our outdoor media footprint to a nationwide level by increasing our stake to 37.42% in listed, subsidiary company, Master Ad Co Ltd (MACO). Through this transaction, we achieve majority management control, allowing VGI to consolidate MACO. A mandatory tender offer period is currently in effect for the remaining shares in accordance with SEC regulations. **Our goal is to create a Nationwide Integrated Media Platform within the next 2 years.** This will be underpinned by our Rail, Outdoor, Office building and Aviation media segments and further augmented by the capability we are developing within Online advertising and Activation.

The year witnessed an impressive start for our Strategic Alliance with Sansiri. **Amidst a relatively weak property market in Thailand, our first 3 projects were fully pre-sold within days of each launch, generating THB 11bn value of pre-sales.** The strong demand is a firm vindication of our mass transit-centric strategy for property development, and the synergistic relationship we enjoy with our joint venture partners. Encouraged, we upsized our Strategic Alliance goal to launch THB 100bn worth of residential condominiums over the next 5 years, creating a larger pipeline of more consistent property profits to our income statement.

¹ Subject to shareholder approval; dividend yield based on share price as of one day prior to the Board of Directors' approval of relevant dividend payment

U City, our commercial property associate also expects to develop its initial properties along the mass transit routes within 2016/17, starting with a 120,000 sqm mixed-use building located adjacent to Phayathai BTS interchange station. We've restructured our Property business and our various property companies and assets to be held under one wholly-owned entity in order to streamline financial reporting and management.

Within our Services business, we now have over 5.3 million Rabbit cards in circulation. Our joint venture with Line to create Rabbit Line Pay marks the beginning of the evolution of our card-based offline payment channel into an integrated offline-online nationwide payment platform. This expansion will also provide a valuable online database to deepen and improve our Media business offering.

Never in the history of Company, can I recall being so optimistic on the set of business opportunities that BTS Group has, as it does now. Across all of our 4 business units, we are poised to make pivotal advances. This will mark a multi-year period of investment and as a result of that, we can expect to see our dividend decline as we pursue this growth. The returns from these investments will begin to be realised from 2018/19 and thereafter we expect them to be both sustainable and to generate further growth. In the meantime we retain a strong balance sheet to begin this investment, with cash and liquid investments of THB 16.4bn and low leverage with net debt to equity of only 0.15x.



Mr. Keeree Kanjanapas
Chairman /
Chairman of the Executive Committee /
Chairman of the Corporate Governance Committee

We have stepped up our efforts to give back to the community. Through our "Next Station Happiness" CSR programme we have been able to make meaningful and lasting contributions to 'hard to reach' schools across Thailand. Our commitments to sustainability, corporate governance, transparency and ethical behaviour were recognised by winning the "Sustainability Report Award" in the "Recognition" category by the SET, being conferred a 5-star corporate governance rating for the 4th year in a row and being certified as a member of Thailand's private sector Collective Action Coalition Against Corruption.

Following 6 years of service, Dr. Amorn Chandrasomboon stepped from the position of an Independent Director of the Board of Director. We are extremely grateful to Dr. Amorn for his valuable contribution and are delighted that he has accepted our invitation to become the Chairman of the Advisory Board. Joining our Board this year is Khun Pichitra Mahaphon who has served as a member of the Audit Committee of BTSC for several years. In closing and on behalf of the Board of Directors, I would like to extend my sincere appreciation to all our staff within the Group and business partners for their ongoing commitment, professionalism and ability to adapt to the changing environment.



AUDIT COMMITTEE REPORT

TO THE SHAREHOLDERS AND THE BOARD OF DIRECTORS 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 Members of the Audit Committee and Mr. Pipop Intaratut as the Secretary to the Audit Committee. The Audit Committee is appointed by a resolution of the Board of Directors. The Committee is overseeing the Company’s compliance with the principles of good corporate governance to provide confidence to the investors, its shareholders and all other stakeholders.

In 2015/16, the Audit Committee conducted 5 meetings, by which each member has attended all of the Meetings, and reported the results of the meeting to the Board of Directors. The Audit Committee has performed the duties during the year 2015/16, summarised 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 cause to believe that such financial reports were not accurate but were in accordance with the Generally Accepted Accounting Principles.
2. Reviewed and ensured the Company has an appropriate and efficient internal control and internal audit system. The internal audit office is under the Audit Committee set up to evaluate the appropriateness and effectiveness of the internal control system. The internal audit office has the procedures to monitor 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. Gave advice, suggestion and support to 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 securities and exchange law, 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 the Company’s auditor from EY Office Limited for the fiscal year ended March 31, 2016 to review and give opinion on the Company’s financial statements, certified by Mr. Narong Puntawong, Certified Public Accountant (Thailand) No. 3315, and/or Mr. Supachai Phanyawattano, Certified Public Accountant (Thailand) No. 3930, and/or Miss Siraporn Ouaanunkun, Certified Public Accountant (Thailand) No. 3844. The audit fee did not exceed THB 3.75mn. 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 auditors without any Executive Management to ensure that the auditors can independently and appropriately perform their functions.

6. Considered and reviewed the connected transactions or the transactions that may lead to conflicts of interest between the Company with related persons or related companies. Determined whether these transactions complied to terms and conditions of the business agreement. The Company's auditors were of the opinion that such transactions 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 2015 and 31 March 2016, the Audit Committee had a total of 5 meetings. Audit Committee members attended the Audit Committee Meeting as follows:

Name	Title	Numbers of Attendances
Prof. Lt. Gen Phisal Thepsithar	Chairman of the Audit Committee	5/5
Mr. Suchin Wanglee	Audit Committee	5/5
Mr. Charoen Wattanasin	Audit Committee	5/5

8. Overall, the Audit Committee 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 2015/16.

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, and professional councils or the Thai institute of Directors in order to enhance the knowledge and understanding of the role of the Audit Committee and to perform their duties more efficiently.

11. Overall, the Audit Committee is of the opinion that the performing of duties under the Audit Committee charter, can be independently followed in line with the principles of good corporate governance. In this regard with full cooperation and support of all parties, the Audit Committee can efficiently perform their functions in a responsible and satisfactory member.



Professor Lt. Gen. Phisal Thepsithar
Chairman of the Audit Committee



CORPORATE GOVERNANCE COMMITTEE REPORT

TO THE SHAREHOLDERS
OF BTS GROUP HOLDINGS PUBLIC COMPANY LIMITED

The Corporate Governance Committee of BTS Group Holdings Public Company Limited consists of 4 members, divided into 1 independent director and 3 executive directors, namely Mr. Keeree Kanjanapas as the Chairman of the Corporate Governance Committee, Dr. Anat Arbhabhirama, Mr. Rangsin Kritalug and Professor Charoen Wattanasin as the members of the Corporate Governance Committee and Ms. Taraket Thawornpanich is the Secretary to the Corporate Governance Committee. The Board of Directors has appointed the Corporate Governance Committee to support the Board of Directors' corporate governance functions as well as determining the policies and guidelines on good corporate governance, e.g., the Corporate Governance Policy, Business Ethics and Employees' Ethics, Corporate Social Responsibility (CSR) Policy, and the Anti-Corruption and Bribery etc., to be suitable with the Company's business operation and in accordance with the good corporate governance practices in both national and international standards.

In 2015/16, the Corporate Governance Committee held a total of 2 meetings, which were in line with the specified rules of meeting. In accordance with the good corporate governance principles, each member of the Corporate Governance Committee attended all meetings and regularly reported the resolutions of the meeting to the Board of Directors for their acknowledgement. In this regard, the significant activities of the Corporate Governance Committee in 2015/16 can be summarised as follows:

1. Reviewed the Corporate Governance Policy and the Code of Conduct of the Company to be in line with the laws, the Principles of Good Corporate Governance of the Stock Exchange of Thailand and the Thai Institute of Directors (IOD) and proposed the

same to the Board of Directors for their consideration and approval, as well as monitoring the implementation of these policies.

2. Considered, reviewed, improved and determined the Enterprise Anti-Corruption plan by establishing the Anti-Corruption Measures, Risk Management Policy, and additional guidelines and procedures and proposed the same to the Board of Directors for their consideration and approval.

3. Encouraged the Company to join the Partnership Against Corruption for Thailand (PACT) as a standpoint of the Company on Anti-Corruption and Bribery.

4. Implemented the plan and procedures on the Enterprise Anti-Corruption as presented to the Board of Directors. On 22 January 2016, the Company was awarded with a certification of membership of the Thailand's Private Sector Collective Action Coalition Against Corruption from the Thailand's Private Sector Collective Action Coalition Against Corruption Council, out of 554 companies that declared their intention in joining the Thailand's Private Sector Collective Action Coalition.

5. Reviewed and determined the policy and plan on Corporate Social Responsibility (CSR), whereas the policy emphasises on being a part of the community development, providing the educational opportunities and giving aids to the underprivileged children and communities in the remote areas in all regions of Thailand. CSR activities, namely, "Next Station-Happiness by BTS Group" was set to provide consumer goods and necessities to those communities in the rural areas, as well as carrying out the Thai Elephant Conservation Project and adopting the elephants at the Elephant Conservation Center.

6. Considered, reviewed and provided opinions on the preparation of Sustainability Report 2015/16 to be in line with the sustainability development framework of the Global Reporting Initiative (GRI) Generation 4 to communicate our policies and performances on Corporate Social Responsibility (CSR) through economic, social and environmental index.

7. Evaluated the performance of the Corporate Governance Committee for the year 2015/16 and was of opinion that the Corporate and Governance Committee was able to complete their duties as assigned and reported such evaluation result to the Board of Directors.

8. Prepared this Corporate Governance Committee's report and disclosed the same in the Annual Report 2015/16.

In light of the Company's determination and emphasis on the development of the Company's operation to be in accordance with the good corporate governance principles, the Company is rated under the "5-star" group or equivalent to "Excellent" for the fourth consecutive year from the assessment of the Corporate Governance Survey of Listed Companies conducted by the Thai Institute of Directors (IOD).



Mr. Keeree Kanjanapas
Chairman of the Corporate
Governance Committee



NOMINATION AND REMUNERATION COMMITTEE REPORT

TO THE SHAREHOLDERS
OF BTS GROUP HOLDINGS PUBLIC COMPANY LIMITED

The Nomination and Remuneration Committee of BTS Group Holdings Public Company Limited consists of 5 directors, divided into 3 independent directors and 2 executive directors, namely Professor Lt. Gen. Phisal Thepsithar as the Chairman of the Nomination and Remuneration Committee, and Mr. Suchin Wanglee, Professor Charoen Wattanasin, Mr. Rangsin Kritalug, and Mr. Kong Chi Keung as the members of the Nomination and Remuneration Committee. Ms. Taraket Thawornpanich as the Secretary to the Nomination and Remuneration Committee. The Board of Directors has appointed the Nomination and Remuneration Committee to support the Board of Directors on the nomination of directors, determination of the remuneration of directors, the Chairman of the Executive Committee and the Chief Executive Officer, as well as preparing the director development plan in order to provide the directors the knowledge and understanding of the Company's business, the roles and duties of the directors and other significant developments and to assure the shareholders that the person who holds position of the director possesses the qualifications in accordance with the law, and has the knowledge, capability, and efficiency for the utmost benefits of the Company and the shareholders.

In 2015/16, the Nomination and Remuneration Committee held a total of 2 meetings which were in line with the specified rules of meeting. In accordance with the good corporate governance principle, each member of the Nomination and Remuneration Committee attended all meetings and regularly reported the resolutions of the meeting to the Board of Directors for their acknowledgement. In this regard, the significant activities of the Nomination and Remuneration Committee in 2015/16 can be summarised as follows:

1. Considered and nominated Mr. Chulchit Bunyaketu, Mr. Karoon Chandrangsu, and Mrs. Pichitra Mahaphon for the director's positions of the Company by considering the structure, size and composition of the Board of Directors, the diversity in the Board of Directors' structure (Board Diversity), the qualifications of directors that are necessary and required in the Board of Directors (Board Skill Matrix), other qualifications according to the laws and other criteria of the Company, as well as the appropriateness of their knowledge and capability, and proposed those persons to the Board of Directors and/or Annual General Meeting of Shareholders for their consideration and approval.
2. Allowed the shareholders to nominate candidates to be elected as the directors in advance for the 2016 Annual General Meeting of Shareholders in order to promote the practice of the good corporate governance principle of the rights of shareholders.
3. Considered and determined the remuneration of the directors by taking into the account the Company's operating results, the size of the business, and the responsibilities of the directors in comparison with other companies listed on the Stock Exchange of Thailand with a similar market capitalisation and other listed companies within the same industry with the Company, and proposed the same to the Board of Directors and the Annual General Meeting of Shareholders for their consideration and approval.
4. Evaluated the performance of the Chairman of the Executive Committee and the Chief Executive Officer for the year 2015/16, determined the remuneration of the Chairman of the Executive Committee and the Chief Executive Officer and proposed the same to the Board of Directors for their consideration and approval.

5. Considered and provided opinion on the issuance and allocation of warrants to employees of the Company and subsidiaries and who do not hold the position of director under the BTS Group ESOP 2015 Scheme and proposed the same to the Board of Directors and the Annual General Meeting of Shareholders for their consideration and approval. This was to incentivise the employees to work together for the Company's and its subsidiaries' growth and to retain key personnel to work for the Company and its subsidiaries in the long term, which would be favorable to the future performance and operation of the Company and its subsidiaries.

6. Prepared the director development plan in order to provide knowledge and capability of the directors and organised the new director orientation program for Mr. Chulchit Bunyaketu, Mr. Karoon Chandrangu, and Mrs. Pichitra Mahaphon by providing information and details of the Company's history, group business organisation, organisation chart, types of business, group business policy, financial status and operating results, as well as the scope of duties and responsibilities of the Board of Directors and the subcommittees, including

other significant policies of the Company. In addition, the Nomination and Remuneration Committee assigned the Company Secretary Office to prepare, review and revise the Director's Handbook to be accurate and up to date, and provided such Director's Handbook to all directors so that the directors can study and use such information as reference to perform their duties as directors.

7. Evaluated the performance of the Nomination and Remuneration Committee for the year 2015/16 and viewed that the Nomination and Remuneration Committee was able to complete their duties as assigned and reported such evaluation result to the Board of Directors.

8. Prepared this Nomination and Remuneration Committee Report and disclosed the same in the Annual Report 2015/16.



Professor Lt. Gen. Phisal Thepsithar
Chairman of Nomination
and Remuneration Committee



2.5

IMPORTANT EVENTS 2015/16

20 APRIL 2015

Completed the disposal of all ordinary shares in two subsidiaries, (i) BTS Assets Co., Ltd. (“BTSA”), the owner of Eastin Grand Hotel Sathorn Bangkok (“EGS”) and land plots at Phaholyothin Road and (ii) Kamkoong Property Co., Ltd. (“KKP”), the owner of land plots at Phayathai Road to U City Public Company Limited (“U City”). Total sales consideration was THB 9,404.1mn and BTS Group received 35.64% of the newly issued ordinary shares as well as warrants of U City in exchange for the sale.

MAY 2015

VGI fully exited the Modern Trade media business. However, VGI signed a contract with BTSC, receiving rights to manage advertising and merchandising areas on 7 extension stations (On Nut to Bearing and Krungthon Buri to Wongwian Yai) from May 2015 to December 2029.

22 JULY 2015

BTS Group and Sansiri Public Company Limited (“SIRI”) announced the upsizing of the 5-year strategic alliance framework agreement to THB 100bn (from THB 25-30bn) with plans to develop approximately 25 condominium projects for sale within 500m of mass transit stations.

24 JULY 2015

The Annual General Meeting of Shareholders 2015 approved the appointment of 2 new directors (Mr. Chulchit Bunyaketu and Dr. Karoon Chandrangu), increasing the number of the directors from 12 to 14 directors.

17 AUGUST 2015

The Company paid 2014/15 final dividend of THB 3,547.6mn or THB 0.30 per share, taking the total annual dividend paid to THB 7,093.8mn (THB 0.60 per share). Based on the closing share price on 22 May 2015 (one day before the BOD date), this is equivalent to a dividend yield of 6.38%.

6 OCTOBER 2015

The Company completed the disposal of 50% shares in Nuvo Line Agency Co., Ltd. (“Nuvo Line”) to SIRI. As a result, the Company’s shareholding in Nuvo Line decreased from 100% to 50% and Nuvo Line changed its status from a subsidiary to a joint venture company of BTS Group.

15 OCTOBER 2015

Bayswater Co., Ltd., a 50:50 owned affiliate of BTS Group and Grand Canal Land Public Company Limited (“GLAND”), won the auction for 48-2-96.8 rai (77,987.2sqm) land plot located at Phaholyothin Road near Ratchayothin intersection which is located 200m from the future Green Line extension station (N10).

18 NOVEMBER 2015

BSS Holdings Co., Ltd. (“BSSH”), a wholly-owned subsidiary of the Company, and Kerry Logistics (Thailand) Co., Ltd. (“Kerry”) have invested 80% and 20%, respectively, in a new joint venture company named RabbitPay System Co., Ltd. (“RabbitPay”).



27 NOVEMBER 2015

BSSH has completed the acquisition of shares in a group of companies which offers online insurance and financial products (25% in ASK Hanuman Co., Ltd.-currently known as Rabbit Internet Co., Ltd., 51% in ASK Direct Co., Ltd. and 51% in ASK Broker Association Co., Ltd.). The objective of this investment is to expand our services business to cover e-services pursuant to the service business development plan of BTS Group.

11 JANUARY 2016

The Board of Directors approved the interim dividend payment for 2015/16 from the operating results of the six-month period (1 April 2015-30 September 2015) at THB 0.34 per share or THB 4,022.3mn in total. Based on the closing share price on 8 January 2016 at THB 8.55 (one day before BOD date), this is equivalent to a dividend yield of 7.49% on an annualised basis.

MARCH 2016

VGI announced its strategic plan to become a “Nationwide Integrated Media Platform” within 2 years, building 6 key nationwide segments: Transit, Office, Outdoor, Aviation, Digital and Activation media. Following this, VGI announced its agreement to acquire an additional 12.46% stake in Master Ad Public Company Limited (“MACO”), triggering a tender offer for all of the remaining of MACO shares. Through MACO, VGI will increase its outdoor media nationwide footprint which shall serve a long underserved customer base.

28 MARCH 2016

The Board of Director’s Meeting No.4/2016, resolved to appoint Mrs. Pitchitra Mahaphon as Independent Director and member of the Audit Committee of the Company, effective from 28 March 2016 onwards. Moreover, on the same day, we saw clearer progress on the green line extensions (from Bearing to Samut Prakarn and Mo Chit to Ku Kod) with responsibility transferred from Mass Transit Rapid Authority (“MRTA”) to Bangkok Metropolitan Authority (“BMA”).

31 MARCH 2016

RabbitPay System and LINE Biz Plus Limited (“Line Biz Plus”) announced a 50:50 joint venture. RabbitPay System (a subsidiary of the Company) invests 50% of LINE Biz Plus. Line Pay (Line’s payment platform) is renamed as “Rabbit Line Pay”, Thailand 1st integrated offline and online payment platform. The objective of this investment is to engage in the business of electronic and online payment.

8 APRIL 2016

The Company established KMJ 2016 Co.,Ltd, a subsidiary to engage in the restaurant, food and beverage business. The Company holds 51% of shares and Ms. Juthamas Sukumvitaya holds 49% of shares. The subsidiary has an initial capital of THB 41mn.

17 MAY 2016

BTS Group and BTSC are rated “A” with a “Stable” Outlook from Fitch Ratings and TRIS Ratings. Both ratings agencies have assessed the Company and BTSC having solid, stable cash flow and profitability in its mass transit and media operations. The ratings will add flexibility to the Company to tap debt financing sources.

23 MAY 2016

BTSC signed the contract with Siemens Consortium (“Siemens”) and CRRC Changchun Railway Vehicles Co., Ltd. (“CRRC”) to procure 46 additional 4-car trains, totaling 184 carriages (Thailand’s largest train order) to serve the increased patronage in existing network, together with green line south and north extensions.

27 MAY 2016

The Board of Directors approved the final dividend payment for 2015/16 of up to THB 4,025.6mn or THB 0.34 per share, taking the total annual dividend paid to THB 8,048.0mn, subject to shareholders’ approval. Based on the closing share price on 26 May 2016 at THB 9.00 (one day before BOD date), this is equivalent to a dividend yield of 7.75%.

2.6

BUSINESS TARGET ASSESSMENT 2015/16

“ Our mass transit-related revenues continue to show solid year-on-year growth and the number of Rabbit cards continues to grow in spite of soft economic growth due to weak export performance and muted consumption growth. Our Media business faced challenges, which is characteristically more sensitive to economic cyclicality. As a result, we have missed some of our full year targets. ”

MASS TRANSIT	TARGET	RESULTS
Growth contribution from a combination of organic growth and new real estate developments along mass transit routes, which fed more passengers into the network.	4-6% Ridership Growth	6.3% Target Exceeded
Average fare per trip increased to THB 27.5 from the adjustment in card promotions on the monthly passes in July 2015 as well as from the discontinuation of discounts given to stored value rabbit cards in January 2016. Taking into account ridership and effective fare increase, fare-box revenue grew 8.9% YoY.	2% Effective Fare Increase	2.4% Target Exceeded
O&M revenue (excludes non-recurring items related to BRT) growth was attributed to the contractually agreed fee increase for operating the Sukhumvit and Silom Green Line extensions.	3% O&M Revenue Growth	3.5%* Target Exceeded
* excludes non-recurring items related to BRT		
MEDIA		
The contraction of Media business revenue was mainly from the discontinuation of our Modern Trade Media business in May 2015 and weaker than expected overall media spending.	12% Revenue Contraction (initial)	29.3% Revenue Contraction
During the year, VGI successfully secured concessions to 7 additional extension stations and exceeded targets in the Office Building Media segment.	26% Revenue Contraction (revised)	
PROPERTY		
We were able to successfully transfer all remaining 76 units of Abstracts Phaholyothin Park (Tower A) Condominium. As a result of our divestment of 50% shares in Nuvo Line to SIRI, earnings recognition was shifted from revenue to share of net income / (loss) from investments in JV.	THB 620mn Residential Property Revenue	THB 302.4mn Residential Property Revenue
Under SAFA, the Company has successfully launched three BTS-SIRI JV projects in 2015/16 with THB 11bn in project value. All projects were completely sold out within 2 days of the pre-sales period.		<i>See more details in section 3.6.3: Property</i>
The disposal of Eastin Grand Sathorn Hotel to U City since 20 April 2015, shifted earnings recognition from revenue to share of net income / (loss) from investments in associates. In addition, the Company recognised extraordinary gain of THB 2.5bn as a result of the transaction.	THB 590mn Commercial Revenue	THB 593.6mn Target Exceeded
Robust growth in commercial revenue from U Sathorn Bangkok hotel and the stronger overall tourism environment.		
SERVICES		
Over 5.3mn Rabbit cards were issued as of 31 March 2016, with more than 95 brand partners, over 3,000 retail outlet acceptance in the circulation.	5mn Rabbit Cards	5.3mn Rabbit Cards Target Exceeded
ChefMan now manages 9 branches, divided into 4 express branches, 3 dine-in branches, 1 fine dining branch and 1 buffet branch.	6-9 additional branches of ChefMan	5 additional branches
The Company decided to focus on improving operating performance in existing branches on weaker than anticipated consumption growth.		

BUSINESS OUTLOOK 2016/17

“ We expect steady growth from our existing Mass Transit business and our key focus will be on collaborating with the government to be awarded contracts for new lines. We expect to see improvement in Media revenues in 2016/17, mainly from the consolidation of MACO’s financial statement and organic growth. In the Property business, following the successful launch of three “The Line” projects, BTS-SIRI partnership has plans to launch 6 additional condominium projects in 2016 with total project value of THB 23bn. ”

MASS TRANSIT



5-6%	Ridership Growth
1%	Average Fare Increase
3-4%	O&M Revenue Growth

We expect to see 5-6% ridership growth for 2016/17 based on the combination of organic growth and new real estate developments along mass transit routes. Average fare per trip is expected to increase by 1% after adjusting for certain card promotions. While our O&M revenue is expected to grow by 3-4% next year according to agreed terms of the O&M contract.

PROPERTY



THB 620mn	Commercial Property Revenue
THB 60mn	Residential Property Revenue

We expect Commercial Property revenue at THB 620mn, consisting primarily of revenues from our hotel portfolio and Thana City Golf Course & Sports Club. We also expect Residential Property revenue of THB 60mn in 2016/17 mainly from housing projects at Thana City.

Under the BTS-SIRI JV, we plan to launch 6 additional Residential Property projects in 2016 with a total project value of THB 23bn. This year, we expect significant revenue recognition from transfers of our first JV project.

MEDIA



50%	Media Revenue Growth
------------	----------------------

We target Media revenue to grow by 50% in 2016 by consolidating MACO revenues and healthy organic growth from all media segments. We project top-line growth of 6%, 27%, 100% and 230% from BTS-related Media, Office Building Media, Outdoor Media and Other Media, respectively. Key drivers for growth in each Media segment will come from an increase in occupancy rates and acquiring additional media inventory.

SERVICES



6.5mn	Rabbit Cards
2,000	Retail Outlet Acceptants with 4,500 readers
3mn	Rabbit Reward Members

We are targeting a total of 6.5mn Rabbit cards in circulation and 3mn Rabbit Reward members. We expect the number of retail outlet acceptants to increase to 2,000 and the number of card readers to reach 4,500 readers.

2.8

FINANCIAL HIGHLIGHTS

	2015/16	2014/15	2013/14	2012/13	2011/12
INCOME STATEMENT (THB mn)					
Operating revenue ¹	6,147.5	7,102.1	8,531.6	10,375.5	7,719.8
Total revenue ²	10,513.7	9,489.8	24,891.9	11,607.7	9,249.6
Operating EBITDA ³	2,560.0	2,836.2	3,099.6	5,080.7	3,913.2
EBIT	5,817.8	4,476.7	17,952.6	4,423.1	3,840.2
Net income	4,406.7	3,340.2	13,536.5	1,927.2	2,235.6
Net income attributable to equity holders of the parent	4,141.1	2,944.0	12,597.6	1,718.6	2,105.6
BALANCE SHEET (THB mn)					
Total assets	65,168.7	66,810.3	76,711.1	67,290.9	66,888.9
Net debt	6,918.3	(5,556.1)	(2,013.4)	8,447.3	24,713.6
Shareholders' equity	46,916.9	52,012.5	59,542.2	50,501.7	36,932.3
CASH FLOW (THB mn)					
Net cash from (used in) operating activities	332.3	(70.7)	1,133.4	4,659.3	1,755.8
Capital expenditures ⁴	(1,633.2)	(1,697.1)	(1,235.3)	(1,329.1)	(1,924.6)
PER SHARE DATA (THB / Share)⁵					
Earnings per share	0.350	0.248	1.078	0.172	0.231
Dividend per share ⁶	0.68	0.60	0.60	0.388	0.3001
Book value per share	3.97	4.38	5.09	5.05	4.05
KEY RATIOS					
Operating EBITDA margin (%) ³	41.6%	39.9%	36.3%	49.0%	50.7%
EBIT margin (%)	55.3%	47.2%	75.8%	38.1%	41.5%
Net debt to equity (times)	0.15	(0.11)	(0.03)	0.17	0.67
Interest coverage ratio ^{3,7} (times)	8.84	7.03	4.94	4.07	2.73
ROA (%)	6.8%	5.0%	17.6%	2.9%	3.3%
ROE (%)	9.4%	6.4%	22.7%	3.8%	6.1%
SHARE INFORMATION (as of 31 March)					
Par value (THB / share)	4.00	4.00	4.00	4.00	0.64
Share price (THB)	8.95	9.15	8.40	9.40	0.78
Outstanding shares (Shares mn)	11,929.3	11,919.3	11,914.2	11,106.6	57,188.3
Market capitalisation (THB mn)	106,767.7	109,061.1	100,079.5	104,402.4	44,606.9

1) Operating revenue from the operational performances from 4 BUs and share of net profit (loss) from BTSGIF, EXCLUDES interest income, and non-recurring items

2) Total revenues include share of income from investments in associates and joint venture as well as gross revenue under 'profit from discontinued operation'

3) Operating EBITDA from the operational performances from 4 BUs, share of net profit (loss) from BTSGIF, EXCLUDES interest income and non-recurring items

4) Capital expenditures exclude real estate development cost

5) Calculated based on weighted average number of shares at par value of THB 4 per share

6) Final dividend per share of THB 0.34 for 2015/16 is subjected to shareholders' approval on 22 July 2016

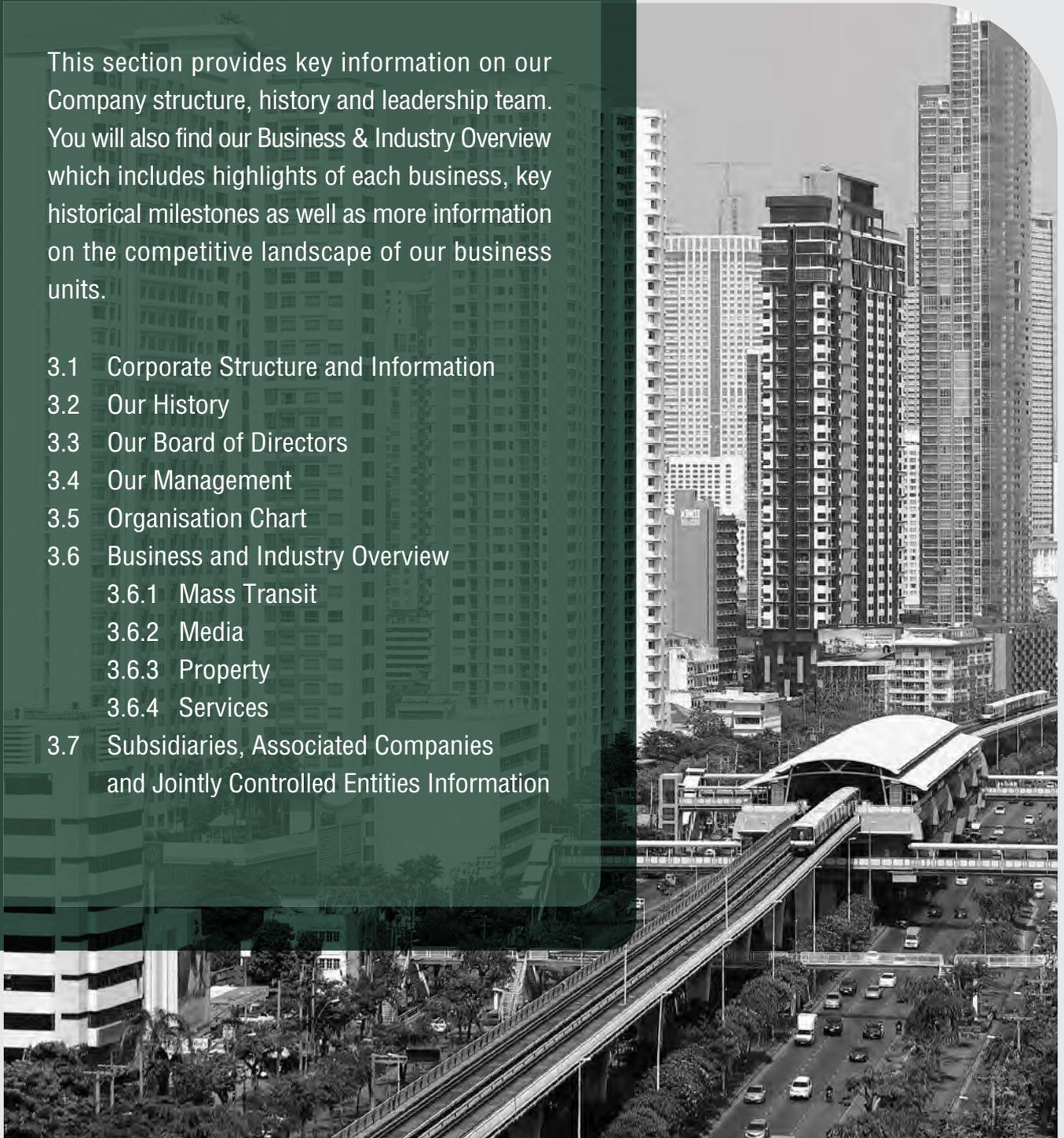
7) Operating EBITDA / Finance cost

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 historical milestones as well as more information on the competitive landscape of our business units.

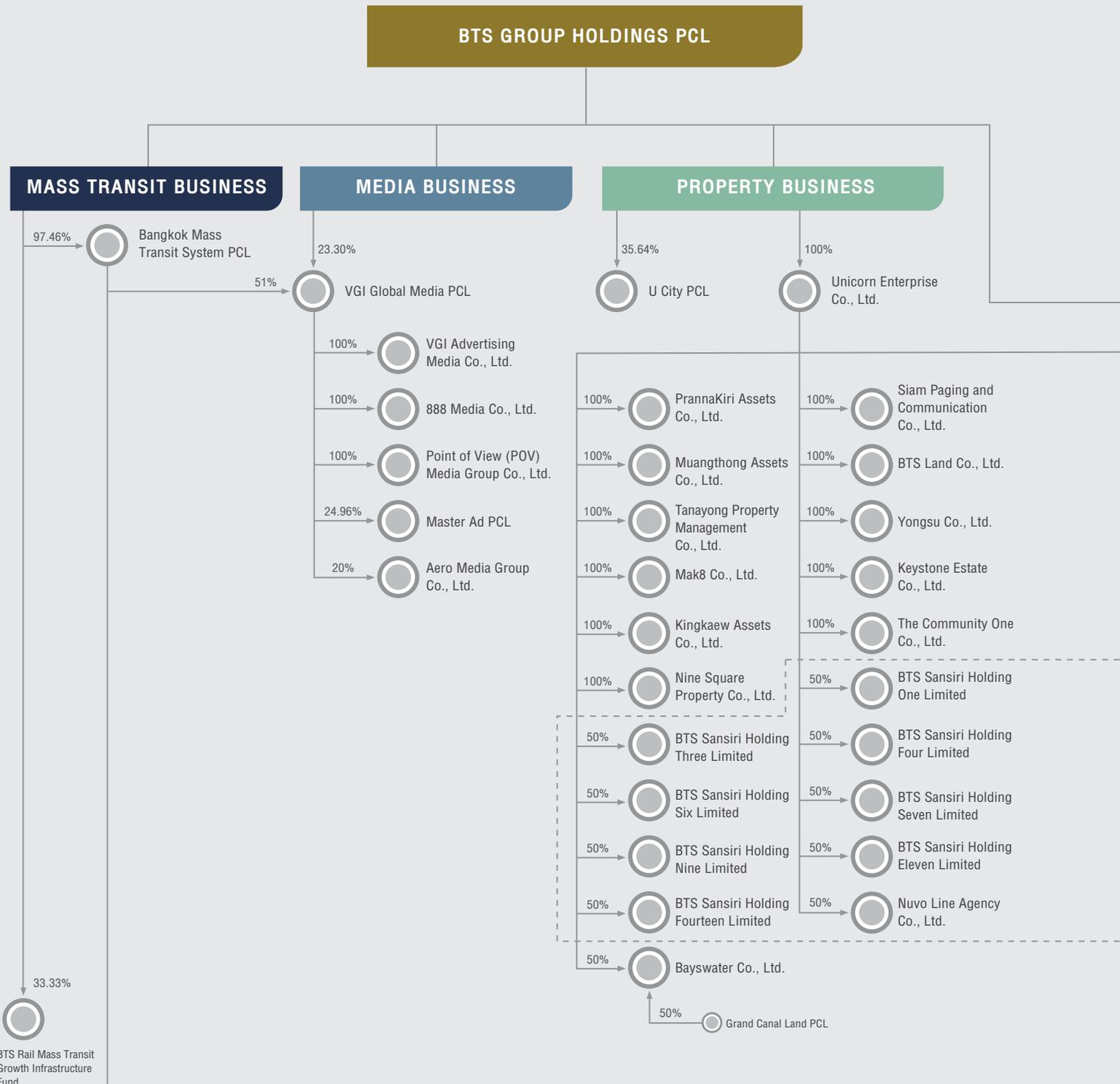
- 3.1 Corporate Structure and Information
- 3.2 Our History
- 3.3 Our Board of Directors
- 3.4 Our Management
- 3.5 Organisation Chart
- 3.6 Business and Industry Overview
 - 3.6.1 Mass Transit
 - 3.6.2 Media
 - 3.6.3 Property
 - 3.6.4 Services
- 3.7 Subsidiaries, Associated Companies and Jointly Controlled Entities Information



3.1

CORPORATE STRUCTURE AND INFORMATION

BUSINESS ORGANISATION AND SHAREHOLDINGS STRUCTURE OF BTS GROUP AS OF 31 MARCH 2016



Remark:

On 8 April 2016, a new subsidiary in the services business, named KMJ 2016 Co., Ltd. was established. The Company holds 51% shares in this new subsidiary.
 On 25 April 2016, RabbitPay System Co., Ltd. acquired 50% shares in Rabbit-Line Pay Co., Ltd. As a result, Rabbit-Line Pay Co., Ltd. became a new associated company in the Service business.
 On 18 May 2016, a new subsidiary in the services business, named Man Food Products Co., Ltd. was established. The Company holds 100% shares in this new subsidiary.

3.2

OUR HISTORY



1968

MARCH: Established as 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.

1991

MARCH: 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 Administration (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.

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.

1999

DECEMBER: Commercial operation of the BTS SkyTrain commenced.

2006

Tanayong successfully exited from 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.

2009

MAY: Commencement of operations of Silom Line extension (Saphan Taksin-Wongwian Yai) by BTSC under the Operation and Maintenance Services (O&M) Contract.

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

SEPTEMBER: BTSC expanded into the Media business through the 100% acquisition of VGI.



2010

MAY: 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.

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

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

2011

JANUARY: 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.

AUGUST: Commencement of operations of Sukhumvit line extension (Onnut-Bearing) by BTSC under the O&M Contract.

2012

MAY: BTSC signed a 30-year 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.

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

2013

JANUARY - FEBRUARY: 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.

APRIL: 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 Core 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).

DECEMBER: BTSC and the BMA commenced full operations of the Silom line extension from Wongwian Yai (S8) to Bang Wa (S12) on 5 December 2013.

2014

OCTOBER: BTS Group and Sansiri Public Company Limited (SIRI) entered into the Strategic Alliance Framework Agreement to exclusively partner together on the development of residential projects for sale located within 500m of all rail mass transit stations.

2015

MARCH: Announcement of the reorganisation of the corporate structure (effective 1 April 2015) by adding an Advisory Board, as well as new positions of Chief Executive Officer ("CEO") and Deputy Chief Executive Officer ("Deputy CEO") to its organisational structure. The Board of Directors passed the resolution to appoint Mr. Kavin Kanjanapas and Mr. Kong Chi Keung, both existing Executive Directors, to the CEO and Deputy CEO positions, respectively.

APRIL: a disposal of all ordinary shares in two subsidiaries, "BTSA", the owner of Eastin Grand Hotel Sathorn Bangkok and land plots at Phaholyothin Road and "Kamkoong", the owner of land plots at Phayathai Road to U City Public Company Limited ("U City PCL") in exchange for 35.64% of the newly issued ordinary shares and warrants of U City PCL.

3.3

OUR BOARD OF DIRECTORS



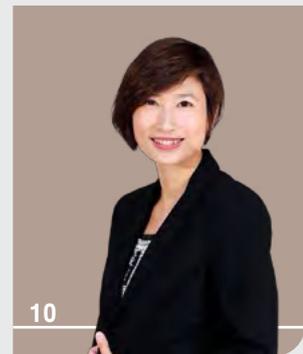
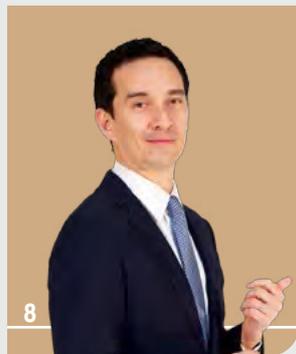
- | | |
|----------------------------|---|
| 1. Mr. Keeree Kanjanapas | Chairman / Chairman of the Executive Committee / Chairman of the Corporate Governance Committee |
| 2. Dr. Paul Tong | Director |
| 3. Dr. Anat Arbhahirama | Executive Director / Corporate Governance Committee Member |
| 4. Mr. Surapong Laoha-Unya | Executive Director |
| 5. Mr. Kavin Kanjanapas | Executive Director / Chief Executive Officer |
| 6. Mr. Rangsin Kritalug | Executive Director / Chief Operating Officer / Nomination and Remuneration Committee Member / Corporate Governance Committee Member |
| 7. Mr. Kong Chi Keung | Executive Director / Deputy Chief Executive Officer / Nomination and Remuneration Committee Member |



- | | |
|-------------------------------------|--|
| 8. Prof. Lt. Gen. Phisal Thepsithar | Independent Director / Chairman of the Audit Committee / Chairman of the Nomination and Remuneration Committee |
| 9. Mr. Suchin Wanglee | Independent Director / Audit Committee Member / Nomination and Remuneration Committee Member |
| 10. Prof. Charoen Wattanasin | Independent Director / Audit Committee Member / Nomination and Remuneration Committee Member / Corporate Governance Committee Member |
| 11. Mr. Cheong Ying Chew, Henry | Independent Director |
| 12. Mr. Chulchit Bunyaketu | Director |
| 13. Dr. Karoon Chandrangsu | Director |
| 14. Mrs. Pichitra Mahaphon | Independent Director / Audit Committee Member |

3.4

OUR MANAGEMENT

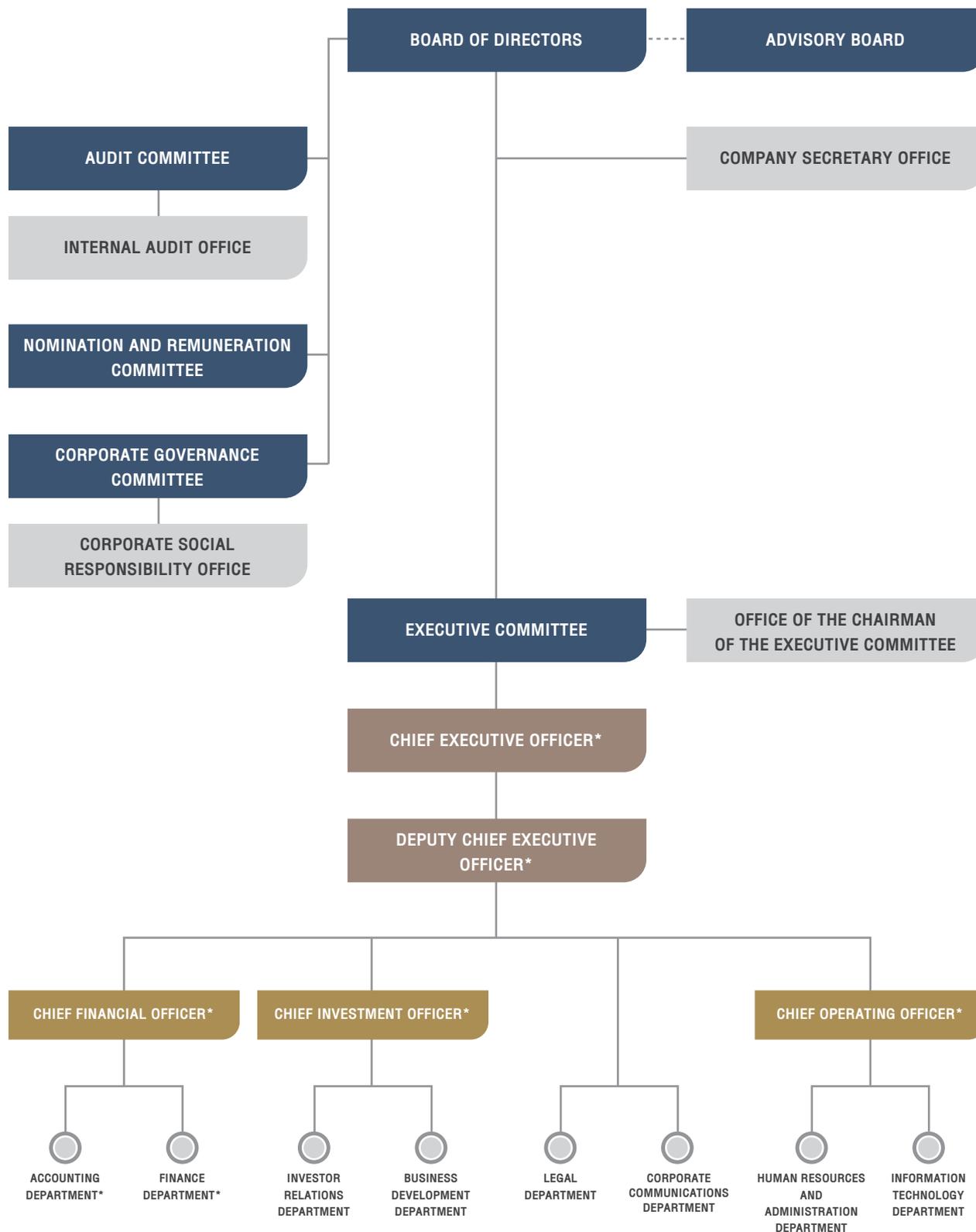


1. Mr. Keeree Kanjanapas
Chairman / Chairman of the Executive Committee /
Chairman of the Corporate Governance Committee
2. Dr. Anat Arbhabhirama
Executive Director / Corporate Governance Committee Member
3. Mr. Surapong Laoha-Unya
Executive Director
4. Mr. Kavin Kanjanapas
Executive Director / Chief Executive Officer
5. Mr. Rangsini Kritalug
Executive Director / Chief Operating Officer /
Nomination and Remuneration Committee Member /
Corporate Governance Committee Member
6. Mr. Kong Chi Keung
Executive Director / Deputy Chief Executive Officer /
Nomination and Remuneration Committee Member
7. Mr. Surayut Thavikulwat
Chief Financial Officer
8. Mr. Daniel Ross
Chief Investment Officer / Head of Investor Relations
9. Mrs. Duangkamol Chaichanakajorn
Accounting Director
10. Miss Chawadee Rungruang
Financial Controller

3.5

ORGANISATION CHART

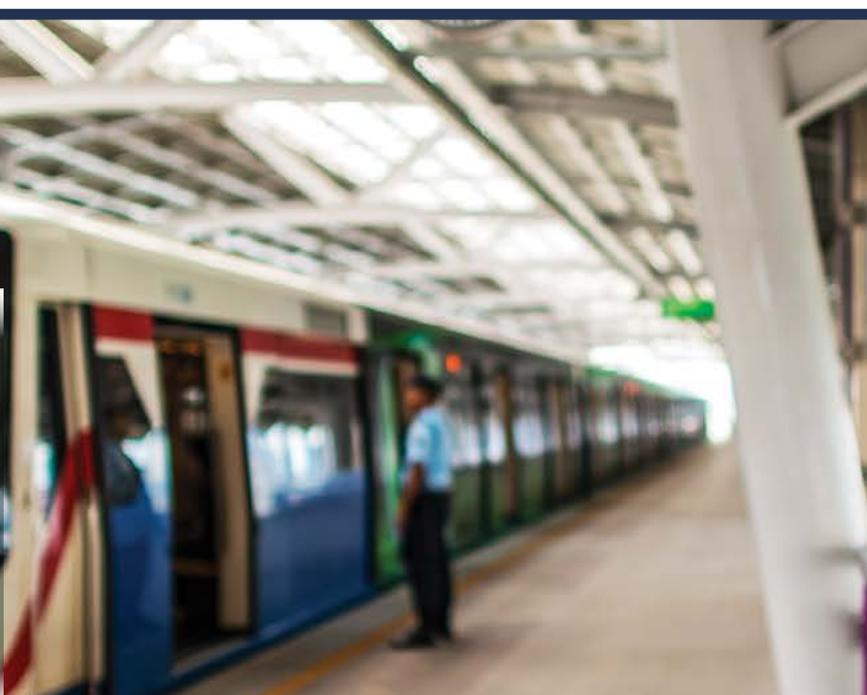
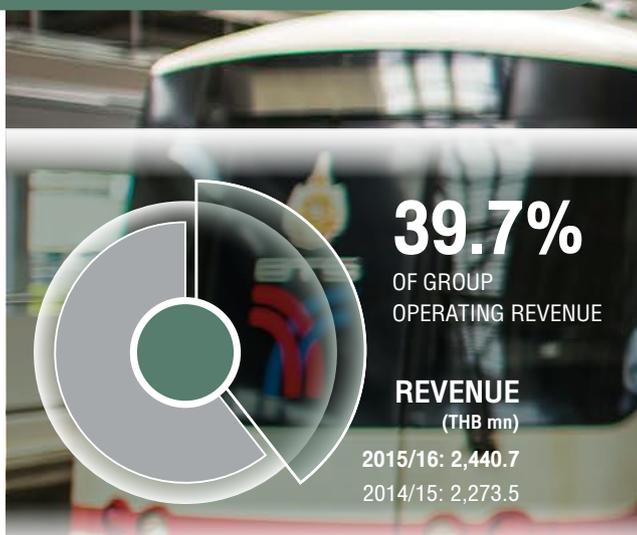
AS OF 31 MARCH 2016



* The definition of executives under the Notification of the Capital Market Supervisory Board means the manager or the next four executives following the manager, the persons holding equivalent position to the fourth executive and shall include the persons holding the position of manager or equivalent in accounting or finance departments.
 ** On 10 August 2015, the Company added the Chief Investment Officer position in the organisation chart to enhance the management efficiency of the Company.
 *** On 9 November 2015, the Company set up the Corporate Social Responsibility Office to be under the supervision of the Corporate Governance Committee.

3.6.1

BUSINESS AND INDUSTRY OVERVIEW: MASS TRANSIT



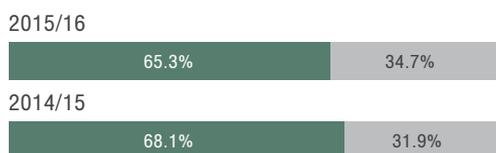
KEY PERFORMANCE HIGHLIGHTS MASS TRANSIT

Mass Transit Revenue (% of Group operating revenue)



Mass Transit Revenue by Segment

■ O&M Revenue
■ Net profit (loss)
from BTSGIF



(THB mn)	2015/16	2014/15	Change (%)
Operating revenue	2,440.7	2,273.5	7.4%
Gross operating profit	1,575.3	1,458.2	8.0%
Operating EBITDA	1,596.1	1,473.0	8.4%
Gross operating profit margin (%)	64.5%	64.1%	
Operating EBITDA margin (%)	65.4%	64.8%	

KEY DEVELOPMENTS IN 2015/16

- Core Network ridership increased 6.3% YoY to 232.5mn trips – highest record of ridership.
- Average fare increased 2.4% YoY to THB 27.5 per trip.
- Train operating revenue increased 2.8% YoY to THB 1,593.3mn.
- Share of net profit from BTSGIF rose 17.0% YoY to THB 847.4mn.
- The MRTA signed a MoU to transfer responsibility for the Green Line North and South extensions to the BMA in accordance with the aiming of the Governments to provide convenience to passengers.
- BTSC signed contracts with suppliers: Siemens and CRRC, to procure 46 additional 4-car trains which will be used to accommodate the increase in ridership on the existing network and the green line North and South extensions.

Bangkok Mass Transit System Public Company Limited (BTSC) reported another year of solid growth in 2015/16. Total annual ridership recorded a new historical high of 232.5mn trips on the Core Mass Transit Network. This translates to a growth of 6.3% YoY, comfortably exceeding our target of 4-6%. Average weekday ridership for 2015/16 stood at 720,155 trips, representing an increase of 7.0% YoY. Urbanisation and new real estate developments along mass transit route continue to drive organic growth as well as low base effect last year from the political unrest. Average fare for 2015/16 increased by 2.4% YoY to THB 27.5 per trip, exceeding the Company's target of 2.0% growth. The Company made adjustments in card promotions on monthly



“ We’ve met our targets for our Mass Transit business. Core ridership grew 6.3%, average fare increased by 2.4% and O&M revenue rose 2.8% YoY. In spite of the slow recovering economy, our Mass Transit business continues to demonstrate quality and resilience. We shall continue to provide safe, convenient and efficient transportation services to our patrons and look forward to working with the government on new mass transit projects to support our long - term growth. ”

Surapong Laoha-Unya,
Executive Director

passes in July 2015 and the removal of discounts given on the stored value rabbit cards, which became effective on 2 January 2016. Operating and maintenance (O&M) revenue rose 2.8% YoY to THB 1,593.3mn. The growth was mainly attributable to the contractually agreed increase in the operating fee of Green Line-Sukhumvit and Silom extension.

On 17 April 2013, BTSC sold the rights to future Net Farebox Revenues from the Core BTS SkyTrain Network to the BTS Rail Mass Transit Growth Infrastructure Fund (BTSGIF) with a combined track length of 23.5km under the Concession Agreement. The Concession Agreement expires on 4 December 2029. The transaction enabled the Company to secure funding for the upcoming expansion of the mass transit network, which is forecasted to increase from 84.8km currently to 508.4km by 2029¹. The Company expects to be a lead participant in this expansion and is now strongly positioned with the operational and financial wherewithal to do so. Following the creation of BTSGIF, BTSC remains the operator of the BTS SkyTrain. The Company continues to be a significant stakeholder in the Core BTS SkyTrain Network, holding the maximum permitted 33.3% of investment units of BTSGIF.

¹ Source: Office of Transport and Traffic Policy and Planning, Mass Rapid Transit Authority of Thailand

OPERATIONS PERFORMANCE IN 2015/16

BTSC continues to maintain high standards of safety and services throughout its operation. The key indicators for operations performance include service reliability, train reliability and ticket reliability. Service reliability measures the punctuality of the passenger journey (Passenger Journey On Time: PJOT), with the target set at not less than 99.5 percent per delay of 5 minutes or greater. The results achieved for 2015/16 were an average of 99.84 percent, exceeding the target. Train reliability measures the distance travelled before a fault occurs. The target is set for not less than 35,000 car-kilometres per fault and BTSC recorded 71,949 car-kilometres per fault in 2015/16, exceeding the target although the reliability dropped from 2014/15. Ticket reliability refers to the number of transactions before a fault occurs, which includes equipment failure as well as mishandling of tickets by passengers. The target was set at not less than 15,000 transactions before a failure, and ticket reliability in 2015/16 was recorded at 22,168 transactions per fault, staying above the target. BTSC performs regular upgrades on equipment in order to ensure continuous improvement in performance and reliability.

OPERATIONS PERFORMANCE AGAINST TARGET

Performance Indicators	Target	2015/16	2014/15
Service Reliability (Passenger Journey On Time)	Not less than 99.5 percent per delay of 5 minutes or greater	99.84%	99.83%
Train Reliability (car-km)	Not less than 35,000 car-km per fault	71,949	72,895
Ticket Reliability (transactions)	Not less than 15,000 times before a failure	22,168	20,910

THAILAND MASS TRANSIT MARKET OVERVIEW

IMMATURE RAIL MASS TRANSIT NETWORK

Since the inception of the BTS SkyTrain (the first rail mass transit system in Bangkok) in December 1999, rail mass transit usage in Bangkok has been gradually rising and in 2013, accounted for 6.4% (1.02mn trips) of the total mass transit usage in Bangkok (15.82mn trips per day)². 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) in 2013 was composed of bus mass transit at 88.1%, rail mass transit at 6.4%, ferry at 0.7% and others at 4.7%. The OTP forecasts that rail mass transit market share will progressively take market share of bus mass transit as demand for rail mass transit in Bangkok increases and the network becomes more extensive in the next few years. With no new opening of rail mass transit lines in 2015, the total route length of the current rail mass transit network (consisting of BTS SkyTrain, MRT Subway and Airport Rail Link) remains unchanged at 84.8km. As such, pervasion (defined as rail mass transit length per million population) in Bangkok decreased to 7.9km per million people in 2015, far behind those of regional peers (for more details, please refer to *Comparable Markets Overview*).

² Source: Office of Transport and Traffic Policy and Planning

GOVERNMENT POLICY ON RAIL MASS TRANSIT NETWORK EXPANSION

Expansion of public transportation infrastructure has always been a top priority on the national agenda. The original version of the Mass Rapid Transit Master Plan in Bangkok Metropolitan Region (M-MAP), on which the current master

plan is based, was approved by the Cabinet on 9 March 2010. The M-MAP was drafted to develop mass rapid transit systems in Bangkok Metropolitan Region (Bangkok and 5 adjacent provinces consisting of Nakhon Pathom, Pathumthani, Nonthaburi, Samut Prakarn and Samut Sakhon) within a 20-year timespan (from 2010-2029). Subsequently, there have been modifications to the M-MAP under different governments, the current M-MAP sets forth 12 mass transit lines covering a total route length of 508.4km to be completed by 2029³. Of those, 107.5km are currently under construction, including the Green Line - North extension (Mo Chit - Saphan Mai - Khu Khot, 18.4km) and Green Line - South extension (Bearing - Samut Prakarn, 12.8km), which are direct extensions to our Core Network.

Both Green Line North and South extensions were highlighted as the most imminent routes in term of potential and possibility as they are direct extensions to our existing network. On 28 March 2016, the Mass Rapid Transit Authority of Thailand (MRTA) signed a MoU to transfer responsibility for the Green Line North (Mo Chit - Saphan Mai - Khu Khot) and South extensions (Bearing - Samut Prakarn) to the Bangkok Metropolitan Authority (BMA) in accordance with the aiming of the Governments to provide convenience to passengers.

As of May 2016, the civil works for Green Line - North extension was 8% complete and Green Line - South extension was 87% complete (source: MRTA). On 23 May 2016, the Company signed Thailand's largest single purchase agreement for trains thus far for 46; 4-carriage trains and related equipment for a total purchase value of EUR 270mn (excluding VAT). The trains will address growing capacity requirements of the existing lines and the anticipated launch of Green Line North and South extensions. We expect to be awarded and sign new operating contracts for these 31.2km of Green Line extensions in 2016, the first of which is due to be partially operating at the beginning of 2017.

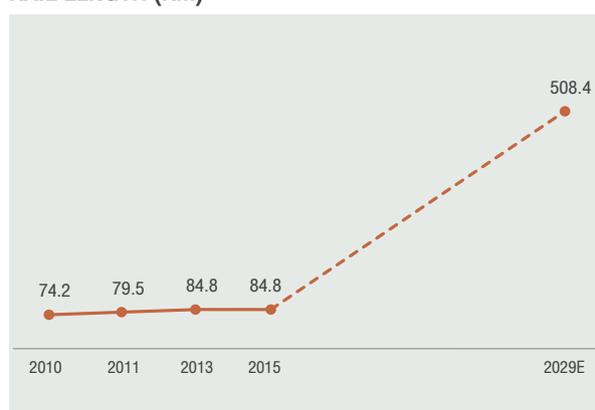
³Source: Office of Transport and Traffic Policy and Planning, Mass Rapid Transit Authority of Thailand

BANGKOK MASS TRANSIT MARKET SHARE (FORECAST 2017-2037)



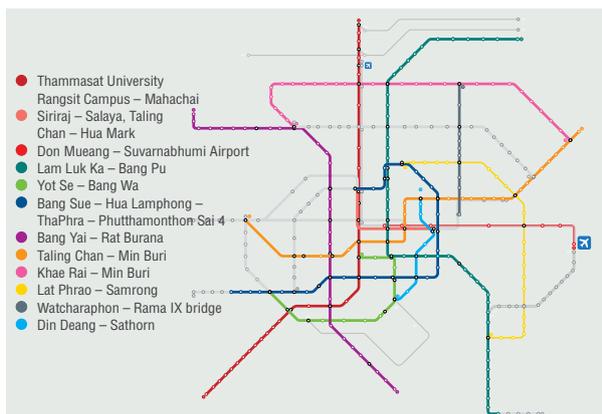
Source: Transport data and model integrated with multimodal transport and logistics (TDML II) of the Office of Transport and Traffic Policy and Planning

EXISTING AND FUTURE RAIL MASS TRANSIT NETWORK RAIL LENGTH (KM)

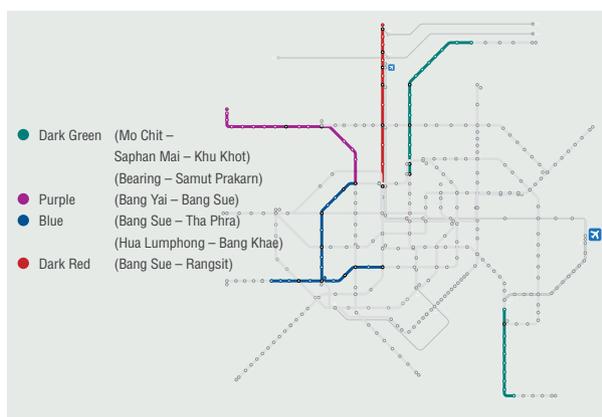


Source: Office of Transport and Traffic Policy and Planning, Mass Rapid Transit Authority of Thailand

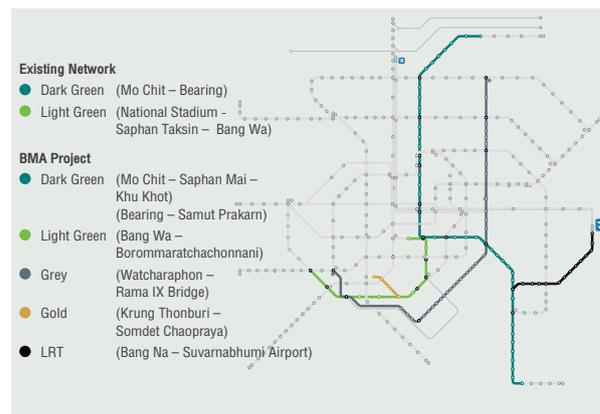
12 MASS RAPID TRANSIT PROJECTS UNDER GOVERNMENT POLICY (M-MAP)



5 PROJECTS UNDER CONSTRUCTION (107.5 KM)



MASS RAPID TRANSIT PROJECTS UNDER BMA AND EXISTING BTS SKYTRAIN



5 YEAR BTS TARGETED LINES AND EXISTING BTS SKYTRAIN



Source: Office of Transport and Traffic Policy and Planning, Mass Rapid Transit Authority of Thailand

According to the government plans to develop the country's transportation infrastructure, the government resumed its focus on expediting mass rapid transit network development and the public-private partnership concession approval process. The Pink Line (Khae Rai - Min Buri, 34.5km) and Yellow Line (Lat Phrao - Sam Rong, 30.4km) are the first lines expected to be awarded under this new approval framework. The Company has signaled interest to bid for both lines.

In addition, the Bangkok Metropolitan Administration (BMA) has a few projects under its purview which is expected to proceed on new line new extensions and other feeder systems, namely; Grey Line (Watcharaphol-Thong lo phase I, 16.3km), LRT (Bang Na - Suvarnabhumi Airport, 18.3km), Gold Line (Krung Thonburi - Khlong San phase I, 1.7km) and Green Line West (Bang Wa -Borommaratchachonnani, 7.0km). These lines are expected to be in operation by 2019–2020 and we believe we are in a strong position to win these contracts. The Company is optimistic about winning the bids of these lines as the stations interchange with the existing Green Lines currently operated by BTSC.

12 MASS RAPID TRANSIT PROJECTS UNDER GOVERNMENT POLICY

Project	Route	Distance (km)
Dark Red	Thammasat University Rangsit Campus – Mahachai	80.5
Light Red	Siriraj – Salaya, Taling Chan – Hua Mark	54.0
Airport Rail Link	Don Mueang – Suvarnabhumi Airport	50.3
Dark Green	Lam Luk Ka – Bang Pu	67.0
Light Green	Yot Se – Bang Wa	15.0
Blue	Bang Sue – Hua Lamphong – ThaPhra – Phutthamonthon Sai 4	55.0
Purple	Bang Yai – Rat Burana	46.6
Orange	Taling Chan – Min Buri	39.6
Pink	Khae Rai – Min Buri	34.5
Yellow	Lat Phrao – Samrong	30.4
Grey	Watcharaphon – Rama IX bridge	26.0
Light Blue	Din Deang – Sathorn	9.5
Total		508.4

Source: Office of Transport and Traffic Policy and Planning, Mass Rapid Transit Authority of Thailand

COMPARABLE MARKETS OVERVIEW

In 2015, the Bangkok Metropolitan Region had an official population of more than 10.7mn compared to 13.5mn in Tokyo (estimated data as of 1 October 2015), 7.3mn in Hong Kong and 5.5mn in Singapore. The urban mass transit pervasion for Bangkok decreased from last year (8.0km) to 7.9km as there were no new extensions to offset the increase in population. Compared to regional peers, Bangkok is lagging behind Tokyo, Hong Kong and Singapore, with pervasion of 23.7km, 34.1km and 32.2km per million population, respectively. Moreover, in 2011, the rail market share was 6% for Bangkok, 36% for Tokyo, 46% for Hong Kong and 40% for Singapore. It is clear that the development of Bangkok's mass transit system is urgently needed to cope with the rapid increase in population density and severe road traffic congestion.

RAIL MASS TRANSIT DEVELOPMENT IN THE REGION IN 2015

	Population (mn)	Rail Mass Transit Length (km)	Urban Mass Transit Pervasion*
Bangkok Metropolitan Region	10.7	84.8	7.9
Tokyo	13.5	320.0	23.7
Hong Kong	7.3	248.8	34.1
Singapore	5.5	178.0	32.2

Sources: Ministry of Interior, OTP, Tokyo Metropolitan Government, Tokyo Metro, Hong Kong's Census and Statistics Department, Hong Kong MTR Corporation, Singapore Land Transport Authority, SMRT Corporation Limited

Note:

* Pervasion is defined as rail mass transit length per mn population

OVERVIEW OF BANGKOK'S EXISTING RAIL 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 2016, there were a total of 52 trains (208 carriages) The network, which includes the Core Network and its subsequent extensions, comprises 34 stations across 2 separate lines with a combined track length of 36.3km. 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 13 stations and runs southwards and westwards through one of Bangkok's central business districts, connecting National Stadium and Bang Wa. Both lines intersect at Siam station, which is the system's single shared interchange station. In 2015/16, BTS SkyTrain carried a total of 232.5mn passengers on the Core Mass Transit Network. Ridership has grown at 9.6% CAGR since inception.

MRT SUBWAY

The MRT Subway is Bangkok's first underground mass transit railway system in Thailand and commenced operation on 3 July 2004. The network currently consists of only one line, the Metropolitan Rapid Transit System Chaloe Ratchamongkhon Line (Blue Line), which runs 20.0km through 18 stations from Hua Lamphong to Bang Sue. The current system is connected to the BTS SkyTrain at three stations: Sala Daeng, Asok and Mo Chit stations. In 2015, the MRT Subway trains carried a total of 95.0mn passengers on the system⁴.

The MRT Subway is solely operated by Bangkok Metro Public Company Limited (BMCL) under a concession agreement with the Mass Rapid Transit Authority of Thailand (MRTA) to exclusively operate the existing network of the Blue Line. BMCL has been completely merged with Bangkok Expressway PCL (BECL) into a new entity called Bangkok Expressway and Metro PCL (BEM) since 5 January 2016. The concession includes the exclusive right to operate the current 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 BEM was responsible for the electrical and mechanical works (E&M) and rolling stock investment. Under the concession agreement, BEM is required to pay a certain percentage of fares and commercial revenue along with an annual remuneration to the MRTA.

In September 2013, BEM was awarded the concession to operate the Purple Line (Bang Yai to Bang Sue) for 30 years until 2043. Under the agreement, BEM is responsible for implementing the E&M works as well as the procurement of rolling stock, which is funded by the MRTA. The Purple Line is a 23-kilometer elevated heavy rail transit system with 16 elevated stations. The construction of the Purple Line has already finished and expected to begin its operation in August 2016.

SUVARNABHUMI AIRPORT RAIL 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. There are a 15-minute non-stop SA Express Line that runs from Makkasan station to the airport, an 18-minute non-stop SA Express Line that runs between Phaya Thai station 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. From 14 April 2014 onwards, the SA Express Line to Phaya Thai station has been temporarily suspended until further notice.

⁴ Source: Bangkok Expressway and Metro PCL (BEM)

SRT LINE

The SRT Line is part of the Light Red Line under the authority of SRT that runs between Bang Sue to Taling Chan and covers a total route length of 15.3km with 4 stations. This line commenced trial operations from 8 September to 30 November 2012 by diesel railcars and began providing temporary services on 5 December 2012. The line will commence full operations between Bang Sue and Rangsit station in 2020.

BANGKOK RAPID TRANSIT (BRT)

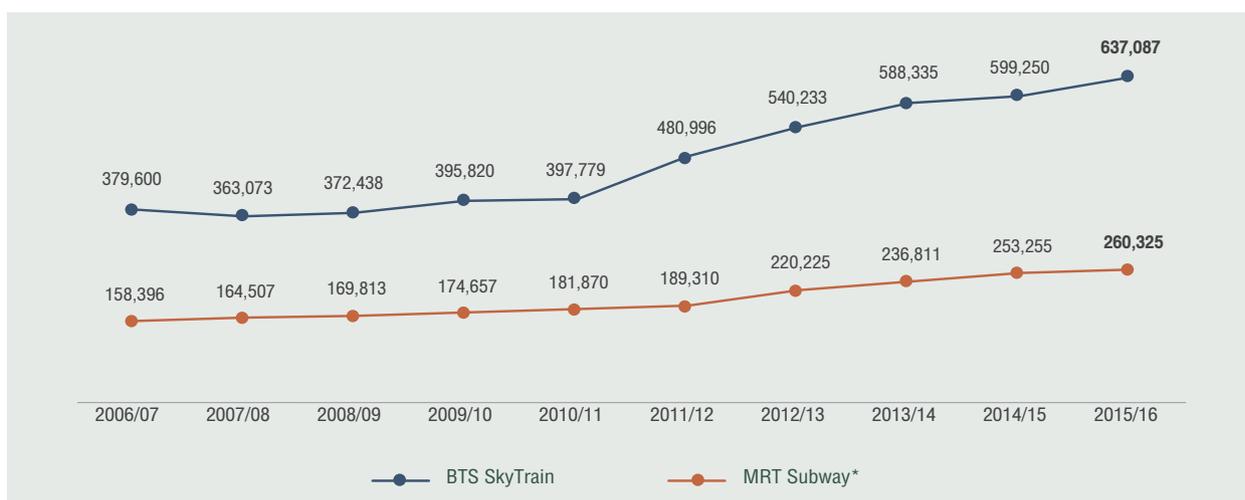
The BRT is a project pioneered by the BMA to link the various Bangkok mass transit systems and provide an integrated public service for the city and its suburbs. It operates a bus service that is faster and more reliable than conventional buses, using a special lane reserved for the BRT on existing roads. The BRT has 12 stations, covering 15.0km, running from

Chong Nonsi on Narathiwat Ratchanakarin Road, crossing Rama III Bridge to Ratchaphruek 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 to the public, ridership growth of the BTS SkyTrain, MRT Subway, Airport Rail 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, this should remain the ultimate destination for the majority of mass transit passengers.

AVERAGE DAILY RIDERSHIP (PASSENGERS/DAY) OF BTS SKYTRAIN (CORE NETWORK) AND MRT SUBWAY



Source: BTS and Bangkok Expressway and Metro PCL

*Data from January–December

RIDERSHIP OF KEY MASS TRANSIT SYSTEMS IN BANGKOK (MN TRIPS)

System type	2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16
BTS SkyTrain (Core Network)	79.3	96.5	105.1	118.5	131.9	138.6	132.9	135.9	144.5	145.2	176.0	197.2	214.7	218.7	232.5
Growth	34.8%	21.8%	8.9%	12.7%	11.3%	5.1%	(4.1)%	2.3%	6.3%	0.5%	21.3%	12.0%	8.9%	1.9%	6.3%
MRT Subway*				26.8	57.2	57.8	60.0	62.2	63.7	64.9	69.1	80.6	86.4	92.4	95.0
Growth				113.1%	1.0%	3.9%	3.5%	2.6%	1.8%	6.4%	16.6%	7.2%	6.9%	2.8%	

Source: BTS and Bangkok Expressway and Metro PCL

* Data from January–December

3.6.2

BUSINESS AND INDUSTRY OVERVIEW: MEDIA



33.7%
OF GROUP
OPERATING REVENUE

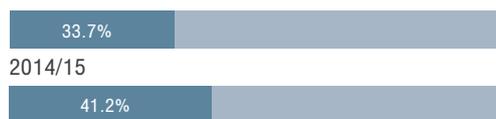
REVENUE
(THB mn)

2015/16: 2,069.3
2014/15: 2,926.0

KEY PERFORMANCE HIGHLIGHTS MEDIA

Media Revenue (% of Group operating revenue)

2015/16



2014/15

Media Revenue by Segment

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

2015/16



2014/15



(THB mn)	2015/16	2014/15	Change (%)
Operating revenue	2,069.3	2,926.0	(29.3)%
Gross operating profit	1,471.1	1,740.9	(15.5)%
Operating EBITDA	1,324.6	1,530.2	(13.4)%
Gross operating profit margin (%)	71.1%	59.5%	
Operating EBITDA margin (%)	64.0%	52.3%	

KEY DEVELOPMENTS IN 2015/16

- VGI signed a contract with BTSC, receiving rights to manage advertising and merchandising areas on 7 extension stations (On Nut to Bearing and Krungthong Buri to Wongwian Yai) from May 2015 to December 2029.
- VGI fully exited Modern Trade media business effective May 2015.
- Office Buildings and Other Media revenues rose 38.0% YoY against a decline in Thai advertising spend of 1.2%.
- VGI subscribed 20% for newly issued ordinary shares in Aero Media, whose business is providing advertising media service in 13 domestic airports.
- VGI announced its strategic plan to become a "Nationwide Integrated Media Platform", building 6 key nationwide segments: Transit, Office, Outdoor, Aviation, Digital and Activation media within 2 years.
- VGI announced on 17 March 2016 an agreement to acquire an additional 12.46% stake in Master Ad Public Company Limited ("MACO") from founding shareholders, which will trigger a tender offer for the entirety of the Company per SEC regulation. The acquisition was completed on 31 May 2016 and tender offer period began on the 3 June 2016.

Slow economic growth continued to undermine business confidence and consumer spending. In a tough growth environment, businesses tend to cut expenditures, and advertising expenditure is often one of the first expenses to be cut. Overall annual media spending fell 1.2 % YoY. A reduction in media spending usually intensifies competition among industry players. Revenue growth becomes challenging and margins may be affected from package prices being slashed.

Because of this, VGI – along with other industry players – faced a challenging year. Our media revenue dropped 29.3% YoY. The decrease mainly came from the discontinuation of our modern trade media business and heightened competition among industry players. Excluding the impact of the modern trade Media termination, our media revenue grew 3.1% YoY.



“ 2015/16 was an exciting yet challenging year. Lacklustre consumption affected overall advertising expenditure, which contracted by 1.2% YoY. VGI continued to adjust to the closure of its Modern Trade business segment, a strategic decision taken to strengthen long-term sustainable profit. Moreover, during the year, VGI announced its strategic plan to become a “Nationwide Integrated Media Platform”, building 6 key nationwide segments: Transit, Office, Outdoor, Aviation, Digital and Activation media within 2 years. ”

Marut Arthakaivalvatee,
Chief Executive Officer - Media

VGI signed a contract with BTSC, receiving rights to manage advertising and merchandising areas on 7 extension stations (On Nut to Bearing and Krungthong Buri to Wongwian Yai) from May 2015 to December 2029. Continuous ridership growth on current mass transit lines and new mass transit lines and extensions becoming operational, will enhance and feed existing business and create new prospects for VGI. VGI stands to benefit immensely as the number of stations and train carriages are expected to increase by 4 times in size over the next 5 years if BTS Group is successful in securing its targeted additional 108.8km of mass transit lines.

As domestic pioneers and leaders in the Office Building Media, VGI continues to extend its leadership in this segment, growing our portfolio to 135 buildings. This growth will augment the pricing power and competitive strength of VGI. VGI has also entered a small but high growth residential building media segment by being an exclusive sales agent for Artista Media Limited Partnership (“ARTISTA”). Together with the Office Building Media, VGI believes that this will create lucrative cross-selling opportunities.

In our Other Media segment, VGI has made progress with its entry into the Aviation Media business through our 20% strategic stake in Aero Media Group Company Limited (“Aero Media”). Tourism arrivals and flights continue to break new records and we are well-positioned to benefit from this. Aero Media has developed at a rapid rate since its establishment in 2014. Currently its media portfolio covers 13 domestic airports and we have an option to increase our stake further to 30%.

On 17 March 2016, VGI announced its strategic plan to become a “Nationwide Integrated Media Platform”, building 6 key nationwide segments: Transit, Office, Outdoor, Aviation, Digital and Activation media within 2 years. Concurrently, VGI announced its first step in this strategy; an agreement to acquire an additional 12.46% stake in MACO. This acquisition will trigger a tender offer for all of the remaining of MACO shares. On 31 May 2016, the MACO transaction was completed and on 3 June 2016, the tender offer period began.

Through MACO, VGI will increase its outdoor media nationwide footprint which shall serve a long underserved customer base. For more details, please refer to *2015/16 VGI Annual Report*.

THAI MEDIA INDUSTRY IN 2015/16

Thailand remains one of the slowest-growing economies in South-East Asia, expanding by 2.8% in 2015, down from the Bank of Thailand’s original estimate. The moderate expansion in GDP was mainly supported by higher government spending; nevertheless, the lower-than-expected growth was weighed down by exports contracting 5.6%¹ from softening global growth as well as lacklustre consumption and investment growth.

The advertising industry continued to suffer in line with weak household spending, with advertising spend contracting by 1.2% YoY. After the liberalisation of TV segment, digital TV was the best performing sector in the media industry, growing by 51.2% to THB 20,462mn (analogue TV dropped by 11.4%), followed by the internet, cinema and transit sectors, which grew 22.5%, 19.3% and 18.5%, respectively.

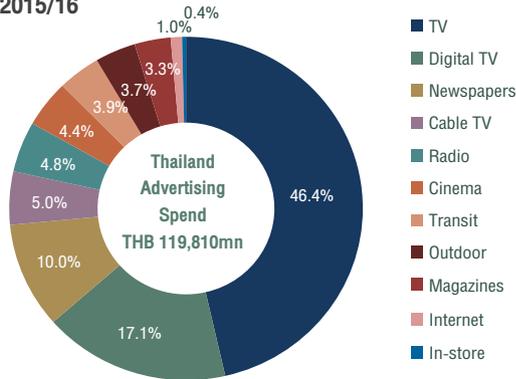
In relation to VGI, transit media is expected to continue to grow solidly on the back of mass transit line expansion, and a burgeoning aviation media subsector. With the exit of modern trade business (part of In-Store sector), the segment now comprises mainly Office Building media segment which continues to show sizeable growth of 23.6% over the previous year.

Overall media spending is heavily asymmetrical, where upcountry has long been an underserved geographical segment. With 80% of the households and 75% of the country’s household income derived from areas beyond Bangkok and its vicinity, only 30% of Out-of-Home (OOH) media spend has been allocated to this market². As the potential of this segment becomes realised, OOH media spending growth should continue to outperform.

¹ The Bank of Thailand

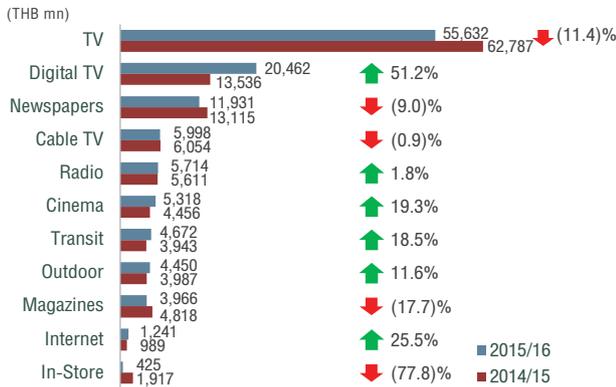
² Department of Provincial Administration, National Statistical Office (Ministry of Information and Communication Technology), the Bank of Thailand and Company Research.

MEDIA INDUSTRY MARKET SHARE IN THAILAND IN 2015/16



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

ADVERTISING SPEND IN THAILAND (THB mn)



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

KEY TRENDS

Out-of-Home Media vs Traditional Media in Thailand

In 2015/16, Out-of-Home (OOH) media spending which includes transit, outdoor and in-store media was THB 9,547mn or 8.0% of Thailand's advertising spending, which totaled THB 119,810mn. OOH media has grown continuously at a higher rate each year compared to traditional media segments such as analog TV, radio, newspaper and magazines. Whilst traditional media still had the highest market share at 64.4% of Thailand's advertising spending, the trend is expected to move towards OOH media over time. This is apparent from the faster growth in advertising spending in OOH media during the past 5 years.

During 2010/11-2015/16, Transit and Outdoor media had compound annual growth rate (CAGR) of 15.6% and 2.4%, respectively whereas conversely, the three lowest growth segments in Traditional media were Radio, Television and Newspaper with CAGR of -1.2%, -2.3% and -4.5%, respectively. OOH media segment gained the most market share, which grew from 6.3% in 2005/06 to 8.0% in 2015/16, or a 1.7% increase. By comparison, traditional media's market share declined from 92.1% in 2005/06 to 64.4% in 2015/16 (or a 27.7% decrease).

Urbanisation shifts advertising spending to Out-of-Home Media

Urbanisation continues to play a role in driving social changes in Thailand, correlating with the increase in growth of OOH media spending. High population density and severe traffic congestion as a result of urbanisation and lack of road

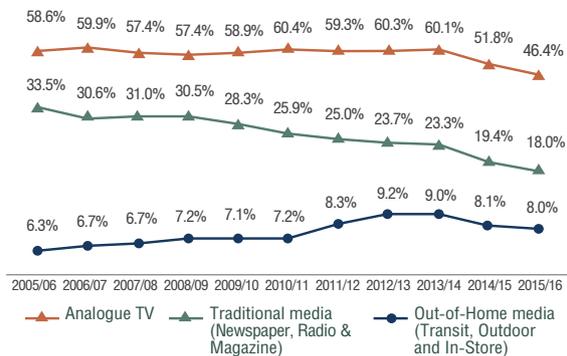
THAILAND MEDIA INDUSTRY SPEND

	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	5 YRS CAGR (%)
TV	62,537	62,528	68,755	68,107	62,787	55,632	(2.3)%
Digital TV	-	-	-	685	13,536	20,462	97.3%*
Newspapers	15,038	14,650	14,993	14,743	13,115	11,931	(4.5)%
Cable TV	-	-	-	1,797	6,054	5,998	27.3%*
Radio	6,057	6,027	6,335	6,134	5,611	5,714	(1.2)%
Cinema	6,382	7,231	7,205	5,360	4,456	5,318	(3.6)%
Transit	2,262	2,650	3,189	3,533	3,943	4,672	15.6%
Outdoor	3,962	4,319	4,471	4,161	3,987	4,450	2.4%
Magazines	5,764	5,715	5,662	5,508	4,818	3,966	(7.2)%
Internet	328	500	645	860	989	1,241	30.5%
In-Store	1,198	1,760	2,813	2,488	1,917	425	(18.7)%
Total Industry AdSpend	103,527	105,382	114,068	113,377	121,213	119,810	3.0%

Source: The Nielsen Company (Thailand) Co., Ltd (included Cable and Digital TV)^A

* Based on 2 years CAGR

OUT-OF-HOME VS TRADITIONAL MEDIA MARKET SHARE



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

development have made it inevitable for Bangkok to aggressively develop rail mass transit.

BTS SkyTrain's Core Network ridership has increased significantly over the past 5 years from 145mn passengers in 2010/11 to 233mn passengers in 2015/16, representing CAGR of 9.9%. This excludes any additional ridership growth from extensions to the Core Network, the Blue line and the Red line. The growth in mass transit ridership has resulted in increased OOH media spending, particularly in the Transit sector which had CAGR of 15.6% over the past 5 years.

Furthermore, today's consumers are spending more time than ever outside of their homes. Most of this time is spent commuting in their cars, in rail mass transit, buses, office buildings, shopping malls or airports. To capture this ever changing lifestyle of consumers, advertisers have increased their advertising spending on OOH media to THB 9,547mn, representing a CAGR of 5.2% over the past 5 years.

Transition to Digital Media

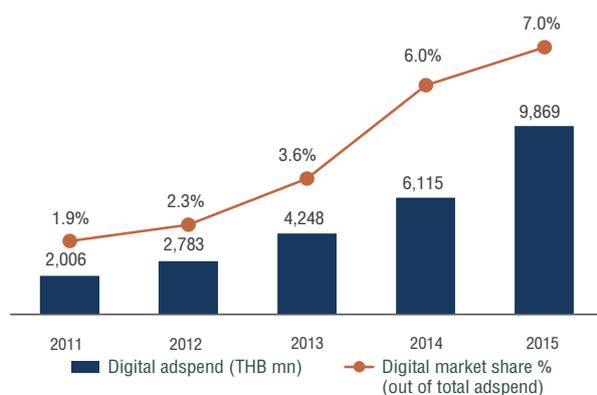
A remarkable change in the media landscape is the increasing proliferation of digital media. According to figures released by the Digital Advertising Association, Thailand (DATT), Thai digital advertisement spending has grown from THB 2,006mn in 2011 to THB 9,869mn in 2015, representing CAGR of 48.9%. Moreover, the market share of digital advertisement spending out of total advertisement spending has increased significantly from 1.9% to 7.0%, or a 5.1% increase. Recent development in digital media is posing a major threat to traditional media,

particularly for newspapers as is evident from the decline of 20.7% in advertisement spending from THB 15,038mn in 2010/11 to THB 11,931mn in 2015/16.

The growth of digital media is supported by its flexibility and scalability for advertisers to deliver messages to a target audience. Through its flexibility, advertisers can easily and more quickly deploy marketing campaigns, which reach a broader scope of audience compared to static media. Hence, digital media is becoming more time and cost-effective than other traditional media, which is one of the most critical components to keep up with the trend in the media industry going forward.

Digital media allows advertisers to deliver dynamic images which is a powerful tool that can more easily capture attention from the audience as well as evoke a sense of interaction. At the consumer-end, the ever increasing demand for instant information gives digital media the ability to keep consumers informed responsively and interactively. Hence, media owners who are able to offer advertisers media that are increasingly interactive and provide better engagement with consumers would have a competitive advantage.

DIGITAL ADVERTISING SPEND AND MARKET SHARE



Source: Digital advertising Association (Thailand) Co., Ltd

COMPETITIVE ENVIRONMENT

There are a few local key players in OOH Media in Thailand. The table below shows the key listed players based on 2015 revenues:

Company	Revenue (THB mn)	Net Profit (THB mn)
VGI PCL*	2,106	941
Plan B Media PCL	2,170	400
Master Ad PCL	694	171
Aqua Corporation PCL	562	285
Three Sixty Five PCL	430	(730)

* Fiscal Year ends 31 March

In the past 2-3 years, the trend for allocating advertising budgets 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 consistent brand and product recognition, expand the customer base, and reinforce brand loyalty. For this reason, competition in the media industry today is not merely to grab the market share from 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 competitive advantage in meeting the needs of advertisers, which translates into capturing more market share. Furthermore, consumers in this generation have a tendency to multitask and as a result, using a single type of media as per earlier generations no longer matches this change in consumer behaviour. As a consequence, there is increasing acceptance in combining conventional and digital media and in integrating innovative elements into these media to create an engaging and enjoyable experience for viewers.

As the number and variety of media platforms that reach all target groups increase, Traditional media also needs to keep up with the trend since advertising agencies or media consumers are opting to pay for the most suitable media to their target group that is available in the market. Likewise, TV which has been one of the most dominant media mediums in Thailand also needs to develop its platform in order to compete with other media, particularly against those that are more flexible in integrating its product with consumer's lifestyle such as OOH Media.

In 2013, TV sector was all about "digital" as Thailand has started to liberalise its digital TV system. In terms of the landscape of media industry after the liberalisation, it is expected that advertising spending in the TV sector will be more equally distributed as advertisements will no longer be clustered in the free TV channels. In the next 3-5 years, the transition to digital TV will create a competitive environment in the TV sector itself as the key success of digital TV business will rely heavily on the quality of content. Therefore, the market share of the media industry is believed to follow the current trend where TV has the highest market share. Nevertheless, the TV sector will be more competitive as there is lower entry to barriers and operators have to compete in terms of the media content to stay in business.

Taking into account trends such as this, the Company believes that 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. Moreover, advertisers can select specific target groups in terms of geography and demography. Findings from VGI's survey show that the reason product owners and agencies choose the VGI's media is due to its ability to enhance the image of modernisation and product image, to boost repeated views in order to build brand loyalty and to promote brand distinction.

VGI's media is also perceived to have the ability to reach its target market effectively and to consistently communicate the properties of the product or services. In line with VGI's vision to be the leader in lifestyle media network, VGI is constantly developing its media network to response to customer demands and to keep pace with the digital change.

3.6.3

BUSINESS AND INDUSTRY OVERVIEW: PROPERTY



14.6%
OF GROUP
OPERATING REVENUE

REVENUE
(THB mn)

2015/16: 896.5
2014/15: 1,354.8

KEY PERFORMANCE HIGHLIGHTS PROPERTY

Property Revenue

(% of Group operating revenue)

2015/16



2014/15



Property Revenue by Segment

Residential Property
Commercial Property
Others

2015/16



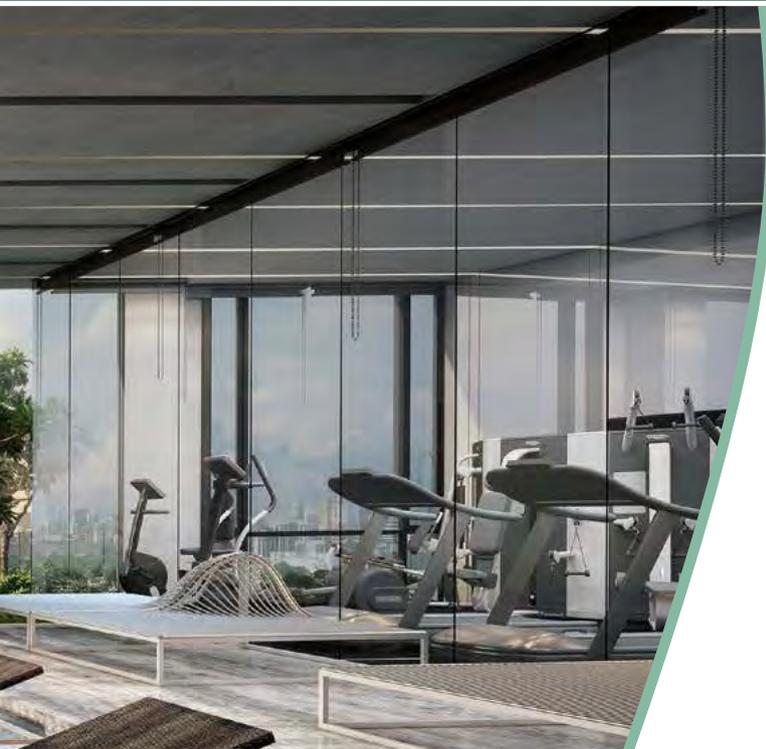
2014/15



(THB mn)	2015/16	2014/15	Change (%)
Operating revenue	896.5	1,354.8	(33.8)%
Gross operating profit	354.9	595.2	(40.4)%
Operating EBITDA	86.3	181.5	(52.4)%
Gross operating profit margin (%)	39.6%	43.9%	
Operating EBITDA margin (%)	9.6%	13.4%	

KEY DEVELOPMENTS IN 2015/16

- In April 2015, BTSG acquired a 35.6% shareholding in U City PCL, a SET-listed commercial property developer. We recognised a net gain (after tax) of THB 2,516mn from the sale of property assets to U City.
- The launch of the first 3 condominium projects under the BTS-SIRI joint venture were successful with 100% sold out during 1-2 days of pre-sales period.
- We restructured various property companies and assets under one wholly-owned entity in order to streamline financial reporting process and management lines.
- In 3Q 2015/16, we disposed of 50% of the shares in Nuvo Line (residential real estate project on Phaholyothin Road) to Sansiri as this will become another joint venture under our Strategic Alliance.
- In October 2015, Bayswater Co., Ltd., our 50%-owned associate bid for, and won the auction for a 48-rai (77,987sqm) land plot on Phaholyothin Road which is located 200m from the future Green Line extension station (N10).



“ 2015/16 saw a remarkable start for our property business under our partnership approach. In addition to a 35.6% stake in U City PCL, we upsized our Strategic Alliance goal to launch THB 100bn worth of residential condominiums over the next 5 years with Sansiri PCL. Subsequently, despite the relatively weak overall property market in Thailand, our first three “the Line” projects were fully pre-sold within 2 days of each launch, generating THB 11bn of pre-sales. ”

Rangsin Kritalug,
Chief Operating Officer and Executive Director

PROPERTY STRATEGY

Our Property strategy, is to pursue a partnership approach. In 2014/15, we started implementing our strategy with the announcement of partnerships with two SET - listed property players. The first was the partnership with Sansiri Public Company Limited (SIRI) on residential property projects. The Company and SIRI entered into the Strategic Alliance Framework Agreement (SAFA) to exclusively partner together (50:50 JV investment basis) on the development of residential projects for sale located within 500m of all rail mass transit stations. Our goal is to launch THB 100bn worth of residential condominiums over the next 5 years under the BTS-SIRI partnership.

During the course of the year, we successfully launched 3 Sansiri joint venture projects under the “The Line” brand: The Line Jatujak - Mo Chit, The Line Sukhumvit 71 and The Line Ratchathewi totaling 1,363 units. All projects were completely sold out within 2 days of the pre-sales period, generating THB 11bn value of pre-sales. The projects were not only very well received, but all three projects also had a high proportion of foreign buyers from Hong Kong, Singapore and Taiwan. This performance reaffirms the strength of the mass transit centric locations, and the synergistic relationship between our joint venture partners and ourselves.



The Line Jatujak-Mo Chit

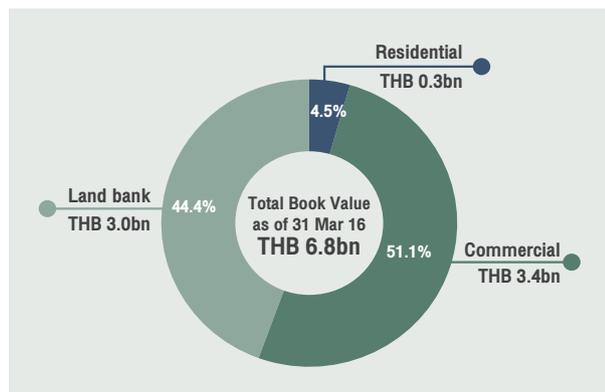


The Line Sukhumvit 71



The Line Ratchathewi

SUMMARY OF BTS GROUP EXISTING PROPERTY ASSETS

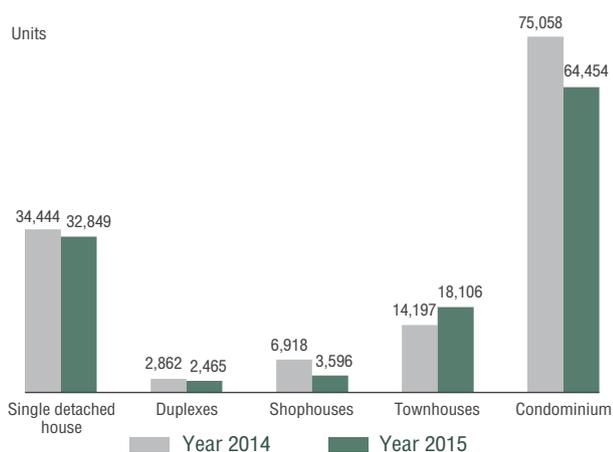


Property Summary by Category	Total Area		Book Value
	Total (rai)	Total (sqm)	(THB mn)
Residential			
Houses	62.2		306.4
Condominiums		186.2	2.3
Commercial			
Hotels		20,224.3	729.2
Golf Course & Sports Club	475.1		2,608.2
Residential Apartments		4,833.5	111.9
Land Bank			
Bangkok	60.9	97,368.0	785.2
Samut Prakarn	434.0	694,421.6	1,725.4
Nakhon Ratchasima	657.1	1,051,424.0	431.9
Chiang Mai & Chiang Rai	21.9	35,040.0	11.0
Phuket	37.7	60,340.0	34.0
Other Provinces	95.2	152,372.0	7.6
Total	1,844.1	2,116,209.6	6,753.0

In 2016/17, the partnership plans to launch 6 additional projects in 2016 worth THB 23bn. We expect to recognise share of losses from JV (mainly from the selling and marketing expenses related to The Line projects) in the first 2-3 years before units will be start transferred (revenue recognised on transfer). The first of the projects will start transferring in 2016/17 onwards although the Company will still record minimal share of loss from JVs in 2016/17, since most of the projects will not start transferring until 2018 and beyond. As such, we expect to see share of profit from JVs starting from 2018/19.

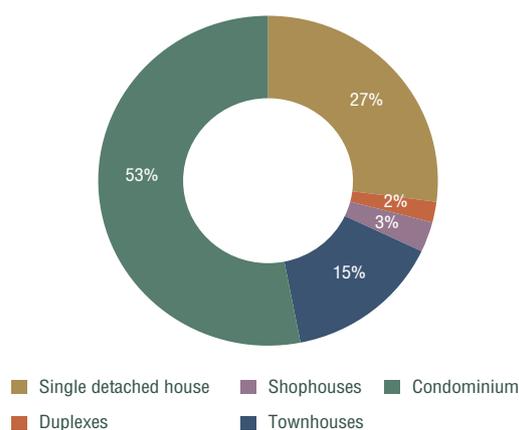
On 20 April 2015, we disposed of all ordinary shares in two subsidiaries, (i) BTS Assets Co., Ltd., the owner of Eastin Grand Hotel Sathorn Bangkok and land plots on Phaholyothin Road and (ii) Kamkoong Property Co., Ltd., the owner of land plots on Phayathai Road, to U City Public Company Limited (U City), previously known as Natural Park Public Company Limited. Total sales consideration was THB 9,404.1mn and the Company received 35.64% of the newly issued ordinary shares as well as warrants of U City in exchange for the sale. In 1Q 2015/16, the Group recognised a net gain (after tax) of THB 2,516mn from the sale of property assets to U City. The Company plans to expand the Commercial Property business through our strategic shareholding in U City. U City expects to develop at least 2 projects along mass transit routes within 2016/17, one of which is the 120,000 sqm mixed-use building located adjacent to Phayathai BTS station and Phayathai Airport Rail Link station. Also, during the year, BTS Group has begun to amalgamate its various property companies and assets to be held under one wholly-owned entity in order to streamline financial reporting and management lines.

NEWLY COMPLETED & REGISTERED HOUSING UNITS IN BANGKOK METROPOLITAN REGION



Source: Real Estate Information Center

NEWLY COMPLETED & REGISTERED HOUSING UNITS IN BANGKOK METROPOLITAN REGION BY TYPE IN 2015



Source: Real Estate Information Center

OVERVIEW OF BANGKOK'S EXISTING PROPERTY MARKET

BANGKOK RESIDENTIAL PROPERTY MARKET IN 2015

The overall property market continues to face a challenging year, buffeted by subpar economic growth that has dampened earnings growth and high household debt levels that has limited lending growth. As a consequence, demand has been negatively affected by these factors. According to the Real Estate Information Center (REIC), the number of newly completed and registered housing units in Bangkok and Vicinity (Bangkok Metropolitan Region) in 2015 decreased 9.0% YoY from 133,479 units to 121,470 units. The decrease was from a reduction in number of units launched of condominiums down 14.1%, single detached houses down 4.6%, shophouses down 48.0% and duplexes down 13.9%. Only townhouses bucked the trend, showing an increase of 27.5% from the previous year. Condominium projects represented 51.3% of total newly completed registered housing units, followed by single detached houses, townhouses, shophouses and twin houses at 27.5%, 14.9%, 3.0% and 2.0%, respectively.

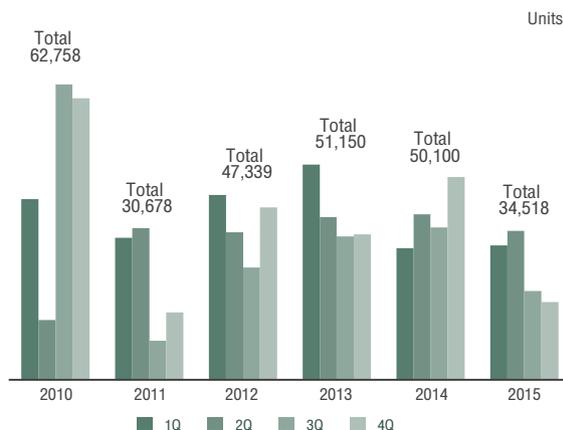
According to research at Colliers International Thailand (Colliers), the total newly launched condominium units within Bangkok during 2015 was 34,518 units, a sharp decline of 31.1% compared to the previous year. The supply of Bangkok condominiums were lower YoY for all quarters as developers were reluctant to launch projects in a soft market. Yet conversely, the year saw super luxury condominium project launches being able to achieve record-breaking prices and high sales rates because they

meet key expectations of location, quality, design and specifications of their high income customers who are better able to secure and service mortgages.

As buyers seek more convenient lifestyles, demand remains strong for properties along existing and future mass transit routes. Development along mass transit routes has been a feature of the property development market for several years now. Close proximity to mass transit stations, therefore, remains a key trend in attracting buyers and developers, as is evident from the premiums on selling prices. This is particularly evident in downtown and CBD areas where the availability of land is limited, capping supply of new launches and where there is significant supplementary demand from foreigners.

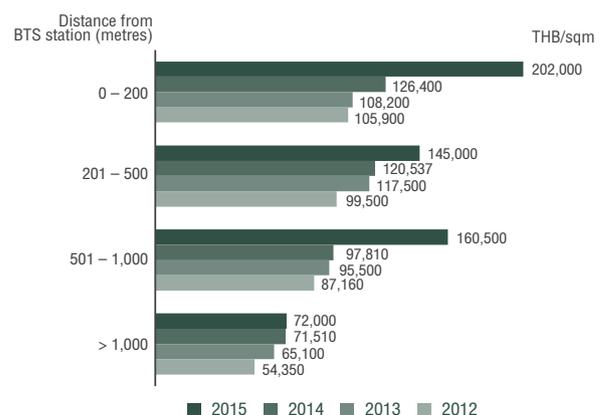
The prices of condominium units that are located within 200m from BTS stations had an average sales price of THB 202,000 psm (59.8% increase YoY) driven by record sales prices of luxury projects, while projects 201–500m away had an average sales price of THB 145,500 psm (20.3% increase YoY). Projects within 500m of mass transit lines are considered in close proximity to them. Moving further away, projects 501–1,000m and projects further than 1,000m away generally have lower average selling prices, but for 2015 stood at THB 160,500 psm (64.1% increase YoY) and THB 72,000 psm (flat growth YoY), respectively. Certain luxury projects were skewing average launch prices higher on the back of significantly lower unit launches in that category.

NEWLY LAUNCHED CONDOMINIUM UNITS IN BANGKOK



Source: Colliers International Thailand Research

AVERAGE SELLING PRICE OF NEWLY LAUNCHED CONDOMINIUM UNITS BY PROXIMITY TO EXISTING BTS SKYTRAIN



Source: Colliers International Thailand Research

Over the last 3 years, prices of newly launched units within 200 metres and between 201 metres and 500 metres have shown CAGR of 24.0% and 13.4%, respectively compared to only 9.8% for projects launched at over 1,000 metres and the condominium price index - a broader gauge of overall condominium prices - showing CAGR of 6.8%.

Land prices in Bangkok, especially in the CBD, have risen at the fastest pace over the past 8 years. Bangkok Metropolis and vicinity land price index grew from 95.1 in 2008 to 157.2 in 2015, a 65.3% increase and CAGR of 7.4%. Recent years have seen 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 and competitive.

KEY TRENDS OF RESIDENTIAL PROPERTY

In spite of sluggish economic growth, the Bank of Thailand is more optimistic with the state of the economy for the coming year. During 2015 the Bank of Thailand unexpectedly lowered its policy rate from 2.0% twice by a total of 50 bps to 1.50% by April, but has since kept policy rates stable, having judged the rates sufficiently accommodative and expecting a pickup in growth for 2016¹.

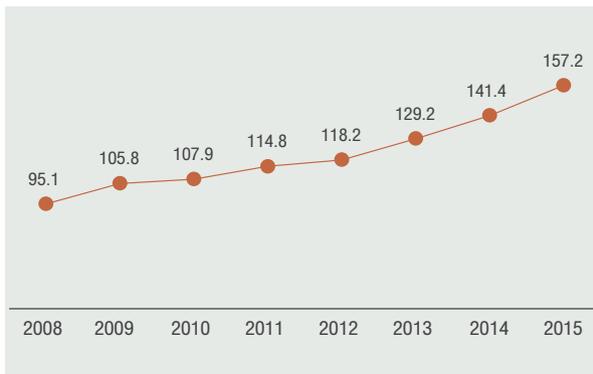
In late 2015, the government announced 20 infrastructure projects related to rail, roads, ports and air travel - altogether some THB 1.8tn worth, with construction to be underway by 2018, is expected to boost GDP growth by 1% over 2 years. This, along with other reforms such as passing a tax code amendment that permanently keeps the corporate income tax rate at 20%² are long-term tailwinds that will continue to support property development and aggregate demand via multiplier effects.

During 2015, shorter term stimulus measures such as reducing the transfer and mortgage fees for real estate transactions, THB 10bn in soft housing loans for qualified home-buyers, tax credits for purchases of property and capped tax deductions on spending and VAT applicable goods, have also had a positive impact. Their effects will continue to be felt in 2016. The widespread adoption of these policies has prompted the government to signal a possible continuation of these programs to support the economy going forward.

¹ https://www.bot.or.th/Thai/MonetaryPolicy/MonetPolicyComittee/ReportMPC/Minute_N2/MPC_Minutes_8_2015_26j88.pdf

² <http://www.bangkokpost.com/business/news/835944/20-corporate-income-tax-made-permanent>

BANGKOK METROPOLIS AND VICINITY LAND PRICE INDEX



Source: Bank of Thailand



Phayathai Project

HOTEL INDUSTRY IN 2015

International tourism arrivals for the year reached the highest level on record at 29.9mn and growing 20.5% from the previous year. Tourism was remarkably resilient to external factors such as a slowdown in global GDP growth and several domestic terror incidents, the biggest of which being the bomb attack on Erawan shrine on 17 August 2015. Chinese tourists remained the majority of international tourists visiting Thailand, accounting for 26.5% of the total (up from 18.7% in 2014), followed by Malaysians at 11.5% (up from 10.5% in 2014). In fact, Chinese and Malaysian tourists accounted for 81% of the growth in arrivals. Russian tourists fell 45.0% and now account for 3.0% of total arrivals owing to a weak domestic economy and the collapse of the Russian Rouble.

The buoyant tourism environment was a boon for hotel players, which saw overall occupancy rate and Average Daily Rate (ADR) rise. Based on a CBRE Thailand report, the average occupancy rate of hotels in Bangkok in 2015 was around 75.3% (versus 61.9% in 2014) and ADR was around THB 3,287, an increase of 4.3% from the previous year.

KEY TRENDS OF HOTEL INDUSTRY

International tourist arrivals are expected to continue to grow in 2016 with the Tourism Authority of Thailand forecasting total tourism arrivals at 32 million in 2016

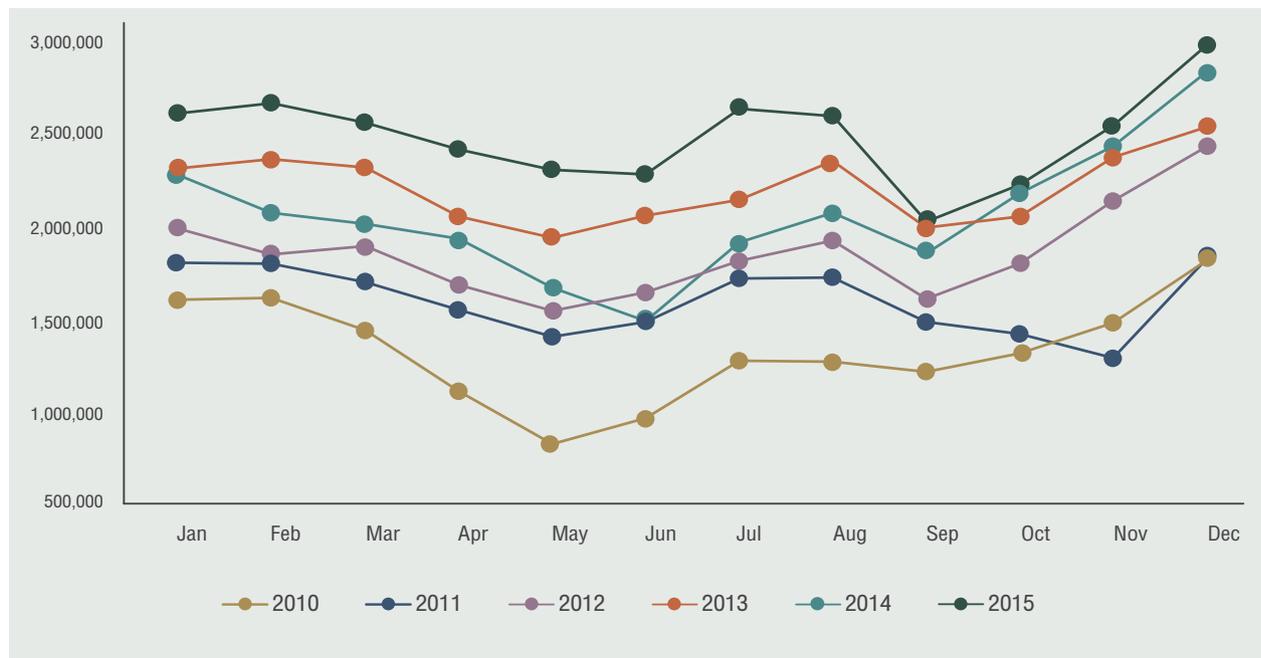
and tourism revenue at THB 2.4 trillion, up 7% and 8%, respectively from 2015. Moreover, the government has been increasingly active in promoting domestic tourism, by offering tax deductions and creating marketing and promotional campaigns.

Airport over-crowding issues at major airports in Thailand are being addressed, with the soft - launch opening of Don Muang's Terminal 2 on 24 December 2015, which has begun full operations in February 2016 with an additional handling capacity of 11.5 million passengers per year-bringing total handling capacity to 40 million passengers. In addition to this, construction is expected to begin in June 2016 on Phase 2 expansion of Suvarnabhumi Airport to increase handling capacity to 60 million passengers per year from the current capacity of 45 million passengers per year.

As a travel destination, Bangkok retains its number one ranking since 2013 in overnight visitors according to Mastercard's Asia Pacific Destinations Index in 2015. Phuket and Pattaya also made the list separately at 5th and 8th place, respectively - a strong indicator of Thailand's continuing attractiveness as a travel destination.

Given strong growth in international travel, the tourism and hospitality sector is expected to grow despite challenges to secular GDP growth. While Thailand's government retains policy flexibility and has the capacity to stimulate domestic demand if necessary during unexpected negative events.

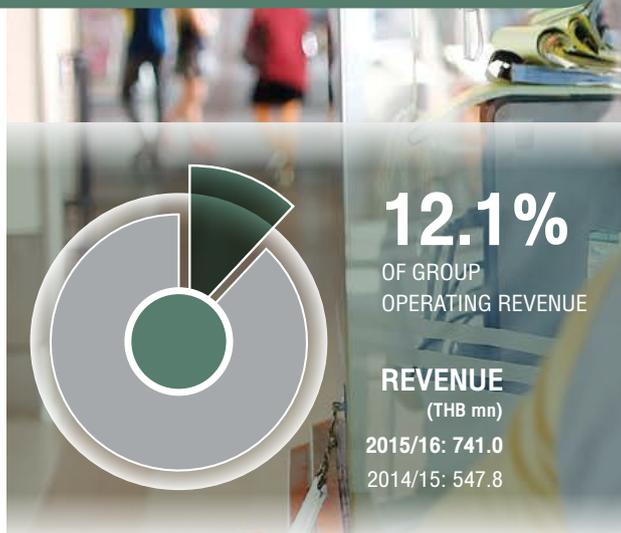
INTERNATIONAL TOURIST ARRIVALS TO THAILAND IN 2010 – 2015



Source: Department of Tourism

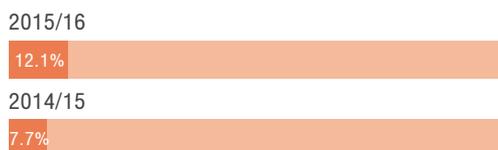
3.6.4

BUSINESS AND INDUSTRY OVERVIEW: SERVICES

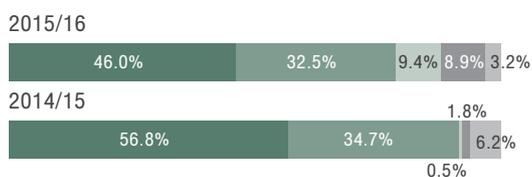


KEY PERFORMANCE HIGHLIGHTS SERVICES

Services Revenue (% of Group operating revenue)



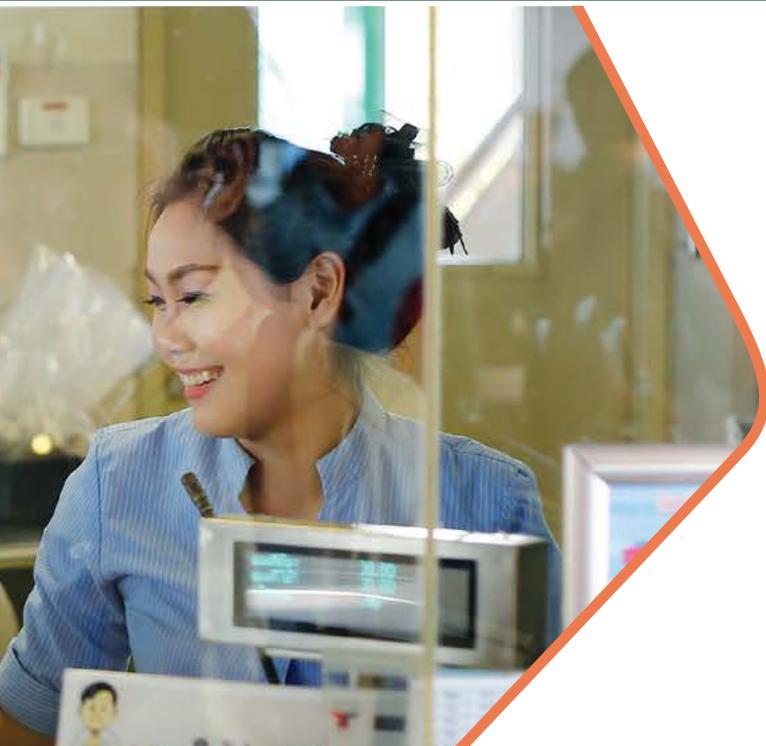
Services Revenue by Segment



(THB mn)	2015/16	2014/15	Change (%)
Operating revenue	741.0	547.8	35.3%
Gross operating profit	121.6	145.0	(16.1)%
Operating EBITDA	(24.3)	43.6	N.A
Gross operating profit margin (%)	16.4%	26.5%	
Operating EBITDA margin (%)	(3.3)%	8.0%	

KEY DEVELOPMENTS IN 2015/16

- The number of Rabbit cards issued have increased 35% from 3.7 million cards in 2014/15 to 5.3 million cards in 2015/16 and coverage extends to over 90 retail partners with 3,000 outlets covering diverse business sectors.
- Rabbit LINE Pay, Thailand 1st Integrated online & offline payment platform, the cooperation between Rabbit Pay System (our subsidiary) and Line, was established in April 2016.
- BSSH invested in the web portal and insurance brokerage business by acquiring new shares in ASK Hanuman Group. The acquisition enables BSSH to expand its services business to cover a host of e-services.
- AHS has acquired 12 new management contracts under “Eastin Grand Hotels”, “Eastin Hotels & Residences”, “Eastin Easy” and “U Hotels & Resorts” brands in Thailand, Vietnam, Indonesia, India and Europe in 2015/16. In addition, Travelodge Thailand, (a joint venture with Travelodge Asia), has been established in order to operate the Travelodge brand in Thailand.



“ We have been actively developing and deepening Rabbit’s services during the year. Rabbit Daily, which is operated by Rabbit Internet, is a web portal encompassing contemporary content with e-commerce. We provide online comparison services for financial products through Rabbit Finance. The year also marked the beginning of the fusion between offline and online payment channels through Rabbit LINE Pay. This pioneering nationwide e-wallet will give users a convenient, seamless and timely payment channel. Rabbit will simultaneously benefit from - and unlock - lucrative opportunities for all of our businesses. ”

Nelson Leung,
Chief Executive Officer - BSS

RABBIT CARD & RABBIT LINE PAY (ONLINE-OFFLINE PAYMENT CHANNELS)

The Rabbit Card was launched on 1 May 2012 by Bangkok Smartcard System Company Limited (BSS). Within four years of its operation, the Rabbit Card user base has grown to over 5.3 million cards with over 90 participating retail partners and 3,000 outlets. Our participating retailers cover a wide variety of brands from many business sectors, including: F&B retail (McDonald’s, Starbucks, Au Bon Pain, Burger King); Entertainment (Major Cineplex and SF Cinema); participating stores at Emporium, Siam Paragon, The Mall, Mini Big C. BSS also launched its usage and top-up service at MBK Food Island and partnered with Tesco Lotus to expand the Rabbit retail network across Tesco Lotus Express stores in the Bangkok metropolitan area and launch a promotion campaign exclusively for Tesco Lotus Express customers. We expect the number of participating retailers to expand considerably to 4,500 readers by 2016.

During 2015/16, the Company has expanded its e-money business from offline to online channel by establishing the first integrated offline-online e-wallet service in Thailand: “Rabbit Line Pay”. Our joint venture between Rabbit Pay System (our subsidiary) and Line, merges a substantial Rabbit card base with the most popular messaging app in Thailand. Through this investment and partnership, we have now become the only e-money service provider with integrated payment services for both offline and online channels. We expect Rabbit LINE Pay to be used in our partnered retail stores in the third quarter and in mass transit in the fourth quarter of 2016/17. This integrated service not only significantly increases our fee-income potential but through data gathering and analytics of consumer behavior, we enhance our media business by offering our clients smarter, targeted advertising and activation capabilities.



Rabbit LINE Pay





Rabbit Finance (<https://finance.rabbit.co.th>)

RABBIT INTERNET

In 2015, BTS Group has invested in a web portal and insurance brokerage business through its subsidiary, BSS Holdings Company Limited (“BSSH”), by acquiring shares in ASK Hanuman Group which comprises of three companies; ASK Hanuman (currently known as Rabbit Internet Co., Ltd.), ASK Broker and ASK Direct. ASK Hanuman Group engages in the following three businesses:

- Web Portal business of “Rabbit Daily” which filters and categorises website links and content for a more refined user experience. Currently, there are 40 updated articles a day available on the website and more than 100,000 visitors visit our website.
- Insurance Brokerage business through ASK Broker, a licensed insurance broker in accordance with the Non-Life Insurance ACT A.D. 1992. ASK broker provides an online insurance comparison service under the name Rabbit Finance based on information provided by visitors. Agents are then routed to contact the potential customer for a follow-through.
- Telemarketing business operated by ASK Direct, which provides telesales services for ASK Broker to contact their potential customer as well as following up with existing customers with expired policies.



Rabbit Daily (<https://daily.rabbit.co.th>)

AEON RABBIT MEMBER CARD

BSS has partnered with AEON Thana Sinsap (Thailand) PCL (AEONTS) to launch the ‘AEON Rabbit Member Card’, merging the services and benefits of BSS and AEON into in one card. The co-branded card was launched on 16 February 2015. This card aims to give cardholders additional financial services (access to personal credit facilities, cash withdrawal and purpose loans from business partners of AEON’s network) and quick access to mass transportation and easy payment channels at various retail outlets. This groundbreaking partnership will broaden the customer base for both BSS and AEONTS as well as support service expansion.

RABBIT REWARDS

Rabbit Rewards (previously named: Carrot Rewards) manages a loyalty and benefits programme for Rabbit holders. Rabbit holders who register their cards earn points when topping up their Rabbit cards, when using their Rabbit cards on the BTS SkyTrain and when making retail purchases with the card at select retail partners. These Points can subsequently be redeemed for cash top-up on a member’s Rabbit card as well as for various merchandises and gift certificates from www.rabbitrewards.co.th

Since its launch in May 2012, over 2 million Rabbit holders have enrolled in Rabbit Rewards programme. Rabbit Rewards generates income through the management of Rewards to its point-issuing partners. Additionally, revenues are earned through customised direct marketing activities to the Rabbit Rewards membership database on behalf of third parties. In 2015/16, Rabbit Rewards launched its mobile application, which will facilitate member enrollment and engagement activities.

BANGKOK PAYMENT SOLUTIONS

Bangkok Payment Solutions Company Limited (“BPS”) was established on 30 April 2014 as a joint venture between VIX Group and BTSG. VIX Group is the technology development leader for Central Clearing House (“CCH”) and Automatic Fare Collection (“AFC”) services. BPS will be the vehicle for developing software and providing technology services, for an integrated mass transit and payment systems for Thailand.

BPS will have three main revenue streams; services revenue from payment solution projects (CCH and AFC development), recurring service and maintenance contracts as well as electronic data capture hardware device sales. During 2015/16, BPS provided services for several projects such as OTP Common Ticket, development and upgrade of BSS CCH as well as other upgrades to support Rabbit Card and Rabbit Rewards marketing programmes.

THAI COMMON TICKET

The common ticket project was initiated by the Office of Transport and Traffic Policy and Planning (OTP) to establish a single card or common ticketing system for the public to access all transit systems and at retail shops. The initial phase of this project required the development of a CCH system. On 10 February 2015, BSV Consortium (the consortium between BTSC, Smart Traffic Co., Ltd. and VIX Mobility PTY.LTD) was awarded the contract, which was subsequently subcontracted to BPS. OTP targets project completion within 2018.

CHEFMAN RESTAURANT

ChefMan Restaurant (ChefMan) is a premium Chinese restaurant chain managed by Man Kitchen Company Limited that offers distinctly original Cantonese cuisine. ChefMan is committed to providing excellent food with high quality ingredients cooked by professional chefs. During 2015/16, ChefMan restaurant extended its distribution channel to cover more segments. As of 31 March 2016, ChefMan had 9 branches, divided into 3 dine-in branches, 1 take-away branch, 4 Chairman by Chef Man (Hong Kong Café concept), 1 private dining concept under M Krub restaurant and 1 Man Kitchen buffet.

ABSOLUTE HOTEL SERVICES CO., LTD.

Absolute Hotel Services Co., Ltd. (AHS) is a joint venture company between the Group and partners with experience in the hotel business. Currently, AHS manages 3 to 5 star hotels under “U Hotels & Resorts”, “Eastin Grand Hotels”, “Eastin Easy” and “Eastin Hotels & Residences” brands in Thailand, Vietnam, Laos, Indonesia, India, Oman and Europe. AHS’s vision is to provide a unique range of complete hospitality services and consultancy on an a la carte basis with tailor - made client-, owner- and developer - centric solutions. As of 31 March 2016, AHS had 68 properties with 9,200 keys under its management. Amongst these, 3,900 keys are located in Thailand, 2,100 keys in Vietnam, 900 keys in Indonesia, 2,000 keys in India/Middle East and 300 keys in Europe, which will all be operational in 2016/17. By 31 Mar 2017, AHS aims to have a total of 10,500 keys and 80 properties under its management.



ChefMan Restaurant “M Krub”

3.7

SUBSIDIARIES, ASSOCIATED COMPANIES AND JOINTLY CONTROLLED ENTITIES INFORMATION

AS OF 31 MARCH 2016

Juristic Person	Type of Business	Address	Paid-up Capital (THB)	Total Shares/ Issued Shares	Type	Shareholding (%)
1. Mass Transit Business						
Bangkok Mass Transit System Pcl	Mass Transit Business	1000 BTS Building, Phaholyothin Road, Chomphon, Chatuchak, Bangkok 10900 Tel: +66 (0) 2617 7300 Fax: +66 (0) 2617 7133	4,016,783,413.25	16,067,133,653 shares (par value of THB 0.25 per share)	Ordinary Shares	97.46
BTS Rail Mass Transit Growth Infrastructure Fund (BTSGIF)	Investment in the net farebox revenue from the operation of the Core BTS SkyTrain System under the Concession Agreement, covering a combined track length of 23.5 km	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 # 8 Fax: +66 (0) 2679 5955	61,786,900,000	5,788,000,000 units (par value of THB 10.675 per unit)	Investment Units	33.33
2. Media Business						
VGI Global Media Pcl	Providing advertising network service in mass transit system (BTS SkyTrain), 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	686,432,185.20	6,864,321,852 shares (par value of THB 0.10 per share)	Ordinary Shares	74.30 (51% held by Bangkok Mass Transit System Pcl and 23.30% held by the Company)
VGI Advertising Media Co., Ltd.	Providing advertising media service (ceased to operate due to the termination of agreement 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	100,000 shares (par value of THB 100 per share)	Ordinary Shares	100.00 (held by VGI Global Media Pcl)
888 Media Co., Ltd.	Providing advertising media and production services	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	2,000,000 shares (par value of THB 10 per share)	Ordinary Shares	100.00 (held by VGI Global Media Pcl)
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	10,000,000	1,000,000 shares (par value of THB 10 per share)	Ordinary Shares	100.00 (held by VGI Global Media Pcl)
Master Ad Pcl	Providing out-of-home advertising media and production services and entertainment	4 th -6 th Floor, 1, Soi Ladprao 19, Ladprao Road, Chomphon, Chatuchak Bangkok 10900 Tel: +66 (0) 2938 3388 Fax: +66 (0) 2938 3489	376,121,187.50	3,008,969,500 shares (par value of THB 0.10 per share)	Ordinary Shares	24.96 (held by VGI Global Media Pcl)
Aero Media Group Co., Ltd. (formerly known as LED Advance Co., Ltd. and changed its name on 1 October 2015.)	Providing marketing service and media space within the airport areas	540, Mercury Tower, 11 th Floor, Ploenchit Road, Lumpini, Pathumwan Bangkok 10330 Tel: +66 (0) 2697 9944 Fax: +66 (0) 2697 9945	75,000,000	75,000 shares (par value of THB 1,000 per share)	Ordinary Shares	20.00 (held by VGI Global Media Pcl)

Juristic Person	Type of Business	Address	Paid-up Capital (THB)	Total Shares/ Issued Shares	Type	Shareholding (%)
3. Property Business						
U City Pcl (formerly known as Natural Park Pcl and changed its name on 20 April 2015)	Land Owner and Property Development	21 Soi Choei Phuang, Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900 Tel: +66 (0) 2273 8838 Fax: +66 (0) 2273 8868-9	561,362,298,976	561,362,298,976 shares (par value of THB 1 per share)	Ordinary Shares	35.64
Unicorn Enterprise Co., Ltd.	Investing in property 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	100,000 shares (par value of THB 100 per share)	Ordinary Shares	100.00
PrannaKiri Assets 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	311,000,000	3,110,000 shares (par value of THB 100 per share)	Ordinary Shares	100.00 (held by UNICORN ENTERPRISE Co., Ltd.)
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	50,000 shares (par value of THB 100 per share)	Ordinary Shares	100.00 (held by UNICORN ENTERPRISE Co., Ltd.)
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	500,000 shares (par value of THB 100 per share)	Ordinary Shares	100.00 (held by UNICORN ENTERPRISE Co., Ltd.)
Muangthong Assets Co., Ltd.	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	1,250,000 shares (par value of THB 100 per share)	Ordinary Shares	100.00 (held by UNICORN ENTERPRISE Co., Ltd.)
BTS Land Co., Ltd.	Brand Development for Property and Services Business and Securities Investment	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	100,000 shares (par value of THB 100 per share)	Ordinary Shares	100.00 (held by UNICORN ENTERPRISE Co., Ltd.)
Tanayong Food and 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	10,000 shares (par value of THB 100 per share)	Ordinary Shares	100.00 (held by UNICORN ENTERPRISE Co., Ltd.)
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	10,000 shares (par value of THB 100 per share)	Ordinary Shares	100.00 (held by UNICORN ENTERPRISE Co., Ltd.)

Juristic Person	Type of Business	Address	Paid-up Capital (THB)	Total Shares/ Issued Shares	Type	Shareholding (%)
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	2,340,000 shares (par value of THB 100 per share)	Ordinary Shares	100.00 (held by UNICORN ENTERPRISE Co., Ltd.)
Thana City Golf & Sports Club Co., Ltd.	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	200,000 shares (par value of THB 100 per share)	Ordinary Shares	100.00 (held by UNICORN ENTERPRISE Co., Ltd.)
Mak8 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	240,000,000	2,400,000 shares (par value of THB 100 per share)	Ordinary Shares	100.00 (held by UNICORN ENTERPRISE Co., Ltd.)
Keystone Estate Co., Ltd.	Investing in property 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	100,000 shares (par value of THB 100 per share)	Ordinary Shares	100.00 (held by UNICORN ENTERPRISE Co., Ltd.)
Ratburana Property Co., Ltd.	Property development	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	100,000 shares (par value of THB 100 per share)	Ordinary Shares	100.00 (held by UNICORN ENTERPRISE Co., Ltd.)
Kingkaew Assets Co., Ltd.	Property development	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	100,000 shares (par value of THB 100 per share)	Ordinary Shares	100.00 (held by UNICORN ENTERPRISE Co., Ltd.)
The Community One Co., Ltd.	Property development	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	100,000 shares (par value of THB 100 per share)	Ordinary Shares	100.00 (held by UNICORN ENTERPRISE Co., Ltd.)
The Community Two Co., Ltd.	Property development	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	100,000 shares (par value of THB 100 per share)	Ordinary Shares	100.00 (held by UNICORN ENTERPRISE Co., Ltd.)
Nine Square Property Co., Ltd.	Property development	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	100,000 shares (par value of THB 100 per share)	Ordinary Shares	100.00 (held by UNICORN ENTERPRISE Co., Ltd.)
Bayswater 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	10,000,000	100,000 shares (par value of THB 100 per share)	Ordinary Shares	50.00 (held by UNICORN ENTERPRISE Co., Ltd.)

Juristic Person	Type of Business	Address	Paid-up Capital (THB)	Total Shares/ Issued Shares	Type	Shareholding (%)
BTS Sansiri Holding One Limited	Property Development	475 Siripinyo Building, 8 th Floor, Sri Ayutthaya Road, Rajthevi, Bangkok 10400 Tel: +66 (0) 2201 3905-6 Fax: +66 (0) 2201 3904	100,000,000	1,000,000 shares (par value of THB 100 per share)	Ordinary Shares	50.00 (held by UNICORN ENTERPRISE Co., Ltd.)
BTS Sansiri Holding Two Limited	Property Development	475 Siripinyo Building, 8 th Floor, Sri Ayutthaya Road, Rajthevi, Bangkok 10400 Tel: +66 (0) 2201 3905-6 Fax: +66 (0) 2201 3904	100,000,000	1,000,000 shares (par value of THB 100 per share)	Ordinary Shares	50.00 (held by UNICORN ENTERPRISE Co., Ltd.)
BTS Sansiri Holding Three Limited	Property Development	475 Siripinyo Building, 8 th Floor, Sri Ayutthaya Road, Rajthevi, Bangkok 10400 Tel: +66 (0) 2201 3905-6 Fax: +66 (0) 2201 3904	100,000,000	1,000,000 shares (par value of THB 100 per share)	Ordinary Shares	50.00 (held by UNICORN ENTERPRISE Co., Ltd.)
BTS Sansiri Holding Four Limited	Property Development	475 Siripinyo Building, 8 th Floor, Sri Ayutthaya Road, Rajthevi, Bangkok 10400 Tel: +66 (0) 2201 3905-6 Fax: +66 (0) 2201 3904	100,000,000	1,000,000 shares (par value of THB 100 per share)	Ordinary Shares	50.00 (held by UNICORN ENTERPRISE Co., Ltd.)
BTS Sansiri Holding Five Limited	Property Development	475 Siripinyo Building, 8 th Floor, Sri Ayutthaya Road, Rajthevi, Bangkok 10400 Tel: +66 (0) 2201 3905-6 Fax: +66 (0) 2201 3904	100,000,000	1,000,000 shares (par value of THB 100 per share)	Ordinary Shares	50.00 (held by UNICORN ENTERPRISE Co., Ltd.)
BTS Sansiri Holding Six Limited	Property Development	475 Siripinyo Building, 8 th Floor, Sri Ayutthaya Road, Rajthevi, Bangkok 10400 Tel: +66 (0) 2201 3905-6 Fax: +66 (0) 2201 3904	100,000,000	1,000,000 shares (par value of THB 100 per share)	Ordinary Shares	50.00 (held by UNICORN ENTERPRISE Co., Ltd.)
BTS Sansiri Holding Seven Limited	Property Development	475 Siripinyo Building, 8 th Floor, Sri Ayutthaya Road, Rajthevi, Bangkok 10400 Tel: +66 (0) 2201 3905-6 Fax: +66 (0) 2201 3904	100,000,000	1,000,000 shares (par value of THB 100 per share)	Ordinary Shares	50.00 (held by UNICORN ENTERPRISE Co., Ltd.)
BTS Sansiri Holding Eight Limited	Property Development	475 Siripinyo Building, 8 th Floor, Sri Ayutthaya Road, Rajthevi, Bangkok 10400 Tel: +66 (0) 2201 3905-6 Fax: +66 (0) 2201 3904	100,000,000	1,000,000 shares (par value of THB 100 per share)	Ordinary Shares	50.00 (held by UNICORN ENTERPRISE Co., Ltd.)
BTS Sansiri Holding Nine Limited	Property Development	475 Siripinyo Building, 8 th Floor, Sri Ayutthaya Road, Rajthevi, Bangkok 10400 Tel: +66 (0) 2201 3905-6 Fax: +66 (0) 2201 3904	100,000,000	1,000,000 shares (par value of THB 100 per share)	Ordinary Shares	50.00 (held by UNICORN ENTERPRISE Co., Ltd.)
BTS Sansiri Holding Eleven Limited	Property Development	475 Siripinyo Building, 8 th Floor, Sri Ayutthaya Road, Rajthevi, Bangkok 10400 Tel: +66 (0) 2201 3905-6 Fax: +66 (0) 2201 3904	100,000,000	1,000,000 shares (par value of THB 100 per share)	Ordinary Shares	50.00 (held by UNICORN ENTERPRISE Co., Ltd.)

Juristic Person	Type of Business	Address	Paid-up Capital (THB)	Total Shares/ Issued Shares	Type	Shareholding (%)
BTS Sansiri Holding Twelve Limited	Property Development	475 Siripinyo Building, 8 th Floor, Sri Ayutthaya Road, Rajthevi, Bangkok 10400 Tel: +66 (0) 2201 3905-6 Fax: +66 (0) 2201 3904	100,000,000	1,000,000 shares (par value of THB 100 per share)	Ordinary Shares	50.00 (held by UNICORN ENTERPRISE Co., Ltd.)
BTS Sansiri Holding Fourteen Limited	Property Development	475 Siripinyo Building, 8 th Floor, Sri Ayutthaya Road, Rajthevi, Bangkok 10400 Tel: +66 (0) 2201 3905-6 Fax: +66 (0) 2201 3904	100,000,000	1,000,000 shares (par value of THB 100 per share)	Ordinary Shares	50.00 (held by UNICORN ENTERPRISE Co., Ltd.)
Nuvo Line Agency Co., Ltd.	Land Owner and Property Development	475 Siripinyo Building, 8 th Floor, Sri Ayutthaya Road, Rajthevi, Bangkok 10400 Tel: +66 (0) 2201 3905-6 Fax: +66 (0) 2201 3904	375,000,000	3,750,000 shares (par value of THB 100 per share)	Ordinary Shares	50.00 (held by UNICORN ENTERPRISE Co., Ltd.)
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	1,000 shares (par value of USD 1 per share)	Ordinary Shares	100.00
Tanayong Hong Kong Limited	Securities Investment	11 th Floor, Malahon Centre 10-12 Stanley St. Central, Hong Kong	HKD 10,000	10,000 shares (par value of HKD 1 per share)	Ordinary Shares	100.00
Rabbit Rewards Co., Ltd. (formerly known as Carrot Rewards Co., Ltd. and changed its name on 5 February 2016.)	Operating loyalty and CRM Loyalty Program services as well as network of Coupon Kiosks	21 TST Tower, 19 th Floor, Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900 Tel: +66 (0) 2618 3799 Fax: +66 (0) 2618 3798	2,000,000	20,000 shares (par value of THB 100 per share)	Ordinary Shares	100.00
Primary Kitchen Co., Ltd.	Restaurant and Food Business	21 Soi Choei Phuang, Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900 Tel: +66 (0) 2273 8511-5 Fax: +66 (0) 2273 8516	93,844,000	1,000,000 shares (par value of THB 100 per share)	Ordinary Shares	100.00
Man Kitchen Co., Ltd.	Restaurant and Food Business	21 Soi Choei Phuang, Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900 Tel: +66 (0) 2273 8511-5 Fax: +66 (0) 2273 8516	165,800,000	3,000,000 shares (par value of THB 100 per share)	Ordinary Shares	70.00
Little Corner Co., Ltd.	Restaurant and Food Business	21 Soi Choei Phuang, Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900 Tel: +66 (0) 2273 8511-5 Fax: +66 (0) 2273 8516	60,000,000	600,000 shares (par value of THB 100 per share)	Ordinary Shares	69.00 (held by Man Kitchen Co., Ltd.)

Juristic Person	Type of Business	Address	Paid-up Capital (THB)	Total Shares/ Issued Shares	Type	Shareholding (%)
BSS Holdings Co., Ltd.	Investment in the securities of other companies and providing e-money services	21 TST Tower, 19 th Floor, Soi Choei Phuang, Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900 Tel: +66 (0) 2617 8338 Fax: +66 (0) 2617 8339	1,200,000,000	12,000,000 shares (par value of THB 100 per share)	Ordinary Shares	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	4,000,000 shares (par value of THB 100 per share)	Ordinary Shares	90.00 (held by Bangkok Mass Transit System Pcl)
RabbitPay System Co., Ltd.	Providing electronic money services, electronic payment services, electronic payment services through any devices or network, bill payment service, and to invest in the securities of other companies	21 TST Tower, 19 th Floor, Soi Choei Phuang, Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900 Tel: +66 (0) 2617 8338 Fax: +66 (0) 2617 8339	800,000,000	8,000,000 shares (par value of THB 100 per share)	Ordinary Shares	80.00 (held by BSS Holdings Co., Ltd.)
Bangkok Payment Solutions Co., Ltd.	Trade, import, export, and maintenance telecommunication devices, and relating equipment, including software development and technology services	21 TST Tower 24 th floor Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900 Tel: +66 (0) 2617 9880 Fax: +66 (0) 2617 9881	25,000,000	5,000,000 shares (par value of THB 5 per share)	Ordinary Shares	60.00 (held by BSS Holdings Co., Ltd.)
ATS Rabbit Special Purpose Vehicle Co., Ltd.	A special purpose vehicle for securitisation under the Emergency Decree regarding Securitisation B.E. 2540 (1997)	388 Exchange Tower, 27 th Floor, Sukhumvit Road, Khlong Toei, Bangkok 10110 Tel: +66 (0) 2689 7000 Fax: +66 (0) 2689 7010	40,000	400 shares (par value of THB 100 per share)	Preferred Shares and Ordinary Shares	51.00 (held by BSS Holdings Co., Ltd.)
ASK Direct Group Co., Ltd.	Providing sale of goods and all types of products by telesales and telemarketing services	1032/14, Krits Building, 2 nd floor, Rama 4 Road, Thungmahamek, Sathorn, Bangkok 10120 Tel: +66 (0) 2022 1222	1,000,000	1,000 shares (par value of THB 1,000 per share)	Ordinary Shares	51.00 (held by BSS Holdings Co., Ltd.)
ASK Broker Association Co., Ltd.	Providing non-life insurance broker services	1032/1-5, Krits Building, 2 nd floor, Rama 4 Road, Thungmahamek, Sathorn, Bangkok 10120 Tel: +66 (0) 2022 1222	4,300,000	43,000 shares (par value of THB 100 per share)	Ordinary Shares	51.00 (held by BSS Holdings Co., Ltd.)
Rabbit Internet Co., Ltd. (formerly known as ASK Hanuman Co., Ltd. and changed its name on 3 March 2016.)	Providing web page system services and telemarketing services	1032/1-5, 14 Krits Building, 2 nd floor, Rama 4 Road, Thungmahamek, Sathorn, Bangkok 10120 Tel: +66 (0) 2022 1222	4,001,000	4,001 shares (par value of THB 1,000 per share)	Preferred Shares and Ordinary Share	25.00 (held by BSS Holdings Co., Ltd.)
HHT Construction Co., Ltd.	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	5,000,000 shares (par value of THB 5 per share)	Ordinary Shares	51.00 (held by UNICORN ENTERPRISE Co., Ltd.)

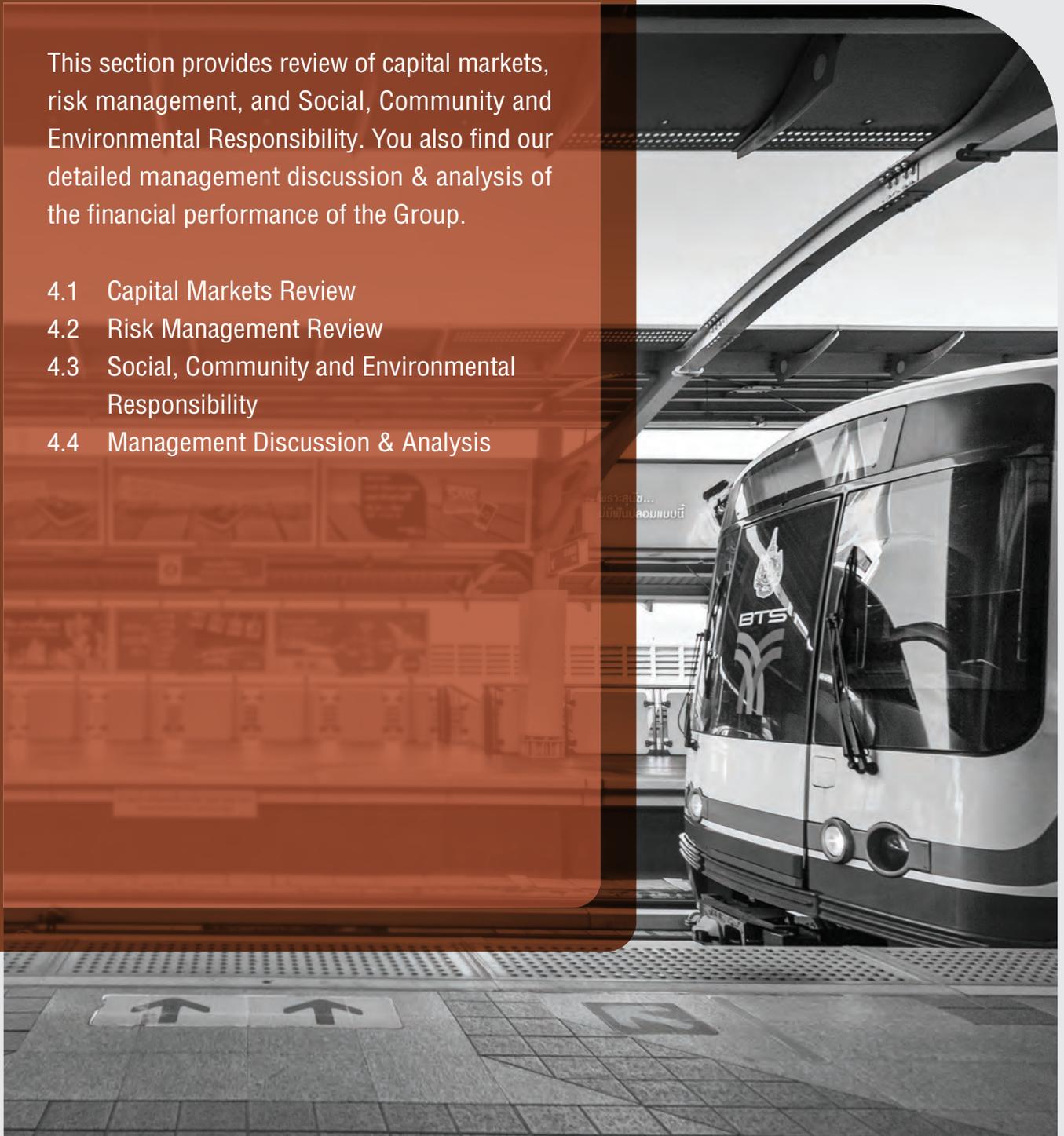
Juristic Person	Type of Business	Address	Paid-up Capital (THB)	Total Shares/ Issued Shares	Type	Shareholding (%)
Absolute Hotel Services Co., Ltd.	Hotel Management	1091/343, 4 th Floor, New Petchburi Road Makkasan, Rajthevee Bangkok 10400 Tel: +66 (0) 2255 9247 Fax: +66 (0) 2255 9248	8,000,000	2,500,000 shares (par value of THB 10 per share)	Ordinary Shares	50.00 (held by UNICORN ENTERPRISE Co., Ltd.)
Absolute Hotel Services Hong Kong Limited	Hotel Management	Flat/Room 908, Dominion Centre, 43-59 Queen's Road East, Wanchai, Hong Kong	HKD 6,930,687	6,930,687 shares (par value of HKD 1 per share)	Ordinary Shares	50.00 (12.26% held by Tanayong Hong Kong Limited and 37.74% held by Absolute Hotel Services Co., Ltd.*)
* The Company holds 50.00% shares in Absolute Hotel Services Co., Ltd., and Absolute Hotel Services Co., Ltd. holds 75.47% shares in Absolute Hotel Services Hong Kong Limited. Consequently, the Company's shareholding in Absolute Hotel Services Hong Kong Limited through Absolute Hotel Services Co., Ltd. is equivalent to 37.74% (75.47 x 50.00 = 37.74).						
Remark: On 8 April 2016, a new subsidiary in the services business, named KMJ 2016 Co., Ltd. was established. The Company holds 51% shares.						
KMJ 2016 Co., Ltd.	To engage in producing and selling of food	87 The Jas Ramintra, Room No. A 220, Ladplakao Road, Anusawari Subdistrict, Bang Khen District, Bangkok 10220	41,000,000	410,000 shares (par value of THB 100 per share)	Ordinary Shares	51.00
Remark: On 25 April 2016, RabbitPay System Co., Ltd. has subscribed for 1,999,999 shares or equivalent to 50% of the total shares of Rabbit-Line Pay Co., Ltd. As a result, Rabbit-Line Pay Co., Ltd. became a new associated company in the Service business.						
Rabbit-Line Pay Co., Ltd. (formerly known as Line Biz Plus Co., Ltd. and changed its name on 25 May 2016.)	Engaging in the business of accepting electronic and online payments	1 Empire Tower, Unit 4609-4610, 46 th Floor, South Sathorn Road, Yannawa, Sathorn, Bangkok 10120 Tel: +66 (0) 2118 3164	399,999,800	3,999,998 shares (par value of THB 100 per share)	Ordinary Shares	50.00 (held by RabbitPay System Co., Ltd.)
Remark: On 18 May 2016, a new subsidiary in the services business, named Man Food Products Co., Ltd. was established. The Company holds 100% shares.						
Man Food Products Co., Ltd.	To engage in producing and selling of food	21 Soi Choei Phuang, Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900 Tel: +66 (0) 2273 8511-5 Fax: +66 (0) 2273 8516	60,000,000	1,000,000 shares (par value of THB 100 per share)	Ordinary Shares	100.00
Details of Juristic Person the Company holding 10% shares or more						
Changklanway Co., Ltd.	Hotel and Restaurant	199/42 Changklan Road, Changklan, Muang, Chiangmai 50100 Tel : +66 (0) 5325 3199 Fax: +66 (0) 5325 3025	338,000,000	6,760 shares (par value of THB 50,000 per share)	Ordinary Shares	15.15
Community and Estate Management Co., Ltd.	Real Estate Management	144/2 Serithai Road, Khlong Chan, Bang Kapi, Bangkok, 10240 Tel: +66 (0) 2733 1500 Fax: +66 (0) 2733 1500 # 30	20,000,000	2,000,000 shares (par value of THB 10 per share)	Ordinary Shares	15
Midas Global Media Co., Ltd.	Providing services in relation to sales, marketing and managing advertising space	349 SJ Infinite One Business Complex, 12 th Floor, Room 1204-1205, Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok, 10900 Tel: +66 (0) 2019 5619 Fax: +66 (0) 2019 5618	360,000,000	36,000,000 shares (par value of THB 10 per share)	Ordinary Shares	11.11 (held by VGI Global Media Pcl)

4.0

ANNUAL BUSINESS REVIEW

This section provides review of capital markets, risk management, and Social, Community and Environmental Responsibility. You 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 Social, Community and Environmental Responsibility
- 4.4 Management Discussion & Analysis



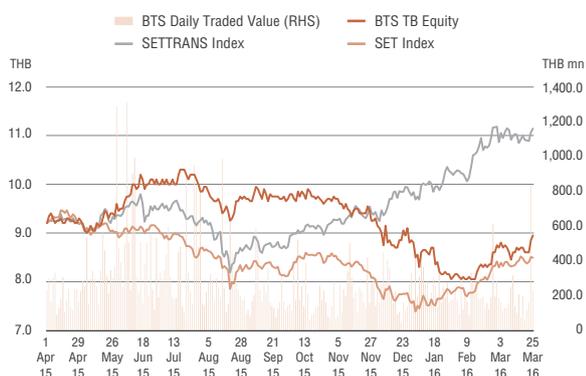
CAPITAL MARKETS REVIEW

HISTORICAL SHARE PRICE ANALYSIS

Following a year of outperformance in 2014/15, BTS share price decreased 2.2% from THB 9.15 to THB 8.95, driven by mix of internal and external factors throughout the year. However, this represented an outperformance compared to the SET Index, which decreased 6.5% YoY, but an underperformance compared to the SET Transportation Index (“SETTRANS Index”), which rose by almost 25% YoY. Aside from events which impacted the share price as detailed below, the Company also saw an increase in the number of issued and fully paid up shares (see *New Equity Issuance*). As of 31 March 2016, the Company’s market capitalisation was THB 106.8bn (USD 3.0bn), representing a 2.1% decrease YoY.

BTS share price was THB 9.20 per share at the beginning of the year and it remained flat from April to mid-May 2015. During the same period, BTS moved in line with the SET Index. From mid-May until end July 2015, BTS subsequently outperformed the SET Index and reached THB 9.45 per share on 21 May 2015 in anticipation of the payment of the 2014/15 final dividend. Despite ICAO red-flagging Thai aviation safety standards on 18 June 2015, which pushed the SET and SETTRANS Index downwards, BTS share price continued appreciating and reached its year-high price of THB 10.30 on three consecutive business days; 16-20 July 2015 prior to the XD date for the 2014/15 final dividend on 31 July 2015.

BTS ANNUAL STOCK PERFORMANCE



Source: www.setsmart.com

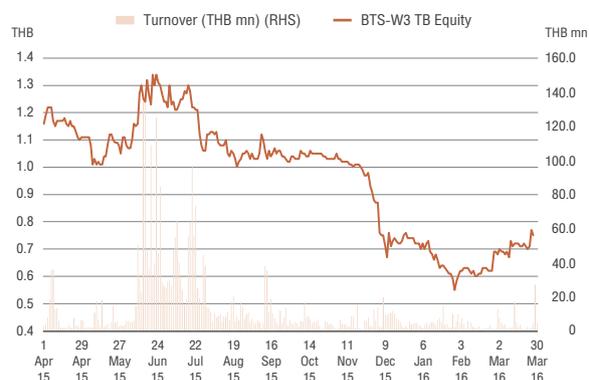
Note: SET Index and SETTRANS Index have been rebased in order to compare performance with BTS share price.

Thereafter, from early August through 14 December 2015, BTS share price moved in line with the downward market. Bearish SET performance was caused by several factors such as the Bangkok bombing on 17 August 2015 and from China’s stock market plunge or ‘Black Monday’ on 24 August 2015, which drove foreign outflows. By 14 December 2015, BTS stock stood at THB 8.75 per share, marking the first time during the fiscal year that the share price went below THB 9.00 per share.

Subsequently, despite the announcement of the first interim dividend payment of 2015/16 on 11 January 2016, BTS share price further decreased and reached its nadir at THB 8.05 per share on 2 February 2016. The end of progressive dividend commitment policy in this fiscal year, ongoing delays to award contracts for Mass Transit projects, especially green line North (Mo Chit - Saphan Mai - Khu Khot) and South extensions (Bearing - Samut Prakarn) as well as the merger of BECL and BMCL as BEM in January 2016 influenced BTS stock between January and mid-February 2016.

BTS share price rebounded during mid-February 2016 until March 2016 and closed the fiscal year at THB 8.95 per share. The price appreciation was supported by strong foreign investor inflows and the BTS stock outperformance versus the SET in this period was attributable to progress on the green line North and South extensions which were transferred from MRTA to BMA on 28 March 2016.

BTS-W3 WARRANT PRICE

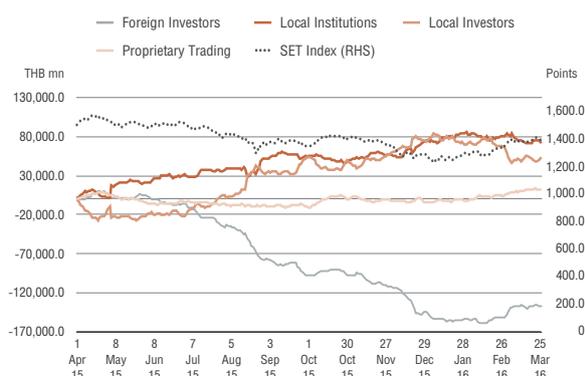


Source: www.setsmart.com

In the year ended 31 March 2016, the SET Index decreased 6.5% YoY largely driven by foreign investors who were net sellers of THB 125.9bn worth of equities. By contrast, local institutions bought THB 70.7bn and local investors bought THB 45.2bn. Equity markets in ASEAN generally

underperformed compared to the previous year primarily as a result of USD currency headwinds. The SET Index outperformed other regional peers such as Singapore's Strait Times (-17.6%), Hong Kong's Hang Seng (-16.6%) and Japan's Nikkei (-12.7%) in the same period.

CUMULATIVE INVESTOR FLOW



Source: www.setsmart.com

SET INDEX PERFORMANCE & SET VERSUS REGIONAL PEERS



Source: www.setsmart.com, www.hsi.com.hk, indexes.nikkei.co.jp and www.straittimes.com/stindex

Note: Regional indices have been rebased for performance comparison to the SET Index.

SHARE PERFORMANCE AND LIQUIDITY

In 2015/16, the average traded volume of BTS shares reduced 39.5% from 2014/15 to 28.8mn shares and the average traded value was THB 269.4mn per day or USD 7.7mn (a decrease of 39.5% from 2014/15).

Key Share Data	2015/16	2014/15	2013/14	2012/13*	2011/12
Share price (THB)					
Year-end	8.95	9.15	8.40	9.40	0.78
Year-high	10.30	10.50	9.35	9.40	0.79
Year-low	8.05	8.05	7.20	4.63	0.52
Average daily traded value (THB mn)	269.4	445.4	616.5	673.4	127.2
Average daily traded volume (mn shares)	28.8	47.6	72.2	98.7	162.8
Number of shares outstanding at year-end (mn shares)	11,929.3	11,919.3	11,914.2	11,106.6	57,188.3
Market capitalisation at year-end (THB mn)	106,767.7	109,061.1	100,079.5	104,402.4	44,606.9
Change (YoY)					
BTS TB	(2.2)%	8.9%	(10.6)%	92.8%	4.0%
SET Transportation Index	24.3%	20.7%	6.4%	67.0%	3.1%
SET Index	(6.5)%	9.4%	(11.8)%	30.4%	14.3%
Hong Kong (Hang Seng)	(16.6)%	12.4%	(0.7)%	7.7%	(12.6)%
Japan (Nikkei 225)	(12.7)%	29.5%	19.6%	23.0%	3.4%
Singapore (STI)	(17.6)%	8.1%	(3.6)%	9.9%	(3.1)%

Sources: www.setsmart.com, www.hsi.com.hk, indexes.nikkei.co.jp and www.straittimes.com/stindex

* The Company changed the par value of BTS shares from THB 0.64 per share to THB 4 per share. BTS shares have been trading with a new par value since 10 August 2012. 2012/13 data was presented by the new par value adjusted based on ordinary shares from the beginning of the fiscal year.

For the latest company share price, please refer to http://bts.listedcompany.com/shareprice_bts.html.

SET50 Index Constituent Member: On 14 December 2010, BTS was announced as a constituent 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 bi-annual 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, the 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.

MSCI Thailand Mid Cap Constituent Member: In November 2013, BTS was included as a constituent of MSCI Thailand Mid Cap Index (MXTHMC). 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 Mid Cap Indices cover all investable mid cap securities, targeting approximately 15% of each market's free-float adjusted market capitalisation which is subject to minimum investability criteria and a universal minimum size range. The MSCI GIMI Indices are reviewed on a quarterly basis and the results are announced mid of February, May, August and November.

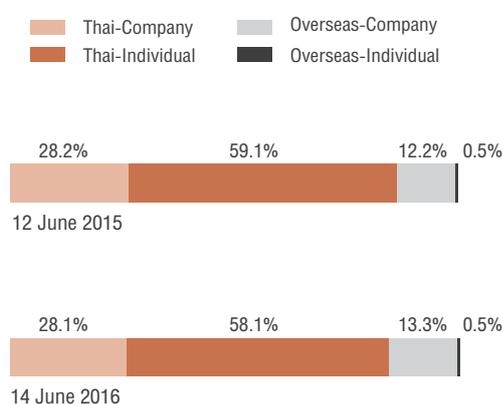
Sources: SET and MSCI

SHAREHOLDING STRUCTURE

As of 14 June 2016, the Company had 78,926 shareholders. The major shareholder is Mr. Keeree Kanjanapas Group, which owned 41.3% of 11,833.5mn issued shares having the voting rights. For more details of major shareholders, please see the *Top 10 Major Shareholders* table. Non-Thai shareholding represented 13.8% of total shares (12.7% in 2014/15). The Company's free float shareholding stood at 57.3%* of total paid-up capital.

* Source: Stock Exchange of Thailand (SET) as of 12 June 2015

SHAREHOLDING BY SHAREHOLDER TYPE



TOP 10 MAJOR SHAREHOLDERS (as of 14 June 2016)

Name of Shareholders	No. of Shares	% of Total Shares
1. Mr. Keeree Kanjanapas Group	4,886,135,039	41.29%
2. Thai NVDR Co., Ltd.	1,042,530,463	8.81%
3. Bangkok Bank Public Company Limited	545,466,733	4.61%
4. UOB Kay Hian Private Limited	164,153,103	1.39%
5. HSBC (Singapore) Nominee PTE LTD	143,496,200	1.21%
6. State Street Bank Europe Limited	114,381,969	0.97%
7. K Equity 70:30 LTF	99,784,500	0.84%
8. Chase Nominees Limited	94,893,158	0.80%
9. K Equity Dividend LTF	84,949,000	0.72%
10. Bualuang Long-Term Equity Fund (B-LTF)	75,311,100	0.64%

As at the book closure date of 14 June 2016, the Company had a total of 11,929,349,186 issued shares, 95,839,900 shares of which were the repurchased shares pursuant to the Company's share repurchase program for financial management purpose. The percentages shown above are calculated from a total of 11,833,509,286 shares having the voting rights (i.e. excluding repurchased shares).

Mr. Keeree Kanjanapas Group consisted of (1) Mr. Keeree Kanjanapas holding 3,281,164,652 shares in his own name, holding 350,000,000 shares through a custodian called UBS AG HONG KONG BRANCH, and holding 260,000,000 shares through a custodian called CREDIT SUISSE AG, SINGAPORE BRANCH; (2) Mr. Kavin Kanjanapas holding 602,459,295 shares; (3) Miss Sushan Kanjanapas holding 32,460,000 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, held 39,650,550 shares (0.34%) for and on behalf of the creditors pursuant to the Company's business rehabilitation plan where these shares will be transferred to the creditors in the future.

For the details of the top 10 shareholders, please refer to <http://bts.listedcompany.com/shareholdings.html>

SHAREHOLDER DISTRIBUTION (as of 14 June 2016)

Number of Shares Held	No. of Shareholders	% of Total Shareholders
> 15mn	50	0.1%
1mn – 15mn	520	0.7%
500,001 – 1mn	533	0.7%
100,001 – 500,000	3,654	4.6%
50,001 – 100,000	4,099	5.2%
10,001 – 50,000	17,249	21.9%
5,001 – 10,000	11,295	14.3%
1,001 – 5,000	21,582	27.3%
1 – 1,000	19,944	25.2%
Total	78,926	100.0%

CREDIT RATING AND OUTLOOK

Fitch Ratings (Thailand) Limited (FITCH) upgraded the long-term ratings of BTSC's the last tranche of debenture that was guaranteed by Bank of Ayudhya PCL (BAY) to 'AAA (tha) / Stable' from 'AA - (tha) / Stable' on 29 January 2014. The rating reflects the credit rating of BAY, who has provided a letter of guarantee against the payment of interest and principal of the debentures outstanding.

Debentures of BTSC	FITCH
	Issue Rating / Outlook
BTS168A: THB 1,500mn senior debentures due 2016	AAA (tha) / Stable

BTS Group and BTSC are rated "A" with a "Stable" Outlook from Fitch Ratings and TRIS Ratings. Both ratings agencies have assessed the Company and BTSC as having solid, stable cash flow and profitability in its mass transit and media operations. The ratings will add flexibility to the Company to tap debt financing sources.

	Issue Rating / Outlook	
	By FITCH	By TRIS
BTS Group	A (tha) / Stable	A / Stable
BTSC	A (tha) / Stable	A / Stable

“ Total dividend of THB 8.0bn* was paid in 2015/16, in line with the 3-year committed dividend policy. This equates to a dividend yield of 7.75%* . ”

DIVIDEND POLICY

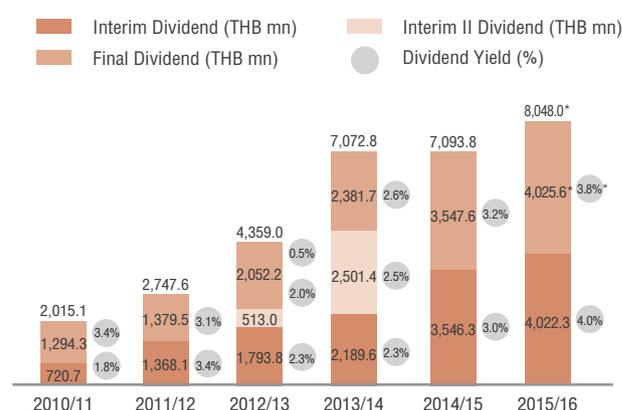
On 27 May 2013, the Board of Directors approved the dividend policy for the next 3 fiscal years in the aggregate amount of no less than THB 21,000mn, i.e. no less than THB 6,000mn in 2013/14, THB 7,000mn in 2014/15 and THB 8,000mn in 2015/16 (subject to the public limited companies law and no material 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.

In 2015/16, the Company paid interim dividend of THB 0.34 per share and has also proposed a final dividend of THB 0.34 per share to the shareholders' meeting. Together, this translates into a dividend yield of approximately 7.75%. This compares favourably versus the SET50 average dividend yield of 3.49% as of 26 May 2016.

For 2016/17 and beyond, the Company's dividend policy reverts to 'no less than 50% of the net income after tax in accordance with the Company's financial statements (on a standalone basis). Given the investment cycle that the existing opportunity set provides, it is reasonable to expect a decline in BTS Group's absolute dividend payment, although we would aim to pay a dividend that is competitive with the constituent companies of the SET50 Index.

For the latest dividend information, please refer to <http://bts.listedcompany.com/dividend.html>.

BTS DIVIDEND RECORD



* 2015/16 final dividend is subject to shareholders' approval at the shareholders' meeting on 22 July 2016. Dividend yield is calculated using BTS closing share price one day before the date of Board of Directors' meeting approving the relevant dividend payment.

OTHER CAPITAL MARKETS ACTIVITY

New Equity Issuance

During the course of the fiscal year, the Company allocated a total of 10.1mn new ordinary shares as a result of the exercise of warrants BTS-WA and BTS-WB.

BTS-WA Warrants (BTS-WA): 100.0mn units of BTS-WA were issued to the employees of the Company and its subsidiaries under BTS Group ESOP 2011 Scheme. Following the share consolidation on 7 August 2012, 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. Thereafter, on 31 July 2015, the exercise ratio and the exercise price were adjusted another time following the dividend payment for the fiscal year ended 31 March 2015 which was more than 80% of the net profit after income tax pursuant to the separate financial statements of the Company. The current exercise ratio of BTS-WA is 1 unit of warrant for 0.166 ordinary share of the Company and the exercise price is THB 4.220 per share. BTS-WA has 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 was 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 16.0mn shares. At present, the balance of the outstanding BTS-WA is 6.2mn units and the balance of ordinary shares reserved to accommodate the exercise of BTS-WA warrants is 0.8mn shares.

BTS-WB Warrants (BTS-WB): 16.0mn 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 16.0mn shares. At present, the balance of the outstanding BTS-WB is 11.1mn units and the balance of ordinary shares reserved to accommodate the exercise of BTS-WB warrants is 11.1mn shares.

BTS-WB Warrants (BTS-WC): 16.0mn units of BTS-WC were issued to the employees of the Company and its subsidiaries under BTS Group ESOP 2015 Scheme. The exercise ratio of BTS-WC is 1 unit of warrant for 1 ordinary share of the Company and the exercise price is THB 10.19 per share. BTS-WC has a term of 5 years from the issue date (30 May 2016). BTS-WC 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 2018 and the last exercise date will be on 30 May 2021. The ordinary shares reserved to accommodate the exercise of BTS-WC are 16.0mn shares.

BTS-W3 Warrants (BTS-W3): The Company issued 3,944.6mn units of BTS-W3 at no cost to the Company's existing shareholders through a rights offering at the allocation ratio of 1 unit of warrant for every 3 existing ordinary shares. The issue is intended to be contingent capital funding in the case whereby the Company secures its targeted new mass transit contracts. BTS-W3 has a term of 5 years from the issuance date (1 November 2013). BTS-W3 can be exercised quarterly on the last business day starting from the first quarter following 3 years from the issue date. The first exercise date will be on 30 December 2016 and the last exercise date will be on 1 November 2018. The exercise ratio of BTS-W3 is 1 unit of warrant for 1 ordinary share of the Company and the exercise price is THB 12 per share. The ordinary shares reserved to accommodate the exercise of BTS-W3 are 3,971.6mn 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, which is executed through several IR products such as Management Discussion and Analysis, quarterly IR Newsletters and company presentations. These materials are available publicly on the SET website, the Company's website as well as distributed to the investment community through e-mail. The IR function reports directly to the Chief Investment Officer 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 and website traffic) as well as quality and timeliness of product and service offerings (taking into account product delivery times, response times as well as results from surveys).

Over the past few years, the Company has remained active in its investor facing activities with existing and potential shareholders as well as the brokerage community. In 2015/16, the Company met institutional investors from domestic and overseas buy side in a total of 344 times, of which 86 were domestic buy side (versus 49 in 2014/15) and 258 were overseas investors (versus 328 in 2014/15). Of these meetings, 158 times were one-on-one meetings (192 in 2014/15) and Top Management were in attendance at 100% of all these meetings (100% in 2014/15). Additionally, the Company has been stepping up its marketing efforts by attending 21 roadshows in 2015/16, divided into 12 overseas NDRs / conferences (10 in 2014/15) and 9 domestic NDRs / conferences (10 in 2014/15).



Event: Analyst meeting 2015/16



Event: Investor Day 2015/16

In 2015/16, the Company hosted several investor-centric activities, including 4 quarterly earnings review meetings for analysts and fund managers (4 in 2014/15) and 1 Investor Day site visits for analysts and investors. Additionally, the Company also participated in 'SET Opportunity Day' hosted by The Stock Exchange of Thailand twice (2 in 2014/15) during the year in order to increase its exposure to retail investors.

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 within 24 hours from the meeting date as well as on the SET website. For 2015/16, the Company not only expects to maintain its communication efforts across all areas but also to increase certain IR activities. For example, the Company has plans to continue to take part in 'SET Opportunity Day' at least twice a year and continue to arrange site visits for the investment community.

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, download versions of publications (including annual reports, Form 56-1, financial statements, MD&A, 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

Investor Relations Key Statistics	2015/16 (times)	2014/15 (times)
Total institutional investors met	344	377
Total sell side met	46	89
Company visits through one-on-one meeting	158	192
International roadshows / conferences	12	10
Domestic roadshows / conferences	9	10
Analyst Earnings Review Meetings, Analyst Strategies Update Meetings, SET Opportunity Day	7	7
Number of Site Visits Hosted (Investor Day / Site visit)	1	3

be automatically alerted when there are any new press releases or website updates. In 2015/16, the number of view counts of the Company website increased 73.4% YoY to 54,517 views.



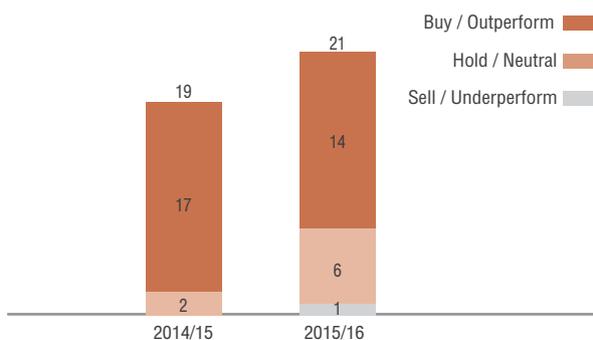
This year, the Company was awarded the 'Popular Stock Award' in the service category for the third consecutive year. The event was hosted by Kao Hoon, a daily stock newspaper, in collaboration with the SET and the University of the Thai Chamber of

Commerce. The winners of each category are recognised based on popular votes by over 4,000 investors on their preferred stocks from over 570 listed companies in the SET. The programme's objective is to raise the communication levels between listed companies and investors.

In November 2015, the Company was honoured with the 'Titanium Award of The Asset Corporate Award, 2015' for the second year by The Asset Magazine, which is Asia's leading issuer-and investor-focused financial monthly publication. This award was an assessment of financial performance, management, corporate governance, social and environmental responsibility and investor relations. The recognition for the award was based on the Company's questionnaire submission together with direct interview with investors.

As of 13 June 2016, the Company was covered by 25 research companies, an increase compared with the year 2014/15 (24 companies). Of these, Kasikorn Securities initiated coverage of BTS, Deutsche TISCO Investment Advisory as well as Finansia Syrus Securities reinitiated their coverages during the year. The remaining 22 research companies, namely Asia Plus Securities, Asia Wealth Securities, FSS International Investment Advisory Securities, Bualuang Securities, CIMB Securities, Credit Suisse Securities, DBS Vickers Securities, IV Global Securities, Jefferies Group LLC, J.P. Morgan Securities, Krungsri Securities, KTB Securities, KT ZMICO Securities, Macquarie Securities, Maybank Kim Eng Securities, Phatra Securities, Phillip Securities, RHB OSK Securities, SCB Securities, Thanachart Securities, Trinity Securities and UBS AG covered BTS in the year 2014/15 and continued to maintain coverage of BTS in 2015/16. However, there are 4 reports; CIMB Securities, Krungsri Securities, KTB Securities, Jefferies Group LLC updated their reports during May 2014 to May 2015. As such, their target prices are not included in the calculation of average consensus target price.

ANALYST RECOMMENDATION SUMMARY



As of 13 June 2016, 14 of the 21 companies placed a buy or outperform recommendation on BTS, 6 placed a hold or neutral recommendation and 1 placed a sell or underperform recommendation with average consensus target price of THB 10.10 per share.

INVESTOR RELATIONS CONTACT DETAILS

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

Head of Investor Relations	Daniel Ross (Chief Investment Officer / Head of Investor Relations)
Investor Relations	Sinatta Kiewkhong, Thanthakon Bhumkittipiwat
Contact Telephone	+66 (0) 2273 8631, +66 (0) 2273 8623, +66 (0) 2273 8637
Email	ir@btsgroup.co.th
Website	http://www.btsgroup.co.th
SET share symbol	BTS
SET warrant symbol	BTS-W3
Shareholder registrar	Thailand Securities Depository Co., Ltd. 93 Ratchadaphisek Road, Dindaeng, Bangkok 10400, Thailand Tel: +66 (0) 2009 9000 Fax: +66 (0) 2009 9991 SET Contact Center: +66 (0) 2009 9999 Website: http://www.set.or.th/tsd E-mail: SETContactCenter@set.or.th

“ As a certified member of Thailand’s Private Sector Collective Action Coalition Against Corruption, we are committed to integrity and ethical conduct through incorporating internal controls, risk management practices and reporting mechanisms against corruption. ”

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 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 in *section 5: Corporate Governance* in this annual report.

Risk Management Framework is applied 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. To reinforce our intention to prevent against Corruption and Fraud risks, the Board of Directors approved “Fraud Risk” as an additional risk into our Risk Management Framework to make sure the risk has been evaluated and managed in all business units. Currently, we assess five key risk categories: strategic, operational, finance, compliance, and fraud. The following section highlights some of the key risks which the Board of Directors considers 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 project investments 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.

5. Fraud risk: Risk arising from intentional acts committed to secure unfair or unlawful gains for self or others. Fraud can be categorised into three types: asset misappropriation, fraudulent statements and corruption.

Key Risk Factors: For more details of risk factors, please refer to *Form 56-1* of the Company.

KEY RISKS

Risks			
Strategic	Operational	Financial	Compliance
Industry Changes	Recruitment / HR	Interest rates	Legal
Macroeconomic changes	Political Exchange	Exchange rates	Regulatory
Supply & Demand	Reputation / Social	Available of funding	Market Practice
Competition	Health & Safety	Cash Flow	Environment
Acquisition	Technological Changes	Accounting & Tax	
	Supply Chain	Liquidity	
	Cost efficiency	Counterparty Risk	
Corporate Governance			
Internal Controls			

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 9.6% over the same period, as well as ridership growth of 6.3% YoY in 2015/16.

The Thai economy in 2015 posted moderate annual GDP growth of 2.8%. GDP growth rate picked up from the previous year when the country was affected by political uncertainties. Growth was mainly due to higher government spending, but was weighed down by export contraction and weak consumption. In a tough growth environment, businesses tend to cut expenditures, and advertising expenditure is often one of the first expenses to be cut. Overall media spending fell 1.2% YoY. A decline in media spending usually intensifies competition among industry players. Revenue growth becomes challenging and margins may be affected from package prices being slashed. However, as ridership continues to grow along current mass transit lines and new mass transit lines /extensions become operational, our business in this segment will be enhanced and create new prospects for VGI in the long-term.

1.2 MARKET RISK

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 its 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 public opinion on matters not limited to the increase of fares on the Core Network.

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 84.8km which is comparatively low compared to Singapore and Hong Kong.

However, the original version of the Mass Rapid Transit Master Plan in Bangkok Metropolitan Region (M-MAP), on which the current master plan is based, was approved by the Cabinet on 9 March 2010. The M-MAP was drafted to develop mass rapid transit systems in Bangkok Metropolitan Region (Bangkok and 5 adjacent provinces consisting of Nakhon Pathom, Pathumthani, Nonthaburi, Samut Prakarn and Samut Sakhon) within a 20-year timespan (from 2010- 2029). Subsequently, there have been modifications to the M-MAP under different governments, the current M-MAP sets forth 12 mass transit lines covering a total route length of 508.4km to be completed by 2029 (see *section 3.6.1: 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 2001 - 2015, Transit Media markets in Thailand grew at an outstanding compound annual growth rate (CAGR) of 20.8%. This is due mainly to impressive ridership growth. 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 an 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 in close proximity to them. (see *section 3.6.3: 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 planning to build the sky bridge from commercial properties at The Line Condominium (BTS-SIRI projects) to BTS stations, in order to provide convenience to condo's clients. 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 2013/14, we were invited to bid for Beijing subway line 16. 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 consistently monitors changes to 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 2015/16) 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. In 3Q 2011/12, Bangkok was also impacted by flooding, hence there was a slight fall in ridership during that period. In 1H 2014/15, as a result of political disruption in Bangkok, BTSC has to shorten operation hours during the

military-imposed curfew. 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 2016, the Group employed 3,752 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 reduce 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 its introduction to the market 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. The parent company is heavily reliant on its subsidiary and associated companies (particularly VGI Global Media and BTSGIF) for dividends in order to pay dividends to its shareholders. Any adverse performance of these subsidiaries or associates may impair the Company's ability to pay dividends to its shareholders. In 2013/14, the Group sold the Net Farebox Revenues to BTSGIF which has significantly strengthened the Group's balance sheet. As of 31 March 2016, the Group has cash and cash equivalents and liquid investment balance of THB 16.4bn. 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 2016, the Group's interest coverage ratio and net debt to equity ratio were 8.84 times and 0.15 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 downgrade of the Company's credit confidence may result in more difficulty in accessing the capital market as well as potentially higher progressive financial cost. Two outstanding tranches of debentures of Bangkok Mass Transit System Public Company Limited's (BTSC), have been upgraded an investment grade credit rating from "AA- / Stable" to "AAA / Stable" by Fitch ratings since 2013/14. Subsequently, in May 2016, BTS Group and BTSC were given "A" ratings with a "Stable" Outlook from Fitch Ratings and TRIS Ratings. Both ratings agencies have assessed BTSC having solid, stable cash flow and profitability in its mass transit and media operations. The ratings will add flexibility to the Company to tap debt financing sources.

3.3 INTEREST RATE RISK

As of 31 March 2016, the Group had total interest bearing debt of approximately THB 9,283.0mn, the key items of which are bank loans of THB 5,018.2mn, bill of exchange of THB 2,917.3mn and BTSC debenture of THB 1,347.5mn. 85% of our interest bearing debt are bank loans and bill of exchange, which are mostly linked to a commercial bank's minimum lending rate (MLR). BTSC debenture is subject to a fixed rate coupon of 6.75%. 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 declines below the rate of existing fixed rate debt.

The Group also has interest rate risk on our investments. 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 declines and we may lose an opportunity to enjoy higher interest income if we are already committed to long-term investments in a rising interest rate environment. Our management team always monitors global and domestic economic situations as well as interest rate trend in order to manage our interest rate exposure.

3.4 FOREIGN EXCHANGE RATE RISK

The Group intends to minimise foreign currency risks 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 has diversified risks in managing excess liquidity by investing overseas. Apart from seeking returns from offshore market, foreign currency income can be used to support our rolling stock and spare parts procurements of BTSC. The Group will consider hedging the exposure to foreign currency fluctuations only when the exposure is deemed material and the cost of such hedging is not punitive. As of 31 March 2016, the Group has foreign currency loans outstanding of USD 30.0mn. This is a contract to hedge foreign currency exposure in treasury management.

3.5 RISKS FROM EXCESS-LIQUIDITY MANAGEMENT

After the BTSGIF transaction, the Group has significant amount of excess cash which is earmarked for future investment projects. In order to manage the excess cash and preserve its value against inflation, the Company has initiated a prudent treasury management policy. The Company invests in a portfolio of financial assets and securities, mainly consisting of deposits, bill of exchange, money market instruments and investment-grade fixed-income securities in both local and foreign institutions, but also in local and foreign equity funds. For investment in foreign countries, the Group has entered into contracts to hedge foreign exchange rate risk exposure when it is deemed appropriate.

Our treasury management policy depends on several external factors, for instance, interest rate, foreign exchange rate and return on investment. As is characteristic of long-term investment policies, certain periods may achieve gains exceeding or missing our target. The Company, therefore, may face risks related to principal loss and not achieving the absolute return target to mitigate value erosion from inflation as expected.

4. LEGAL AND COMPLIANCE RISK

4.1 AGREEMENT RISK

Our Mass Transit revenues rely mainly on the Concession Agreement and the 30-year Operating and Maintenance (O&M) Service Contract. Despite the sale of Net Farebox Revenues (and the transfer of associated risk and reward under the contract to unit holders of BTSGIF), BTSC still remains the legal concessionaire. 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. In addition, if the Concession Agreement is terminated, it will be an event of default under the Net Revenue Purchase and Transfer Agreement, entitling BTSGIF a right to enforce the Company to repay the debts under the guarantee agreement by enforcing the BTSC share pledge under the BTSC Share Pledge Agreement or by enforcing the Company to transfer BTSC shares to BTSGIF under the Agreement to Sell and Purchase BTSC Shares.

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 (On Nut - Bearing) extension, the first Bus Rapid Transit (BRT) system in Bangkok and another future Sukhumvit Line extension (Wongwian Yai - Bang Wa). Further, on 3 May 2012, BTSC signed a 30-year operating and maintenance contract for all the extension lines under the BMA supervision (for the period 2012 - 2042) as well as for the period Core Network (2029 - 2042). We will continue to develop our operating efficiency as well as maintain strong relationships with government agencies.

In addition to risk factors to be described in this section, please consider the risks associated with BTSGIF or the structure of BTSGIF and the risks in investing in its units pursuant to the offering circular of BTSGIF available at its website on www.btsgif.com. Our contracts with our Modern Trade Media partners contribute a significant amount to our Media business revenues. Such contracts are typically 3 - 5 years in duration and as such are shorter than the contract that our Media business has for its Mass Transit Media segment. Although the terms of such contracts are typical for that within the industry, our inability to renew such contracts would have a material impact on the revenues of our Media business.

4.2 ENVIRONMENTAL RISK

Our business operation is subject to environmental regulations such as pollution controls and environment impact assessment. The Group might face additional investment obligations or business process adjustment if there are tighter environmental requirements. Our SkyTrain operation is an environmentally 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 in the city as rail mass transit market share increases and we will continue to adhere to being a good corporate citizen by reducing our environmental impact.

SOCIAL, COMMUNITY AND ENVIRONMENTAL RESPONSIBILITY

“ Guided by our Corporate Social Responsibility Policy as set by the CG Committee, we’ve stepped up our activities this year to providing significant levels of aid. By donating basic necessities and providing free medical check-ups we’ve improved the quality of life, strengthened community bonds and eased living costs for many people upcountry and in rural areas.

In recognition of our commitment to sustainability, the company was the winner of the ‘Sustainability Report Award 2015’, in the ‘Recognition’ category out of 106 listed companies participating in the event. The awards event was organised by the SR Club of The Listed Companies Association, the Securities and Exchange Commission and the Thaiptat Institute. For more information, please refer to the ‘Sustainability Report 2015/16’.”



MANAGEMENT DISCUSSION & ANALYSIS

BUSINESS IMPACT ANALYSIS

The Thai economy in 2015 posted moderate annual GDP growth of 2.8%. The GDP growth rate picked up from the previous year when the country was affected by political uncertainties. Growth was mainly due to higher government spending, but was weighed down by export contraction and weak consumption. In spite of this, we exceeded our targets for growth in our mass transit business, which remains highly resilient. In our property business, we recorded excellent presales on new launches under our joint venture with SIRI by selling-out all launched units within the first 2 days (see more details in *Segmental Performance* section).

For our **Mass Transit** business, Core Network fare-box revenue grew 8.9% YoY to THB 6.4bn in 2015/16, exceeding 6-8% growth target. The growth was primarily attributed to organic growth, driven by urbanisation and developments along the mass transit lines, as well as the low base effect last year from the political unrest. Annual average fare increased by 2.4% YoY to THB 27.5 per trip, exceeding the Company's guidance of 2% growth. Moreover, during the year we saw clear progress on the green line extensions (from Bearing to Samut Prakarn and Mo Chit to Ku Kod) when they were transferred from MRTA to BMA on 28 March 2016.

2015/16 was another challenging year for our **Media** business, which is characteristically more sensitive to economic cyclicality. Annual advertisement spending contracted by 1.2% YoY. Our media revenue dropped 29.3% YoY. The decrease mainly came from the discontinuation of our modern trade media business and heightened competition among industry players. Excluding the impact of the modern trade Media termination, our adjusted VGI revenue to exclude Modern Trade media business grew 3.1% YoY. Revenues from BTS-related Media remained steadfast, affirming the quality and sustainability of this segment. As ridership continues to grow along current mass transit lines and new mass transit lines/extensions become operational, our business in this segment will be enhanced and create new prospects for VGI in the long-term.

This year was a remarkable start for our **Property** business under our partnership approach. Our first three "the Line" condominium projects were fully pre-sold within 2 days of each launch, generating THB 10.6bn of pre-sales. This result affirms the attractiveness of developments in close proximity to mass transit lines and the synergistic relationship with our joint venture partner. For our hotel portfolio, we saw improving operating performance from the buoyant tourism environment. International tourism arrivals in 2015 reached the highest level on record at 29.9mn and growing 20.5% YoY. As a result, our hotels achieved a blended occupancy rate of 84.4% in 2015/16.

ACCOUNTING AND RECLASSIFICATION

From 1 April 2014, BTS Group Holdings Public Company Limited ("the Company") and its subsidiaries (together, the "Group") have adopted TFRIC 12 – Service Concession Arrangements. This new standard provides accounting guidelines for concession operators for recognising and measuring the obligations and related rights in public-to-private service concession arrangements. Bangkok Mass Transit System Public Company Limited ("BTSC"), the subsidiary, provides services to procure electric trains (infrastructure) to be used in the provision of public services and to operate and maintain this infrastructure for a specified period of time under the 30-year O&M contract. BTSC is paid for its services over the period of the arrangement which is a public-to-private service concession arrangement. BTSC's management, therefore, considers this arrangement under the 30-year O&M contract to be within the scope of TFRIC 12. The effects of the changes are recognised retrospectively in the financial statements.

STATEMENT OF COMPREHENSIVE INCOME

The Group recorded consolidated total revenue of THB 10,065.0mn in 2015/16. This represented an increase of 23.9% YoY or THB 1,939.0mn from THB 8,126.0mn in 2014/15. The increase was primarily due to (1) a record of gain (before tax) on sale of property assets (disposal of shares in the 2 subsidiaries to U City) of THB 3,458.5mn in 1Q 2015/16 and (2) an increase in

dividend income of THB 239.1mn. The increase was partially offset with (3) a reduction in service income of THB 709.4mn mainly from softer Property and Media revenues (see details in *Segmental Performance* section), (4) a decline in interest income of THB 552.6mn mainly from the decrease in investment balance under treasury management and (5) a reduction in gain on sales of assets of THB 270.3mn largely due to an extraordinary gain recognised in 2014/15 from the gain on sale of 5-rai land at Mo Chit to SIRI-JVCo1 of THB 367.5mn.

Despite higher Mass Transit revenue and an increase in revenue from Services business unit, operating revenue fell by 13.4% YoY or THB 954.6mn to THB 6,147.5mn largely as a result of the reduction in Property and Media revenue. Media revenue contracted from our prudent decision to discontinue the Modern Trade Media business. Property operating revenue contracted from the previous year, as result of our divestment of EGS to U City in April 2015 and lower backlog of Abstracts Phaholyothin Park (Tower A) that was transferred during year compared to the previous year (see details in *Segmental Performance* section). Future recorded income from these assets will consequently be shifted from revenues to share of income from investments in associates and joint-ventures. Revenues from the Mass Transit, Media, Property and Services businesses accounted for 39.7%, 33.7%, 14.6% and 12.1% of total operating revenue, respectively.

Total consolidated expenses and SG&A reached THB 4,662.5mn in 2015/16, an increase of THB 213.2mn or 4.8% YoY mainly from (1) recording an allowance for diminution in value of investment of THB 497.2mn as other expenses for the year, (2) the net increase in selling and administrative expenses of THB 383.9mn largely from expenses related to the transfers of assets under the property business restructuring during 2015/16, yet mostly offset by (3) a decline in cost of services of THB 379.7mn primarily from lower costs in the Media and Commercial Property businesses (see details in *Segmental Performance* section) as well as (4) a reduction in cost of sales of real estate of THB 65.7mn following the divestment of 50% shares in Nuvo Line to SIRI in October 2015.

Operating costs decreased by 17.0% YoY to THB 2,624.6mn. As operating costs decreased at a higher rate than the decline in operating revenues, the Group operating gross profit margin⁵ improved to 57.3% from 55.5% in the previous year. As a result of the aforementioned changes, the Group operating EBITDA⁶ was THB 2,560.0mn, a decrease of THB 276.2mn or 9.7% YoY. However, the operating EBITDA⁶ margin improved to 41.6% in 2015/16 (versus 39.9% in 2014/15) from higher contribution of higher margin Mass Transit business as well as from lower contribution of Modern Trade Media businesses. Finance costs fell by 28.2% YoY or THB 113.8mn to THB 289.7mn primarily as the Group repaid the fourth tranche of BTSC debentures (THB 1,468.9mn) during 2Q 2015/16.

Operating Revenue ⁴ (THB mn)	2015/16	% of Total ⁴	2014/15	% of Total ⁴	% Change (YoY)	2015/16 GP Margin ⁵	2014/15 GP Margin ⁵
Mass Transit ¹	2,440.7	39.7%	2,273.5	32.0%	7.4%	64.5%	64.1%
Media	2,069.3	33.7%	2,926.0	41.2%	(29.3)%	71.1%	59.5%
Property ²	896.5	14.6%	1,354.8	19.1%	(33.8)%	39.6%	43.9%
Services ³	741.0	12.1%	547.8	7.7%	35.3%	16.4%	26.5%
TOTAL⁴	6,147.5	100.0%	7,102.1	100.0%	(13.4)%	57.3%	55.5%

¹ Mass Transit revenues include:

- i) Share of net profit (loss) from BTSGIF (included in 'Share of profit (loss) from investments in associates' in Statement of comprehensive income)
- ii) Service Income from Train & Bus Operation Management (included in 'Service income' under 'Revenues from provision of operating services')

² 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.

³ Services revenue includes sales from BSS, revenue from Carrot, revenue from BPS, revenue from HHT construction and revenue from ChefMan Restaurants.

⁴ Operating revenue from the operational performances from 4 BUs and share of net profit (loss) from BTSGIF; EXCLUDES interest income, dividend income and non-recurring items

⁵ Operating gross profit calculated based on the operational performances from 4 BU and share of net profit (loss) from BTSGIF

⁶ Operating EBITDA calculated based on the operational performances from 4 BU and share of net profit (loss) from BTSGIF; EXCLUDES interest income, dividend income, share of net profit (loss) from other associates (except from BTSGIF) and joint ventures and other non-recurring items

Other recurring profit⁷ fell by THB 1,126.8mn or 64.1% YoY to THB 632.0mn largely from the increase in share of net loss from investments in joint ventures / associates (not including share of profit in BTSGIF) of THB 458.9mn, a reduced interest income as aforesaid as well as a decrease in gain on sales of equity investments of THB 182.3mn in this year. Despite lower finance costs, pre-tax recurring profit⁷ for this year was THB 2,454.4mn, decreasing 34.2% YoY from THB 3,731.7mn in 2014/15 as a result of lower operating revenue and the reduction in other recurring profit. Reported income tax expense was THB 1,121.4mn (2014/15: THB 733.0mn) primarily from the income tax on gain on swap of investments with U City.

Taking into account all the aforesaid transactions, the Group recorded a consolidated net profit of THB 4,406.7mn (increasing 31.9% YoY) and profit attributable to the equity holders of the Company of THB 4,141.1mn (increasing 40.7% YoY). Net profit margin⁸ attributable to the equity holders of the Company in 2015/16 was 39.4% (versus 31.0% in 2014/15) The improvement in net profit and net profit margin from previous year mainly due to the recognition of gain on swap of investments with U City and lower finance cost.

SEGMENTAL PERFORMANCE

MASS TRANSIT BUSINESS

Total Mass Transit revenue increased 7.4% YoY to THB 2,440.7mn supported by an increase in share of net profit from BTSGIF and higher O&M income. O&M revenue rose by 2.8% or THB 44.0mn YoY to THB 1,593.3mn, mainly attributable to the contractually agreed increase in the operating fee of Green Line - Sukhumvit extension and Silom extension.

Share of net profit from investment in BTSGIF in 2015/16 increased by THB 123.1mn or 17.0% YoY to THB 847.4mn, which resulted from an improved underlying core network performance. Fare-box revenue of the core system rose by 8.9% YoY or THB 523.1mn to THB 6,397.1mn attributable to ridership growth and the increase in average fare. Total ridership peaked at 232.5mn trips, up 6.3% YoY mainly from

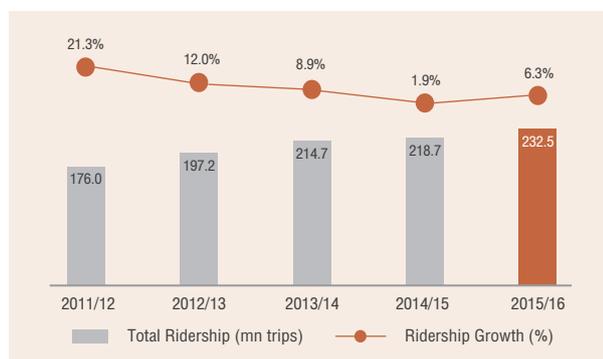
organic growth and low base effect last year from the political unrest. Average fare was THB 27.5 per trip, an increase of 2.4% YoY from the adjustment in card promotions on the monthly passes in July 2015 and the discontinuation of discounts given to stored value rabbit cards in January 2016.

Cost of Mass Transit revenue increased by THB 50.1mn or 6.1% YoY to THB 865.4mn largely from higher repair and maintenance expenses and wages. As operating cost increased at a lower rate than the increase in operating revenue, the operating EBITDA margin improved 65.4% YoY in 2015/16 (versus 64.8% in 2014/15).

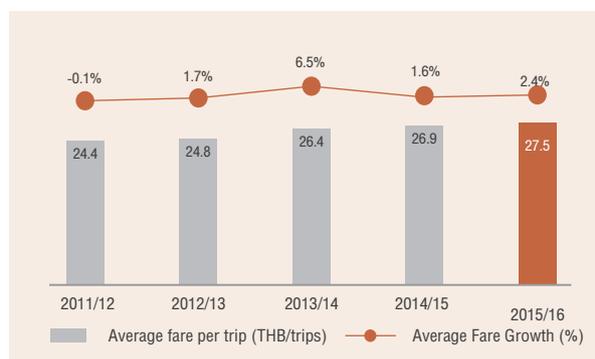
MEDIA BUSINESS

Slow economic growth continued to undermine business confidence and consumer spending. In a tough growth environment, businesses tend to cut expenditures,

5-YEAR HISTORICAL RIDERSHIP AND % YOY GROWTH



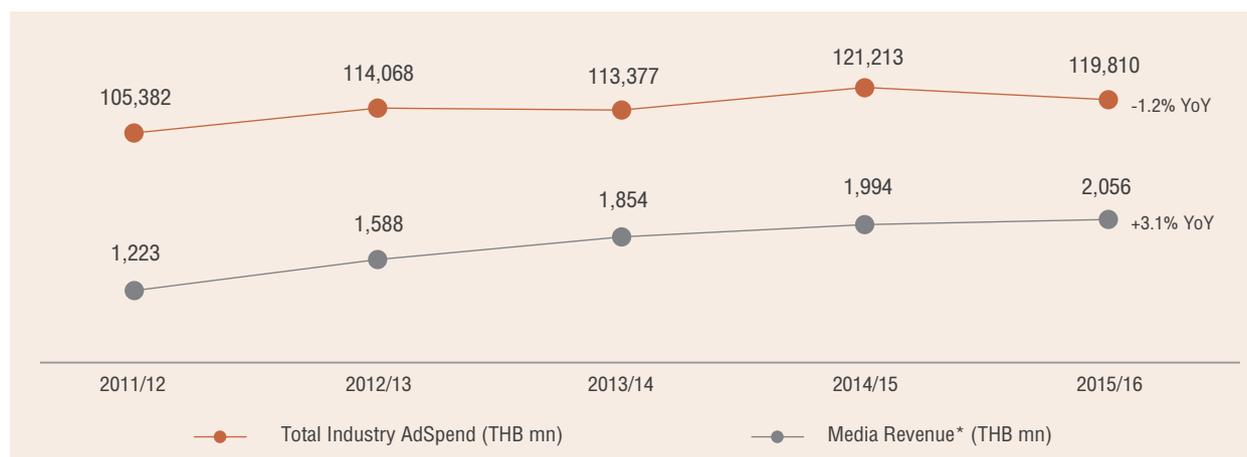
5-YEAR HISTORICAL AVERAGE FARE AND % YOY GROWTH



⁷ Recurring profit calculated based on the operational performances from 4 BU and share of net profit (loss) from BTSGIF and other associates and joint ventures as well as other recurring items which are interest income and other recurring items (before MI)

⁸ Net profit margin calculated from net profit attributable to the equity holders of the Company/total revenue per financial statement + share of profit/(loss) from investments in JVs and associates + gross revenue under profit/(loss) from discontinued operation for the year

THAI ANNUAL ADVERTISING SPENDING VS MEDIA REVENUE*



Sources: The Nielsen Company (Thailand) Limited

* Adjusted VGI revenue to exclude Modern Trade Media business

and advertising expenditure is often one of the first expenses to be cut. Overall annual media spending fell 1.2% YoY. A reduction in media spending usually intensifies competition among industry players. Revenue growth becomes challenging and margins may be affected from package prices being slashed. In spite of this, VGI continued to see growth across its core business. Adjusted VGI revenue, excluding the impact of the modern trade business termination, grew 3.1% YoY to THB 2,056mn.

Total media revenue decreased by 29.3% YoY to THB 2,069.3mn primarily as a result of the discontinuation of Modern Trade Media business reflecting a slowdown in economic activities. However, the decrease was partially offset with Office Building and Other Media, which continued to grow encouragingly by 38.0% YoY.

BTS-related Media revenue reached 1,773.7mn, decreased slightly by 0.1% from prior year. The growth in BTS-related Media revenue was less than expected as it faced challenges from overall media spending decline, nevertheless, in the future, we stand to benefit immensely from mass transit network expansion over the long-run.

Modern Trade Media revenue was THB 49.5mn, a decline of 94.9% YoY from THB 972.1mn in the previous year. This business has been discontinued since May 2015.

Office Building and Other Media revenue was THB 246.1mn, increasing 38.0% from THB 178.4mn in the previous year. Key growth drivers came from the increase in additional office buildings, exceeding our target of 123 building by securing rights to 135

buildings. Revenue from Other Media also increased YoY mainly from the commission fee for being a sole agent for Midas Global Media Limited.

Cost of revenue decreased 49.5% YoY or THB 586.8mn to THB 598.3mn mainly from the reduction in costs associated with the discontinuation of Modern Trade Media. The decrease was partially offset with (1) an increase in maintenance cost of equipment and system for the new digital media (Platform Truss LED, Platform Screen Door and E-Poster), (2) rental cost of digital screens at Victory Monument, (3) expenses from rights to manage the media and merchandising spaces of the 7 new BTS extension stations and (4) higher depreciation of the new digital media installed across the existing BTS SkyTrain network as well as in additional office buildings, static media and on the 7 BTS extension stations. As a result of the discontinuation of the lower margin Modern Trade Media business, the operating EBITDA margin in this year improved to 64.0% (versus 52.3% in 2014/15).

More commentary on Media business can be found in *2015/16 VGI Global Media's management discussion and analysis* <http://vgi.listedcompany.com/misc/MDNA/20160511-vgi-mdna-fy20152016-en.pdf>

PROPERTY BUSINESS

On 20 April 2015, the company disposed all ordinary shares in two subsidiaries; (i) BTSA, the owner of Eastin Grand Hotel Sathorn Bangkok ("EGS") and land plots at Phaholyothin Road and (ii) KKP, the owner of land plots at Phayathai Road, to U City. The fair value of investment was THB 9,468.8mn and BTS Group received

35.64% of the newly issued ordinary shares as well as warrants of U City in exchange for the sale. BTS Group recognised the net gain on swap of investments with U City of THB 2,516mn.

In 2015, the launch of the first three condominium projects (The Line Jatujak-Mochit, The Line Sukhumvit 71 and The Line Ratchathewi) under the BTS-SIRI joint venture were successfully 100% sold out during 1-2 days of pre-sales period with total project value of THB 10.6bn. The idiosyncrasies of Thai real estate accounting practices requires the Company to record a share of loss from BTS-SIRI joint ventures of THB 271.0mn mainly from the selling and marketing expenses related to The Line projects, while revenues are to be booked later upon transfer of presold units. The Line Sukhumvit 71 is expected to be transferred at the end of 2016/17 with revenue recognition of approximately THB 2.0bn.

Property operating revenue was THB 896.5mn, decreasing 33.8% YoY from THB 1,354.8mn in 2014/15 due to the reduction in both Residential Property and Commercial Property revenue.

Residential Property revenue decreased by 27.2% YoY or THB 113.2mn to THB 302.4mn in 2015/16. The decrease is mainly due to the lower backlog of Abstracts Phaholyothin Park (Tower A) that was transferred during the year compared to the previous year.

Commercial Property revenue was THB 593.6mn, a reduction of 36.3% YoY or THB 338.7mn mainly as a result of our disposal of EGS to U City since 20 April 2015. Income from EGS will subsequently be recorded as share of income from investments in associates. However, the decrease was partially offset with the increase in revenue from U Sathorn Hotel of THB 113.1mn. The Company recognised a share of loss from U City of THB 144.0mn in 2015/16.

Operating costs decreased 28.7% YoY or THB 218.1mn to THB 541.5mn mainly as there were lower costs related to the transfer of units of Abstracts Phaholyothin Park (Tower A) as well as no costs related to EGS (following the disposal of the hotel to U City). Property SG&A expenses also decreased by 35.9% YoY or THB 205.7mn to THB 367.7mn largely from the reduction in expenses related to Abstracts Phaholyothin Park (Tower A) and EGS. The operating EBITDA margin dropped to 9.6% in 2015/16 (13.4% in 2014/15).

SERVICES BUSINESS

Services business revenue increased by THB 193.2mn or 35.3% YoY to THB 741.0mn. This increase was primarily due to (1) growth in services revenue generated from development of fare collection system for mass transit by BPS which increased by THB 66.5mn YoY, (2) services revenue generated from HHT construction which increased by THB 56.0mn YoY, (3) an increase in royalty fee and marketing Co-Promotion on Rabbit card of THB 33.9mn YoY and (4) an increase in revenue from ChefMan Restaurants, which increased by THB 30.5mn or 9.8% YoY to THB 341.1mn.

Operating costs increased by 53.8% YoY or THB 216.5mn to THB 619.4mn. There was also THB 242.9mn of SG&A expenses, an increase of 29.6% YoY. Key costs and SG&A items were mainly from food & beverage cost at ChefMan Restaurants, staff costs as well as from pre-opening marketing and advertising campaigns of ChefMan Buffet branch at CentralWorld in February 2016.

STATEMENT OF FINANCIAL POSITION

Total assets as of 31 March 2016 stood at THB 65,168.7mn, a decrease of THB 1,641.6mn or 2.5% from 31 March 2015. Total current assets stood at THB 10,285.3mn, decreasing by 60.4% or THB 15,716.6mn. The decrease was primarily attributed to (1) a reduction in cash and cash equivalents of THB 7,747.3mn (see further details in *Cash Flow* section), (2) the decrease in “non-current assets classified as held for sale” of THB 4,576.2mn following the de-recognition of assets in relation to the disposal of shares in BTSA and KKP to U City on 20 April 2015, (3) a decline in current investments of THB 1,705.2mn largely resulted from the reallocation from current investment to the investment in subsidiaries and BTS-SIRI Joint Venture projects and (4) a decrease in real estate development costs of THB 1,610.7mn following the divestment of 50% shares in Nuvo Line to SIRI in October 2015.

Total non-current assets was THB 54,883.4mn, an increase of 34.5% or THB 14,075.0mn primarily attributable to (1) an increase in investments in associates of THB 7,008.0mn mainly from the 35.64% investment in U City (of THB 7,427.0mn) and (2) an increase in loans to related parties of THB 5,189.4mn or 683.6% YoY mainly from long-term loans to Bayswater (THB 3,901.3mn) and

BTS-SIRI Joint Venture projects, (3) an increase in land and projects awaiting development of THB 1,019.3mn and (4) an increase in investment in joint ventures (up THB 524.1mn or 459.8%) largely from the investments in BTS-SIRI Joint Venture projects.

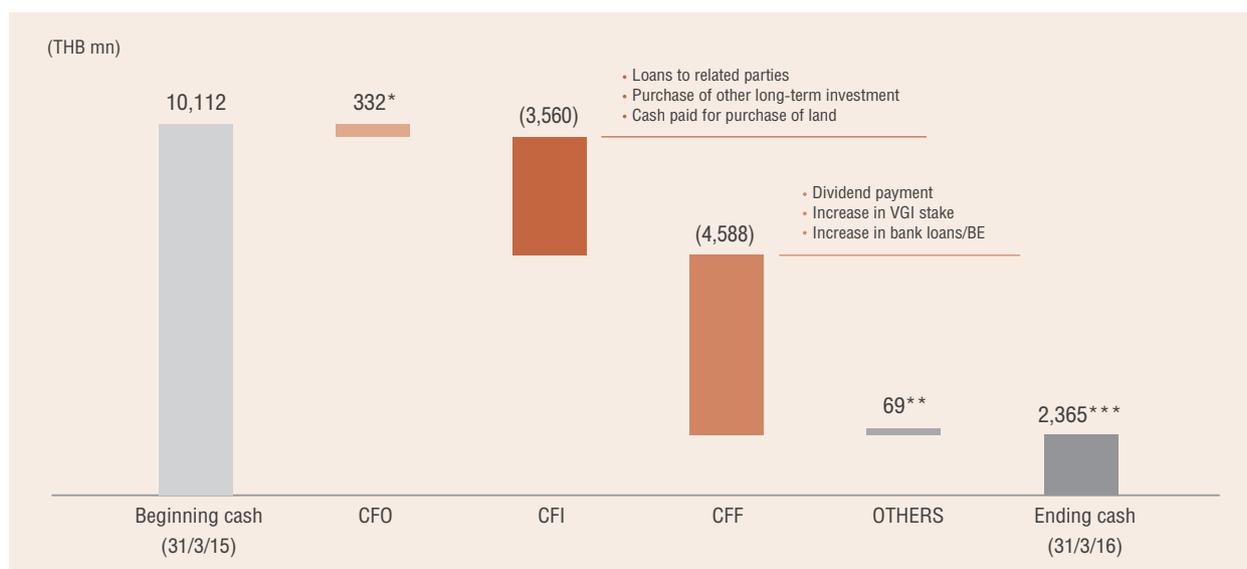
Total liabilities increased from 31 March 2015 by 23.3% or THB 3,454.0mn to stand at THB 18,251.8mn largely due to (1) higher net loans from financial institutions of THB 3,275.1mn, (2) an increase in bill of exchange payable of THB 2,917.3mn which was issued for Treasury Management purposes. However, the increase was partially offset with (3) the fourth tranche repayment of BTSC debentures in August 2015 and (4) the decrease in “liabilities directly associated with assets classified as held for sale” of THB 515.8mn mainly from the de-recognition of liabilities (related to U City transaction).

Total equity decreased by THB 5,095.6mn or 9.8% to THB 46,916.9mn mainly attributable to (1) the increase in unappropriated deficit of THB 3,221.8mn (mainly from the dividend payment of THB 7.6bn, offset with net profit of THB 4.1bn) as well as (2) a reduction in surplus from the changes in the ownership interests in subsidiaries of THB 1,412.8mn, which was primarily the result of the Company increasing its shareholding in VGI from 69.6% to 74.3%. As of 31 March 2016, total issued and fully paid-up shares stood at 11,929.3mn shares. Return on equity for 2015/16 was 9.4%, which increased from 6.4% in 2014/15 as a result of the improved net profit and decreased equity.

CASH FLOW

For the year ended 31 March 2016, **cash and cash equivalents** reached THB 2,364.7mn, a decrease of 76.6% or THB 7,747.3mn. Despite lower Media and Property revenues, cash from operating activities was THB 2,315.7mn, increasing THB 412.9mn or 21.7% primarily from the decrease in trade and other receivables. After deducting cash paid for corporate income tax of THB 1,808.3mn (2014/15: THB 1,669.0mn) and cash paid for interest expenses of THB 175.0mn (2014/15: THB 304.4mn), **net cash from operating activities** was THB 332.3mn. **Net cash used in investing activities** was THB 3,559.7mn. The key components are (1) an increase in net long-term loans to related parties of THB 5,236.4mn mainly from long-term loans to Bayswater and BTS-SIRI Joint Venture projects, (2) net cash paid for purchases of other long-term investments of THB 3,127.9mn, (3) cash paid for purchase of land and projects awaiting development of THB 1,019.3mn, (4) the decrease in current investment of THB 3,688.1mn and (5) dividend received of THB 1,580.6mn. **Net cash used in financing activities** was THB 4,588.2mn mainly from (1) dividend payment of THB 7,557.4mn, (2) cash paid for purchases of investments in subsidiaries of THB 1,543.2mn (increase in shareholding in VGI), (3) the cash paid for the repayment of the fourth tranche of BTSC debenture of THB 1,468.9mn, (4) net increase in short-term loans from financial institutions of THB 3,220.0mn and (5) a net increase in bills of exchange payable of THB 2,905.7mn.

TWELVE-MONTHS CASH FLOW SNAPSHOT



* After tax (THB 1,808.3mn) and interest expense (THB 175.0mn)

** Cash and cash equivalents of BTSa and KKP as well as Nuvo Line (presented as assets held for sale at beginning and ending of the year)

*** Excluding BTSC sinking fund and THB 14.1bn liquid investments

KEY FINANCIAL RATIOS

Profitability ratios	2015/16	2014/15	2013/14
Gross operating profit margin (%)	57.3%	55.5%	51.4%
Selling and administrative expenses to operating sales ratio (%)	22.9%	22.0%	19.5%
Operating EBITDA margin (%) ^A	41.6%	39.9%	36.3%
Accounting EBITDA margin (%)	59.6%	52.0%	77.0%
Recurring pre-tax profit margin (%) ^B	36.2%	42.1%	36.2%
Net recurring profit margin (%) ^B	33.7%	34.7%	25.4%
Accounting net profit margin (%) ^C	41.9%	35.2%	54.4%
ROA (%) ^D	6.8%	5.0%	17.6%
ROE (%) ^E	9.4%	6.4%	22.7%
Liquidity ratio			
Current ration (times)	0.83x	3.96x	4.36x
Leverage ratios			
Total liabilities to total asset (times)	0.28x	0.22x	0.22x
Total liabilities to total equity (times)	0.39x	0.28x	0.29x
Interest bearing debt to equity (times)	0.20x	0.09x	0.11x
Net debt to equity (times)	0.15x	(0.11)x	(0.03)x
Net debt to operating EBITDA (times)	2.70x	(1.96)x	(0.65)x
Interest coverage (times) ^F	8.84x	7.03x	4.94x
Per share ratios ^G			
Basic earnings per share (THB)	0.3501	0.2482	1.0781
Operating cash flow per share (THB)	0.028	(0.006)	0.097
Free cash flow per share (THB)	(0.110)	(0.149)	(0.046)
Enterprise value per share (THB)	9.73	8.83	8.55
Book value per share (THB)	3.97	4.38	5.09

Note:

^A Excludes non-operating items and interest income

^B Calculated based on recurring profit (before MI) / total recurring revenue

^C Calculated based on accounting net profit (before MI) / total accounting revenue including shares of income / (loss) from investments in associates and JVs and gross revenue underprofit from discontinued operation for the year

^D Calculated based on accounting net profit (before MI) / total assets

^E Calculated based on accounting net profit (before MI) / total shareholders' equity

^F Calculated based on operating EBITDA / finance cost

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

BUSINESS OUTLOOK

Please refer to *section 2.7: Business Outlook 2016/17*

5.0

CORPORATE GOVERNANCE

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

- 5.1 Management Structure
- 5.2 Corporate Governance
- 5.3 Nomination, Appointment and Remuneration of Directors and Executives
- 5.4 Internal Control and Risk Management
- 5.5 Related Party Transactions
- 5.6 Director & Executive Profiles



MANAGEMENT STRUCTURE

To enhance management efficiency to conform to the strategy on dividing business into groups and expanding each of the business groups as well as supporting the Corporate Social Responsibility (CSR) activities of the Group, the Company has restructured the organisation chart by adding the position of Chief Investment Officer in the Company's management structure and set up the Corporate Social Responsibility Office to be under the supervision of the Corporate Governance Committee. The Company's management structure as of 31 March 2016 is as shown in *section 3.5: Organisation Chart*.

BOARD OF DIRECTORS

The structure of the Board of Directors consists of members in the number that is suitable for the size and business strategy of the Company, but shall be no less than 5 members. At least one-third (1/3) of the members shall be independent directors and in any case the independent directors shall not be less than 3 members. The Board of Directors will have more than 6 meetings in each fiscal year.

As of 31 March 2016, the Board of Directors consisted of 14 members where 6 members were executive directors and 8 members were non-executive directors.

No.	Name of Directors	Position	Authorised Directors	Date of Registration as Directors	Number of Meetings in 2015/16
1.	Mr. Keeree Kanjanapas	Chairman	Group A	2 June 1993	9/9
2.	Dr. Paul Tong	Director	-	20 February 2007	8/9
3.	Dr. Anat Arbhahirama	Director	Group B	7 May 1998	9/9
4.	Mr. Surapong Laoha-Unya	Director	Group A	30 July 2010	9/9
5.	Mr. Kavin Kanjanapas	Director	Group A	23 January 2007	9/9
6.	Mr. Rangsin Kritalug	Director	Group B	19 December 1997	9/9
7.	Mr. Kong Chi Keung	Director	Group B	23 January 2007	9/9
8.	Professor Lt. Gen. Phisal Thepsithar	Independent Director	-	4 August 2000	9/9
9.	Mr. Suchin Wanglee	Independent Director	-	30 July 2010	9/9
10.	Professor Charoen Wattanasin	Independent Director	-	30 July 2010	9/9
11.	Mr. Cheong Ying Chew, Henry	Independent Director	-	30 July 2010	8/9
12.	Mr. Chulchit Bunyaketu*	Director	-	27 July 2015	6/7
13.	Dr. Karoon Chandrangsu*	Director	-	27 July 2015	7/7
14.	Mrs. Pichitra Mahaphon**	Independent Director	-	1 April 2016	-

* Mr. Chulchit Bunyaketu and Dr. Karoon Chandrangsu have been appointed as new directors of the Company pursuant to the 2015 Annual General Meeting of the Shareholders held on 24 July 2015.

** Mrs. Pichitra Mahaphon has been appointed as a new director of the Company pursuant to the resolution of the Board of Directors' Meeting held on 28 March 2016 in replacement of the resigned director, effective from 28 March 2016 onwards; therefore, Mrs. Pichitra Mahaphon has not yet attended any meetings of the Board of Directors in the past fiscal year (1 April 2015–31 March 2016).

*** In 2015/16, the non-executive directors had one meeting without the attendance or participation of the Management.

Directors Authorised to Sign on Behalf of the Company: 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.

DUTIES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS

1. To perform its duties in accordance with the laws, the Company's objectives and the Articles of Association, and the resolutions of the shareholders'

meeting with loyalty, honesty, and due care for the Company's interest;

2. To determine the Company's policy, vision, mission, value, strategy, direction, and operation target; to direct, monitor, and supervise the management to ensure the effective and efficient implementation and execution of those policies effectively and efficiently so as to maximise the value for the Company and the shareholders; to consider and review the Company's long-term policy, vision, mission, value, strategy, direction, and operation target at least every 5 years; to monitor the implementation of such strategy; and to review the business strategy of the Company in the past fiscal year in order to determine the business strategy for the next fiscal year;
3. To determine the Company's policy, business strategy, plan, and annual budget, including the monthly and quarterly operation results and earnings of the Company in comparison with the plan and budget, and to also consider future trends for the next periods;
4. To evaluate the Management's performance regularly and to monitor the remuneration mechanism of high level executives as deemed appropriate by having the Nomination and Remuneration Committee supervise efficiently;
5. To supervise the Management to ensure that the accounting system, financial reports, and accounting audit system are accountable, as well as ensuring that the Company has an appropriate and sufficient internal control system;
6. To consider and approve the acquisition and disposal of assets, investment in new businesses, and any matters as required by law, save for matters requiring resolutions of the shareholders' meeting;
7. To consider and/or provide an opinion on the Company's and the subsidiaries' connected transactions so as to ensure compliance with the relevant laws, notifications, regulations and rules;
8. To monitor and prevent conflicts of interest among the stakeholders of the Company;
9. To consider all the Company's affairs by taking into account the interest of the shareholders and all groups of stakeholders equitably whereby a director shall report to the Company, without delay, if he/she has any conflicts of interest in relation to a contract to be entered into with the Company or there is an increase or decrease in his/her shareholding in the Company or its subsidiaries, and, as regards transactions the Company enters into with a director or any person who may have a conflict, an interest, or any conflict of interest with the Company or subsidiaries, the director who has such a conflict of interest shall have no right to vote to approve such transaction;
10. To oversee the business operations with morality and business ethics, to review the corporate governance policy and code of conduct regularly, and to evaluate the implementation of such policies at least once a year;
11. To establish the risk management policy and framework, to review the appropriateness of the risk management policy and framework on an ongoing basis, and to ensure that the risk management policy and internal control are implemented;
12. 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 to prepare the financial statements by disclosing the same along with the external auditor's report in the Company's Annual Report, covering key issues under the policy statement on the SET's Code of Best Practices for Directors of Listed Companies;
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 an authorisation or sub-authorisation that allows the director or his/her designated person who has a conflict, an interest, or any kind of benefit with the Company or its subsidiaries to approve such transaction;
15. To evaluate the performance of the Board of Directors on an annual basis, both group evaluation and individual evaluation, in order to use as a guideline for the review of the Board of Directors' performance;

16. To appoint subcommittees to assist and monitor the management system and the internal control system to ensure compliance with the Company's policies, such as the Executive Committee, the Audit Committee, the Nomination and Remuneration Committee, and the Corporate Governance Committee, and to implement annual performance evaluation of all subcommittees;
17. To determine and review the business organisation chart and to appoint the Advisory Board which shall consist of a group of individual advisors who have the knowledge and expertise in different areas and can provide useful advice and suggestions for the business of the Company and the subsidiaries; the opinions or suggestions of the Advisory Board are given by individuals who are not involved in the business management of the Company, which will enable the Company to gain benefits from the viewpoint of a third party, but such advice, opinions or suggestions shall have no legal binding effect over the Company;
18. To prepare and review the succession plan in order to determine the succession procedure for the positions of Chairman of the Executive Committee, Chief Executive Officer, Deputy Chief Executive Officer and other senior executive positions in the organisation; and
19. To appoint the Company Secretary to ensure that the Board of Directors and the Company comply with the laws and relevant regulations.

ROLES AND DUTIES OF THE CHAIRMAN OF THE BOARD OF DIRECTORS

1. The Chairman, as the chief of the Board of Directors, has the duties and responsibilities to supervise, follow up, and monitor the performance of the Board of Directors and other subcommittees to achieve the business objectives under the designated plans;
2. The Chairman is the person who calls the meetings of the Board of Directors whereby the Chairman, or a designated person, shall send out an invitation to all directors at least 7 days prior to the meeting date unless it is necessary and urgent and such invitation shall specify the place, date and time

of the meeting and the nature of the businesses to be discussed;

3. To act as the chairman at the meetings of the Board of Directors and to cast the casting vote in case of an equality of votes at the meetings of the Board of Directors;
4. To act as the chairman at the shareholders' meetings of the Company, to conduct the meeting in compliance with the Company's Articles of Association and the agenda, and to cast the casting vote in case of an equality of votes; and
5. To perform other duties as specified specifically by the laws as the duties of the Chairman.

AUDIT COMMITTEE

The structure of the Audit Committee entirely consists of independent directors who possess the qualifications in accordance with the Definition of Independent Director of the Company, which is "more stringent" than the minimum requirements of the notifications of the Capital Market Supervisory Board. The Audit Committee shall consist of at least 3 members and at least one member must be knowledgeable and experienced in accounting in order to review the reliability of the financial statements. The Audit Committee will hold a meeting on a quarterly basis and may call additional meetings as necessary and appropriate.

As of 31 March 2016, the Audit Committee consisted of 4 members.

No.	Name	Position	Number of Meetings in 2015/16
1.	Professor Lt. Gen. Phisal Thepsithar*	Chairman of the Audit Committee	5/5
2.	Mr. Suchin Wanglee	Audit Committee Member	5/5
3.	Professor Charoen Wattanasin	Audit Committee Member	5/5
4.	Mrs. Pichitra Mahaphon**	Audit Committee Member	-

* Professor Lt. Gen. Phisal Thepsithar is the member of the Audit Committee who is knowledgeable and experienced in accounting in order to review the Company's financial statements.

** Mrs. Pichitra Mahaphon has been appointed as a new director of the Company pursuant to the resolution of the Board of Directors' Meeting held on 28 March 2016 in replacement of the resigned director to hold the positions of an independent director and a member of the Audit Committee, effective from 28 March 2016 onwards; therefore, Mrs. Pichitra Mahaphon has not yet attended any meetings of the Audit Committee in the past fiscal year (1 April 2015–31 March 2016).

DUTIES AND RESPONSIBILITIES OF THE AUDIT COMMITTEE

1. To review the Company's financial reporting process to ensure that it is accurate and in accordance with the generally accepted accounting principles and that there is adequate disclosure;
2. To review the Company's internal control system, internal audit system, and risk assessment policy to ensure their appropriateness and efficiency, to review the independence of the Internal Audit Office, and to approve, jointly with the Chief Executive Officer, the appointment, transfer and dismissal of the head of the Internal Audit Office or the head of any other units in charge of internal audit;
3. To review to ensure that the Company is in compliance with the securities and exchange laws, the regulations of the SET, and the laws relevant to the Company's businesses;
4. To consider, select, and nominate independent person(s) to be elected as the Company's external auditor(s), to terminate the Company's external auditor(s), to propose their remuneration, and to attend a meeting with the external auditor(s) without the Management at least once a year, and the external auditor(s) will be discharged in the following events:
 - (1) The external auditor(s) violates and/or fails to comply with Section 89/25 of the Securities and Exchange Act B.E. 2535 (1992) (as amended);
 - (2) The license of the external auditor(s) is not valid under the professional accounting laws;
 - (3) The external auditor(s) commits a misconduct, violates or fails to comply with the rules and ethics of professional auditors in a material manner and is suspended from practicing or de-licensed under the professional accounting laws; or
 - (4) The Federation of Accounting Professions Committee considers the behavior of the external auditor(s) to be damaging to the honor of the accounting profession.
5. To consider connected transactions or transactions that may lead to a conflict of interest to ensure that those transactions are in compliance with the laws and regulations of the SET, are justifiable, and are transacted in the best interest of the Company;
6. To prepare the Audit Committee's report and disclose the same in the Company's annual report where the Audit Committee's report must be signed by the Chairman of the Audit Committee and must consist of at least the following information:
 - (1) An opinion on the accuracy, the completeness, and the 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 SET, or the laws relevant to the Company's businesses;
 - (4) An opinion on the suitability of the external auditor(s);
 - (5) An opinion on the transactions that may lead to a conflict of interest;
 - (6) The number of the Audit Committee's meetings, and the meeting attendance by each member;
 - (7) An opinion or overview observation the Audit Committee has obtained from performing duties under the scope of the Audit Committee Charter;
 - (8) Other transactions which, according to the Audit Committee's opinion, should be made known to the shareholders and general investors, and are in the scope of the duties and responsibilities assigned by the Board of Directors;
7. To review and provide an opinion on the internal audit plan and the performance of the Internal Audit Office where the Audit Committee has the authority to invite the relevant Management, executives, or employees to provide their opinions, attend meetings, or submit any relevant and necessary documents;
8. In performing the duties of the Audit Committee, if the Audit Committee discovers or suspects that there is any of the following transactions or acts which may materially affect the Company's financial conditions and operating results, the Audit Committee shall make an inspection and report to the Board of Directors for further rectification within the period that the Audit Committee deems appropriate:

- (1) A transaction which causes a conflict of interest;
- (2) Any fraud, irregularity, or material error in the internal control system;
- (3) An infringement of the securities and exchange laws, the regulations of the SET, or the laws relevant to the Company's businesses;

If the Board of Directors or executives should fail to rectify within the period that the Audit Committee deems appropriate, any member of the Audit Committee may report such transaction or act to the SEC Office or the SET;

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

NOMINATION AND REMUNERATION COMMITTEE

The structure of the Nomination and Remuneration Committee consists of at least 3 directors but shall not exceed 5 directors. The majority members shall be independent directors. The Nomination and Remuneration Committee will hold at least two meetings in each fiscal year and may call additional meetings as necessary and appropriate.

As of 31 March 2016, the Nomination and Remuneration Committee consisted of 5 members.

No.	Name	Position	Number of Meetings in 2015/16
1.	Professor Lt. Gen. Phisal Thepsithar	Chairman of the Nomination and Remuneration Committee	2/2
2.	Mr. Suchin Wanglee	Nomination and Remuneration Committee Member	2/2
3.	Professor Charoen Wattanasin	Nomination and Remuneration Committee Member	2/2
4.	Mr. Rangsin Kritalug	Nomination and Remuneration Committee Member	2/2
5.	Mr. Kong Chi Keung	Nomination and Remuneration Committee Member	2/2

DUTIES AND RESPONSIBILITIES OF THE NOMINATION AND REMUNERATION COMMITTEE

1. To consider and provide an opinion on the Board of Directors' structure, such as the appropriate size and composition of the Board of Directors, taking into consideration the Company's size and business strategy in comparison with the current size and composition of the Board of Directors, as well as reviewing the independence of each of the independent directors, so as to adjust the Board of Directors' structure to correspond with the Company's strategy;
2. To determine the criteria and process for nominating a person for the position of director by considering:
 - The qualifications of a director which are appropriate for and correspond with the Company's business strategy, structure, size and composition of the Board of Directors as determined by the Board of Directors, including the diversity in the structure (Board Diversity) and other qualifications that are necessary and are still lacking in the Board of Directors (Board Skill Matrix);
 - The appropriateness of his/her knowledge, experience, expertise, and availability, as well as other requirements as stipulated by the laws or regulations of the government authorities;
3. To nominate director candidates who have the qualifications in accordance with the specified qualification criteria:
 - In the event that a director retires by rotation, the nominated candidate must be recommended to the Board of Directors for approval and recommendation to the shareholders' meeting for consideration and election;
 - In the event that there is a vacancy in the Board of Directors for any reasons (other than retirement by rotation), the nominated candidate must be recommended to the Board of Directors for consideration and election as a new director to fill in for the vacant position; and
 - In the event that there is a need for election of a new director additionally to correspond with the Board of Directors' structure, the nominated candidate must be recommended to the Board

of Directors for approval and recommendation to the shareholders' meeting for further consideration and election;

4. To consider the structure, amount, form, and criteria for all types of appropriate remuneration (monetary and non-monetary) for the Chairman of the Board of Directors, directors, and members of the subcommittees, taking into account the remuneration paid by other companies within the same industry and other listed companies with a similar market capitalisation in order to motivate and retain valuable directors with the Company, and to propose the same for the Board of Directors' approval and for further proposal at the shareholders' meeting for consideration and approval;
5. To consider the performance evaluation criteria of the Chairman of the Executive Committee and the Chief Executive Officer, to propose the result of such evaluation for the Board of Directors' approval, and to propose the amount and form of remuneration of the Chairman of the Executive Committee and the Chief Executive Officer, both short-term and long-term, in line with the results of the performance evaluation for the Board of Directors' approval;
6. To prepare the director development plan in order to develop the knowledge of the existing directors and the new directors to understand the business of the Company, the roles and duties of the directors, and other significant developments, including determining a guideline for new director orientations;
7. To consider the appropriateness and conditions for offering new shares, warrants, or other securities to the directors and employees as a motivation for the directors and employees to perform their duties and build long-term shareholder value, as well as retaining qualified personnel with the Company, whereas such conditions must be fair to the shareholders;
8. To report its performance of duties to the Board of Directors and/or the shareholders' meeting;
9. To conduct an evaluation of the performance of the Nomination and Remuneration Committee on

an annual basis and report the evaluation results to the Board of Directors;

10. To appoint working groups to assist the Nomination and Remuneration Committee in performing its duties and to appoint independent expert consultants to provide advice, consultation, and assistance for the performance of duties by the Nomination and Remuneration Committee; and
11. To perform any other acts in relation to the nomination 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.

CORPORATE GOVERNANCE COMMITTEE

The structure of the Corporate Governance Committee consists of at least 4 directors but shall not exceed 6 directors. The Corporate Governance Committee will hold at least two meetings in each fiscal year and may call additional meetings as necessary and appropriate.

As of 31 March 2016, the Corporate Governance Committee consisted of 4 members.

No.	Name	Position	Number of Meetings in 2015/16
1.	Mr. Keeree Kanjanapas	Chairman of the Corporate Governance Committee	2/2
2.	Dr. Anat Arbhahirama	Corporate Governance Committee Member	2/2
3.	Professor Charoen Wattanasin	Corporate Governance Committee Member	2/2
4.	Mr. Rangsin Kritalug	Corporate Governance Committee Member	2/2

DUTIES AND RESPONSIBILITIES OF THE CORPORATE GOVERNANCE COMMITTEE

1. To consider, determine, review, and update policies, manuals, and guidelines on good corporate governance, business ethics, and employees' ethics to be in line with the international standard practices, to propose the same for consideration and approval by the Board of Directors, and to monitor the implementation of such policies, manuals, and guidelines on good corporate governance, business ethics, and employees' ethics;

2. To consider, determine, review, and update the corporate social responsibility (CSR) policy, to propose the same for consideration and approval by the Board of Directors, 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, to propose the same for consideration and approval by the Board of Directors, and to monitor the implementation of the policy and guideline on anti-corruption and bribery;
4. To report its performance of duties to the Board of Directors and/or the shareholders' meeting;
5. To conduct an evaluation of the performance of the Corporate Governance Committee on an annual basis and report the evaluation results to the Board of Directors;
6. To appoint working groups to assist the Corporate Governance Committee in performing its duties and to appoint independent expert consultants to provide advice, consultation, and assistance for the performance of duties by the Corporate Governance Committee; and
7. To perform or undertake other tasks as the Board of Directors may assign and to perform any other acts as stipulated by the laws or regulations of the government authorities.

EXECUTIVE COMMITTEE

The structure of the Executive Committee consists of at least 5 members where the members of the Executive Committee do not have to hold the position of directors of the Company. The Executive Committee schedules a meeting every month and may call additional meetings as necessary and appropriate.

As of 31 March 2016, the Executive Committee consisted of 6 members.

No.	Name	Position	Number of Meetings in 2015/16
1.	Mr. Keeree Kanjanapas	Chairman of the Executive Committee	14/14
2.	Dr. Anat Arbhabhirama	Executive Director	14/14
3.	Mr. Surapong Laoha-Unya	Executive Director	13/14
4.	Mr. Kavin Kanjanapas	Executive Director and Chief Executive Officer	12/14

No.	Name	Position	Number of Meetings in 2015/16
5.	Mr. Rangsin Kritalug	Executive Director and Chief Operating Officer	14/14
6.	Mr. Kong Chi Keung	Executive Director and Deputy Chief Executive Officer	14/14

DUTIES AND RESPONSIBILITIES OF THE EXECUTIVE COMMITTEE

1. To determine policy, vision, mission, direction, strategy, management structure, objectives, and goal for the Company's businesses to correspond to the economics and competitive environment, and to propose the same for consideration and approval by the Board of Directors;
2. To prepare a business plan, budget, the management authorities of the Company and to propose the same for consideration and approval by the Board of Directors;
3. To review and monitor the Company's performance results to be in line with the approved policy and business plan in an efficient and effective manner;
4. To consider and approve the Company's and the subsidiaries' projects and report on the progress of such projects to the Board of Directors;
5. To manage the overall risk of the organisation, to evaluate such risk and plan the Company's risk management structure, to monitor and control key risks and any conditions that may have a material impact on the business operations of the Company, and to report the same to the Board of Directors;
6. To report its performance of duties to the Board of Directors and/or the shareholders' meeting;
7. To conduct an evaluation of the performance of the Executive Committee on an annual basis and report the evaluation results to the Board of Directors;
8. To appoint working groups to assist the Executive Committee in performing its duties and to appoint independent expert consultants to provide advice, consultation, and assistance for the performance of duties by the Executive Committee; and

- To perform other tasks as assigned by the Board of Directors and to perform any other acts as stipulated by the laws or regulations of the government authorities.

DUTIES AND RESPONSIBILITIES OF THE CHIEF EXECUTIVE OFFICER

- To operate the day-to-day business operation of the Company and to supervise, manage, and operate the works and operations of the Company to comply with the policy, vision, mission, value, strategy, business direction and business target, as well as the budget and business plan as approved by the Board of Directors and/or the Executive Committee;
- To employ, appoint, transfer, dismiss, terminate, and determine the rate of wages and remuneration for the executives and employees, except for (i) the appointment, transfer and dismissal of the executives who hold the position of Deputy Chief Executive Officer or Chief Officer where these executive positions shall be approved by the Board of Directors (but their remuneration shall be determined by the Chief Executive Officer) and (ii) the appointment, transfer and dismissal of the head of the Internal Audit Office where the Audit Committee's consent shall also be required;
- To determine the salary and remuneration and to adjust the salary, bonus and reward of the executives and employees of the Company;
- To authorise the execution or termination of any contracts (which have not been included in the approved annual budget) between the Company or a subsidiary and any other third party where the aggregate value of each contract does not exceed the designated amount;
- To consider and approve intercompany loans among the Company and the subsidiaries;
- To issue internal orders, policies, announcements, and memos in order to ensure that the operations of the Company are in compliance with the policy and the interest of the Company, including maintaining discipline within the organisation;
- To perform other tasks as assigned by the Board of Directors and/or the Executive Committee and

to perform any other acts as stipulated by the laws or regulations of the authorities;

- To delegate one or more persons to perform any task on his/her behalf; however, such delegation shall not be an authorisation that allows the designated person who has a conflict, an interest, or any kind of benefit with the Company or its subsidiaries to approve such transaction; and
- If the Chief Executive Officer is not in office or is unavailable to perform his/her duties, the Deputy Chief Executive Officer shall act and perform all duties on his/her behalf and the Deputy Chief Executive Officer shall report or present those matters he/she has approved to the Chief Executive Officer as soon as practicable.

Nonetheless, the exercise of the Chief Executive Officer's authority shall not allow him/her to approve a transaction with himself/herself or his/her related person(s) who has a conflict, an interest, or any kind of benefit with the Company or its subsidiaries.

EXECUTIVES

As of 31 March 2016, there were 10 executives.

No.	Name	Position
1.	Mr. Keeree Kanjanapas	Chairman of the Executive Committee
2.	Dr. Anat Arbhahirama	Executive Director
3.	Mr. Surapong Laoha-Unya	Executive Director
4.	Mr. Kavin Kanjanapas	Executive Director and Chief Executive Officer
5.	Mr. Rangsin Kritalug	Executive Director and Chief Operating Officer
6.	Mr. Kong Chi Keung	Executive Director and Deputy Chief Executive Officer
7.	Mr. Surayut Thavikulwat	Chief Financial Officer
8.	Mr. Daniel Ross	Chief Investment Officer
9.	Mrs. Duangkamol Chaichanakajorn	Accounting Director
10.	Miss Chawadee Rungruang	Financial Controller

The profiles of the executives can be found in *section 5.6: Director and Executive Profiles*.

DUTIES AND RESPONSIBILITIES OF THE EXECUTIVES

- To efficiently and effectively manage the business operations in accordance with the Company's policies, direction, strategy and operational structure;

2. To prepare the business plan, budget, and management authorities of the Company for the Executive Committee's approval;
3. To manage the Company's business operations to be in line with the business plan and the budget as approved by the Executive Committee with loyalty, honesty, and due care in the best interest of the Company and the shareholders;
4. To monitor the Company's performance results to ensure that they are in line with the approved business plan and annual budget;
5. To regularly report the Company's performance results to the Executive Committee;
6. To perform other tasks as assigned by the Executive Committee and/or the Board of Directors; and
7. To supervise general business operations as provided under the Company's rules and regulations.

COMPANY SECRETARY

Ms. Taraket Thawornpanich holds the Company Secretary position since 1 October 2015 until present. The Company Secretary is responsible for monitoring the Company to comply with the relevant and applicable laws and regulations so as to conform to the principles of good corporate governance of listed companies as follows:

1. To organise the Board of Directors' meetings and shareholders' meetings in accordance with the applicable laws and regulations, including ensuring that such resolutions are fully complied with;
2. To prepare and keep a register of directors, invitations to the Board of Directors' meetings, minutes of the Board of Directors' meetings, invitations to the shareholders' meetings, and minutes of the shareholders' meetings;
3. To ensure that information is disclosed in accordance with the regulations of the SET, the SEC Office, and other relevant authorities, as well as the principles of good corporate governance;
4. To keep the reports on conflicts of interest as reported by the directors or the executives and submit a copy of the report to the Chairman of the Board of Directors and the Chairman of the Audit Committee;

5. To keep a copy of the reports on the change of securities holding of the directors or the executives;
6. To provide advice to the directors as regards the laws and regulations in relation to good corporate governance and the maintenance of the status as a listed company in the SET, including the laws and regulations relevant to the Company's businesses; and
7. To perform any other acts as stipulated by the Capital Market Supervisory Board or as assigned by the Company's Board of Directors.

The Company Secretary has completed training programs organised by the IOD and also regularly enrolls in trainings or seminars organised by the SET and the SEC Office. The profile of the Company Secretary (as of 31 March 2016) is as follows:

Ms. Taraket Thawornpanich

Age 40

Company Secretary

- | | |
|------------------|--|
| Education | <ul style="list-style-type: none"> • Master of Laws (LL.M), Northwestern University, School of Law and Certificate in Business Administration, Kellogg School of Management, U.S.A. • Master of Laws (LL.M), Columbia Law School, U.S.A. • Bachelor of Laws (LL.B) (Second Class Honours), Thammasat University • Mini MBA, Chulalongkorn Business School • Company Secretary Program (CSP), Thai Institute of Directors • Effective Minutes Taking Program (EMT), Thai Institute of Directors |
|------------------|--|

Work Experience

2015-Present	Company Secretary, BTS Group Holdings Pcl
--------------	--

Other listed companies in Thailand

2009-2015	Vice President, Corporate Secretary Department, Total Access Communication Pcl
-----------	--

Other companies

2003-2009	Associate, Linklaters (Thailand) Ltd.
-----------	--

REPORT ON SECURITIES HOLDING BY THE DIRECTORS AND EXECUTIVES

The Company has a policy to require the directors and executives of the Company, including their spouse and minor children (if any), to report any change in their holding of the Company's securities to the Board of Directors' meeting on a quarterly basis. The directors and executives must provide a copy of their Report of Change in Securities Holding (Form 59-2) to the Company Secretary Office. The Company Secretary Office will prepare and present a summary of the same to the Board of Directors' meeting on a quarterly basis.

SUMMARY OF CHANGES IN SECURITIES HOLDING OF DIRECTORS AND EXECUTIVES BETWEEN 2014/15 AND 2015/16

No.	Name	Number of Shares (BTS)		Number of Increased (Decreased) Shares	Number of BTS-W3 Warrants		Number of Increased (Decreased) Warrants
		31 Mar 2015	31 Mar 2016		31 Mar 2015	31 Mar 2016	
1.	Mr. Keeree Kanjanapas Spouse / Minor Children	3,891,164,652 0	3,891,164,652 0	- -	1,389,286,164 0	1,389,286,164 0	- -
2.	Dr. Paul Tong Spouse / Minor Children	29,176,501 1,600,000	29,176,501 1,600,000	- -	9,725,500 533,333	9,725,500 533,333	- -
3.	Dr. Anat Arhhabhira Spouse / Minor Children	0 0	0 0	- -	0 0	0 0	- -
4.	Mr. Surapong Laoha-Unya Spouse / Minor Children	5,552,627 0	5,552,627 0	- -	1,850,875 0	1,850,875 0	- -
5.	Mr. Kavin Kanjanapas Spouse / Minor Children	602,459,295 0	602,459,295 0	- -	819,765 0	819,765 0	- -
6.	Mr. Rangsini Kritalug Spouse / Minor Children	0 0	0 0	- -	0 0	0 0	- -
7.	Mr. Kong Chi Keung Spouse / Minor Children	3,200,000 0	3,200,000 0	- -	1,066,666 0	1,066,666 0	- -
8.	Professor Lt. Gen. Phisal Thepsithar Spouse / Minor Children	80,000 0	80,000 0	- -	26,666 0	26,666 0	- -
9.	Mr. Suchin Wanglee Spouse / Minor Children	4,417,166 3,262,857	4,417,166 3,262,857	- -	1,472,388 87,619	1,472,388 0	- (87,619)
10.	Professor Chareon Wattanasin Spouse / Minor Children	351,713 0	351,713 0	- -	117,237 0	0 0	(117,237) -
11.	Mr. Cheong Ying Chew, Henry Spouse / Minor Children	0 0	0 0	- -	0 0	0 0	- -
12.	Mr. Chulchit Butyaketu Spouse / Minor Children	0* 300,000*	2,200,000 500,000	2,200,000 200,000	0* 0*	0 0	- -
13.	Dr. Karoon Chandrangsu Spouse / Minor Children	0* 0*	0 0	- -	0* 0*	0 0	- -
14.	Mrs. Pichitra Mahaphon Spouse / Minor Children	150,000* 90,000*	150,000 90,000	- -	0* 0*	0 0	- -
15.	Mr. Surayut Thavikulwat Spouse / Minor Children	115,632 17,000	267,460 17,000	151,828 -	19,272 0	19,272 0	- -
16.	Mr. Daniel Ross Spouse / Minor Children	238,480 0	454,261 0	215,781 -	45,080 0	45,080 0	- -
17.	Mrs. Duangkamol Chaichanakajorn Spouse / Minor Children	330,504 0	593,959 0	263,455 -	55,084 0	55,084 0	- -
18.	Miss Chawadee Rungruang Spouse / Minor Children	59,208 -	219,006 -	159,798 -	0 -	0 -	- -

* Number of shares and BTS-W3 warrants as of the date of appointment as directors of the Company.

PERSONNEL

SUMMARY OF NUMBER OF EMPLOYEES, REMUNERATION, TRAINING HOURS AND LEAVES OF THE COMPANY'S AND SUBSIDIARIES' EMPLOYEES IN 2015/16

Company / Subsidiaries	Total Number of Employees as of 31 March 2016 (Persons)	Remuneration ⁽¹⁾ 2015/16 (THB mn)	Average Training Hours Per Employee Per Year (Hours)	Average Days of Leave Per Year			
				Sick Leave ⁽²⁾ (Days)	Personal Leave (Days)	Annual Leave (Days)	Other Types of Leaves ⁽³⁾ (Times)
1. Company	129	171.49	10.60	3.0	1.3	6.8	4
2. Mass Transit Business (1 company)	2,144	667.64	103.70	2.6	0.5	11.0	62
3. Media Business (6 companies)	236	259.55	56.90	5.7	0.7	7.1	3
4. Property Business (20 companies)	476	114.32	12.30	3.5	1.0	7.6	13
5. Services Business (14 companies)	767	298.60	2.20	1.4	0.3	3.2	16
Total (42 companies)	3,752	1,511.60	65.20	2.7	0.6	8.6	98

(1) Monetary remuneration consists of salary, bonus, and provident fund contributions. In addition to monetary remuneration, BTS Group has also given non-monetary remuneration to the employees, i.e., warrants to purchase ordinary shares of the Company. In 2015/16, the Company has allocated 5.2 million ordinary shares and 4.9 million ordinary shares, at the par value of Baht 4 per share to the employees of the Company and its subsidiaries for the exercise of BTS-WA and BTS-WB warrants, respectively. Moreover, in May 2016, the Company has allocated 16.0 million units of BTS-WC warrants to the non-director employees of the Company and its subsidiaries totaling 182 employees. This demonstrates that BTS Group provides the employees with both short term and long term monetary and non-monetary remuneration in line with the operation results of each company. As of 31 March 2016, the remaining amounts of BTS-WA and BTS-WB warrants held by the employees of the Company and its subsidiaries were 6.2 million units and 11.1 million units, respectively.

(2) The sick leave rate resulting from sickness or accident caused by working was 0.03 day. No employee was in a severe accident, injured, or sick by working.

(3) Other types of leaves include maternity leave, sterilisation leave, military leave, and ordination leave.

EMPLOYEE WELFARE AND PERSONNEL SKILL DEVELOPMENT

The BTS Group provides other benefits and remuneration to the employees, for example, the establishment of a provident fund as a form of security for the employees and their family, the setting up of the BTS Group Savings and Credit Cooperative as an alternative for the employees to make their savings and investment and get credit support, the provision of housing loan welfare to support the employees to have security by owning their own residence, the support of other occasional monetary subsidies, and the arrangement of life insurance, group health insurance and group

personal accident insurance to provide convenience to the employees when there is a need for medical treatment. In addition, since all employees are valuable resources of the Group who will propel the Group to achieve its goal and business plan, the Group therefore places an importance on personnel skill development. The personnel management guidelines cover the process starting from recruitment, personal skill development, creating good working environment, retaining all quality employees, and instilling awareness that they are a part of the community. (Please see additional details in *Form 56-1*.)

Please see the details on the structure, duties, and responsibilities of the Corporate Governance Committee in *section 5.1: Management Structure*.

The Company has its business structure, management system, and corporate governance system, which support the principles of good corporate governance and promote the sustainable development of the BTS Group.

Good Business Structure is achieved through over 60 subsidiaries and associated companies within the BTS Group that engage in the 4 core businesses, i.e., (1) mass transit business, (2) media business, (3) property business, and (4) services business, where each business unit will carry on its operation in line with the strategy and business target set out by the Board of Directors. (Additional details can be found in *section 3.1: Corporate Structure and Information*.)

Good Management System is achieved through the Company's management structure, which composes of having visionary and accountable Board of Directors and executives, having a system of checks and balances to ensure that the management of operations is transparent and verifiable, treating the shareholders equitably, and being responsible for all groups of the stakeholders. All of these are key factors in adding value and providing maximum returns to the shareholders in the long run. (Additional details can be found in *section 5.1: Management Structure*.)

Good Corporate Governance System is achieved through the Company's various policies, which promote and support good corporate governance, such as Corporate Governance Policy, Code of Conduct, CSR Policy, Business Ethics Policy, Enterprise Risk Management Policy, and Anti-Corruption Measures, as well as the monitoring for implementation of such policies.

As a result of the Company's continuing determination and priority to develop the Company's operation in accordance with the principles of good corporate governance, focusing on organisational development through good management and corporate governance systems in 5 areas, i.e., rights of shareholders, equitable treatment of shareholders, roles of stakeholders, disclosure and transparency, and board responsibilities,

the Company received the following assessment results and awards in the previous year:

Result of the Corporate Governance Report of Thai Listed Companies Conducted by Thai Institute of Directors (IOD): The Company was one of the 55 companies that received the result of the corporate governance assessment in the "Excellent" level and was categorised in the 5-star group ("assessment scores of 90%-100%") out of 588 listed companies that were assessed for corporate governance. This is the fourth consecutive year that the Company was ranked in the 5-star group since 2012, which is an affirmation that the Company has stood by its principles of good corporate governance for the sustainable development of the organisation.

Result of the Annual General Meeting of Shareholders (AGM) Quality Assessment Conducted by Thai Investors Association (TIA): This assessment aims to evaluate the quality of the annual general meeting of shareholders held by listed companies based on what the listed companies should do before the meeting, on the day of the meeting, and after the meeting. Because the Company has given importance and has striven to improve the quality of the organisation of the annual general meeting of shareholders continuously and regularly, the Company received a perfect 100 scores for the quality of the 2015 Annual General Meeting of Shareholders, considering as the third consecutive year since 2013.

Certified Company of Thailand's Private Sector Collective Action Coalition Against Corruption by the Thailand's Private Sector Collective Action Coalition Against Corruption Council: On 22 January 2016, the Company was awarded with a certification of membership of Thailand's Private Sector Collective Action Coalition Against Corruption. This showcases the Company's explicit measures against fraud and corruption.

Listed Companies with Outstanding Achievement in Business Sustainability (ESG100) Assessed by the ESG Rating Unit of the Thaipat Institute: The Company was ranked as one of the top 100 listed companies that have demonstrated outstanding environmental, social and governance (ESG) achievement in the year 2016, out of 621 listed companies, considering as the

second consecutive year since 2015. This showcases the Company's focus on and responsibility for the environment, society and governance to create sustainable development.

2015 Sustainability Reporting Awards by CSR Club, Thai Listed Companies Association, the SEC office and Thaipat Institute: The Company was awarded the "Recognition Awards" from the 2015 Sustainability Reporting Awards, out of totally 106 companies that submitted their sustainability report for the consideration. This shows that the Company has placed the importance to the disclosure of both financial and non-financial information to the investors and other stakeholders of the Company which would create sustainable development for the organisation in the long run.

Corporate Governance Policy of the Company covers the principles of good corporate governance, divided into 5 aspects, namely 1) Rights of Shareholders, 2) Equitable Treatment of Shareholders, 3) Roles of Stakeholders, 4) Disclosure and Transparency, and 5) Board Responsibilities.

RIGHTS OF SHAREHOLDERS

The Company places emphasis on the rights of shareholders as the owner of the Company. All shareholders - no matter if they are retail investors or institutional investors - are encouraged to exercise their fundamental rights, e.g., selling/purchasing or transferring shares, sharing profit of the business, receiving adequate information either via the website of the Company or the website of the SET or through other channels, attending shareholders' meetings to acknowledge the Company's annual business performance, and casting votes at the shareholders' meetings to approve significant matters as specified by laws, such as the appointment or removal of directors, the determination of directors' remuneration, the appointment of auditor and the determination of audit fee, the dividend payment or suspension of dividend payment, and the capital increase and the issuance of new securities, including making enquiries or comments on matters that the Board of Directors presents to or requests for approval at the shareholders' meetings.

Shareholders' Meetings: The Company must hold an Annual General Meeting of Shareholders within 120 days from the end of the Company's fiscal year. Other

shareholders' meetings, i.e., Extraordinary General Meetings of Shareholders, are to be called when it is deemed necessary and appropriate. The Company has set up a Company Secretary Office to ensure that the shareholders' meetings are held as required by law and in accordance with the principles of good corporate governance. In the shareholders' meetings, the Company will arrange for a legal advisor to attend the meeting to provide legal advice and witness the vote count throughout the meeting and give the minority shareholders an opportunity to nominate a representative to witness the vote count. In the case where an agenda item of the meeting concerns a transaction that is complicated and significant to the decision making of the shareholders' meetings, the Company will also arrange for a financial advisor as well as a legal advisor to provide answers and explanations at the meeting. As for the Annual General Meeting of Shareholders where financial statements will be considered for approval, the Company will arrange for its auditor to be present at such meeting every time.

Delivering Invitations and Providing Convenience to Shareholders: The Company engages Thailand Securities Depository Co., Ltd., its securities registrar, to undertake the delivery of the invitation to both Thai and foreign shareholders. The Company also prepares and provides an English version of the invitation for the foreign shareholders. The invitation will provide adequate information regarding the place, date and time of the meeting, details of the meeting agenda, the objectives and rationale of each agenda item together with the opinion of the Board of Directors, and the number of votes required for the agenda items that require the casting of votes, including other supporting documents. This is to allow the shareholders to have sufficient time to study the documents beforehand and there will be no hidden agenda items or addition of other agenda items that are not stated in the invitation, except for urgent matters. Besides, the Company will also publicise the invitation together with the supporting documents for the meeting on the Company's website at least 30 days in advance and make an announcement of the same in the newspaper for 3 consecutive days, at least 3 days prior to the meeting date. In addition, the Company allows the shareholders to submit their inquiries to the Company prior to the meeting.

Moreover, the Company uses the barcode system for the registration and vote count to enhance transparency and provide convenience to the shareholders. The registration opens at least two hours prior to the meeting. In addition, the Company arranges for its officers to welcome and provide convenience and also sets up an Investor Relations desk where investor relations officers who have the knowledge and expertise in giving information will answer shareholders' questions in relation to the Company's businesses. The Company also provides stamp duties for attendees by proxy. To provide convenience to the shareholders who are institutional investors and the shareholders who hold shares through custodians, the Company gives an opportunity to such shareholders to verify their names, information, and supporting documents before the meeting date to reduce the time and procedures for verifying information and documents on the meeting date.

Procedures during and after the Shareholders' Meeting:

The Company has adopted the following procedures as its practices of good corporate governance. Prior to the commencement of the shareholders' meeting, the secretary to the meeting will introduce to the shareholder's meeting the members of the Board of Directors, the executives, and the Company's auditor and legal advisor, who are present. The secretary to the meeting will also inform the shareholders' meeting about the voting procedures and the vote count method in the meeting. After providing information in each agenda item, the chairman of the meeting will grant equal opportunities to all attendees to make their comments or enquiries relevant to the agenda item. The enquiries will be answered precisely and adequate time will be given for discussion as appropriate. As for the agenda item on the appointment of directors, the shareholders will cast their votes to appoint each director individually. In addition, in order to promote compliance with the principles of good corporate governance, a director who is due to retire by rotation at the Annual General Meeting of Shareholders will leave the meeting room temporarily during consideration of the proposed agenda item for his/her re-election as the Company's director for another term.

The Company arranges for minutes of meetings to be recorded correctly and completely so that the shareholders can inspect the same. Resolutions of the meeting are to be clearly recorded with details of the quorum; the list of present directors, executives,

and advisors; the vote count method; the witness(es) to the vote count; the voting results, i.e., approvals, disapprovals, and abstentions, of all agenda items requiring the casting of votes. Furthermore, comments, suggestions, questions, and answers which are significant and relevant to each agenda item will be recorded in the minutes. The Company will report a summary on significant meeting resolutions through the SET's website within the meeting date or no later than 9.00 a.m. of the following business day. The minutes of the shareholders' meeting will be submitted to the SET within 14 days from the meeting date and publicised on the Company's website.

EQUITABLE TREATMENT OF SHAREHOLDERS

Proposing Agenda Items and Nominating Director Candidates:

The Company provides the shareholders an opportunity to exercise their rights to propose agenda items and/or nominate director candidates in advance in order to promote equitable treatment of shareholders. The shareholders are entitled to propose agenda items and/or nominate director candidates at the annual general meeting of shareholders in accordance with the criteria publicised on the Company's website and the Company will make an announcement of the same through the SET's website.

Appointing Proxies: To protect the rights of the shareholders who cannot attend the shareholders' meeting in person, the Company encloses a proxy form (Form B) to the invitation together with the list of documents and evidence required for the appointment of a proxy. The shareholders may appoint his/her representative or the independent director of the Company as his/her proxy to attend the meeting and cast votes on his/her behalf. The Company will provide in the invitation at least the name of one independent director whom a shareholder can appoint as his/her proxy. In addition, the Company will also publish the invitation and the proxy forms (Form A, Form B and Form C) together with the details and procedures on the Company's website.

Access to Information: The Company favors no particular group of shareholders. All disclosed information is accessible to the shareholders and the public equally through the Company's website at www.btsigroup.co.th or through Investor Relations at telephone nos. +66 (0) 2273-8631, +66 (0) 2273-8623 and +66 (0) 2273-8637, fax no. +66 (0) 2273-8610 or email: ir@btsigroup.co.th

The Company has always abided by the principles of good corporate governance in protecting the shareholders' rights and treating the shareholders equitably. Additional information for 2015/16 is as follows:

	The 2015 Annual General Meeting of Shareholders
Date	24 July 2015
Venue	Convention Center, Rama Gardens Hotel Bangkok
The Company allowed the shareholders to propose agenda items and/or nominate director candidates in advance	25 December 2014–31 March 2015 In this regard, none of the shareholders proposed any agenda item or nominated any director candidate.
Date of publishing the invitation on the Company's website	22 June 2015
Date of sending the invitation via registered post	2 July 2015
Date of announcement in the newspaper	15, 16, and 17 July 2015
Commencement of registration	11.30 a.m.
Meeting duration	1.30 p.m.–5.09 p.m.
Shareholders attending in person and by proxy at the beginning of the meeting (Quorum: at least 25 shareholders or proxies of the shareholders holding no less than 1/3 of the total issued shares)	2,911 shareholders collectively holding 60.56% of the total issued shares
Directors attending the meeting	12 persons (full Board)
Witness to the vote count	Miss Areerat Satitworakul, a representative from the minority shareholders who attended the meeting in person Miss Woramon Kengtanomsak, a representative from the Capital Law Office Limited
Date of reporting the results of the meeting's resolutions through the SET	24 July 2015 at 9.57 p.m.
Date of submitting a copy of the minutes to the SET (within 14 days from the meeting date)	7 August 2015

ROLES OF STAKEHOLDERS

The Company pays close attention to the importance of the role and rights of all groups of stakeholders by ensuring that they are treated properly, equitably, and fairly. The Company believes that maintaining good relationships with all groups of stakeholders is significant for the long-term development and sustainable growth of the Group whereas policies have been set out in writing in the Code of Conduct for the executives and employees of the Group to acknowledge and adhere to.

TREATMENT OF DIFFERENT GROUPS OF STAKEHOLDERS

Shareholders: The Company operates its business with transparency, correctness, and fairness. This is

to develop stability and growth in the business while taking into account the rights of shareholders, the returns that outperform other investment alternatives with a similar risk profile for all shareholders, and the equitable treatment of shareholders - whether they are retail investors or institutional investors.

Customers: The BTS Group aims to build customers' satisfaction and confidence by focusing on the responsibilities and attention to customers' needs, which impact the business success. To achieve this, the Group continues to improve the quality and features of the products and services to meet the customers' needs and to maintain good relationships with the customers in the long run. The Group has conducted surveys on customers' satisfaction to listen to their comments or complaints and used the same

as a guideline for the improvement of services and operations. The Group also provides trainings for the customer services personnel both before they begin their duties and thereafter to enhance their skills and knowledge constantly so that the customers can obtain the utmost benefit from the services.

BTS Group also emphasises on the safety of its customers. For example, in operating the mass transit business, BTSC has received various standard management certifications, e.g., ISO 9001:2008 for Quality Management System, OHSAS 18001:2007 for Occupational Health and Safety Management System, and Ricardo Rail for the Railway Safety Management System.

The BTS Hotline Center was awarded the “Consumer Protection Thailand Call Center Award of 2014” from the Office of the Consumer Protection Board for its outstanding performance in handling and solving customers’ complaints. Moreover, BTSC continues to review and analyse the root causes of complaints for service improvement and customer satisfaction in order to maintain the standard of the BTS Hotline Center. In addition, the equipment of the Hotline Center has been upgraded and changed from the ACD Analog system to the IP Phone system, which improves the capability of the Hotline Center staff to efficiently solve customers’ complaints.

Employees: BTS Group believes that human resource is the key factor and valuable resource in its business operation and, therefore, values the employees. The Group treats all levels of employees equally and without discrimination. The Group also respects human rights principles under international standards and laws and regulations. The Group also values the wellness and occupational health, the safety of life and property, and the working environment, and promotes good corporate culture and working as a team. All employees are equally provided with an opportunity for career growth. Valuing the potential of employees, BTS Group focuses on personnel development whereby both internal and external trainings are given to the employees and group activities, either among the employees or between the employees and the executives, are organised to develop and build a good relationship in the organisation.

Business Partners: BTS Group values its business partners as key supporters of its operation. The BTS

Group, therefore, treats all business partners on the basis of equality and fair competition. Besides, BTS Group places an emphasis on transparency and straightforwardness in doing business, selecting business partners equitably, and negotiating and concluding contracts with its business partners to allow both parties to receive fair consideration. BTS Group will treat its business partners in accordance with the contracts, as well as the Group’s business ethics.

Competitors: BTS Group treats its competitors within the scope of law and good business ethics with emphasis on fair competition. BTS Group will not discredit or seek confidential information of its competitors in bad faith or an unfair manner but will operate its business honestly and professionally.

Creditors: BTS Group focuses on building creditors’ confidence in the Group and strictly conforming to the conditions and agreements given to its creditors. BTS Group always pays all due loans and interests thereon in a timely manner and will not use the loans in any way that is contrary to the objectives of such loans. In addition, BTS Group will not hide any information that may cause damage to its creditors.

Society, Community, and Environment: BTS Group concentrates on the sustainable development of its business growth together with the development of society, community, environment, and quality of life in Thailand. Taking into account the ongoing nature of social responsibility, the Group has striven to ensure that the policy on social responsibility exists in every part of the organisation - from the policy level to the operational level - and that it is carried out within the organisation through and through. The Group believes that conducting business with a good conscience towards the society and community will create a powerful economic driving force, leading to sustainable development at the community and national levels. In 2014, BTSC received ISO 14001:2004 for the Environmental Management System, an international standard that is important to the development of organisation and is commercially and socially recognised, from Bureau Veritas Certification (Thailand) Ltd.

Additional details can be found in *Sustainability Report 2015/16*, which is available on the Company’s website at www.btsgroup.co.th.

POLICIES ON BUSINESS ETHICS

The Company has several policies in relation to BTS Group's business ethics. These policies promote the Group's good corporate governance as follows:

Respect and Non-Violation of Human Rights: BTS Group values respect for human rights, taking into account the equality and parity considerations and without discriminating on grounds of race, religious belief, gender, marital status, physical ability, educational institution, position, or other status irrelevant to the work performance, and the Group also respects individualism and human dignity in line with the international norms and standards, such as policies and guidelines on sustainable management of human resource that offer protection of human rights and labor rights based on the UN's "Protect, Respect and Remedy" Framework for Business and Human Rights 2011 and the framework under the OECD Guidelines for Multinational Enterprises.

BTS Group also realises that the respect and non-violation of human rights is one of the components for promoting the sustainable growth of the Group's business; hence, the inclusion of a policy on such matter under the Code of Conduct, the communication of the same to all employees to acknowledge and adhere to, and the publication of such document on the Intranet system and the Company's website. Throughout the entire operation of the Group's business, BTS Group has complied with the relevant laws on human rights, such as equal employment and treatment of male and female personnel, no use of child labor, and compliance with the law on employment of disabled individuals as the Group's personnel. Moreover, a policy on personnel employment has been set out in BTS Group's Personnel Employment Manual, which is in accordance with Section 15 of the Labor Protection Act B.E. 2541 (1998), which states that, "An employer shall treat male and female employees equally in their employment, except the case where the nature or condition of the work does not allow him/her to do so.", which is in line with Section 30 of the Constitution of the Kingdom of Thailand B.E. 2550 (2007), which states that, "Men and women shall enjoy equal rights."

BTS Group also takes into account equality considerations based on human rights principles in order not to

discriminate against any person who receives the Group's services on grounds of his/her physical ability or health. For example, the personnel stationed at the BTS stations are instructed to provide service and assistance to disabled BTS riders in order to prevent the risk of danger happening to the disabled riders or other riders.

Anti-Corruption: The Company has executed the Declaration of Intent to join the Private Sector Collective Action Coalition Against Corruption with the leading private sectors in Thailand and has been awarded the certification of membership of Thailand's Private Sector Collective Action Coalition Against Corruption on 22 January 2016, which shows the intention of BTS Group in operating its businesses in accordance with the international framework and procedure standard. The Company has also joined the Partnership Against Corruption for Thailand (PACT) Network, which brings together organisations from various fields through their shared goal of combating corruption and is an initiative of the Thaipat Institute and cooperating partners.

The Company's anti-corruption measures consist of:

- (1) Policy and guideline on anti-corruption, the guideline has additional procedures as follows:
 - Sponsorship Procedure
 - Charitable Contribution Procedure
 - Political Contribution Procedure
 - Gifts Giving and Receiving Procedure
 - Hospitality and Expense Procedure
- (2) Policy on whistleblowing and protection of whistleblowers
- (3) Fraud Risk Management Procedure (as additional procedures of the anti-corruption measures).

Additional details can be found in *Anti-Corruption Measures (Consolidated Version)*, which is available on the Company's website at www.btsgroup.co.th.

Non-Infringement of Intellectual Property or Copyright: The BTS Group has established a policy against infringement of intellectual property or copyright, which the directors, executives and employees are required to follow strictly, and has organised inspections to prevent any infringement of copyright in the computer software.

Use of Information Technology and Communications:

The BTS Group places an importance on the use of information technology and communications and it has established the information security and safety standard to prevent and reduce the chance of significant or confidential information being leaked intentionally or negligently. Guidelines on the use of information technology and communications have been established based on the internationally accepted standard, e.g., the ISO 12207 standard, which was established by the Institute of Electrical and Electronics Engineers (IEEE), and Control Objectives for Information and Related Technology (COBIT), which was published by the IT Governance Institute.

Moreover, the BTS Group also requires its information technology departments to keep the employees' traffic information as required by the Computer-Related Crime Act B.E. 2550 (2007) and the Notification of the Ministry of Information and Communication Technology Re: Rules on the Record of Traffic Information by the Service Provider B.E. 2550 (2007).

Complaint Channels: The Company provides channels for all stakeholders to contact or express concerns or complaints directly to the Board of Directors through the Company Secretary Office at telephone no. +66 (0) 2273 8611-5 ext. 1525, 1534, fax no. +66 (0) 2273 8610, email: CompanySecretary@btsgroup.co.th, or by post to Company Secretary Office at the Company's address, or channels to contact or express concerns or complaints to the Audit Committee through the Internal Audit Office at telephone nos. +66 (0) 2273 8611-5 ext. 1553, fax no. +66 (0) 2273 8616, email: InternalAudit@btsgroup.co.th, or by post to the Internal Audit Office at the Company's address.

DISCLOSURE AND TRANSPARENCY

Financial and Non-Financial Disclosure: The Board of Directors has a duty to disclose financial and non-financial information to all shareholders and stakeholders accurately, completely, accountably, and timely to ensure that the shareholders and stakeholders receive the information equally, including developing the Company's website and regularly and promptly updating information on the website to ensure that it is complete. The information disclosure will be prepared with due care, accuracy, and transparency and conveyed in simple and concise language.

Investor Relations: The Company places high importance on the Investor Relations (IR) Department. The duty of the IR Department is to establish and maintain accurate, complete, and timely communications with the existing and potential investors of the Company as well as the shareholders (Please see additional details in *section 4.1: Capital Markets Review*). For enquiries by the shareholders and investors, please contact our Investor Relations Department at telephone nos. +66 (0) 2273 8631, +66 (0) 2273 8623, +66 (0) 2273 8637, or email: ir@btsgroup.co.th.

Policy on Disclosure of Significant Information: The Company has a policy to disclose significant information to the public, namely the Company's objectives; the financial position and business performance; the organisation chart; the business organisation and shareholding structure of the BTS Group; the names, profiles, and shareholding of the Board of Directors and the executives; the factors and policies on managing foreseeable risks related to the business operations and finance; the Corporate Governance Policy; the Code of Conduct; the duties and responsibilities of the Board of Directors and subcommittees; the responsibilities of the Board of Directors to prepare the financial report and the report of subcommittees; information on the meetings attendance of the directors and the members of the subcommittees; the criteria for determining the remuneration of the Board of Directors and the executives, including the remuneration of each director; and other information having an impact on the Company's share price, investment decisions, or other rights and benefits of the shareholders pursuant to the notifications of the SET and relevant laws and regulations, including the disclosure of the Articles of Association, the Minutes of the Shareholders' Meetings, Form 56-1, the Annual Reports, and the Sustainability Reports prepared in line with the Global Reporting Initiative's framework on sustainable development, the Enterprise Risk Management Policy, and the Company's Anti-Corruption Measures, through different disclosure channels and medium of the SET, as well as the Company's website, so that the investors and other relevant parties, e.g., the shareholders and those who are interested to invest in the Company's shares in the future, can use to the same to support their investment decisions.

BOARD RESPONSIBILITIES

The duties and responsibilities of the Board of Directors include the determination of the Company's policy, vision, mission, value, strategy, direction, and operation target. In addition, the Board of Directors also supervises and assesses the management and operation through the subcommittees with an objective to increase shareholder value in the long run. In order to achieve this, the Board of Directors must ensure that its duties are carried out in compliance with the laws, objectives and the Company's Articles of Association. Moreover, the Board of Directors must be mindful of corporate governance, conflicts of interest, code of conduct, and business ethics.

The Board of Directors is determined and committed to build the Company and its subsidiaries as a leading organisation that is perceived at the international level as one of the most successful companies in Thailand with business variety, 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 to make decisions and has the duties and responsibilities to oversee the business in the best interest of the shareholders. The Board of Directors has the duties and responsibilities to the Company's shareholders to monitor the performance of the Management where the duties of the Board of Directors and the Management are clearly separated.

Composition of the Board of Directors and the Subcommittees: The Board of Directors shall consist of members in the number that is suitable for the size and business strategy of the Company, but shall be no less than 5 members. At least one-third (1/3) of the members shall be independent directors and in any case the independent directors shall not be less than 3 members. The Board of Directors has appointed subcommittees to manage and operate the business in accordance with the principles of good corporate governance, i.e., the Audit Committee, the Nomination and Remuneration Committee, the Corporate Governance Committee, and the Executive Committee. The Audit Committee shall entirely consist of independent directors and shall not be less than 3 members whereas at least one member must be knowledgeable and experienced in reviewing the accountability of the financial statements. The Nomination and Remuneration Committee shall consist of at least 3 members but shall not exceed 5 members

where the majority of the members shall be independent directors. The Corporate Governance Committee shall consist of at least 4 members but shall not exceed 6 members. The Executive Committee shall consist of not more than 5 members where the members of the Executive Committee do not have to hold the position of director of the Company. Moreover, the Board of Directors has appointed the Advisory Board as part of its organisation chart to have the role to provide useful advice and suggestions for the businesses of the Company and its subsidiaries.

Meetings of the Board of Directors and the Subcommittees:

The Board of Directors will hold more than 6 meetings in each fiscal year pursuant to the annual meeting schedule set in advance. The Company will provide the meeting materials to the directors in advance at least 5 business days prior to the meeting to allow the directors to have sufficient time to study the information beforehand. As regards the subcommittees, the Audit Committee will hold a meeting on a quarterly basis and may call additional meetings as necessary and appropriate while the Nomination and Remuneration Committee and the Corporate Governance Committee will hold at least two meetings in each fiscal year and may call additional meetings as necessary and appropriate. The Executive Committee schedules a meeting every month and may call additional meetings as necessary and appropriate. In addition, the non-executive directors will hold a meeting at least once a year, without the attendance or participation from the executive directors or the Management in order to allow a discussion on any issues of concern.

Development of Director Skills and Knowledge:

The Company has a policy to encourage the directors to develop their personal skills and knowledge regularly and adequately. The Company supports the directors to enroll in various training programs or seminars to enhance their work knowledge and performance as a director; for example, the training programs organised by the IOD, i.e., the Director Certification Program (DCP), the Director Accreditation Program (DAP), the Role of the Compensation Committee Program (RCC), the Audit Committee Program (ACP), the Anti-Corruption Training Program, the Role of the Nomination and Governance Committee Program (RNG), and the training programs organised by Capital Market Academy, i.e., the Executive Program. Moreover, the Nomination and Remuneration Committee has also developed the director development

plan in order to develop the knowledge of the existing directors and the new directors to understand the business of the Company, the roles and duties of directors, and other significant developments, including encouraging the directors to enroll in various training programs or seminars organised by the IOD and/or other agencies to allow them to enhance their work knowledge and performance as directors of listed companies. In addition, the Company has prepared the Director's Handbook, which contains all useful information for directors of listed companies, e.g., The Listed Company Handbook, Director Fiduciary Duty Check List for Directors of Listed Companies, The Listed Company Director's Handbook, The Independent Director's Handbook, The Audit Committee's Handbook, Guidelines for Nomination Committees, Additional Guidelines for Remuneration Committees, Guidelines for New Director Orientation, The Principles of Good Corporate Governance for Listed Companies, Criteria of the Corporate Governance Survey of Thai Listed Companies by IOD, Rules on Acquisition or Disposal of Assets, Rules on Connected Transactions, and other relevant laws and regulations, including report forms and other documents for the directors, e.g., Report on Conflict of Interest of Directors and Executives, Form to Report on Names of Members and Scope of Work of the Audit Committee (F 24-1), Certificate and Biography of Director / the Audit Committee Member (F 24-2), Report of Securities Holding (Form 59-1), Report of Changes in Securities Holding (Form 59-2), and Information with Representation and Warranty of the Company's Director and Executive and Their Consent (Form 35-E1). These are regularly reviewed and amended so that the information therein is up to date.

In the past year, Professor Charoen Wattanasin and Professor Lt. Gen. Phisal Thepsithar attended a certification program on Anti-Corruption: The Practical Guide Program (ACPG) 2015 organised by the Thai Institute of Directors.

NEW DIRECTOR ORIENTATIONS

The Company has organised new director orientations pursuant to the director development plan developed by the Nomination and the Remuneration Committee so that the new directors know and understand the Company's historical background, business organisation and shareholding structure of the BTS Group, organisation chart, types of business, business policy of the BTS Group, financial status and operating results,

as well as the scope of duties and responsibilities of the Board of Directors and the subcommittees, including providing relevant information, e.g., the Annual Report, Form 56-1, the Corporate Governance Policy, and the Code of Conduct.

On 27 October 2015, the Company organised a new director orientation session for 2 new directors, namely, Mr. Chulchit Bunyaketu and Dr. Karoon Chandrangsu.

ASSESSMENT OF THE PERFORMANCE OF THE BOARD OF DIRECTORS

The Board of Directors conducts an assessment of its annual performance through both group evaluation and individual evaluation. The purpose is to review the performance outcome, problems, and obstacles in the business operation in the past year so as to improve the work efficiency.

Assessment of the Annual Performance of the Board of Directors (Group Evaluation):

The Board of Directors used the assessment criteria which cover 6 assessment subjects, i.e., 1) Structure and Characteristics of the Board of Directors, 2) Roles, Duties and Responsibilities of the Board of Directors, 3) the Board of Directors' Meetings, 4) Performance of Board of Directors' Duties, 5) Relationship with the Management, and 6) Personal Development of Directors and Executives. After each director completed the Self-Assessment Form of the Board of Directors (Group Evaluation), the Company Secretary Office would calculate the scores and provide a summary of the scores of the group assessment of the Board of Directors to the Board of Directors' meeting in order for them to jointly consider, find a solution to improve unsatisfactory scores and use it as a guideline for their performance in the next year, including considering and reviewing the comments and suggestions raised by each director in the past year whether or not such comments and suggestions had been complied with. In 2015/16, the average score result was 98.8%, which is an increase from the score of 97.4% in 2014/15 (*90–100% means excellent, 76–89% means very good, 66–75% means good, 50–65% means fair, and below 50% means improvement needed*).

Assessment of the Annual Performance of the Board of Directors (Individual Evaluation):

The Board of

Directors used the assessment criteria which covered the fiduciary duty to manage the Company's business operations in the best interest of the shareholders, the time allocation and preparation for attending the Board of Directors' meetings and the shareholders' meetings, the contribution of useful opinions, suggestions, or other guidelines to the Management, the independence of opinions, the value and support of continuous compliance with the principles of good corporate governance of listed companies, and the attendance of trainings and personal development programs necessary for performing functions as directors of listed companies. After each director completed the Self-Assessment Form of the Board of Directors (Individual Evaluation), the Company Secretary Office would calculate the scores and provide a summary of the scores of each director to the Board of Directors' meeting for acknowledgement. In 2015/16, the average score result was 4.9, which is equivalent to the score in 2014/15 (*5 means very good, 4 means good, 3 means fair, 2 means lower than standard, and 1 means improvement needed*).

ASSESSMENT OF THE PERFORMANCE OF THE SUBCOMMITTEES

The Board of Directors assigns all subcommittees, namely the Audit Committee, the Nomination and Remuneration Committee, the Corporate Governance Committee, and the Executive Committee to assess their performance and report the assessment result to the Board of Directors on an annual basis.

Assessment of the Annual Performance of the Audit Committee: The Audit Committee used the assessment criteria which covered 6 assessment subjects, i.e., 1) Composition of the Audit Committee, 2) Independence of the Audit Committee Members, 3) Trainings and Source of Information, 4) Meetings, 5) Activities of the Audit Committee, and 6) Relationship with the Chief of the Internal Audit Office, the Company's Auditors, and the Management. After each member of the Audit Committee completed the Self-Assessment Form of the Audit Committee, the Internal Audit Office would calculate the scores and provide a summary of the scores to the Audit Committee's meeting in order for them to jointly consider, find a solution to improve unsatisfactory scores and use it as a guideline for their performance in the next year, including considering

and reviewing the comments and suggestions raised by each member of the Audit Committee in the past year whether or not such comments and suggestions had been complied with. Thereafter, the result of the assessment would be proposed for consideration at the Board of Directors' meeting where the Board of Directors may provide comments or request the Audit Committee to improve in certain areas as appropriate. In 2015/16, the average score result was 4.9, which is equivalent to the score in 2014/15 (*5 means very good, 4 means good, 3 means fair, 2 means lower than standard, and 1 means improvement needed*).

Assessment of the Annual Performance of the Nomination and Remuneration Committee, the Corporate Governance Committee, and the Executive Committee:

The assessment criteria were used which covered 5 assessment subjects, i.e., 1) Structure and Qualification, 2) Performance of Duties, 3) Training / Source of Information, 4) Meetings, and 5) Duties and Responsibilities. After the Self-Assessment Forms (Group Evaluation) of each subcommittee were completed, the Company Secretary Office would calculate the scores and provide a summary of the scores to the relevant subcommittee's meeting in order for them to jointly consider, find a solution to improve unsatisfactory scores and use it as a guideline their performance in the next year, including considering and reviewing the comments and suggestions raised by each member of the subcommittee in the past year whether or not such comments and suggestions had been complied with. Thereafter, the result of the assessment would be proposed for consideration at the Board of Directors' meeting where the Board of Directors may provide comments or request the relevant subcommittees to improve in certain areas as appropriate. In 2015/16, the average score result of the Nomination and Remuneration Committee was 99.8%, which is an increase from the score of 99.3% in 2014/15; the average score result of the Corporate Governance Committee was 98.0%, which is an increase from the score of 96.0% in 2014/15; and the average score result of the Executive Committee was 97.6%, which is an increase from the score of 96.3% in 2014/15 (*90–100% means excellent, 76–89% means very good, 66–75% means good, 50–65% means fair, and below 50% means improvement needed*).

Annual Assessment of the Chairman of the Executive Committee and the Chief Executive Officer: The Nomination and Remuneration Committee evaluated

the performance of the Chairman of the Executive Committee and the Chief Executive Officer based on the evaluation criteria, which were separated into 3 sections, i.e. Section I: Key Business Success (where the success of activities and projects in the past year would be taken into account), Section II: Performance Measures, and Section III: Personal Development of the Chairman of the Executive Committee / Chief Executive Officer. In 2015/16, the average score result of the Chairman of the Executive Committee was 99.8%, which is equivalent to the score in 2014/15 and the average score result of the Chief Executive Officer was 98.2% (90–100% means excellent, 76–89% means very good, 66–75% means good, 50–65% means fair and below 50% means improvement needed).

POLICY ON THE CHAIRMAN OF THE EXECUTIVE COMMITTEE'S AND THE CHIEF EXECUTIVE OFFICER'S DIRECTORSHIPS IN NON-BTS GROUP COMPANIES

The Company has established a policy on the Chairman of the Executive Committee's and the Chief Executive Officer's directorships in non-BTS Group companies. In short, the Chairman of the Executive Committee and the Chief Executive Officer should not hold any directorship in non-BTS Group companies, save for the exceptions stipulated by the Board of Directors.

Succession Plan: The Board of Directors is aware of the importance of having the Company's management and operation running smoothly and continually in an effective and efficient manner, which will lead to the organisation's sustainable growth and progress. Thus, the Company has established the succession plan which sets out the succession procedures for the positions of Chairman of the Executive Committee, Chief Executive Officer, Deputy Chief Executive Officer, and other senior executive positions to ensure that there will be competent executives to succeed these key position holders in the organisation in the future.

OVERSIGHT OF THE SUBSIDIARIES AND THE ASSOCIATED COMPANIES' OPERATIONS

Management Policy in the Subsidiaries: The Company will set out business policies and guidelines that the Company considers to be conducive to the achievement of the Group's corporate objective and long-term goal for the subsidiaries through approval of the annual

budget. The Company will designate representatives in the executive director level or the senior executive level to sit as directors in the subsidiaries and set the subsidiaries' business strategies, as well as monitoring whether the subsidiaries conduct their businesses within the framework set by the Company. The representative directors shall use their discretion in the best interest of both the Company and the Group as a whole. As for matters which are significant or related to the business of the subsidiaries, the representative directors will provide updates on the progress or propose such matters for consideration and approval by the Executive Committee or the Board of Directors (as the case may be). Besides, the Management has a duty to report to the Board of Directors, on a quarterly basis, the financial status and the operating result of the core subsidiaries in each business group through financial reporting.

Management Policy in Associated Companies: The Company will designate representatives to sit as directors in the associated companies in order to monitor and ensure that the associated companies carry out their business operations in accordance with the Company's guidelines.

OVERSIGHT OF THE USE OF INSIDE INFORMATION AND CONFLICTS OF INTERESTS

Prevention of the Misuse of Inside Information: BTS Group is well aware of the importance of preventing the use of inside information by the directors, the executives and the employees of the Group for their own or other's benefits. Using inside information for trading securities is an offence under Section 241 of the Securities and Exchange Act B.E. 2535 (1992) (as amended) and entails penalties according to Section 296 thereof. Therefore, the BTS Group has established a policy to prohibit the directors, the executives, and the employees of the Group, as well as their related persons, from using inside information for the benefit of trading the Company's securities, and also forbid disclosure of inside information to outsiders or non-relevant parties before disclosure through the SET. In addition to the penalties according to the Securities and Exchange Act B.E. 2535 (1992) (as amended), the executives or the employees who violate the policy on the use of inside information are also considered to be in violation of the work regulations and are subject to disciplinary actions.

In addition, the directors and the executives of the Company (including their spouses and minor children) are required to report any change in their securities holding to the Office of the Securities and Exchange Commission within 3 business days from the date of such change. This is to comply with Section 59 of the Securities and Exchange Act B.E. 2535 (1992) (as amended). In addition, the directors and executives shall also provide a copy of such report to the Company Secretary Office. The Company Secretary Office shall then consolidate and present such report to the Board of Directors' meetings on a quarterly basis.

CONFLICTS OF INTEREST

The Board of Directors has established written policies and guidelines on conflicts of interest as stipulated in the Corporate Governance Policy. The Company has a policy to adhere to the guidelines of the SET 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 conflicts of interest with honesty, loyalty, sound judgment, and independence within the scope of good ethics. The Company also discloses full information in the best interest of the Company.

Policies Relating to Transactions Which May Be in Conflict with the Company's Interest: Please see details in *section 5.5: Related Party Transactions*.

Preparation of Conflict of Interest Reports by the Directors and the Executives: In order to prevent transactions that may create a conflict of interest with the Company and to comply with the relevant rules and announcements, the Company requires the directors and the executives to submit the Conflict of Interest Report Form in relation to themselves and their related persons to the Company in the following events: (1) the Report Form must be first submitted at the time of appointment as a new director or an executive of the Company; (2) the Report Form must be submitted on an annual basis at the beginning of each fiscal year (1 April of every fiscal year) in order to update the information; and (3) the Report Form must be submitted in case of any change of significant information capable of creating a conflict of interest during the fiscal year. The Company Secretary shall keep and maintain the Report Forms submitted by the directors and executives and deliver a copy of the same to the Chairman of the Board of Directors and

the Chairman of the Audit Committee within seven (7) business days from the date of receipt by the Company for further use in the verification and monitoring of conflicts of interest.

AUDITOR'S REMUNERATION

Audit Fee:

The Company and its 33 subsidiaries paid audit fees for the fiscal year ended 31 March 2016 in the amount of THB 14.2mn to EY Office Limited. In this regard, the auditors did not have any relationship with or any interest (except for auditing) in the Company, subsidiaries, executives, major shareholders, or any related persons thereof which may result in the auditors being unable to perform their duties independently.

Non-Audit Fee:

The Company paid non-audit fee for the fiscal year ended 31 March 2016 in the amount of Baht 0.4 million to EY Office Limited for the review of valuation of shares and warrants of U City Pcl

COMPLIANCE WITH THE PRINCIPLES OF GOOD CORPORATE GOVERNANCE

In light of the SET's campaign and encouragement for listed companies to consider the benefit of good corporate governance, the Company has placed an importance on the development of the Company's operation guidelines to be in line with the principles of good corporate governance. The Company has adopted and implemented the said principles in the organisation as deemed appropriate in order for the business operation of the Company to be carried out efficiently, transparently, and beneficially to the Company and the shareholders. In 2015/16, the Company has complied with "The Principle of Good Corporate Governance for Listed Companies 2012" of the SET, except for the followings:

- (1) The Board of Directors should comprise of at least 5 members and not more than 12 members.

Clarification: At present, the Company has 14 directors who have knowledge, capability, skill, experience, and diversified expertise which are beneficial and necessary to the diverse business operations and suitable for the business size of the Company.

- (2) The Chairman of the Board of Directors should be an independent director.

Clarification: The Company does not specify that the Chairman should be an independent director because the 4 core businesses of the Company are complex, diverse and unique which require a leader who has capability, experience, and expertise as well as true knowledge and understanding of the business management. Even though the Chairman is not an independent director, the Company has set in place an adequate and appropriate internal control system, and an operation mechanism which has checks and balances, transparency, and can be verified. The Board of Directors adheres to their duties and performs their duties with due care and loyalty. The Board of Directors is also able to use their discretion independently in order to protect the benefit of the Company and the shareholders.

- (3) The Board of Directors should set a policy limiting the term of independent directors to not more than 9 years.

Clarification: The Board of Directors has not yet set the policy limiting the term of independent directors because the Board of Directors has considered and viewed that the business nature of the Company requires the independent directors who has knowledge, expertise and professional experience in specific areas. Moreover, the independent directors of the Company have possessed the qualifications according to the Definition of Independent Directors of the Company and can perform their duties properly.

- (4) The Board of Directors should set a policy limiting the number of companies that each director can hold a directorship position to not more than 5 companies.

Clarification: The Board of Directors has not yet set the policy limiting the number of companies that each director can hold a directorship position because the Board of Directors has considered and viewed that according to the criteria on the nomination of directors of the Company, the Nomination and Remuneration Committee will consider the nominated persons from the knowledge, capability, expertise and appropriate experience, profile and qualification of not having any prohibited characteristics under the laws, independence, as well as the commitment in

performing their duties. Therefore, the Board of Directors is of the opinion that the holding of a directorship position of more than 5 companies does not significantly affect the performance of the directors if the Company has the explicit, appropriate, and adequate criteria on the nomination of directors.

- (5) The Nomination Committee should entirely consist of independent directors.

Clarification: As of 31 March 2016, the Nomination and Remuneration Committee of the Company consists of 5 directors, divided into 3 independent directors and 2 executive directors. The number of the independent directors equals to 60% of the total members of the Nomination and Remuneration Committee. From the past performance of the Nomination and Remuneration Committee, all 5 members of the Nomination and Remuneration Committee have performed their duties independently in accordance with the duties and responsibilities as specified in the Nomination and Remuneration Committee's Charter, and are capable to agree or object without any intervention from the executives. Therefore, the Board of Directors has considered and viewed that the composition of the Nomination and Remuneration Committee is appropriate and sufficient.

CODE OF CONDUCT AND ETHICS

The Board of Directors has established the policies for the BTS Group to operate its business with integrity and adhere to the principles of corporate governance and the code of conduct and ethics. The Board of Directors has prepared the Code of Conduct in writing whose contents cover 1) Vision, Mission, Value, Strategy and Long-term Goal, 2) Corporate Governance, 3) Business Ethics, 4) Employees, and 5) Corporate Social Responsibility. The Company reviews the Code of Conduct every year and monitors the implementation of the guidelines set out therein regularly, including providing trainings for the executives and employees. The executives and supervisors have the responsibility to supervise and encourage their subordinates to comply with such ethics, as well as behaving as a role model.

Additional details as regards the corporate governance can be found in *Form 56-1 and Sustainability Report 2015/16*.

NOMINATION, APPOINTMENT AND REMUNERATION OF DIRECTORS AND EXECUTIVES

Additional details on the structure, duties, and responsibilities of the Nomination and Remuneration Committee can be found in *section 5.1: Management Structure*.

APPOINTMENT AND REMOVAL OF DIRECTORS

The appointment and removal of directors of the Company are in accordance with the criteria and procedures as stipulated in the laws and the Company's Articles of Association, which can be summarised 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 the directors who must 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:
 - Each shareholder shall have one vote for one share;
 - Each shareholder shall use all of his or her votes to elect one or several persons as the director(s). However, he or she may not divide his or her votes among the candidates; and
 - The candidates who receive the most votes in descending order will be elected as the director(s) up to the number of the directors required to be elected at such meeting. In the event that the candidates have equal votes and their election would exceed the number of directors required to be elected at such meeting, the Chairman of the meeting shall have a casting vote;
3. Apart from retirement by rotation, the directors shall cease to hold office upon death, resignation, lack of qualifications or possession of prohibited characteristics according to the Public Limited Companies Act B.E. 2535 (1992) (as amended),

removal by a resolution of the shareholders' meeting, or removal by a court's order;

4. In case of a vacancy in the membership of the Board of Directors for reasons other than retirement by rotation, the Board of Directors shall pass a resolution by affirmative votes of not less than three-quarters (3/4) of the number of the directors remaining in office to elect a person who has the qualifications and possesses no prohibited characteristics under the Public Limited Companies Act B.E. 2535 (1992) (as amended) as a 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; and
5. The shareholders' meeting may pass a resolution to remove any director from his/her office prior to the expiration of his/her term by affirmative votes of not less than three-quarters (3/4) of the number of the shareholders attending the meeting, having the right to vote, and holding shares not less than one-half (1/2) of the total number of shares held by the shareholders attending the meeting and having the right to vote.

NOMINATION OF NEW DIRECTORS

The Nomination and Remuneration Committee will be responsible for the nomination of new directors. The Nomination and Remuneration Committee will search for potential candidates and then propose the same for the Board of Directors' or the shareholders' meeting's consideration and election (as the case may be). The following matters will be taken into consideration as part of the selection criteria: the structure of the Board of Directors, which shall consist of members in the number that is suitable for the size and business strategy of the Company, the diversity in the structure of the Board of Directors (Board Diversity), the appropriateness of the qualifications and skills of the director(s) that are necessary and are still lacking in the Board of Directors identified through the preparation of the Board Skill Matrix to determine the qualifications of desired directors.

NOMINATION PROCEDURES

The Nomination and Remuneration Committee will select candidates for the position of director(s) of the Company from the recommendation of other directors, the nomination by the shareholders of the Company, the service of external professional search firms, or the directors' pools of various agencies, or other nomination procedures as the Nomination and Remuneration Committee considers appropriate.

QUALIFICATIONS OF DIRECTORS

1. Must possess qualifications and must not have any prohibited characteristics under the public limited companies law, securities and exchange law, rules and regulations of the Company and the relevant supervisory agencies, and the Company's good corporate governance. In case of nomination of an independent director, such nominated person shall possess the qualifications as specified in the Company's Definition of Independent Director. In case of nomination of a member of the Audit Committee, such nominated person shall possess additional qualifications in accordance with the laws;
2. Must have knowledge, capability, skills, experience, and diversified expertise beneficial to the Company's businesses;
3. Must be independent, perform the director's duty with due care, be honest, be mentally and physically healthy, and be able to fully commit to work for the Company; and
4. Must have a good work profile and must not engage in a business or be a partner in a general partnership or be a partner having unlimited liability in a limited partnership or a director in other private or public company which carries on businesses of the same nature as and in competition with the Company's businesses, except the shareholders' meeting is advised before a resolution is passed to elect such person and other relevant laws are complied with.

ADDITIONAL QUALIFICATIONS OF INDEPENDENT DIRECTORS

In case of nomination of an independent director, such nominated person shall possess the qualifications

under the Definition of Independent Director of the Company, which is "more stringent" than the minimum requirement of the notifications of the Capital Market Supervisory Board, i.e., the shareholding of an independent director (including shares held by his/her related persons) shall "not be more than 0.75%" of the total number of shares having the voting rights of the Company, the parent company, the subsidiaries, the associated companies, the major shareholders, or the controlling person of the Company. (Additional details can be found in *Form 56-1*.)

ADDITIONAL QUALIFICATIONS OF MEMBERS OF THE AUDIT COMMITTEE

Apart from possessing the qualifications of independent directors, the members of the Audit Committee shall possess the following additional qualifications:

1. Must be appointed by the Board of Directors to be a member of the Audit Committee;
2. Must not be a director who has been assigned by the Board of Directors to make decisions in the business operations of the Company, the parent company, the subsidiaries, the associated companies, the subsidiaries of the same level, the major shareholders, or the controlling person of the Company and must not be a director of the parent company, the subsidiaries, or the subsidiaries of the same level that are listed companies;
3. Must be knowledgeable and experienced in performing his/her duty as a member of the Audit Committee where at least one member must be knowledgeable and experienced in reviewing the accountability of financial statements; and
4. Must have full and proper qualifications in accordance with the laws and regulations of the government authorities.

ALLOWING SHAREHOLDERS TO NOMINATE CANDIDATES FOR ELECTION AS DIRECTORS AT THE ANNUAL GENERAL MEETING OF SHAREHOLDERS

To promote good corporate governance, the Company has allowed the shareholders to nominate candidates for election as directors at the Annual General Meetings of Shareholders. As for the 2015 Annual General

Meeting of Shareholders, one or more shareholders holding collectively at least 3% of the Company's total issued shares continuously for at least 6 months (from the date of acquisition of shares to the date of nomination of candidates) are allowed to nominate

candidates for election as directors during the period of 25 December 2014–31 March 2015. Nonetheless, no shareholders nominated any candidates for election as directors in advance.

REMUNERATION OF DIRECTORS AND EXECUTIVES

DIRECTORS' REMUNERATION

Monetary Remuneration

The Nomination and Remuneration Committee shall determine the remuneration of the directors by taking into account the Company's operating results, the size of the business, and the responsibilities of the Board of Directors and making a comparison with the remuneration paid by other companies that are listed on the SET with a similar market capitalisation

and other listed companies within the same industry, and further propose the same for consideration and approval at the Board of Directors' meeting and the shareholders' meeting on an annual basis. The 2015 Annual General Meeting of Shareholders held on 24 July 2015 considered and approved the directors' remuneration for each position at the same rate as that of the previous year and the directors' bonus in consideration of the Board of Directors' performance in the fiscal year ended 31 March 2015 in a lump sum amount of THB 22.0mn where the directors shall allocate the same among themselves.

DIRECTORS' REMUNERATION CRITERIA IN 2013 – 2016

	Monthly Remuneration	Meeting Allowance
Chairman of the Board of Directors	THB 60,000 / month	None
Director	THB 30,000 / person / month	None
Chairman of the Audit Committee	THB 50,000 / month	THB 20,000 / attendance
Audit Committee Member	None	THB 20,000 / person / attendance
Other Subcommittees	None	None

BREAKDOWN OF DIRECTORS' REMUNERATION IN 2015/16

Name	Monthly Remuneration (THB)	Meeting Allowance (THB)	Directors' Bonus (THB)	Total (THB)
1. Mr. Keeree Kanjanapas	720,000.00	-	3,384,615.41	4,104,615.41
2. Dr. Paul Tong	360,000.00	-	1,692,307.69	2,052,307.69
3. Dr. Anat Arbhabhirama	360,000.00	-	1,692,307.69	2,052,307.69
4. Mr. Surapong Laoha-Unya	360,000.00	-	1,692,307.69	2,052,307.69
5. Mr. Kavin Kanjanapas	360,000.00	-	1,692,307.69	2,052,307.69
6. Mr. Rangsin Kritalug	360,000.00	-	1,692,307.69	2,052,307.69
7. Mr. Kong Chi Keung	360,000.00	-	1,692,307.69	2,052,307.69
8. Professor Lt. Gen. Phisal Thepsithar	600,000.00	100,000.00	1,692,307.69	2,052,307.69
9. Professor Dr. Amorn Chandara-Somboon*	270,000.00	-	1,692,307.69	1,962,307.69
10. Mr. Suchin Wanglee	360,000.00	100,000.00	1,692,307.69	2,152,307.69
11. Professor Charoen Wattanasin	360,000.00	100,000.00	1,692,307.69	2,152,307.69
12. Mr. Cheong Ying Chew, Henry	360,000.00	-	1,692,307.69	2,052,307.69
13. Mr. Chulchit Bunyaketu**	240,000.00	-	-	240,000.00
14. Dr. Karoon Chandrangsu**	240,000.00	-	-	240,000.00

Name	Monthly Remuneration (THB)	Meeting Allowance (THB)	Directors' Bonus (THB)	Total (THB)
15. Mrs. Pichitra Mahaphon***	-	-	-	-
Total	5,310,000.00	300,000.00	22,000,000.00	27,610,000.00

* Professor Dr. Amorn Chandara-Somboon resigned from the position of director of the Company effective from 1 January 2016.

** Mr. Chulchit Bunyaketu and Dr. Karoon Chandrangsu have been appointed as new directors of the Company pursuant to the resolution of the 2015 Annual General Meeting of Shareholders held on 24 July 2015.

*** Mrs. Pichitra Mahaphon has been appointed as a new director of the Company in replacement of Professor Dr. Amorn Chandara-Somboon pursuant to the resolution of the Board of Directors' Meeting held on 28 March 2016. Nonetheless, Mrs. Pichitra Mahaphon has not yet received any remuneration in 2015/16.

DIRECTORS' REMUNERATION IN 2013/14 - 2015/16

	Persons	Remuneration (THB mn)
2015/16	15*	27.6
2014/15	12	27.3
2013/14	12	27.1

* Mr. Chulchit Bunyaketu and Dr. Karoon Chandrangsu have been appointed as new directors of the Company pursuant to the resolution of the 2015 Annual General Meeting of Shareholders held on 24 July 2015 and Mrs. Pichitra Mahaphon has been appointed as a new director of the Company in replacement of Professor Dr. Amorn Chandara-Somboon pursuant to the resolution of the Board of Directors' Meeting held on 28 March 2016. Nonetheless, Mrs. Pichitra Mahaphon has not yet received any remuneration in 2015/16.

Non-Monetary Remuneration

None

EXECUTIVES' REMUNERATION

The Nomination and Remuneration Committee shall also consider and determine the amount and form of the remuneration of the Chairman of the Executive Committee and the Chief Executive Officer on both short-term and long-term bases, taking into account various indicators, including the assessment results of the performance of the Chairman of the Executive Committee and the Chief Executive Officer, the business success, and also a comparison with other listed companies, and then propose the same for consideration and approval at the Board of Directors' meeting.

As for the high-level executives, the Chief Executive Officer shall consider and determine the executives' remuneration individually based on their performance by using various indicators whereas the Company will provide short-term incentives through the promotion of salary and annual bonus in line with the economy and the Company's operating results and provide long-term

incentives by allocating warrants as a motivation for the executives to contribute to the achievement and growth of the Company.

Monetary Remuneration

Monetary remuneration of the executives comprises salary, bonus, and provident fund contributions. In 2015/16, the monetary remuneration of 8 executives was in the aggregate amount of THB 82.8mn.

EXECUTIVES' REMUNERATION IN 2013/14 - 2015/16

	Persons	Remuneration (THB mn)
2015/16	8	82.8
2014/15	9	50.8
2013/14	9	47.6

Non-Monetary Remuneration

In 2015/16, the Company allocated 0.5mn ordinary shares and 0.6mn ordinary shares, at the par value of Baht 4 per share to the non-director executives of the Company for the exercise of BTS-WA and BTS-WB warrants, respectively. Moreover, in May 2016, the non-director executives of the Company was allocated a total of 1.0mn units of the BTS-WC warrants.

As of 31 March 2016, the outstanding units of the BTS-WA and BTS-WB warrants held by the executives of the Company were 0.7mn units and 0.9mn units, respectively.

INTERNAL CONTROL AND RISK MANAGEMENT

Having a good internal control system will support and lead the Company to achieve its corporate objectives, in particular, the matters relating to 1) the effectiveness and efficiency of business operation, 2) the reliability of financial reporting, and 3) the compliance with the laws and regulations, which will also build up the confidence of the shareholders and stakeholders in the Company. The Company always emphasises on the importance of having a good internal control system. The Board of Directors assigns the Audit Committee to review and evaluate the adequacy of the internal control system and report to the Board of Directors and, therefore, the good internal control system has been efficiently and effectively established in the following aspects, namely Control Environment, Risk Management, Control Activities, Information & Communication, and Monitoring Activities.

For 2015/16, the Board of Directors' Meeting held on 27 May 2016 acknowledged the evaluation results on the adequacy of the internal control system of the Audit Committee and agreed with the Audit Committee's opinion that the Company has adequate internal control system suitable for the business operation and has no material deficiency affecting the internal control system. In addition, the Company's auditor reviewed the internal control system that is relevant to the preparation and the presentation of the Company's financial statements in order to provide an opinion whether the financial statements present correctly, in all material respects, the financial position, results of operation, and cash flows in accordance with the financial reporting standards. In this regard, the Company's auditor did not make any material observation on the financial statements of the Company.

CONTROL ENVIRONMENT

The Company has clearly established the Company's vision, mission, strategy, business direction, and long-term goal and communicated these to all employees to use as guidelines in performing their functions. The Company has also established the organisation chart, the chain of command, the delegation of authority, and policies and procedures which are appropriate to the duties and responsibilities of each department, including policies relating to transactions which may be in conflict

with the Company's interest. As such, the executives and employees can use those as guidelines for their conduct and prevent transactions which may be in conflict with the best interest of the Company and the shareholders. Furthermore, the Company has established the Corporate Governance Policy and the Code of Conduct of the Group for the directors, executives and employees of the BTS Group to use as guidelines in performing their duties with integrity and maintaining business ethics. The contents of the Code of Conduct relate to the corporate governance policy, business ethics, and policies on the employees' remuneration, benefits, and career development, including policies on anti-corruption and bribery and responsibility for society, community, and environment. BTS Group has carried out several CSR activities in line with the sustainable development framework of the Global Reporting Initiative (GRI) (G4) through economic, environmental, and social indicators. BTS Group has also set out appropriate penalties in case these regulations or policies of the Group are violated.

RISK MANAGEMENT

The Company has a policy to manage both internal and external risk factors that affect the Group to an appropriate and acceptable level. The Company has **divided the types of risks into 5 categories**, namely, strategic risk, operational risk, financial risk, legal and compliance risk, and fraud risk. Risk management is a part of the annual business plan in order to ensure that the risk management guidelines are in accordance with the Group's objectives, goals, and strategic plans. All the executives and employees of the Group are the risk owners and have a duty to assess the risk of their units and the efficiency of the existing control policy, as well as presenting plans and procedures to mitigate the risks if the existing procedures are insufficient. **Risk Management Working Group**, which is comprised of the representatives from all business units of the Group, is responsible for consolidating risks of all business units and conducting a risk assessment of the Group, including supporting the implementation of the risk management framework and reporting to the Executive Committee on a quarterly basis and to the Board of Directors on an annual basis. The

Risk Management Framework consists of 5 procedures, namely, risk identification, risk evaluation, risk reporting, risk control, and risk monitoring. The **Executive Committee** is the core of the Group's risk management structure which is responsible for monitoring and controlling key risks and factors that may have a material impact on the Group. The **Board of Directors** provides top-down oversight and supervision of risks and has the responsibilities of 1) setting out the risk management policy and framework, 2) reviewing the appropriateness of the policy and framework on an ongoing basis, and 3) ensuring that enterprise risk management and internal control are implemented. In order to achieve this, the **Audit Committee** is tasked with evaluating the sufficiency of the enterprise risk management policy and providing advice to both the Board of Directors and the Management. The **Internal Audit Office** is responsible for reviewing the risk management process and independently evaluating the efficiency of the internal control system. (Please see additional details in *the Enterprise Risk Management Policy* available on the Company's website at www.btsgroup.co.th)



CONTROL ACTIVITIES

The Company has a variety of written risk control measures, e.g., the scope of authority and threshold of approval in each level of management, policies and procedures on the approval of financial, procurement, and management transactions. The Company also implements the procurement management information system (ProMis) to control transactions relating to finance, procurement, and management, such as budget, purchase requisition (PR), and purchase order (PO). The role of the person who prepares the information and the person who approves

the transaction will be separated and the authority of the approvers will be as delegated by ranking in the Chart of Delegation of Authority. This is to ensure effective cross-checking and monitoring. In addition, each department has prepared its own operational manuals and work instructions that are tailored to their job descriptions, duties, and responsibilities.

The Company does not have a policy to do business with its directors, executives, major shareholders or any related persons thereof, except where there is a necessary cause or it will support the Company's business, and it will be in the best interest of the Company and its shareholders in general. If there is such a transaction, the Company has established strict and clear measures governing the transactions with the directors, executives, major shareholders or their related persons which require that the transactions between the Company or its subsidiaries and the persons who may have a conflict of interest shall be in compliance with the relevant rules and regulations and must be made on reasonable terms or general commercial conditions or in line with the market price. In addition, the transactions shall be transacted at arm's length basis and the related party transactions shall be presented to the Audit Committee for review on a quarterly basis. For additional details on measures or procedures for approving related party transactions of the Company, policy and trend on related party transactions and policies relating to transactions which may be in conflict with the Company's interest, please see *section 5.5: Related Party Transactions*.

INFORMATION & COMMUNICATION

The Company organises its information system to cover the Company's performance at the organisational level, the financial reporting level, the business unit level, and the policy and regulation implementation level. This is to ensure that the Company has effective communication and provides the Board of Directors, executives, employees, shareholders, investors and all stakeholders with correct, accurate, and complete information. Furthermore, the Company also provides channels for employees and outsiders to make a complaint to the Board of Directors or the Audit Committee or the relevant business units through the Company Secretary Office (Email: CompanySecretary@btsgroup.co.th) or the Internal Audit Office (Email: InternalAudit@btsgroup.co.th) or Investor Relations (Email: ir@btsgroup.co.th). In addition, the Company has initiated the "Nuduan Chaun Chee Chong" campaign to receive notifications

of any actions having suspicious of fraud or corruption within BTS Group through whistle blowing channels on the intranet system or Email: DoltRight@btsgroup.co.th.

MONITORING ACTIVITIES

The Company reviews and improves the internal control system to correspond with the change of internal and external factors constantly. To achieve this, the Company monitors and evaluates the internal control system regularly in order to consider whether the performance results are in line with the determined business plan, budget, and business goal of the Company. Operational guidelines are also discussed and proposed so that the Company can make rectifications in a timely manner. If any significant error in the internal control system is found, the relevant person must immediately report the same to the Board of Directors and/or the Audit Committee to explain the cause, propose a solution, monitor the rectification, and report to the Board of Directors and/or the Audit Committee within the given period. In addition, the Company assigns the Internal Audit Office to review compliance with the internal control system regularly. To allow the internal auditors to perform their duties independently and without bias, the Internal Audit Office is under direct supervision of the Audit Committee and reports to the Audit Committee directly.

INTERNAL AUDIT OFFICE

The Internal Audit Office has responsibilities to examine and evaluate both financial and non-financial information on a regular basis, including reviewing compliance with the internal principles and reporting directly to the Audit Committee. The objective is to ensure that the Company strictly abides by the laws and regulations, retains good corporate governance and good internal control, and achieves the operational objectives of the organisation.

The Internal Audit Office prepares the internal audit annual plan and 3-year long-term plan based on the principles for the assessment of risks that affect the business operation and cover the operational process of the organisation. These plans are approved by the Audit Committee. The scope of work of the Internal Audit Office covers examination, review, and assessment of the sufficiency and the effectiveness of the Company's internal control system, including the performance quality of the following:

- Reliability of the internal control system as well as compliance with the standards and finance and

accounting policies to ensure that the accounting and financial information is accurate and reliable and that the adopted organisation structure plan, procedures, and measures are sufficient for protecting the assets from all kinds of frauds and errors.

- Reliability of the internal control system in terms of management and operation to ensure that they are consistent with the policies and plans and are in accordance with the requirements of the laws and regulations of the government and supervisory authorities, including the Company's regulations which cover activities such as operation management, procurement, marketing, administration, finance, accounting and human resources.
- Reliability of the internal control system as regards information and communication, review the structure of the Information Technology Department, access to information, access to programs, data processing, system development, data backup, preparation of backup plans in case of emergency, authority of operation in the system, and production of documents from the system, including storage of documents, manuals, and computer system flowchart.

The Internal Audit Office presents the audit report to the Audit Committee constantly on a quarterly basis and monitors the progress of the implementation of the recommendations provided during the course of examination regularly. The Internal Audit Office is independent from other departments and can gain access to the information and assets of the Company which are relevant to the audit functions. The Internal Audit Office has the authority to request information and explanation from any person being audited on the subject matter as assigned by the Audit Committee. The Internal Audit Office is responsible for the internal auditing, monitoring, controlling, examining, reviewing and evaluating the operating results of all departments as assigned by the Audit Committee. In addition, the Internal Audit Office encourages all business units to conduct self-assessment on risks. This is to ensure that the internal control system is effective and efficient, the financial reporting is reliable, and the operational performance is in accordance with the laws and regulations of the governmental agencies or the regulatory bodies as well as the Company's standards, policies, plans, rules, regulations and announcements. The internal control system is aimed to protect the Company's assets, to prevent the Company from any damage it may suffer from, and to create a mechanism of checks and balances among the business units so as to ensure

reasonable reliability of the Company's operations to achieve the Company's goal.

At present, the Internal Audit Office has prepared a guideline for complaint management which contains details on managing and monitoring procedures for general complaints, significant complaints, and complaints on fraud and corruption in order to be in line with the Company's anti-corruption measures and to be the guideline for the employees and other stakeholders as well as providing them with a whistle blowing channel. This system will help to promote doing business with integrity and sustainable

development. The Internal Audit Office also serves as a channel to receive complaints and it also coordinates with the related business unit to find the solution as well as the preventive guidelines. The Internal Audit Office will monitor the progress of complaint-related actions and report the same to the Audit Committee.

In addition, the personnel of the Internal Audit Office are encouraged to develop their personal skills regularly by attending both internal and external training courses to enhance their knowledge and internal audit professional skills, as well as other skills necessary for performing their work.

HEAD OF INTERNAL AUDIT

The Company has established the Internal Audit Office and Mr. Pipop Intaratut has held the position of Head of Internal Audit since 1 January 2011. Mr. Pipop Intaratut has experience on internal auditing in the business of the same nature as the Company's business and has enrolled in various internal audit training programs organised by the IOD as well as training programs organized by other institutions.

Furthermore, Mr. Pipop Intaratut has knowledge and good understanding in the Company's activities and operations. Therefore, the Audit Committee is of the opinion that Mr. Pipop Intaratut is qualified to perform his duties appropriately and sufficiently.

The appointment, transfer, or dismissal of the Company's head of internal audit shall be jointly considered and approved by the Audit Committee and the Chief Executive Officer.

DETAILS OF HEAD OF INTERNAL AUDIT AS OF 31 MARCH 2016

Mr. Pipop Intaratut	
Age 45 Internal Audit Office Director	
Education	<ul style="list-style-type: none"> • Master of Business Administration (Financial), Ramkhamhaeng University • Bachelor of Business Administration (Accounting), Ramkhamhaeng University • Audit Committee Program (ACP) Thai Institute of Directors • Monitoring Fraud Risk Management (MFM) Thai Institute of Directors • Monitoring the System of Internal Control and Risk Management (MIR) Thai Institute of Directors • Monitoring the Internal Audit Function (MIA) Thai Institute of Directors • Monitoring the Quality of Financial Reporting (MFR) Thai Institute of Directors • Company Secretary Program Thai Institute of Directors • Audit Change from Internal Auditor to Consultant, The Institute of Internal Auditors of Thailand • Anti-Corruption for Executive, Thai Institute of Directors • Director Accreditation Program (DAP), Thai Institute of Directors
Work Experience	
2011-Present	Internal Audit Office Director, BTS Group Holdings Pcl
Other listed companies in Thailand	
2012-Present	Internal Audit Director, VGI Global Media Pcl
Other companies	
2005-Present	Internal Audit Director, Bangkok Mass Transit System Pcl
Other organisations	
2014-Present	Risk and Internal Control Committee, Thai Listed Companies Association

5.5

RELATED PARTY TRANSACTIONS

The connected transactions between the Company or its subsidiaries and persons who may have conflicts of interests are transactions that occurred in the past. The Audit Committee has reviewed these transactions as regards the appropriateness of the monitoring and collection process, the evaluation of the transaction status, and the evaluation of the debtors' debt servicing capability, as well as the appropriateness of the provisions for doubtful debts to cover losses that may occur. The outstanding amounts in 2015/16 and 2014/15 were as follows:

Persons who may have a conflict of interest	Company having a related party transaction	Relationship	Description of transaction	Transaction value in 2015/16 (THB mn)	Transaction value in 2014/15 (THB mn)	Necessity/Remarks
Hwa Kay Thai (Thailand) Co., Ltd.	Muangthong Assets Co., Ltd. and PrannaKiri Assets Co., Ltd.	<ul style="list-style-type: none"> - Hwa Kay Thai (Thailand) Co., Ltd. was a former subsidiary of the Company, but the Company transferred all of its shares in Hwa Kay Thai (Thailand) Co., Ltd. to the Company's creditors for debt settlement. - Miss Sushan Kanjanapas, daughter of Mr. Keeree Kanjanapas; Chairman, Chairman of the Executive Committee, and a major shareholder of the Company is the director of and has more than 10% interest in and control over Oriental Field Ltd., where Oriental Field Ltd. holds 49% shares in Hwa Kay Thai (Thailand) Co., Ltd. 	<ul style="list-style-type: none"> - Loan, of which THB 20mn is the principal and the rest is the interest thereon. Muangthong Assets Co., Ltd. and PrannaKiri Assets Co., Ltd. are still charging interest at the rate equivalent to their financial costs. However, Muangthong Assets Co., Ltd. and PrannaKiri Assets Co., Ltd. have already made provisions for doubtful debts for the full amount. - In 1995, Muangthong Assets Co., Ltd. and PrannaKiri Assets Co., Ltd. provided the loan to Hwa Kay Thai (Thailand) Co., Ltd. and charged an interest rate equivalent to their financial costs. The provision of the said loan took place when Hwa Kay Thai (Thailand) Co., Ltd. was still a subsidiary of the Company. At such time, it was the practice of the Company's group to provide inter-company loans among companies in the group as part of the working capital management. - All shares in Hwa Kay Thai (Thailand) Co., Ltd. held by the Company were pledged as collateral for the Company's loan and subsequently the Company transferred all of the shares to its creditors in line with the Company's business rehabilitation plan in 2006. - Both Muangthong Assets Co., Ltd. and PrannaKiri Assets Co., Ltd. have constantly undertaken to demand and collect their debts from Hwa Kay Thai (Thailand) Co., Ltd. In the previous year, Hwa Kay Thai (Thailand) Co., Ltd. already repaid some of the debt and currently the parties are negotiating to reach a mutual agreement on the remaining portion of the debt. 	51.8	53.9	This transaction occurred a long time ago. It is a normal transaction, of which the interest rate is equivalent to the borrowing cost of Muangthong Assets Co., Ltd. and PrannaKiri Assets Co., Ltd.

Persons who may have a conflict of interest	Company having a related party transaction	Relationship	Description of transaction	Transaction value in 2015/16 (THB mn)	Transaction value in 2014/15 (THB mn)	Necessity/Remarks
EGV Co., Ltd.	The Company	<ul style="list-style-type: none"> - Mr. Keeree Kanjanapas, Chairman, Chairman of the Executive Committee, and a 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 — of which THB 4mn is the principal and the rest is interest. The Company is still charging interest at the rate equivalent to its financial cost. However, the Company has already made a provision for doubtful debt for the full amount due to the fact that EGV Co., Ltd. ceased its operation and the Company believes that the opportunity to receive repayment is low. - EGV Co., Ltd. is a company incorporated in 1994 for joint investment as a founder of Siam Infotainment Co., Ltd., also currently known as ITV Pcl (“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 as security for the Company’s debt. Later in 2002, the Company entered into business rehabilitation. The financial institution creditor, who was the pledgee of ITV’s shares, then applied for repayment of debt with the official receiver. The official receiver ordered that such financial institution 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 case is now pending consideration of the Supreme Court. - The only asset of EGV Co., Ltd. is its ITV shares. Those ITV shares were pledged as collateral to the Company’s financial institution creditor at no cost. Therefore, the Company will proceed to have EGV Co., Ltd. transfer these shares to the Company for debt settlement after the case between the Company and such financial institution creditor in the Supreme Court is final. - The said financial institution has transferred all of its claims to another financial institution. Currently, the Company is waiting for the Supreme Court’s final judgment. 	11.8	11.7	This transaction occurred a long time ago. It is a normal transaction, of which the interest rate is equivalent to the Company’s borrowing cost.

MEASURES OR PROCEDURES FOR 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 SET Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions B.E. 2546 (2003) (as amended) and the Notification of the Capital Market Supervisory Board No. TorJor. 21/2551 Re: Rules on Connected Transactions (as amended), as well as laws on securities and exchange, regulations, notifications, orders or requirements of the SET relating to the execution of connected transactions or transactions which may create a conflict of interest or the relevant regulations that are applicable at such time (the "Relevant Rules and Regulations on Related Party Transactions").

POLICY OR TENDENCY ON RELATED PARTY TRANSACTIONS

The Company may need to enter into related party transactions with connected person(s) or person(s) who may have a conflict of interest in the future. In such an event, the Company will determine the transaction terms and conditions to correspond with the general trading conditions and market price comparable to those offered to third parties. The Company will also comply with the Relevant Rules and Regulations on Related Party Transactions.

If there is any related party transaction between the Company or subsidiary and a connected person or a person who may have a conflict of interest or a conflict of any kind, the Company will request the Audit Committee to review and give opinion on the necessity and appropriateness of such transaction. Moreover, if the Audit Committee does not have expertise to review such transaction, the Company will have an independent expert, independent financial advisor, or the Company's auditor provide 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 for the shareholders' meeting's approval, the Company shall appoint an independent financial advisor to report and give opinion on the execution of such transaction to the shareholders. The Company will disclose the 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 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 in conflict with the best interest of the Company and the shareholders and to maintain good corporate governance, the Board of Directors 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 present the details of such business plan to the Board of Directors or any person appointed by the Board of Directors and arrange for the same to be considered whereby the returns and benefits to the Company and its shareholders will have to be taken into account. Nevertheless, the Company has no policy to do business with its directors, executives, major shareholders, or any related persons thereof, except there is a necessary cause or it will support the businesses of the Company, and it will mainly be for the best interest of the Company and its shareholders in general. The Company shall also comply with the Relevant Rules and Regulations on Related Party Transactions.

- **Policy on holding shares in a company in which the Company invests**

As for investments, the Company has a policy to hold shares on its own, except there is a necessary cause or it will be for the best interest

of the Company or its shareholders in general, which shall be brought up for consideration and approval by the Audit Committee and the Board of Directors, 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 it is necessary for the Company to lend money to its joint venture company to support the financing of the joint venture company in the form of a shareholders' loan, the Company will provide the loan in proportion to its investment, except there is a necessary and appropriate cause as per the Board of Directors' consideration and approval on a case by case basis. Nevertheless, the Company has no policy to lend money to its directors, executives, major shareholders, and/or any related persons thereof, or the business in which the Company has jointly invested with such persons, except the loan is provided in proportion to the investment or it will be for the best interest of the Company or its shareholders in general. The Company shall also comply with the Relevant Rules and Regulations on Related Party Transactions. In addition, even if the size of a transaction is smaller than that required to be disclosed, the Company shall report such transaction to the Audit Committee for acknowledgement.

- **Policy on preparing documents in writing**

The Company will prepare promissory notes, loan agreements and/or financial support agreements in writing with due care and shall keep all evidence properly, even if such loan is provided to companies within the Group.

- **Policy on entering into connected transactions with the same commercial terms as those a person of ordinary prudence would have entered into with an ordinary counterparty under the same circumstances**

The Board of Directors has approved, in principle, a policy on entering into connected transactions between the Company or its subsidiaries and directors, executives, or any related persons thereof, with general commercial conditions and/or market price, in accordance with the same commercial terms as those a person of ordinary prudence would have entered into with an ordinary counterparty under the same circumstances and with the power in commercial negotiation not being influenced by the person's status as the director, executive, or connected person as stipulated in Section 89/12 of the Securities and Exchange Act B.E. 2535 (1992) (as amended). As for connected transactions that do not have general commercial conditions and/or market price, the Company shall comply with the rules and regulations of the relevant authorities.

DIRECTOR AND EXECUTIVE PROFILES

as of 31 March 2016

MR. KEEREE KANJANAPAS

Age 66

Chairman / Chairman of the Executive Committee / Chairman of the Corporate Governance Committee / Authorised Director



Date of Registration as Director 2 June 1993 (Date of registration for conversion into a public company)

Education

- Top Executive Program (CMA 10) Year 2010, Capital Market Academy
- Director Accreditation Program (DAP) Year 2011, Thai Institute of Directors

Shareholding in the Company (%)*: 3,891,164,652 (32.88%)

Family Relationship among the Executives Father of Mr. Kavin Kanjanapas

Work Experience

2006-Present	Chairman, BTS Group Holdings Pcl
2010-Present	Chairman of the Executive Committee, BTS Group Holdings Pcl
2012-Present	Chairman of the Corporate Governance Committee, BTS Group Holdings Pcl
1993-Present	Director, BTS Group Holdings Pcl
1993-2006	Managing Director, BTS Group Holdings Pcl

Other listed companies in Thailand

2012-Present Chairman, VGI Global Media Pcl

Other companies

2015-Present	Chairman of the Executive Committee, Bangkok Mass Transit System Pcl
2010-Present	Chairman, Bangkok Mass Transit System Pcl
1996-Present	Director, Bangkok Mass Transit System Pcl
1996-2015	Chief Executive Officer, Bangkok Mass Transit System Pcl
2015-Present	Director, BSS Holdings Co., Ltd.
2010-Present	Director, Rabbit Rewards Co., Ltd.
2009-Present	Director, BTS Land Co., Ltd.
2009-Present	Director, Bangkok Smartcard System Co., Ltd.
1994-Present	Director, Tanayong International Limited
1993-Present	Director, PrannaKiri Assets Co., Ltd.
1992-Present	Director, Tanayong Food and Beverage Co., Ltd.
1991-Present	Director, Thana City Golf & Sports Club Co., Ltd.
1990-Present	Director, Siam Paging and Communication Co., Ltd.
1990-Present	Director, Tanayong Property Management Co., Ltd.
1988-Present	Director, Muangthong Assets Co., Ltd.
2010-2015	Director, Kamkoong Property Co., Ltd.
2009-2015	Director, Nuvo Line Agency Co., Ltd.
2010-2012	Director, Kampoo Property Co., Ltd.
2007-2012	Director, Kamala Beach Resort & Hotel Management Co., Ltd.
2009-2010	Director, BTS Assets Co., Ltd.

DR. PAUL TONG

Age 75

Director



Date of Registration as Director 20 February 2007

Education

- PhD. 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

Shareholding in the Company (%)*: 30,776,501 (0.26%)

Family Relationship among the Executives -

Work Experience

2007-Present Director, BTS Group Holdings Pcl

Other listed companies in Thailand -None-

Other companies

2016-Present	Independent Non-Executive Director, FSE Engineering Holdings Limited
2006-Present	Director, Chongbang Holdings (International) Limited
2010-2015	Chairman, BTS Assets Co., Ltd.
2007-2013	Managing Director, Hip Hing Construction (China) Co., Ltd.
2008-2012	Director, Kamala Beach Resort & Hotel Management Co., Ltd.
2006-2011	Managing Director, Hip Hing Construction Co., Ltd.
2006-2011	Director, NW Project Management Limited
2006-2010	Chairman, Bangkok Mass Transit System Pcl
2005-2010	Director, Parsons Brinckerhoff International, Pte Ltd., Singapore

DR. ANAT ARBHABHIRAMA

Age 78

Executive Director /
Corporate Governance Committee Member /
Authorised Director



Date of Registration as Director 7 May 1998

Education

- 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

Shareholding in the Company (%)*: -

Family Relationship among the Executives -

Work Experience

2010-Present	Executive Director, BTS Group Holdings Pcl
2012-Present	Corporate Governance Committee Member, BTS Group Holdings Pcl
1998-Present	Director, BTS Group Holdings Pcl
1998-2009	Audit Committee Member / Independent Director, BTS Group Holdings Pcl

Other listed companies in Thailand -None-

Other companies

2015-Present	Member of the Advisory Board / Member of the Executive Committee, Bangkok Mass Transit System Pcl
2008-2013	Director, Bangkok Mass Transit System Pcl
2009-Present	Director, BTS Land Co., Ltd.
2010-2015	Director, Kamkoong Property Co., Ltd.
2010-2012	Director, Kampoo Property Co., Ltd.
2009-2010	Director, BTS Assets Co., Ltd.

MR. SURAPONG LAOHA-UNYA

Age 54

Executive Director /
Authorised Director



Date of Registration as Director 30 July 2010

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
- The Senior Executive Bangkok Management Program Year 2013, Urban Green Development Institute

Shareholding in the Company (%)*: 5,552,627 (0.05%)

Family Relationship among the Executives -

Work Experience

2010-Present	Executive Director / Director, BTS Group Holdings Pcl
--------------	---

Other listed companies in Thailand

2006-Present	Director, VGI Global Media Pcl
--------------	--------------------------------

Other companies

2015-Present	Executive Director / Chief Executive Officer / Chief Operating Officer (acting) Chief Administrative Officer (acting), Bangkok Mass Transit System Pcl
2006-2015	Chief Operating Officer, Bangkok Mass Transit System Pcl
2006-Present	Director, Bangkok Mass Transit System Pcl
2015-Present	Director, Rabbit Internet Co., Ltd.
2015-Present	Director, ASK Direct Group Co., Ltd.
2015-Present	Director, RabbitPay System Co., Ltd.
2015-Present	Director, BSS Holdings Co., Ltd.
2014-Present	Director, Bangkok Payment Solutions Co., Ltd.
2010-Present	Director, Rabbit Rewards Co., Ltd.
2009-Present	Director, BTS Land Co., Ltd.
2009-Present	Executive Director / Director, Bangkok Smartcard System Co., Ltd.
2010-2015	Director, Kamkoong Property Co., Ltd.
2009-2015	Director, Nuvo Line Agency Co., Ltd.
2010-2012	Director, Kampoo Property Co., Ltd.
2009-2010	Director, BTS Assets Co., Ltd.

Other organisations

2013-Present	Director, Profession Standard and Professional Qualification for Rail System and High Speed Rail
2010-Present	Advisory to the Academic Subcommittee of Traffic and Transportation Engineering Program, The Engineering Institute of Thailand Under the Royal Patronage of H.M. the King

MR. KAVIN KANJANAPAS

Age 41

Executive Director /
Chief Executive Officer /
Authorised Director



Date of Registration as Director 23 January 2007

Education

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

Shareholding in the Company (%)*: 602,459,295 (5.09%)

Family Relationship among the Executives Son of Mr. Keeree Kanjanapas

Work Experience

2015-Present	Chief Executive Officer, BTS Group Holdings Pcl
2010-Present	Executive Director, BTS Group Holdings Pcl
2007-Present	Director, BTS Group Holdings Pcl
2007-2010	Managing Director, BTS Group Holdings Pcl

Other listed companies in Thailand

2012-Present	Chairman of the Executive Committee, VGI Global Media Pcl
2003-Present	Director, VGI Global Media Pcl

Other companies

2016-Present	Director, Nine Square Property Co., Ltd.
2015-Present	Director, The Community Two Co., Ltd.
2015-Present	Director, The Community One Co., Ltd.
2015-Present	Director, Kingkaew Assets Co., Ltd.
2015-Present	Director, Ratburana Property Co., Ltd.
2015-Present	Director, Keystone Estate Co., Ltd.
2015-Present	Director, Unicorn Enterprise Co., Ltd.
2015-Present	Director, BSS Holdings Co., Ltd.
2015-Present	Executive Director, Bangkok Smartcard System Co., Ltd.
2009-Present	Director, Bangkok Smartcard System Co., Ltd.
2009-2015	Managing Director, Bangkok Smartcard System Co., Ltd.
2014-Present	Director, Little Corner Co., Ltd.
2014-Present	Director, Primary Kitchen Co., Ltd.
2014-Present	Director, Mak8 Co., Ltd.
2013-Present	Director, Man Kitchen Co., Ltd.
2010-Present	Director, Tanayong Hong Kong Limited
2010-Present	Director, Absolute Hotel Services Hong Kong Limited
2010-Present	Director, Rabbit Rewards Co., Ltd.
2010-Present	Director, BTS Land Co., Ltd.
2009-Present	Director, Bangkok Mass Transit System Pcl
2009-Present	Director, Point of View (POV) Media Group Co., Ltd.
2009-Present	Director, VGI Advertising Media Co., Ltd.
2008-Present	Director, Thana City Golf & Sports Club Co., Ltd.
2008-Present	Director, Tanayong Property Management Co., Ltd.
2008-Present	Director, Muangthong Assets Co., Ltd.
2008-Present	Director, PrannaKiri Assets Co., Ltd.
2008-Present	Director, Siam Paging and Communication Co., Ltd.
2008-Present	Director, Tanayong Food and Beverage Co., Ltd.
2008-Present	Director, Absolute Hotel Services Co., Ltd.
2010-2015	Director, VGI Advertising China Co., Ltd.
2010-2015	Director, 888 Media Co., Ltd.
2010-2015	Director, 999 Media Co., Ltd.
2010-2015	Executive Chairman / Director, BTS Assets Co., Ltd.
2010-2015	Director, Kamkoong Property Co., Ltd.
2009-2015	Director, Nuvo Line Agency Co., Ltd.
2009-2014	Director, Midas Global Media Co., Ltd.
2010-2012	Director, Kampoo Property Co., Ltd.
2007-2012	Director, Kamala Beach Resort & Hotel Management Co., Ltd.

MR. RANGSIN KRITALUG

Age 54

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



Date of Registration as Director 19 December 1997

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

Shareholding in the Company (%)*: -

Family Relationship among the Executives -

Work Experience

2010-Present	Executive Director / Chief Operating Officer, BTS Group Holdings Pcl
2009-Present	Nomination and Remuneration Committee Member, BTS Group Holdings Pcl
2012-Present	Corporate Governance Committee Member, BTS Group Holdings Pcl
1997-Present	Director, BTS Group Holdings Pcl
2006-2010	Deputy Managing Director, BTS Group Holdings Pcl

Other listed companies in Thailand -None-

Other companies

2016-Present	Director, Nine Square Property Co., Ltd.
2016-Present	Director, The Community Two Co., Ltd.
2016-Present	Director, The Community One Co., Ltd.
2016-Present	Director, BTS Sansiri Holding Fourteen Limited
2015-Present	Director, Kingkaew Assets Co., Ltd.
2015-Present	Director, Ratburana Property Co., Ltd.
2015-Present	Director, Bayswater Co., Ltd.
2015-Present	Director, Keystone Estate Co., Ltd.
2015-Present	Director, Unicorn Enterprise Co., Ltd.
2015-Present	Director, BTS Sansiri Holding Twelve Limited
2015-Present	Director, BTS Sansiri Holding Eleven Limited
2015-Present	Director, BTS Sansiri Holding Nine Limited
2015-Present	Director, BTS Sansiri Holding Eight Limited
2015-Present	Director, BTS Sansiri Holding Seven Limited
2015-Present	Director, BTS Sansiri Holding Six Limited
2015-Present	Director, BTS Sansiri Holding Five Limited
2015-Present	Director, BTS Sansiri Holding Four Limited
2015-Present	Director, BTS Sansiri Holding Three Limited
2015-Present	Director, BTS Sansiri Holding Two Limited
2014-Present	Director, BTS Sansiri Holding One Limited
2014-Present	Director, Primary Kitchen Co., Ltd.
2014-Present	Director, Little Corner Co., Ltd.
2014-Present	Director, Mak8 Co., Ltd.
2013-Present	Director, Man Kitchen Co., Ltd.
2011-Present	Director, BTS Land Co., Ltd.
2010-Present	Director, Nuvo Line Agency Co., Ltd.
2008-Present	Director, Siam Paging and Communication Co., Ltd.
2008-Present	Director, Absolute Hotel Services Co., Ltd.
2007-Present	Director, Muangthong Assets Co., Ltd.
2007-Present	Director, HHT Construction Co., Ltd.
2001-Present	Director, DNAL Co., Ltd.
2001-Present	Director, Tanayong Food and Beverage Co., Ltd.
2001-Present	Director, PrannaKiri Assets Co., Ltd.
2001-Present	Director, Tanayong Property Management Co., Ltd.
2001-Present	Director, Yongsu Co., Ltd.
1998-Present	Director, Thana City Golf & Sports Club Co., Ltd.
2010-2015	Director, BTS Assets Co., Ltd.
2010-2015	Director, Kamkoong Property Co., Ltd.
2010-2012	Director, Kampoo Property Co., Ltd.
2007-2012	Director, Kamala Beach Resort & Hotel Management Co., Ltd.

MR. KONG CHI KEUNG

Age 41

Executive Director / Deputy Chief Executive Officer / Nomination and Remuneration Committee Member / Authorised Director



Date of Registration as Director 23 January 2007

Education

- 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

Shareholding in the Company (%)*: 3,200,000 (0.03%)

Family Relationship among the Executives -

Work Experience

2015-Present	Deputy Chief Executive Officer, BTS Group Holdings Pcl
2010-Present	Executive Director, BTS Group Holdings Pcl
2010-Present	Nomination and Remuneration Committee Member, BTS Group Holdings Pcl
2007-Present	Director, BTS Group Holdings Pcl
2008-2010	Deputy Managing Director, BTS Group Holdings Pcl

Other listed companies in Thailand

2000-Present Director, VGI Global Media Pcl

Other companies

2016-Present	Director, Nine Square Property Co., Ltd.
2016-Present	Director, The Community Two Co., Ltd.
2016-Present	Director, The Community One Co., Ltd.
2016-Present	Director, Kingkaew Assets Co., Ltd.
2016-Present	Director, Ratburana Property Co., Ltd.
2016-Present	Director, Keystone Estate Co., Ltd.
2016-Present	Director, Unicorn Enterprise Co., Ltd.
2016-Present	Director, BTS Sansiri Holding Fourteen Limited
2016-Present	Director, BTS Sansiri Holding Twelve Limited
2016-Present	Director, BTS Sansiri Holding Eleven Limited
2015-Present	Director, ASK Direct Group Co., Ltd.
2015-Present	Director, Rabbit Internet Co., Ltd.
2015-Present	Director, BTS Sansiri Holding Nine Limited
2015-Present	Director, BTS Sansiri Holding Eight Limited
2015-Present	Director, BTS Sansiri Holding Seven Limited
2015-Present	Director, BTS Sansiri Holding Six Limited
2015-Present	Director, BTS Sansiri Holding Five Limited
2015-Present	Director, BTS Sansiri Holding Four Limited
2015-Present	Director, BTS Sansiri Holding Three Limited
2015-Present	Director, BTS Sansiri Holding Two Limited
2015-Present	Director, BTS Sansiri Holding One Limited
2015-Present	Director, Nuvo Line Agency Co., Ltd.
2015-Present	Member of Executive Committee, Bangkok Mass Transit System Pcl
2012-Present	Chief Financial Officer, Bangkok Mass Transit System Pcl
2010-2013	Director, Bangkok Mass Transit System Pcl
2015-Present	Director, ATS Rabbit Special Purpose Vehicle Co., Ltd.
2014-Present	Director, Bangkok Payment Solutions Co., Ltd.
2010-Present	Director, Tanayong Hong Kong Limited
2008-Present	Director, Absolute Hotel Services Co., Ltd.
2010-2015	Director, VGI Advertising China Co., Ltd.
2010-2015	Director, BTS Assets Co., Ltd.

PROFESSOR LT. GEN. PHISAL THEPSITHAR

Age 84

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



Date of Registration as Director 4 August 2000

Education

- Honorary Doctorate Degree in Dental Surgery, Khon Kaen University, Chulalongkorn University and Mahidol University
- Master of Business Administration, Thammasat University
- Higher Diploma (equivalent to Master's degree) in Accounting, Thammasat University
- Bachelor of Education (First Class Honor), in Educational Administration, Sukhothai Thammathirat University
- Bachelor of Law, Thammasat University
- Bachelor of Dental Surgery (Second Class Honor), University of Medical Science (currently known as Mahidol University)
- Bachelor of Accounting, Thammasat University
- Bachelor of Commerce, Thammasat University
- Director Certification Program (DCP) Year 2002, Thai Institute of Directors
- Audit Committee Program (ACP) Year 2009, Thai Institute of Directors
- Role of the Compensation Committee (RCC) Year 2014, Thai Institute of Directors
- Anti Corruption: The practical Guide (ACPG) Year 2015, Thai Institute of Directors

Shareholding in the Company (%)*: 80,000 (0.001%)

Family Relationship among the Executives -

Work Experience

2000-Present	Chairman of the Audit Committee / Independent Director, BTS Group Holdings Pcl
2009-Present	Chairman of the Nomination and Remuneration Committee, BTS Group Holdings Pcl

Other listed companies in Thailand

1999-Present	Chairman of the Audit Committee / Nomination and Remuneration Committee Member / Independent Director, President Rice Products Pcl
1999-Present	Chairman of the Audit Committee / Independent Director, Rockworth Pcl
2005-2012	Independent Director, President Bakery Pcl

Other companies

2009-2010 Audit Committee Member / Independent Director, Bangkok Mass Transit System Pcl

Other organisations

2014-Present	Chairman of Scientific Commission on the Standards of Dental Products, Thai Industrial Standards Institute, Ministry of Industry
2014-Present	Member of Audit Subcommittee, Board of National Health Security Office
2013-Present	Director, Board of the Art of Healing, Ministry of Public Health
2009-Present	Legal Advisor / Member of the Subcommittee on Excessive Expense Deduction of Service Units, National Health Security Office
2007-Present	Awards and Outstanding Dentist Graduate, Judge, Mahidol Adulyadej, Prince of Songkla Foundation
2004-Present	Chairman, Thai Dentist Against Tobacco Project
2004-2010, 2016-Present	Director, Board of Sanatorium, Ministry of Public Health
2004-2010, 2016-Present	Director, Board of National Health Security Office
2013-2016	Director, The Dental Council of Thailand
2015	Award and Outstanding Dentists, Judge, The Dental Council of Thailand
2013-2015	President, The Dental Association of Thailand
2004-2015	Chairman of the Board of Directors, Dental Public Health Foundation
2004-2010	Chairman of Appeal Case Screening Subcommittee, Board of National Health Security Office

MR. SUCHIN WANGLEE

Age 80

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



Date of Registration as Director 30 July 2010

Education

- Bachelor Degree Electrical Engineering, Northrop Institute of Technology, USA
- Executive Course, Harvard University, USA
- 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
- Director Accreditation Program (DAP) Year 2013, Thai Institute of Directors

Shareholding in the Company (%)*: 7,680,023 (0.06%)

Family Relationship among the Executives -

Work Experience

2010-Present	Audit Committee Member / Independent Director, BTS Group Holdings Pcl
2010-Present	Nomination and Remuneration Committee Member, BTS Group Holdings Pcl

Other listed companies in Thailand

2013-Present	Audit Committee Member, Sermsuk Pcl
2013-Present	Independent Director, Sermsuk Pcl
2012-Present	Chairman of the Compensation Committee, Sermsuk Pcl
2011-Present	Vice Chairman, Sermsuk Pcl
2010-Present	Director, Sermsuk Pcl
2010-Present	Vice Chairman, Thai Metal Drum MFG. Pcl
2010-Present	Chairman of the Remuneration and Nomination Committee, Thai Metal Drum MFG. Pcl
1989-Present	Director, Thai Metal Drum MFG. Pcl
2001-Present	Chairman, The Navakij Insurance Pcl
1993-Present	Director, The Navakij Insurance Pcl
1999-Present	Chairman, Thaire Life Assurance Pcl
1994-Present	Independent Director, Varopakorn Pcl
1978-2016	Chairman / Director, Thai Reinsurance Pcl
1969-2013	Independent Director, Thai-German Ceramics Industry Pcl

Other companies

2014-Present	Advisor, The Falcon Insurance Pcl
2007-2014	Chairman, The Falcon Insurance Pcl
1970-2014	Director, The Falcon Insurance Pcl
2007-Present	Director, Aqua Infinite Co., Ltd.
2006-Present	Director, Wanglee Pattana Co., Ltd.
2005-Present	Director, Rajadamri Hotel Pcl
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.
1968-Present	Director, Wanglee Co., Ltd.
1988-2010	Director, Thai-Petchaboon Co., Ltd.

Other organisations

1971-2010	Director, The General Insurance Association
1974-1976,	Chairman, The General Insurance Association
2001-2005, 2007-2009	

PROFESSOR CHAROEN WATTANASIN

Age 79

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



Date of Registration as Director 30 July 2010

Education

- Business Administration, City of Liverpool College of Commerce, UK
- Management, B.I.M. London, UK
- Director Accreditation Program (DAP) Year 2011, Thai Institute of Directors
- Director Certification Program (DCP) Year 2011, Thai Institute of Directors
- Audit Committee Program (ACP) Year 2011, Thai Institute of Directors
- Role of the Nomination and Governance Committee (RNG) Year 2014, Thai Institute of Directors
- Anti Corruption: The practical Guide (ACPG) Year 2015, Thai Institute of Directors

Shareholding in the Company (%)*: 351,713 (0.003%)

Family Relationship among the Executives -

Work Experience

2010-Present	Audit Committee Member / Independent Director, BTS Group Holdings Pcl
2010-Present	Nomination and Remuneration Committee Member, BTS Group Holdings Pcl
2012-Present	Corporate Governance Committee Member, BTS Group Holdings Pcl

Other listed companies in Thailand -None-

Other companies -None-

Other organisations

2007-Present	Rules Committee, The Olympic Council of Asia
2005-Present	Hon. Life Vice President, Badminton World Federation
2004-Present	Councilor, South East Asian Games Federation
2003-Present	Vice President, National Olympic Committee of Thailand under the Royal Patronage of H.M. the King
1987-Present	Special Professorship of Marketing, Faculty of Commerce and Accountancy, Chulalongkorn University
2002-2013	President, The Badminton Association of Thailand under The Royal Patronage of H.M. the King
2005	National Outstanding Achievement Award For Promotional of International Recognition (Athletics), The National Identity Office, The Office of the Permanent Secretary, Prime Minister Office
2000	Inductee-Hall of Fame, Badminton World Federation

MR. CHEONG YING CHEW, HENRY

Age 68

Independent Director



Date of Registration as Director 30 July 2010

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

Shareholding in the Company (%)*: -

Family Relationship among the Executives -

Work Experience

2010-Present Independent Director, BTS Group Holdings Pcl

Other listed companies in Thailand -None-

Other companies

2015-Present Independent Non-Executive Director, CK Property Holdings Limited

2015-Present Independent Non-Executive Director, Skyworth Digital Holdings Limited

2009-Present Independent Non-Executive Director, Hutchison Telecommunications Hong Kong Holdings Limited

2008-Present Independent Non-Executive Director, CNNC International Limited

2007-Present Independent Non-Executive Director, New World Department Store China Limited

2006-Present Independent Non-Executive Director, Greenland Hong Kong Holdings Limited

2000-Present Independent Non-Executive Director, TOM Group Limited

1997-Present Deputy Chairman / Executive Director, Worldsec Limited

1996-Present Independent Non-Executive Director, Cheung Kong Infrastructure Holdings Limited

2015 Independent Non-Executive Director, CK Hutchison Holdings Limited

2004-2015 Independent Non-Executive Director, Cheung Kong (Holdings) Limited

2010-2015 Independent Non-Executive Director, Creative Energy Solutions Holdings Limited

2000-2012 Independent Non-Executive Director, Hong Kong Jewellery Holding Limited

Other organisations

2009-2015 Member, Securities and Futures Appeals Tribunal, Hong Kong

2009-2015 Member, Advisory Committee of the Securities and Futures Commission, Hong Kong

2005-2011 Member, The Disciplinary Panel (Panel A) of the Hong Kong Institute of Certified Public Accountants

MR. CHULCHIT BUNYAKETU

Age 73

Director



Date of Registration as Director 27 July 2015

Education

- M.A., Political Science, Kent State University, USA
- Advance Diploma, Public Administration, University of Exeter, UK
- Bachelor of Laws, Faculty of Political Science, Chulalongkorn University
- Diploma, National Defence College of Thailand, Joint State-Private Sector Course, Class 355
- Director Accreditation Program (DAP) Year 2005, Thai Institute of Directors

Shareholding in the Company (%)*: 2,700,000 (0.023%)

Family Relationship among the Executives -

Work Experience

2015-Present Director, BTS Group Holdings Pcl

Other listed companies in Thailand

2014-Present Chairman / Independent Director, WP Energy Pcl

2000-Present Chairman of the Audit Committee / Independent Director, Total Access Communication Pcl

Other companies

2016-Present Advisor, King Power Group

2004-2016 Group Vice Chairman, King Power Group

2012-Present Chairman, Dtac Trinet Co., Ltd.

1992-2015 Chairman of the Audit Committee / Independent Director, Bangkok Mass Transit System Pcl

1998-2003 Managing Director, Thai Oil Co., Ltd.

1998-2003 Managing Director / Director, Thai Oil Power Co., Ltd.

1996 Chairman, Thai Paraxylene Co., Ltd.

1996 Director, Independent Power (Thailand) Co., Ltd.

Other organisations

2004 Honorary Advisor, Royal Thai Army Radio and Television Station

2004 Vice President, Thailand Polo Association

1996 Director, Population and Community Development Association

1996 Member of the Executive Committee, Royal Thai Army Radio and Television Channel 5

1996 Member of the Executive Committee, Bangkok Broadcasting Television Channel 7

1996 Director, Tawee Bunyaketu Foundation

1991 Vice President, Amateur Athletic Association of Thailand under His Majesty's Patronage

1967 Government Officer, Department of Technical and Economic Cooperation, Ministry of National Development

DR. KAROON CHANDRANGSU

Age 66

Director



MRS. PICHITRA MAHAPHON

Age 65

Independent Director /
Audit Committee Member



Date of Registration as Director 27 July 2015

Date of Registration as Director 1 April 2016

Education

- Ph.D., Ohio State University, Columbus, Ohio, USA
- M.S. (Civil Engineering), Ohio State University, Columbus, Ohio, USA
- B.Eng. (Hons), Chulalongkorn University
- License for Professional Practice, Senior Professional Engineer, Civil Engineering (Reg. No. WorYor.1023)
- Director Certification Program (DCP) Year 2005, Thai Institute of Directors
- Finance for Non-Finance Director (FN) Year 2005, Thai Institute of Directors

Shareholding in the Company (%)*: -

Family Relationship among the Executives -

Work Experience

2015-Present Director, BTS Group Holdings Pcl

Other listed companies in Thailand

2007-Present Director, Richy Place 2002 Pcl
2003-Present Audit Committee Member / Independent Director, Quality Construction Products Pcl

Other companies

1992-Present Chairman, K.C.S. & Associates Co., Ltd.
1982-Present Executive Director, K.C.S. Consulting Engineers Co., Ltd.
1996-2001 Chief Operating Officer / Director, Bangkok Mass Transit System Pcl

Other organisations

2012-2015 First Vice President, Council of Engineers, Engineering Act B.E. 2542
2006-2015 Director, Council of Engineers, Engineering Act B.E. 2542
2007-2010 Chairman, Etiquette Committee, Council of Engineers, Engineering Act B.E. 2542
2006-2007 President, Engineering Institute of Thailand under H.M. the King's Patronage (EIT)
1992-1996 Deputy Governor (Public Works Department), Bangkok Metropolitan Administration
1977-1992 Vice Dean / Head of Civil Engineering Department, Faculty of Engineering, Chulalongkorn University

Education

- BA, University of Oregon, USA
- MAI, the Appraisal Institute, Chicago, USA
- RICS, The Royal Institute of Chartered Surveyors
- Director Accreditation Program (DAP) Year 2013, Thai Institute of Directors
- Advanced Audit Committee Program (AACP), Year 2013, Thai Institute of Directors
- Risk Management Program for Corporate Leaders (RCL), Year 2015, Thai Institute of Directors

Shareholding in the Company (%)*: 240,000 (0.002%)

Family Relationship among the Executives -

Work Experience

2016-Present Audit Committee Member / Independent Director, BTS Group Holdings Pcl

Other listed companies in Thailand -None-

Other companies

2010-2016 Chairman of the Audit Committee / Independent Director, Bangkok Mass Transit System Pcl
2008-2016 Principal / Partner, Advance Advisory Co., Ltd.
2006-2008 Managing Director, Pullman Bangkok King Power Hotel
2000-2003 Executive Director, Arthur Andersen / KPMG
1998-2000 Regional Director, Cushman & Wakefield (Thailand) Ltd.
1994-1998 Vice President, Eastwest Bank, USA (listed bank in USA)
1991-1994 Vice President, Bank of America, USA (listed bank in USA)
1986-1991 Associate Director, Laventhol & Horwath, USA (Big Eight Accounting firm)

MR. SURAYUT THAVIKULWAT

Age 44

Chief Financial Officer



Education

- MBA, Ross School of Business, University of Michigan–Ann Arbor, USA
- BA, Chulalongkorn University
- TLCA Executive Development Program (EDP 7) Year 2011, Thai Listed Companies Association
- Bhumipalung Pandin Program (PPP 1) Year 2012, Chulalongkorn University
- How to Develop a Risk Management Plan (HRP) Year 2014, Thai Institute of Directors

Shareholding in the Company (%)*: 284,460 (0.002%)

Family Relationship among the Executives -

Work Experience

2011-Present Chief Financial Officer, BTS Group Holdings Pcl

Other listed companies in Thailand

2015-Present Director, U City Pcl
2010-2011 Chief Financial Officer, Unique Mining Services Pcl
1998-2010 SVP, Head of Strategic Planning & Budgeting, Bangkok Bank Pcl

Other companies

2015-Present Director, BTS Assets Co., Ltd.
2015-Present Director, Kamkoong Property Co., Ltd.
1994-1996 Senior Auditor, EY Office Limited

Other organisations

2014-Present President of Thai Investor Relations Club, Thai Listed Companies Association
2013-2014 Director of Thai Investor Relations Club, Thai Listed Companies Association
2014-Present Director of Accounting Profession in Managerial Accounting Committee, Federation of Accounting Professions Under the Royal Patronage of His Majesty the King

MR. DANIEL ROSS

Age 40

Chief Investment Officer /
Head of Investor Relations



Education

- Bachelor of Science in Mathematics (First Class Honors) King's College, University of London, UK
- Director Certification Program (DCP) Year 2009, Thai Institute of Directors
- TLCA Executive Development Program (EDP 14) Year 2014, Thai Listed Companies Association

Shareholding in the Company (%)*: 454,261 (0.004%)

Family Relationship among the Executives -

Work Experience

2015-Present Chief Investment Officer, BTS Group Holdings Pcl
2009-Present Head of Investor Relations, BTS Group Holdings Pcl
2009-2015 Financial Director, BTS Group Holdings Pcl

Other listed companies in Thailand

2015-Present Director, U City Pcl

Other companies

2015-Present Director, Prime Area 38 Co., Ltd.
2015-Present Director, BTS Assets Co., Ltd.
2015-Present Director, Kamkoong Property Co., Ltd.
2008-2010 Audit Committee Member / Independent Director, SFG Pcl
2007-2009 Director and Project Management Committee Member, AP Pacific Star Co., Ltd. (Ratchada)
2007-2009 Director and Project Management Committee Member, AP Pacific Star Co., Ltd. (Sathorn)
2006-2009 Vice President / Head of Investments, Pacific Star International (Thailand) Co., Ltd.
2002-2006 Associate Director, Mullis Partners
1999-2001 Credit Analyst, Global Markets, JPMorganChase, London

Other organisations

2002 Business Relations Associate, Stock Exchange of Thailand

MRS. DUANGKAMOL CHAICHANAKAJORN

Age 56

Accounting Director



Education

- MBA, Thammasat University
- BA, Thammasat University

Shareholding in the Company (%)*: 593,959 (0.005%)

Family Relationship among the Executives -

Work Experience

2001-Present Accounting Director, BTS Group Holdings Pcl

Other listed companies in Thailand

-None-

Other companies

-None-

MS. CHAWADEE RUNGRUANG

Age 39

Financial Controller



Education

- MBA, Chulalongkorn University
- BA, Chulalongkorn University
- TLCA Executive Development Program Year 2013 (EDP 12), Thai Listed Companies Association

Shareholding in the Company (%)*: 219,006 (0.002%)

Family Relationship among the Executives -

Work Experience

2011-Present Financial Controller, BTS Group Holdings Pcl

Other listed companies in Thailand

2003-2010 Assistant Corporate Controller, Central Plaza Hotel Pcl

Other companies

1998-2003 Senior Auditor, EY Office Limited

* % of a total of 11,833,509,286 shares having the voting rights, including shares held by their spouse and minor children

INFORMATION ON THE POSITION OF DIRECTORS AND EXECUTIVES IN SUBSIDIARIES, ASSOCIATED COMPANIES, AND JOINTLY CONTROLLED ENTITIES

(as of 31 March 2016)

Companies	Directors and Executives																	
	1. Mr. Keeree Kanjanapas	2. Dr. Paul Tong	3. Dr. Anat Arhahirama	4. Mr. Surapong Laoha-Unya	5. Mr. Kavin Kanjanapas	6. Mr. Rangsin Kriatung	7. Mr. Kong Chi Keung	8. Professor Lt. Gen. Phisal Thepsitthar	9. Mr. Suchin Wanglee	10. Professor Charoen Wattanasin	11. Mr. Cheong Ying Chew, Henry	12. Mr. Chulchit Bunyakatu	13. Dr. Karoon Chandragu	14. Mrs. Pichitra Mahaphon	15. Mr. Suravut Thavikulwat	16. Mr. Daniel Ross	17. Mrs. Duangkamol Chaichanakajorn	18. Miss Chawadee Rungruang
BTS Group Holdings Pcl	A,B	G	E,G	E,G	C,E,G	E,G	D,E,G	H,J	I,J	I,J	J	G	G	I,J	K	K	K	K
Bangkok Mass Transit System Pcl	A,B		F	C,E,G	G		F,K											
BTS Rail Mass Transit Growth Infrastructure Fund																		
VGI Global Media Pcl	A			G	B,G		G											
VGI Advertising Media Co., Ltd.					G													
888 Media Co., Ltd.																		
Point of View (POV) Media Group Co., Ltd.					G													
Master Ad Pcl																		
Aero Media Group Co., Ltd.																		
U City Pcl														G		G		
Unicorn Enterprise Co., Ltd.					G	G	G											
PrannaKiri Assets Co., Ltd.	G				G	G												
Siam Paging and Communication Co., Ltd.	G				G	G												
DNAL Co., Ltd.						G												
Muangthong Assets Co., Ltd.	G				G	G												
BTS Land Co., Ltd.	G		G	G	G	G												
Tanayong Food and Beverage Co., Ltd.	G				G	G												
Tanayong Property Management Co., Ltd.	G				G	G												
Yongsu Co., Ltd.						G												
Thana City Golf & Sports Club Co., Ltd.	G				G	G												
Mak8 Co., Ltd.					G	G												
Keystone Estate Co., Ltd.					G	G	G											
Ratburana Property Co., Ltd.					G	G	G											
Kingkaew Assets Co., Ltd.					G	G	G											
The Community One Co., Ltd.					G	G	G											
The Community Two Co., Ltd.					G	G	G											
Nine Square Property Co., Ltd.					G	G	G											
Bayswater Co., Ltd.						G												
BTS Sansiri Holding One Limited						G	G											
BTS Sansiri Holding Two Limited						G	G											
BTS Sansiri Holding Three Limited						G	G											
BTS Sansiri Holding Four Limited						G	G											
BTS Sansiri Holding Five Limited						G	G											
BTS Sansiri Holding Six Limited						G	G											
BTS Sansiri Holding Seven Limited						G	G											
BTS Sansiri Holding Eight Limited						G	G											
BTS Sansiri Holding Nine Limited						G	G											
BTS Sansiri Holding Eleven Limited						G	G											
BTS Sansiri Holding Twelve Limited						G	G											
BTS Sansiri Holding Fourteen Limited						G	G											
Nuvo Line Agency Co., Ltd.						G	G											
Tanayong International Limited	G																	
Tanayong Hong Kong Limited					G		G											
Rabbit Rewards Co., Ltd.	G			G	G													
Primary Kitchen Co., Ltd.					G	G												
BSS Holdings Co., Ltd.	G			G	G													
Man Kitchen Co., Ltd.					G	G												
Little Corner Co., Ltd.					G	G												
Bangkok Smartcard System Co., Ltd.	G			E,G	E,G													
RabbitPay System Co., Ltd.				G														
Bangkok Payment Solutions Co., Ltd.				G			G											
ATS Rabbit Special Purpose Vehicle Co., Ltd.							G											
ASK Direct Group Co., Ltd.				G			G											
ASK Broker Association Co., Ltd.																		
Rabbit Internet Co., Ltd.				G			G											
HHT Construction Co., Ltd.						G												
Absolute Hotel Services Co., Ltd.					G	G	G											
Absolute Hotel Services Hong Kong Limited					G													

The Company
 Subsidiaries
 Associated Companies
 Jointly Controlled Entities
 A = Chairman B = Chairman of Executive Committee C = Chief Executive Officer D = Deputy Chief Executive Officer E = Executive Director
 F = Member of Executive Committee G = Director H = Chairman of Audit Committee I = Audit Committee J = Independent Director
 K = Executive

DETAILS OF DIRECTORS IN THE SUBSIDIARIES AS OF 31 MARCH 2016

As of 31 March 2016, the Company has totally 36 subsidiaries. Bangkok Mass Transit System Pcl and VGI Global Media Pcl Ltd. are 2 core subsidiaries as each of their revenue is more than 10% of the total operating revenue in FY2015/16. The directors of these 2 subsidiaries are as follows:

Companies	Directors														
	1. Mr. Keeree Kanjanapas	2. Mr. Surapong Laoha-Unya	3. Mr. Chitchanok Kemaudthanon	4. Mrs. Voravan Tarapoom	5. Mr. Anan Santichewasatien	6. Mr. Kavin Kanjanapas	7. Mr. Wasin Wattanaworakijkul	8. Mr. Sudhipongse Phuaprasert	9. Mr. Manoo Ordeolichest	10. Mr. Kong Chi Keung	11. Mr. Marut Arthakavatee	12. Mr. Chan Kin Tak	13. Assoc. Prof. Jaruporn Vivanant	14. Mrs. Maneeporn Sirwatanawong	15. Mr. Mana Jantanyongyong
Bangkok Mass Transit System Pcl	A	A	B	A	B	A	A	A	B						
VGI Global Media Pcl	A	A								A	A	A	B	B	B

A = Director

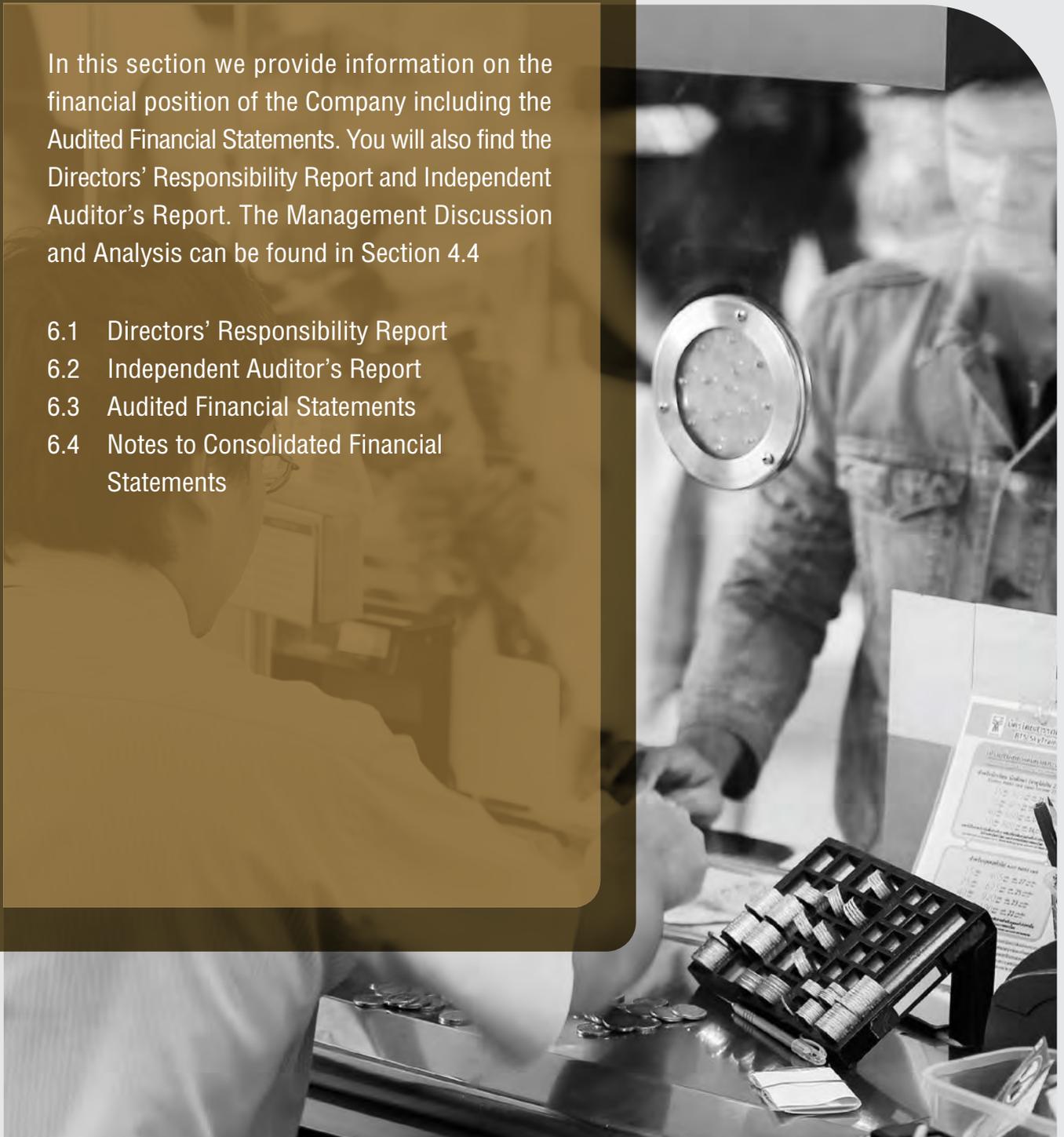
B = Independent Director

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 Directors' Responsibility Report and Independent Auditor's Report. The Management Discussion and Analysis can be found in Section 4.4

- 6.1 Directors' Responsibility Report
- 6.2 Independent Auditor's Report
- 6.3 Audited Financial Statements
- 6.4 Notes to Consolidated Financial Statements



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

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 2016, 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 judgement, 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 and of BTS Group Holdings Public Company Limited as at 31 March 2016, 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 to the following matters:

- a) As discussed in Note 17.1.6 to the financial statements regarding the disposal of ordinary shares of subsidiaries and receipt of compensation in the form of newly issued ordinary shares and newly issued warrants to purchase the ordinary shares of an associate, and recording a gain on these swaps of Baht 3,459 million (Separate financial statements: Baht 4,715 million). This transaction is highly material to the financial statements and was not a regular transaction occurring in the normal course of business.
- b) As discussed in Note 55.8 h) to the financial statements regarding litigation, a company filed petitions with the Central Bankruptcy Court relating to the land that a jointly controlled entity purchased through an auction.

My opinion is not qualified in respect of these matters.



Siraporn Ouaanunkun

Certified Public Accountant (Thailand) No. 3844
EY Office Limited
Bangkok: 27 May 2016

6.3

BTS Group Holdings Public Company Limited and its subsidiaries

STATEMENT OF FINANCIAL POSITION

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		As at 31 March 2016	As at 31 March 2015	As at 31 March 2016	As at 31 March 2015
Assets					
Current assets					
Cash and cash equivalents	7	2,364,653,518	10,111,920,166	381,354,351	605,765,222
Current investments	8	4,666,217,987	6,371,376,986	864,109,521	1,364,933,232
Bank account for advances from cardholders	9	284,785,698	210,533,123	-	-
Trade and other receivables	10	1,111,269,984	1,218,140,448	215,463,339	78,827,789
Current portion of receivable under concession agreement	11	94,584,365	92,205,164	-	-
Current portion of receivable under finance lease agreement	12	29,645,535	27,944,786	-	-
Advances to contractors					
Related party	6	-	-	3,185,552	19,476,105
Unrelated parties		28,847,640	20,684,029	4,196,356	8,837,540
Short-term loans to related parties	6	14,317,951	-	-	94,000,000
Current portion of long-term loan to related party	6	53,662,500	3,925,000	-	-
Real estate development costs	13	627,057,329	2,237,787,824	508,491,701	653,573,963
Assets awaiting transfer under rehabilitation plan	14	68,254,159	68,272,311	68,254,159	68,272,311
Investments in subsidiaries awaiting transfer under rehabilitation plan	15	224,342,586	224,342,586	197,438,333	197,438,333
Accrued income		205,607,301	577,916,264	-	-
Prepaid expenses		82,790,015	70,869,710	7,732,971	7,766,703
Withholding tax deducted at source and prepaid corporate tax		278,164,530	35,960,918	247,940,045	16,476,430
Other current assets		151,054,913	153,713,369	6,930,834	3,946,893
		10,285,256,011	21,425,592,684	2,505,097,162	3,119,314,521
Non-current assets classified as held for sale	17.1.6	-	4,576,221,926	-	4,696,154,680
Total current assets		10,285,256,011	26,001,814,610	2,505,097,162	7,815,469,201

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

STATEMENT OF FINANCIAL POSITION (CONTINUED)

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		As at 31 March 2016	As at 31 March 2015	As at 31 March 2016	As at 31 March 2015
Non-current assets					
Restricted deposits	32	1,269,298,813	1,184,497,895	1,183,680,000	1,183,680,000
Cash deposited as collateral for debt settlement	16	170,918,686	170,918,686	170,918,686	170,918,686
Loans to related parties	6	5,948,521,149	759,081,000	9,834,508,376	1,404,939,531
Investments in subsidiaries	17	-	-	35,493,998,977	35,207,559,959
Investments in joint ventures	18	638,098,504	113,984,165	-	100,000,000
Investments in associates	19	21,019,678,097	14,011,643,246	30,060,920,416	20,693,667,000
Other long-term investments	20	9,751,429,135	9,548,446,134	7,106,864,929	5,531,345,419
Project costs-media	21	2,297,384,634	2,326,510,864	-	-
Reusable spare parts	22	91,255,725	91,437,793	-	-
Land and projects awaiting development		1,283,247,832	263,977,595	-	-
Investment properties	23	1,410,502,051	1,479,950,701	1,645,629,727	2,299,752,362
Property, plant and equipment	24	5,673,905,418	5,510,409,576	419,002,281	233,888,132
Leasehold rights	25	10,881,352	11,661,900	6,340,744	6,737,579
Intangible assets	26	345,534,445	385,795,018	266,420	367,260
Goodwill		78,656,476	78,656,476	-	-
Unallocated costs of business acquisition	17.2.7	79,720,981	-	-	-
Deposit and advances for asset acquisitions		128,807,192	128,807,192	-	-
Accrued income	34	447,691,360	357,298,598	-	-
Rights of claim from acquisition of debts per rehabilitation plan	27	255,514,861	204,032,633	-	-
Receivable under concession agreement-net of current portion	11	3,520,646,530	3,615,230,895	-	-
Receivable under finance lease agreement-net of current portion	12	2,550,432	32,195,966	-	-
Deferred tax assets	49	38,228,299	149,017,228	267,838,536	26,942,338
Other non-current assets		420,965,415	384,889,483	13,184,411	12,198,973
Total non-current assets		54,883,437,387	40,808,443,044	86,203,153,503	66,871,997,239
Total assets		65,168,693,398	66,810,257,654	88,708,250,665	74,687,466,440

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

STATEMENT OF FINANCIAL POSITION (CONTINUED)

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		As at 31 March 2016	As at 31 March 2015	As at 31 March 2016	As at 31 March 2015
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	28	3,750,000,000	530,000,000	3,510,000,000	-
Bills of exchange payables	30	2,917,307,254	-	2,917,307,254	-
Trade and other payables	29	1,622,988,780	1,778,571,023	516,737,381	364,103,067
Advances received from cardholders		280,669,072	211,073,239	-	-
Short-term loan from related party	6	-	-	18,033,500,000	9,185,000,000
Current portion of long-term loan from related parties	6	35,668,585	-	-	-
Current portion of creditors per rehabilitation plan	31	610,667,765	683,616,959	610,667,765	683,616,959
Current portion of long-term loans	32	1,095,222,000	26,000,000	1,062,222,000	-
Current portion of long-term debentures	33	1,347,471,024	1,467,655,915	-	-
Liability awaiting final court order	31	-	181,869,687	-	181,869,687
Unearned revenues		133,284,074	100,498,252	-	-
Fare box revenues awaiting transfer		80,986,117	78,076,371	-	-
Income tax payable		294,872,892	495,243,959	-	19,295,404
Short-term provisions	35	58,952,543	227,411,297	-	-
Other current liabilities		227,342,305	263,946,155	40,741,570	50,488,460
		12,455,432,411	6,043,962,857	26,691,175,970	10,484,373,577
Liabilities directly associated with assets classified as held for sale	17.1.6	-	515,779,611	-	-
Total current liabilities		12,455,432,411	6,559,742,468	26,691,175,970	10,484,373,577
Non-current liabilities					
Unearned revenues		589,488,488	621,535,805	-	-
Creditors per rehabilitation plan-net of current portion	31	26,951,953	49,571,181	26,951,953	49,571,181
Long-term loans-net of current portion	32	173,000,000	1,187,084,000	-	981,084,000
Long-term debentures-net of current portion	33	-	1,345,124,380	-	-
Retention payable					
Related parties	6	16,679,113	-	13,017,287	7,471,414
Unrelated parties		120,164,245	178,432,447	5,521,226	4,996,803
Provision for transaction under equity method of investments in joint ventures	18	529,022,390	317,712,548	-	-
Provision for long-term employee benefits	34	782,395,543	575,700,610	67,221,787	27,248,542
Long-term provisions	35	1,324,715,991	1,244,025,921	-	-
Deferred tax liabilities	49	2,142,416,900	2,616,160,085	-	-
Other non-current liabilities		91,533,558	102,692,307	8,107,645	7,795,210
Total non-current liabilities		5,796,368,181	8,238,039,284	120,819,898	1,078,167,150
Total liabilities		18,251,800,592	14,797,781,752	26,811,995,868	11,562,540,727

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

STATEMENT OF FINANCIAL POSITION (CONTINUED)

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		As at 31 March 2016	As at 31 March 2015	As at 31 March 2016	As at 31 March 2015
Shareholders' equity					
Share capital	36				
Registered					
15,928,911,087 ordinary shares of Baht 4 each (2015: 15,913,136,180 ordinary shares of Baht 4 each)		63,715,644,348	63,652,544,720	63,715,644,348	63,652,544,720
Issued and fully paid					
11,929,349,186 ordinary shares of Baht 4 each (2015: 11,919,250,161 ordinary shares of Baht 4 each)		47,717,396,744	47,677,000,644	47,717,396,744	47,677,000,644
Share premium	36	1,834,603,129	1,807,590,613	1,834,603,129	1,807,590,613
Deficit on business combination under common control	38	(3,371,978,137)	(3,371,978,137)	(3,715,435,231)	(3,715,435,231)
Surplus on swap of investments in subsidiaries under common control	39	-	-	-	325,065,107
Surplus from business restructuring under common control	17.1.8	-	-	656,733,583	-
Adjustment of asset value as a result of business restructuring under common control	17.1.8	-	-	(479,140,100)	-
Surplus (deficit) from the changes in the ownership interests in subsidiaries	40	(59,586,583)	1,353,171,672	-	-
Surplus on sales of warrants of the subsidiary	41	494,317,120	494,317,120	-	-
Treasury shares	43	(925,479,618)	(925,479,618)	(925,479,618)	(925,479,618)
Retained earnings					
Appropriated-statutory reserve	44	2,163,731,005	1,835,982,926	2,163,731,005	1,835,982,926
Appropriated-treasury share reserve	43	925,479,618	925,479,618	925,479,618	925,479,618
Unappropriated (deficit)		(5,508,518,273)	(2,286,690,380)	13,229,896,076	14,262,722,164
Other components of shareholders' equity		2,187,384,108	2,639,391,121	488,469,591	1,006,999,490
Amount recognised in equities relating to assets classified as held for sale	17.1.6	-	579,587,121	-	(75,000,000)
Equity attributable to owners of the Company		45,457,349,113	50,728,372,700	61,896,254,797	63,124,925,713
Non-controlling interest of the subsidiaries		1,459,543,693	1,284,103,202	-	-
Total shareholders' equity		46,916,892,806	52,012,475,902	61,896,254,797	63,124,925,713
Total liabilities and shareholders' equity		65,168,693,398	66,810,257,654	88,708,250,665	74,687,466,440

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

6.3

BTS Group Holdings Public Company Limited and its subsidiaries

STATEMENT OF
COMPREHENSIVE INCOME

For the year ended 31 March 2016

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
Continued operation					
Profit or loss:					
Revenues					
Train procurement service income under concession agreement		-	49,792,926	-	-
Service income	45	4,967,181,509	5,676,550,917	136,470,771	124,552,045
Revenues from sales of real estate		297,680,390	410,596,252	43,228,600	44,465,400
Other income					
Management income		3,000,000	1,911,000	47,411,900	47,408,500
Dividend income		280,795,585	41,657,029	3,437,823,795	3,270,735,330
Interest income	46	501,404,458	1,054,045,416	241,225,287	176,176,642
Gain on sales of warrants	19.1.3	-	53,421,685	-	-
Gain on sales of investments		183,403,766	270,863,890	142,248,881	618,275,231
Gain on swap of investments	17.1.6	3,458,509,914	-	4,714,767,694	-
Gain on sales of assets	23, 35	97,224,131	367,559,995	-	-
Reversal of creditors per rehabilitation plan	31	95,568,422	-	95,568,422	-
Others		180,271,351	199,660,685	96,177,181	144,263,601
Total revenues		10,065,039,526	8,126,059,795	8,954,922,531	4,425,876,749
Expenses					
Cost of train procurement service under concession agreement		-	49,792,926	-	-
Cost of services		2,374,446,353	2,754,121,737	140,581,919	140,660,918
Cost of sales of real estate		178,207,074	243,890,805	30,639,677	31,762,351
Selling and servicing expenses		117,294,135	140,982,904	3,470,054	5,842,875
Administrative expenses		1,410,591,417	1,003,005,994	529,899,877	328,500,834
Other expenses	47	581,944,732	257,475,176	574,819,282	201,705,000
Total expenses		4,662,483,711	4,449,269,542	1,279,410,809	708,471,978
Profit before share of profit (loss) from investments in joint ventures and associates, finance cost and income tax expenses					
		5,402,555,815	3,676,790,253	7,675,511,722	3,717,404,771
Share of loss from investments in joint ventures	18.2	(339,633,490)	(14,455,790)	-	-
Share of profit from investments in associates	19.2	751,031,291	866,031,283	-	-
Profit before finance cost and income tax expenses		5,813,953,616	4,528,365,746	7,675,511,722	3,717,404,771
Finance cost		(289,694,082)	(403,476,064)	(313,840,858)	(57,026,596)
Profit before income tax expenses		5,524,259,534	4,124,889,682	7,361,670,864	3,660,378,175
Income tax expenses	49	(1,121,432,203)	(733,025,821)	(806,709,284)	(125,030,827)
Profit from continued operation for the year		4,402,827,331	3,391,863,861	6,554,961,580	3,535,347,348
Discontinued operation					
Profit (loss) from discontinued operation for the year	17.1.6	3,891,137	(51,644,316)	-	-
Profit for the year		4,406,718,468	3,340,219,545	6,554,961,580	3,535,347,348
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to income statement in subsequent periods:</i>					
Exchange differences on translation of financial statements in foreign currency		(278,821)	1,492,280	-	-
Loss on changes in value of available-for-sale investments-net of income tax		(449,538,894)	(367,337,168)	(506,882,907)	(311,415,169)

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

STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

For the year ended 31 March 2016

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
Share of gain on changes in value of available-for-sale investments of associate	19.2	10,914,232	-	-	-
Other comprehensive income to be reclassified to income statement in subsequent periods-net of income tax		(438,903,483)	(365,844,888)	(506,882,907)	(311,415,169)
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial loss-net of income tax		(54,492,135)	-	(15,198,285)	-
Share of actuarial gain of associate	19.2	6,421,202	-	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods-net of income tax		(48,070,933)	-	(15,198,285)	-
Other comprehensive income for the period		(486,974,416)	(365,844,888)	(522,081,192)	(311,415,169)
Total comprehensive income for the year		3,919,744,052	2,974,374,657	6,032,880,388	3,223,932,179
Profit (loss) attributable to:					
Equity holders of the Company					
Profit from continued operation		4,137,188,838	2,995,677,059	6,554,961,580	3,535,347,348
Profit (loss) from discontinued operation		3,891,137	(51,644,316)	-	-
		<u>4,141,079,975</u>	<u>2,944,032,743</u>	<u>6,554,961,580</u>	<u>3,535,347,348</u>
Non-controlling interests of the subsidiaries					
Profit from continued operation		265,638,493	396,186,802		
		<u>265,638,493</u>	<u>396,186,802</u>		
		<u>4,406,718,468</u>	<u>3,340,219,545</u>		
Total comprehensive income attributable to:					
Equity holders of the Company					
Total comprehensive income from continued operation		3,651,988,318	2,631,252,590	6,032,880,388	3,223,932,179
Total comprehensive income from discontinued operation		3,891,137	(51,644,316)	-	-
		<u>3,655,879,455</u>	<u>2,579,608,274</u>	<u>6,032,880,388</u>	<u>3,223,932,179</u>
Non-controlling interests of the subsidiaries					
Total comprehensive income from continued operation		263,864,597	394,766,383		
		<u>263,864,597</u>	<u>394,766,383</u>		
		<u>3,919,744,052</u>	<u>2,974,374,657</u>		
Earnings per share	50				
Basic earnings per share					
Profit attributable to equity holders of the Company		0.350	0.248	0.554	0.298
Diluted earnings per share					
Profit attributable to equity holders of the Company		0.350	0.248	0.554	0.298
Earnings per share from continued operation	50				
Basic earnings per share					
Profit attributable to equity holders of the Company		0.350	0.253	0.554	0.298
Diluted earnings per share					
Profit attributable to equity holders of the Company		0.350	0.252	0.554	0.298

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

6.3

BTS Group Holdings Public Company Limited and its subsidiaries

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the year ended 31 March 2016

	Consolidated financial								
	Equity attributable to								
	Issued and paid-up share capital	Share premium	Deficit on business combination under common control	Surplus (deficit) from the change in the ownership interests in subsidiaries	Surplus on sales of warrants of the subsidiary	Treasury shares	Retained earnings		Unappropriated (Deficit)
Statutory reserve							Treasury share reserve		
Balance as at 1 April 2014	47,656,922,100	1,797,237,616	(3,371,978,137)	4,448,284,107	-	-	1,659,215,559	-	1,919,209,857
Profit for the year	-	-	-	-	-	-	-	-	2,944,032,743
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	-	-	-	2,944,032,743
Exercised warrants (Note 36)	20,078,544	10,352,997	-	-	-	-	-	-	-
Exercised warrants of the subsidiary by non-controlling interests of the subsidiary	-	-	-	2,811,914	-	-	-	-	-
Sales of warrants of the subsidiary (Note 17.2.1)	-	-	-	-	494,317,120	-	-	-	-
Purchases of investments in subsidiaries (Note 17.1.5 and 17.2.1)	-	-	-	(4,003,560,015)	-	-	-	-	-
Sales of investment in subsidiary (Note 17.2.1)	-	-	-	905,635,666	-	-	-	-	-
Issuance of ordinary shares of subsidiary	-	-	-	-	-	-	-	-	-
Dividend paid by subsidiaries to non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-
Share-based payment transaction	-	-	-	-	-	-	-	-	-
Dividend paid (Note 54)	-	-	-	-	-	-	-	-	(6,047,685,995)
Treasury shares purchased (Note 43)	-	-	-	-	-	(925,479,618)	-	-	-
Transferred to treasury share reserve (Note 43)	-	-	-	-	-	-	-	925,479,618	(925,479,618)
Retained earnings transferred to statutory reserve	-	-	-	-	-	-	176,767,367	-	(176,767,367)
Discontinued operation (Note 17.1.6)	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2015	47,677,000,644	1,807,590,613	(3,371,978,137)	1,353,171,672	494,317,120	(925,479,618)	1,835,982,926	925,479,618	(2,286,690,380)
Balance as at 1 April 2015	47,677,000,644	1,807,590,613	(3,371,978,137)	1,353,171,672	494,317,120	(925,479,618)	1,835,982,926	925,479,618	(2,286,690,380)
Profit for the year	-	-	-	-	-	-	-	-	4,141,079,975
Other comprehensive income for the year	-	-	-	-	-	-	-	-	(44,840,499)
Total comprehensive income for the year	-	-	-	-	-	-	-	-	4,096,239,476
Exercised warrants (Note 36)	40,396,100	27,012,516	-	-	-	-	-	-	-
Purchases of investments in subsidiaries (Note 17.1.4, 17.2.1 and 17.2.7)	-	-	-	(1,418,672,691)	-	-	-	-	-
Sales of investment in subsidiary without loss of control (Note 17.2.8)	-	-	-	5,914,436	-	-	-	-	-
Transfer of revaluation surplus on assets to retained earnings (Note 17.1.6)	-	-	-	-	-	-	-	-	579,587,121
Issuance of ordinary shares of subsidiary	-	-	-	-	-	-	-	-	-
Dividend paid by subsidiaries to non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-
Share-based payment transaction	-	-	-	-	-	-	-	-	-
Dividend paid (Note 54)	-	-	-	-	-	-	-	-	(7,569,906,411)
Retained earnings transferred to statutory reserve (Note 44)	-	-	-	-	-	-	327,748,079	-	(327,748,079)
Balance as at 31 March 2016	47,717,396,744	1,834,603,129	(3,371,978,137)	(59,586,583)	494,317,120	(925,479,618)	2,163,731,005	925,479,618	(5,508,518,273)

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

(Unit: Baht)

statements

owners of the Company

Other comprehensive income			Other components of equity						Amount recognised in equities relating to assets classified as held for sale	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
Translation adjustment	Revaluation surplus on assets	Deficit on changes in value of investments	Surplus on debenture conversion	Capital reserve on consolidation	Share premium on sales of company's shares held by subsidiaries	Capital reserve for share-based payment transaction	Total other components of shareholders' equity					
(122,911,081)	2,376,688,438	(75,052,477)	1,356,596,955	2,685,013	8,525,682	30,568,195	3,577,100,725	-	57,685,991,827	1,856,185,552	59,542,177,379	
-	-	-	-	-	-	-	-	-	2,944,032,743	396,186,802	3,340,219,545	
1,492,280	-	(365,916,749)	-	-	-	-	(364,424,469)	-	(364,424,469)	(1,420,419)	(365,844,888)	
1,492,280	-	(365,916,749)	-	-	-	-	(364,424,469)	-	2,579,608,274	394,766,383	2,974,374,657	
-	-	-	-	-	-	(8,470,637)	(8,470,637)	-	21,960,904	-	21,960,904	
-	-	-	-	-	-	-	-	-	2,811,914	-	2,811,914	
-	-	-	-	-	-	-	-	-	494,317,120	12,882,880	507,200,000	
-	-	-	-	-	-	-	-	-	(4,003,560,015)	(649,996,979)	(4,653,556,994)	
-	-	-	-	-	-	-	-	-	905,635,666	54,107,862	959,743,528	
-	-	-	-	-	-	-	-	-	-	29,000,000	29,000,000	
-	-	-	-	-	-	-	-	-	-	(412,842,496)	(412,842,496)	
-	-	-	-	-	-	14,772,623	14,772,623	-	14,772,623	-	14,772,623	
-	-	-	-	-	-	-	-	-	(6,047,685,995)	-	(6,047,685,995)	
-	-	-	-	-	-	-	-	-	(925,479,618)	-	(925,479,618)	
-	-	-	-	-	-	-	-	-	-	-	-	
-	(579,587,121)	-	-	-	-	-	(579,587,121)	579,587,121	-	-	-	
(121,418,801)	1,797,101,317	(440,969,226)	1,356,596,955	2,685,013	8,525,682	36,870,181	2,639,391,121	579,587,121	50,728,372,700	1,284,103,202	52,012,475,902	
(121,418,801)	1,797,101,317	(440,969,226)	1,356,596,955	2,685,013	8,525,682	36,870,181	2,639,391,121	579,587,121	50,728,372,700	1,284,103,202	52,012,475,902	
-	-	-	-	-	-	-	-	-	4,141,079,975	265,638,493	4,406,718,468	
(278,821)	-	(440,081,200)	-	-	-	-	(440,360,021)	-	(485,200,520)	(1,773,896)	(486,974,416)	
(278,821)	-	(440,081,200)	-	-	-	-	(440,360,021)	-	3,655,879,455	263,864,597	3,919,744,052	
-	-	-	-	-	-	(20,949,490)	(20,949,490)	-	46,459,126	-	46,459,126	
-	-	-	-	-	-	-	-	-	(1,418,672,691)	(98,898,591)	(1,517,571,282)	
-	-	-	-	-	-	-	-	-	5,914,436	2,005,564	7,920,000	
-	-	-	-	-	-	-	-	(579,587,121)	-	-	-	
-	-	-	-	-	-	-	-	-	-	190,740,000	190,740,000	
-	-	-	-	-	-	-	-	-	-	(182,271,079)	(182,271,079)	
-	-	-	-	-	-	9,302,498	9,302,498	-	9,302,498	-	9,302,498	
-	-	-	-	-	-	-	-	-	(7,569,906,411)	-	(7,569,906,411)	
-	-	-	-	-	-	-	-	-	-	-	-	
(121,697,622)	1,797,101,317	(881,050,426)	1,356,596,955	2,685,013	8,525,682	25,223,189	2,187,384,108	-	45,457,349,113	1,459,543,693	46,916,892,806	

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)

For the year ended 31 March 2016

	Separate financial					
	Issued and paid-up share capital	Share premium	Deficit on business combination under common control	Surplus on swap of investments in subsidiaries under common control	Surplus from business restructuring under common control	Adjustment of asset value as a result of business restructuring under common control
Balance as at 1 April 2014	47,656,922,100	1,797,237,616	(3,790,492,685)	250,065,107	-	-
Profit for the year	-	-	-	-	-	-
Other comprehensive income for the year	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	-
Exercised warrants (Note 36)	20,078,544	10,352,997	-	-	-	-
Sales of investment in subsidiary (Note 17.2.1)	-	-	75,057,454	-	-	-
Share-based payment transaction	-	-	-	-	-	-
Dividend paid (Note 54)	-	-	-	-	-	-
Treasury shares purchased (Note 43)	-	-	-	-	-	-
Transferred to treasury share reserve (Note 43)	-	-	-	-	-	-
Retained earnings transferred to statutory reserve	-	-	-	-	-	-
Discontinued operation (Note 17.1.6)	-	-	-	75,000,000	-	-
Balance as at 31 March 2015	47,677,000,644	1,807,590,613	(3,715,435,231)	325,065,107	-	-
Balance as at 1 April 2015	47,677,000,644	1,807,590,613	(3,715,435,231)	325,065,107	-	-
Profit for the year	-	-	-	-	-	-
Other comprehensive income for the year	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	-
Exercised warrants (Note 36)	40,396,100	27,012,516	-	-	-	-
Sale of investments in subsidiaries with loss of control	-	-	-	(325,065,107)	-	-
Share-based payment transaction	-	-	-	-	-	-
Dividend paid (Note 54)	-	-	-	-	-	-
Business restructuring under common control (Note 17.1.8)	-	-	-	-	656,733,583	(479,140,100)
Retained earnings transferred to statutory reserve (Note 44)	-	-	-	-	-	-
Balance as at 31 March 2016	47,717,396,744	1,834,603,129	(3,715,435,231)	-	656,733,583	(479,140,100)

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

(Unit: Baht)

statements

Treasury shares	Other components of equity							Amount recognised in equities relating to assets classified as held for sale	Total shareholders' equity
	Retained earnings			Other comprehensive income	Surplus on debenture conversion	Capital reserve for share-based payment transaction	Total other components of shareholders' equity		
	Appropriated		Unappropriated						
	Statutory reserve	Treasury share reserve		Deficit on changes in value of investments					
-	1,659,215,559	-	17,877,307,796	(75,052,477)	1,356,596,955	30,568,195	1,312,112,673	-	66,762,368,166
-	-	-	3,535,347,348	-	-	-	-	-	3,535,347,348
-	-	-	-	(311,415,169)	-	-	(311,415,169)	-	(311,415,169)
-	-	-	3,535,347,348	(311,415,169)	-	-	(311,415,169)	-	3,223,932,179
-	-	-	-	-	-	(8,470,637)	(8,470,637)	-	21,960,904
-	-	-	-	-	-	-	-	-	75,057,454
-	-	-	-	-	-	14,772,623	14,772,623	-	14,772,623
-	-	-	(6,047,685,995)	-	-	-	-	-	(6,047,685,995)
(925,479,618)	-	-	-	-	-	-	-	-	(925,479,618)
-	-	925,479,618	(925,479,618)	-	-	-	-	-	-
-	176,767,367	-	(176,767,367)	-	-	-	-	-	-
-	-	-	-	-	-	-	-	(75,000,000)	-
(925,479,618)	1,835,982,926	925,479,618	14,262,722,164	(386,467,646)	1,356,596,955	36,870,181	1,006,999,490	(75,000,000)	63,124,925,713
(925,479,618)	1,835,982,926	925,479,618	14,262,722,164	(386,467,646)	1,356,596,955	36,870,181	1,006,999,490	(75,000,000)	63,124,925,713
-	-	-	6,554,961,580	-	-	-	-	-	6,554,961,580
-	-	-	(15,198,285)	(506,882,907)	-	-	(506,882,907)	-	(522,081,192)
-	-	-	6,539,763,295	(506,882,907)	-	-	(506,882,907)	-	6,032,880,388
-	-	-	-	-	-	(20,949,490)	(20,949,490)	-	46,459,126
-	-	-	325,065,107	-	-	-	-	75,000,000	75,000,000
-	-	-	-	-	-	9,302,498	9,302,498	-	9,302,498
-	-	-	(7,569,906,411)	-	-	-	-	-	(7,569,906,411)
-	-	-	-	-	-	-	-	-	177,593,483
-	327,748,079	-	(327,748,079)	-	-	-	-	-	-
(925,479,618)	2,163,731,005	925,479,618	13,229,896,076	(893,350,553)	1,356,596,955	25,223,189	488,469,591	-	61,896,254,797

6.3

BTS Group Holdings Public Company Limited and its subsidiaries

CASH FLOW STATEMENT

For the year ended 31 March 2016

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cash flows from operating activities				
Profit before tax from continued operation	5,524,259,534	4,124,889,682	7,361,670,864	3,660,378,175
Less: Loss before tax from discontinued operation	3,891,137	(51,644,316)	-	-
Profit before tax	5,528,150,671	4,073,245,366	7,361,670,864	3,660,378,175
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	450,482,018	460,002,433	83,408,178	80,187,195
Unrealised loss (gain) on exchange	56,358,157	(2,156,162)	54,210,686	5,291,882
Share of loss from investments in joint ventures	339,633,490	14,455,790	-	-
Share of profit from investments in associates	(751,031,291)	(866,031,283)	-	-
Unearned revenue recognition	(36,984,914)	(36,883,863)	-	-
Provision for long-term employee benefits	45,521,578	31,951,127	6,112,216	3,512,968
Loss on provisions	75,394,663	113,932,293	-	-
Allowance for impairment of assets	-	125,650,546	-	-
Allowance for impairment of investments (reversal)	497,205,281	-	497,205,281	(11,000,000)
Written off withholding tax	16,476,431	-	16,476,431	-
Amortisation of premium on cross currency swap agreements	(16,408,574)	(60,899,067)	(16,408,574)	(21,940,496)
Reversal of creditors per rehabilitation plan	(95,568,422)	-	(95,568,422)	-
Allowance for doubtful account	9,344,787	17,892,357	77,614,001	201,705,000
Gain on sale of land	-	(367,559,995)	-	-
Gain on sale of warrants	-	(53,421,685)	-	-
Gain from sales of investments	(183,403,766)	(270,863,890)	(142,248,881)	(618,275,231)
Gain on swap of investments	(3,458,509,914)	-	(4,714,767,694)	-
Unrealised loss (gain) on changes in value of current investments in trading securities	14,269,191	2,431,462	(11,443,968)	-
Loss (gain) on sales of assets	(68,991,186)	26,873,853	5,511,982	-
Dividend income	(280,795,585)	(41,657,029)	(3,437,823,795)	(3,270,735,330)

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

CASH FLOW STATEMENT (CONTINUED)

For the year ended 31 March 2016

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Share-based payment transaction	9,302,498	14,772,623	1,551,199	2,463,334
Interest income	(501,404,458)	(1,054,045,416)	(241,225,287)	(176,176,642)
Interest expenses	283,013,132	388,282,005	313,840,858	57,026,596
Profit (loss) from operating activities before changes in operating assets and liabilities	1,932,053,787	2,515,971,465	(241,884,925)	(87,562,549)
Decrease (increase) in operating assets				
Bank account for advance from cardholders	(74,252,575)	(57,848,175)	-	-
Trade and other receivables	252,891,776	(346,767,991)	42,778,668	(35,715,629)
Receivable under concession agreement	92,205,164	40,227,369	-	-
Receivable under finance lease agreement	27,944,785	26,341,608	-	-
Real estate development costs	159,520,955	139,484,198	26,516,635	(28,821,834)
Advances to contractors	(8,163,611)	(7,001,046)	20,931,738	16,509,467
Other current assets	380,162,453	59,483,358	2,653,790	6,036,052
Other non-current assets	(36,321,783)	4,400,675	(985,437)	789,349
Increase (decrease) in operating liabilities				
Trade and other payables	(198,768,734)	(559,721,034)	(150,860,056)	(18,212,477)
Advances received from cardholders	69,595,833	60,022,634	-	-
Retention payable	(18,943,604)	6,181,030	6,070,296	13,907,727
Unearned income	39,114,830	12,075,944	-	-
Fare box revenues awaiting transfer	(1,949,504)	(8,314,930)	-	-
Provision for long-term employee benefits	(11,006,792)	(22,041,826)	14,863,173	(886,336)
Provisions	(264,088,023)	(53,406,850)	-	-
Other current liabilities	(24,338,659)	93,673,591	6,466,529	8,719,709
Cash from (used in) operating activities	2,315,656,298	1,902,760,020	(273,449,589)	(125,236,521)
Cash paid for interest expenses	(175,000,212)	(304,427,340)	(74,599,244)	(14,509,294)
Cash paid for corporate income tax	(1,808,319,038)	(1,668,983,478)	(961,282,149)	(796,964,906)
Net cash from (used in) operating activities	332,337,048	(70,650,798)	(1,309,330,982)	(936,710,721)

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

CASH FLOW STATEMENT (CONTINUED)

For the year ended 31 March 2016

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cash flows from investing activities				
Decrease in current investments	3,688,139,924	18,855,129,921	574,904,156	136,851,262
Increase in restricted deposits	(84,800,918)	(546,339,083)	-	(542,432,500)
Increase in short-term loans to related parties	-	-	(61,200,000)	(130,000,000)
Cash received from repayment of short-term loans to related parties	-	-	41,200,000	-
Increase in long-term loans to related parties	(6,751,170,380)	(1,162,656,000)	(7,690,158,208)	(1,925,171,120)
Cash received from repayment of long-term loans to related parties	1,514,792,731	399,650,000	2,033,367,730	1,856,000,000
Interest income	437,873,571	1,226,272,892	92,479,074	95,717,420
Increase in rights of claim from acquisition of debts per rehabilitation plan	(51,482,228)	-	-	-
Net cash paid for purchases of investments in subsidiaries	(26,697,448)	-	(2,848,108,984)	(4,759,556,995)
Net cash received from sales of investments in subsidiaries	690,227,513	-	769,018,703	1,032,974,595
Cash received from return of capital of subsidiary, joint venture and associate	655,092,000	148,533,000	593,592,000	148,533,000
Cash received from sales of warrants	-	129,213,216	-	-
Cash paid for purchases of investments in joint ventures	(500,000,000)	(133,750,000)	(450,000,000)	(100,000,000)
Cash received from sales of investment in a joint venture	38,750,000	-	-	-
Cash paid for purchases of investments in associates	(100,000,000)	(696,535,015)	-	-
Cash paid for purchases of other long-term investments	(6,014,809,136)	(11,300,986,474)	(5,550,966,221)	(9,615,814,628)
Cash received from sales of other long-term investments	2,886,892,369	6,189,329,375	2,886,892,369	6,189,329,375
Dividend received	1,580,613,399	1,258,357,636	2,799,367,806	2,327,548,151
Cash paid for purchases of land and projects awaiting development	(1,019,270,237)	-	-	-
Cash paid for purchases of property, plant and equipment	(559,343,597)	(1,102,502,857)	(150,958,553)	(50,024,494)
Cash received from sales of property, plant and equipment	56,463,667	8,390,010	62,701	196,262
Cash paid for purchases of investment properties	(4,292,501)	(541,051,684)	(90,421,956)	(369,162,467)
Cash received from sales of investment properties	31,500,000	1,412,254,950	-	1,264,950
Cash paid for purchases of intangible assets	(50,271,329)	(53,570,833)	(53,232)	(316,720)
Cash received from sales of intangible assets	22,096,531	-	-	-
Cash paid for advances for asset acquisitions	-	(83,807,192)	-	-
Net cash from (used in) investing activities	(3,559,696,069)	14,005,931,862	(7,050,982,615)	(5,704,063,909)

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

CASH FLOW STATEMENT (CONTINUED)

For the year ended 31 March 2016

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cash flows from financing activities				
Increase in short-term loans from financial institutions	8,134,000,000	910,000,000	7,614,000,000	-
Cash paid for short-term loans from financial institutions	(4,914,000,000)	(380,000,000)	(4,104,000,000)	-
Increase in bills of exchange payables	3,405,688,907	-	3,405,688,907	-
Cash paid for bills of exchange payables	(500,000,000)	-	(500,000,000)	-
Increase in long-term loans from financial institution	-	973,734,000	-	973,734,000
Cash paid for long-term loans from financial institution	(26,000,000)	(8,000,000)	-	-
Increase in short-term loans from related parties	13,200,000	-	17,525,500,000	14,362,000,000
Cash paid for short-term loans from related parties	(13,200,000)	(20,000,000)	(8,067,000,000)	(4,245,000,000)
Cash received from exercised warrants	46,459,126	21,960,904	46,459,126	21,960,904
Cash received from sales of warrants of the subsidiary	-	634,000,000	-	-
Cash paid for liability awaiting final court order	(181,869,687)	-	(181,869,687)	-
Dividend paid	(7,557,430,618)	(6,028,140,354)	(7,557,430,618)	(6,028,140,354)
Cash paid for long-term debentures	(1,468,900,000)	(3,611,300,000)	-	-
Cash paid for treasury stock	-	(925,479,618)	-	(925,479,618)
Cash paid for transaction cost of business restructuring under common control	-	-	(45,445,002)	-
Cash paid for purchases of investments in subsidiaries	(1,543,182,388)	(4,653,556,994)	-	-
Cash received from sales of investment in subsidiary	-	1,032,974,595	-	-
Dividend paid by subsidiaries to non-controlling interests of subsidiaries	(173,714,541)	(403,401,279)	-	-
Cash received from non-controlling interests of subsidiary for exercised warrants	-	2,811,914	-	-
Cash received from non-controlling interests for issuance of ordinary shares of subsidiaries	190,740,000	29,000,000	-	-
Net cash from (used in) financing activities	(4,588,209,201)	(12,425,396,832)	8,135,902,726	4,159,074,932
Increase in translation adjustment	481,883	1,346,194	-	-
Net increase (decrease) in cash and cash equivalents	(7,815,086,339)	1,511,230,426	(224,410,871)	(2,481,699,698)
Cash and cash equivalents at beginning of the year	10,111,920,166	8,668,509,431	605,765,222	3,087,464,920
Cash and cash equivalents classified as assets held for sale at beginning of the period	67,819,691	(67,819,691)	-	-
Cash and cash equivalents at end of the year	2,364,653,518	10,111,920,166	381,354,351	605,765,222

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

CASH FLOW STATEMENT (CONTINUED)

For the year ended 31 March 2016

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Supplemental cash flow information				
Non-cash transactions				
Transfer equipment to spare parts	1,532,536	64,248,112	-	-
Transfer equipment to intangible assets	18,912,726	5,359,906	50,932	-
Transfer equipment to other current assets	2,557,172	11,519,308	-	-
Transfer real estate development cost to investment properties	-	172,490,471	-	-
Transfer property, plant and equipment to investment properties	-	-	1,578,920	308,030,247
Transfer investment properties to property, plant and equipment	6,046,381	4,562,560	11,912,873	28,340,569
Payable of acquisition of equipment	51,507,430	152,405,773	48,193,148	1,454,616
Receivable of sales of equipment	54,000,000	-	-	-
Payable of acquisition of investment properties	-	-	6,384,134	16,371,031
Payable of acquisition of intangible assets	2,915,491	2,897,964	-	-
Payable of acquisition of other long-term investments	28,532,345	116,586,246	28,532,345	116,586,246
Receivable from sales of investments	2,993,268	-	2,993,268	-
Increase in investment in associate from swap of investments in subsidiaries	9,468,845,000	-	9,468,845,000	-
Settle short-term loan from related party with dividend received	-	-	610,000,000	932,000,000
Settle interest payable with dividend received	-	-	11,963,019	2,348,262
Transfer equipment to settle other payables	31,231,951	-	-	-
Transfer intangible assets to settle other payables	26,631,430	-	-	-
Transfer other long-term investments to current investments	1,937,907,063	1,707,765,084	-	-
Transfer investments in subsidiary and associate to investments in joint ventures	-	-	687,207,808	-
Settle cash deposited as collateral for debt settlement with creditors per rehabilitation plan	-	61,739,042	-	61,739,042
Record provision for cost of construction of car park building and sky walk of investment properties	-	231,000,000	-	-
Transfer long-term loan to related parties and interest receivables to investments in subsidiaries	-	-	2,853,977,404	-
Transfer short-term loan to related party to long-term loan	-	-	114,000,000	-
Transfer land, investments, loans, to related parties and interest receivables to subsidiary as a result of business restructuring (Note 17.1.8)	-	-	4,773,642,216	-

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2016

1. GENERAL INFORMATION

1.1 THE COMPANY'S 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.

1.2 ADDITIONAL INFORMATION OF THE MASS TRANSIT BUSINESS

The mass transit business operated by a subsidiary (Bangkok Mass Transit System Public Company Limited ("BTSC")) consists of the provision of operating services of the Core BTS Sky Train System as an operator, operating services under operating and maintenance service agreement of extension to the Core BTS Sky Train System and operating service under operating and bus procurement (BRT) agreement. The details are as follows:

- a) The operation of an elevated mass transit system in prime business areas in Bangkok over two routes ("the Core BTS Sky Train 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 the subsidiary, for 30 years after commissioning under the concession granted by the Bangkok Metropolitan Administration ("BMA"). The commercial operations commenced on 5 December 1999. The concession stipulates that the civil works are to be structured on a build-transfer-operate basis whereby the subsidiary will transfer legal title of the assets to BMA as they are brought into service. The electrical and mechanical works are to be transferred to BMA on a build-operate-transfer basis at the expiry of the concession.

On 17 April 2013, the subsidiary and BTS Rail Mass Transit Growth Infrastructure Fund ("BTSGIF") entered into the Net Revenue Purchase and Transfer Agreement in relation to the Bangkok Mass Transit System Concession Agreement, covering the remainder of the concession. From an accounting perspective, the subsidiary carefully and thoroughly considered these transactions and concluded that the sale of the rights to collect future fare box revenues was a true sale of an intangible asset (project cost). As a result, the subsidiary derecognised project cost and the related accounts from its books and recognised a gain on sale of future net fare box revenues in the financial statements for the year ended 31 March 2014. The agreement stipulates that the subsidiary continues to be the operator of the train services, overseen by BTSGIF, while decision-making authority as the owner belongs to BTSGIF. The subsidiary submits cash receipts of net fare box revenues to BTSGIF, as a middleman responsible only for the collection of fare box revenue. The subsidiary receives fees as the operator under the conditions as stipulated in the agreement.

However, from a tax perspective, the sale of future net fare box revenues was treated as borrowing from BTSGIF. The subsidiary remains the owner of the intangible asset (project cost) and fare box revenues and expenses still belong to the subsidiary. The subsidiary calculates corporate income tax based on taxable revenues and expenses determined in accordance with tax legislation.

- b) The provision of operation and maintenance services for the extension to the Core BTS Sky Train System under the Operation and Maintenance for Bangkok Mass Transit System Agreement dated 3 May 2012 made with Krungthep Thanakom Company Limited ("Krungthep Thanakom") (established by the Bangkok Metropolitan Authority) and the amendment to the agreement, for 30 years from 8 May 2012 to 2 May 2042.
- c) The provision of operation and maintenance services under an operating and bus procurement (BRT) agreement dated 10 February 2010 with Krungthep Thanakom and the amendment to the agreement, for 7 years from 15 May 2010 to 15 May 2017.

2. BASIS OF PREPARATION

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting 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

- a) The consolidated financial statements include the financial statements of the Company and the following subsidiary companies (“the subsidiaries”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2016	2015
Subsidiaries directly owned by the Company				
Bangkok Mass Transit System Public Co., Ltd. (“BTSC”)	Mass transit business	Thailand	97.46	97.46
Dnal Co., Ltd.	Office rental	Thailand	- ¹	100
Muangthong Assets Co., Ltd.	Hotel	Thailand	- ¹	100
PrannaKiri Assets Co., Ltd.	Property development	Thailand	- ¹	100
Yong Su Co., Ltd.	Dormancy	Thailand	- ¹	100
Tanayong Food and Beverage Co., Ltd.	Property development	Thailand	- ¹	100
Thana City Golf & Sports Club Co., Ltd.	Management of golf course and club house	Thailand	- ¹	100
Siam Paging and Communication Co., Ltd.	Property development	Thailand	- ¹	100
Tanayong Property Management Co., Ltd.	Building management	Thailand	- ¹	100
Tanayong International Ltd.	Dormancy	Cayman Island	100	100
HHT Construction Co., Ltd.	Construction services	Thailand	- ¹	51
Tanayong Hong Kong Ltd.	Investment in securities	Hong Kong	100	100
Rabbit Rewards Co., Ltd. (Formerly known as “Carrot Rewards Co., Ltd.”)	CRM Loyalty Program and Coupon Kiosks	Thailand	100	100
Nuvo Line Agency Co., Ltd.	Property development	Thailand	-	100
BTS Assets Co., Ltd.	Hotel and property development	Thailand	-	100
BTS Land Co., Ltd.	Trademark development for property development and service businesses	Thailand	- ¹	100
Kamkoong Property Co., Ltd.	Property development	Thailand	-	100
Man Kitchen Co., Ltd.	Restaurant and related businesses	Thailand	70	70
Mak8 Co., Ltd.	Property development	Thailand	- ¹	87.50
Primary Kitchen Co., Ltd.	Restaurant and related businesses	Thailand	100	100
BSS Holdings Co., Ltd.	Investment in the securities of other companies	Thailand	100	100
Unicorn Enterprise Co., Ltd.	Investment in the securities of other companies	Thailand	100	-

¹ held by Unicorn Enterprise Co., Ltd. as discussed in Note 17.1.8 to the financial statements

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2016	2015
Subsidiaries indirectly owned by the Company				
Held by BTSC				
VGI Global Media Public Co., Ltd. (23.30% held by the Company (2015: 18.58%))	Advertising services on Bangkok Mass Transit System (BTS), in department stores, in office buildings and others	Thailand	51	51
Bangkok Smartcard System Co., Ltd.	Provision for electronic payment services	Thailand	90	90
Held by VGI Global Media Public Co., Ltd.				
VGI Advertising Media Co., Ltd.	Management of advertising in department stores	Thailand	100	100
999 Media Co., Ltd.	Manufacturing of radio media	Thailand	-	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	Thailand	100	100
VGI Advertising China Co., Ltd.	Managing and providing of the advertising	The People's Republic of China	-	100
Held by BSS Holdings Co., Ltd.				
Bangkok Payment Solutions Co., Ltd.	Developing software and providing technology services, including technology associated with Thailand's mass transit and payment systems	Thailand	60	-
RabbitPay System Co., Ltd.	Electronic payment services through any devices or networks, bill payment service, and investment in the securities of other companies	Thailand	80	-
Rabbit Internet Co., Ltd. (Formerly known as "ASK Hanuman Co., Ltd.")	Data management and processing	Thailand	25	-
ASK Direct Group Co., Ltd. ²	Provision of direct sales services for all types of product via telesales and online channels	Thailand	51	-
ASK Broker Association Co., Ltd. ²	Insurance broker	Thailand	51	-
Held by BTS Land Co., Ltd.				
Bangkok Payment Solutions Co., Ltd.	Developing software and providing technology services, including technology associated with Thailand's mass transit and payment systems	Thailand	-	60

² 49% held by Rabbit Internet Co., Ltd.

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2016	2015
Subsidiaries indirectly owned by the Company (continued)				
Held by Man Kitchen Co., Ltd.				
Little Corner Co., Ltd.	Restaurant and related businesses	Thailand	69	75
Held by Unicorn Enterprise Co., Ltd.				
Dnal Co., Ltd.	Office rental	Thailand	100	-
Muangthong Assets Co., Ltd.	Hotel	Thailand	100	-
PrannaKiri Assets Co., Ltd.	Property development	Thailand	100	-
Yong Su Co., Ltd.	Dormancy	Thailand	100	-
Tanayong Food and Beverage Co., Ltd.	Property development	Thailand	100	-
Thana City Golf & Sports Club Co., Ltd.	Management of golf course and club house	Thailand	100	-
Siam Paging and Communication Co., Ltd.	Property development	Thailand	100	-
Tanayong Property Management Co., Ltd.	Building management	Thailand	100	-
HHT Construction Co., Ltd.	Construction services	Thailand	51	-
BTS Land Co., Ltd.	Trademark development for property development and service businesses	Thailand	100	-
Mak8 Co., Ltd.	Property development	Thailand	100	-
Keystone Estate Co., Ltd.	Property development	Thailand	100	-
Ratburana Property Co., Ltd.	Property development	Thailand	100	-
Kingkaew Assets Co., Ltd.	Property development	Thailand	100	-
The Community One Co., Ltd.	Property development	Thailand	100	-
The Community Two Co., Ltd.	Property development	Thailand	100	-
Nine Square Property Co., Ltd.	Property development	Thailand	100	-

- b) The Company and its subsidiaries are deemed to have control over an investee or subsidiaries if they have rights, or are exposed, to variable returns from their involvement with the investee, and they have the ability to direct the activities that affect the amount of its returns.
- c) 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.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) The assets and liabilities in the financial statements of an overseas subsidiary is translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses are 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.
- f) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.
- g) 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 statement of comprehensive income and within equity in the consolidated statement of financial position.

2.3 The separate financial statements present investments in subsidiaries, joint venture and associates under the cost method.

3. NEW FINANCIAL REPORTING STANDARDS

Below is a summary of financial reporting standards that became effective in the current accounting year and those that will become effective in the future.

(a) Financial reporting standard that became effective in the current year

The Company and its subsidiaries have adopted the revised (revised 2014) and new financial reporting standards issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after 1 January 2015 (beginning on or after 1 April 2015 for the Company and its subsidiaries). These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company and its subsidiaries' financial statements. However, some of these standards involve changes to key principles, which are summarised below.

TAS 19 (revised 2014) Employee Benefits

This revised standard requires that the entity recognise actuarial gains and losses immediately in other comprehensive income while the former standard allowed the entity to recognise such gains and losses immediately in either profit or loss or other comprehensive income, or to recognise them gradually in profit or loss.

This revised standard does not have any impact on the financial statements as the Company and its subsidiaries already recognise actuarial gains and losses immediately in other comprehensive income.

TFRS 10 Consolidated Financial Statements

TFRS 10 prescribes requirements for the preparation of consolidated financial statements and replaces the content of TAS 27 Consolidated and Separate Financial Statements dealing with consolidated financial statements. This standard changes the principles used in considering whether control exists. Under this standard, an investor is deemed to have control over an investee if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns, even if it holds less than half of the shares or voting rights. This important change requires the management to exercise a lot of judgement when reviewing whether the Company and its subsidiaries have control over investees and determining which entities have to be included in preparation of the consolidated financial statements.

This standard does not have any impact on the Company's and its subsidiaries' financial statements.

TFRS 11 Joint Arrangements

TFRS 11 supersedes TAS 31 Interests in Joint Ventures. This standard requires an entity investing in any other entity to determine whether the entity and other investors have joint control in the investment. When joint control exists, there is deemed to be a joint arrangement and the entity then needs to apply judgement to assess whether the joint arrangement is a joint operation or a joint venture and to account for the interest in the investment in a manner appropriate to the type of joint arrangement. If it is a joint operation, the entity is to recognise its shares of assets, liabilities, revenue and expenses of the joint operation, in proportion to its interest, in its separate financial statements. If it is a joint venture, the entity is to account for its investment in the joint venture using the equity method in the financial statements in which the equity method is applied or the consolidated financial statements (if any), and at cost in the separate financial statements.

This standard does not have any impact on the financial statements since the Company and its subsidiaries already apply the equity method to account for the investment in a joint venture.

TFRS 12 Disclosure of Interests in Other Entities

This standard stipulates disclosures relating to an entity's interests in subsidiaries, joint arrangements and associates, including structured entities. This standard therefore has no financial impact on the financial statements of the Company and its subsidiaries.

TFRS 13 Fair Value Measurement

This standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurement. Entities are to apply the guidance under this standard if they are required by other financial reporting standards to measure their assets or liabilities at fair value. The effects of the adoption of this standard are to be recognised prospectively.

This standard does not have any significant impact on the Company's and its subsidiaries' financial statements.

(b) Financial reporting standard issued during the period and not yet effective

During the current year, the Federation of Accounting Professions issued a number of the revised (revised 2015) and new financial reporting standards and accounting treatment guidance which is effective for fiscal years beginning on or after 1 January 2016 (beginning on or after 1 April 2016 for the Company and its subsidiaries). These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards. The Company and its subsidiaries' management believes that the revised and new financial reporting standards and accounting treatment guidance will not have any significant impact on the financial statements when it is initially applied.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 REVENUE RECOGNITION

Train procurement service income under concession agreement

Train procurement service income under concession agreement is recognised when service has been rendered, taking into account the stage of completion.

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. The service charge depends on the area, the service charge per area and the period of service stipulated in the contracts.

Revenues from provision of operating services

Income from providing of operating services is recognised when services have been rendered taking into account the stage of completion, excluding value added tax. Service rate charged is in accordance with rates as stipulated in the contract.

Revenues from provision of space

Space rental income is income from the rental of advertising space and retail space. Space rental income is recognised on a straight-line basis over the lease term. The rental charge depends on the area rented, the rental rate charged per area, and the rental period stipulated in the contract.

Revenues from hotel and restaurant operations

Revenues from hotel and restaurant operations mainly comprise of room sales, food and beverage sales and revenues from auxiliary activities, and represent the invoiced value (excluding value added tax) of goods delivered and services rendered after deducting discounts and service charges.

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 sales of real estate

Revenues from sales of land, land and houses and condominium units are recognised in full when significant risks and rewards are transferred to the buyer.

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.

Finance lease income is recognised over the term of the agreement, using the effective interest rate, and income is recognised as the installments fall due irrespective of when actual collection is made. Finance lease income is presented under interest income in the profit or loss.

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 profit or loss.

Cost of train procurement service under concession agreement

Cost of train procurement service under concession agreement 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 ACCOUNTS RECEIVABLE

- a) Accounts receivable are stated at the net realisable value.
- b) Receivables under concession and finance lease agreements are stated at the outstanding balance, net of deferred revenue.

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 experiences 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 securities held for trading are stated at fair value. Changes in the fair value of these securities are recorded in the profit or loss.
- b) 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 the profit or loss when the securities are sold.
- c) 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.
- d) Investments in non-marketable equity securities, which the Company classifies as other investments, are stated at cost net of allowance for impairment loss (if any).
- e) Investments in joint venture and associates are accounted for in the consolidated financial statements using the equity method.
- f) Investments in subsidiaries, joint ventures 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 debt instruments is determined based on yield rates quoted by the Thai Bond Market Association or yield rate of government bond adjusted by an appropriate risk factor, as the case may be. 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 and its subsidiaries reclassify 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 other components of 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 PROJECT COSTS-MEDIA

Project costs-media are stated at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Amortisation of project costs-media is calculated by reference to cost, at a proportion of the actual rental and advertising income and budgeted rental and advertising income over the concession period.

Amortisation is included in determining income.

4.8 SPARE PARTS AND AMORTISATION

Spare parts 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 through profit or loss 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 straight-line basis over the period of the operation and maintenance agreement for a mass transit system in Bangkok and is recorded through the profit or loss.

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 for rent	20-30	years
Buildings and hotel for rent	30	years and period of lease

Depreciation of the investment properties is included in determining income.

No depreciation is provided on land awaiting sales and investment properties in progress.

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 and its subsidiaries' assets, the increase is recognised in the statements of other comprehensive income and 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 and its subsidiaries' 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:

Buildings and improvements	5-30	years
Leasehold improvement	5-20	years or the lower of lease term
Golf course development costs	5-20	years
Machinery and equipment	3-10	years
Furniture and office equipment	3-10	years
Motor vehicles	5	years

Depreciation is included in determining income.

No depreciation is provided on land, construction in progress and assets under installation.

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

Computer software is carried at cost less accumulated amortisation and allowance for impairment losses (if any).

Computer software is amortised on a systematic basis over the economic useful lives of 3 years and 5 years and tested for impairment whenever there is an indication that the computer software may be impaired. The amortisation period and the amortisation method of such computer software are reviewed at least at each financial year end. The amortisation expense is charged to the profit or loss.

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 subsidiary's cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The subsidiary 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 recognised 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 and its subsidiaries perform 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 and its subsidiaries 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 and its subsidiaries estimate 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 PROVISIONS

General

Provisions are recognised when the subsidiaries have 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.

Major maintenance or restoration of elevated trains under service concession

The subsidiary has contractual obligations to maintain or restore the elevated trains under service concession to a specified level of service ability. The obligations are recognised and measured at the best estimate of the expenditure that would be required to settle the present obligation at the end of the reporting period.

4.17 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.

4.18 LONG-TERM LEASES

Leases of property, plant and 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. The assets acquired under finance leases are depreciated over the shorter of the useful life of the asset and the lease period.

Leases of property, plant and equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease term.

4.19 RELATED PARTY TRANSACTIONS

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

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

4.20 FOREIGN CURRENCIES

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

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, with the exception of those covered by forward exchange contracts, which are translated at the contracted rates.

Translation differences on investments in debt securities and other monetary financial assets measured at fair value are included in gains and losses on exchange. Translation differences on non-monetary items such as investments in equity securities held for trading are reported as part of the fair value gain or loss. Translation differences on available-for-sale investments in equity securities are included in the fair value gain or loss in other comprehensive income.

Gains and losses on exchange are included in determining income.

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

Defined benefit plans

The Company and its subsidiaries have obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company and its subsidiaries treat 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.

4.22 ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

The Company classifies assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Gain or loss from discontinued operations are excluded from the results of continuing operations and are presented as a single amount in the profit or loss.

4.23 TREASURY SHARE

Treasury share is stated at cost and presented in statement of financial position as a reduction from shareholders' equity. Gains on disposal of treasury stock are determined by reference to its carrying amount and are taken to premium on treasury share, losses on disposal of treasury share are determined by reference to its carrying amount and are taken to premium on treasury share and retained earnings, consecutively.

4.24 SERVICE CONCESSION ARRANGEMENTS

The subsidiary provides services to procure electric trains to be used in the provision of public services and to operate and maintain elevated trains under service concession for a specified period of time under an Operating and Maintenance of Bangkok Mass Transit System Agreement. The subsidiary is paid for its services over the period of the arrangement, and the arrangement is governed by a contract that sets out performance standards. Such arrangement is a public-to-private service concession arrangement.

The subsidiary recognises the consideration received or receivable for its provision of train procurement services as a financial asset (receivable under concession agreement) to the extent that it has an unconditional contractual right to receive cash or another financial asset for the services from or at the direction of the grantor. Receivables are measured at fair value upon initial recognition. Receivable under concession agreement is presented and measured at amortised cost. Interest is calculated using the effective interest method to be recognised in the profit or loss.

Borrowing costs attributable to the arrangement are recognised as an expense in the period in which they are incurred in case the subsidiary recognises the consideration as financial asset.

4.25 INCOME TAX

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current 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.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company and its subsidiaries recognise deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Company and its subsidiaries review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company and its subsidiaries record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.26 DERIVATIVES

Cross currency swap agreement/Forward exchange agreement

Payables and receivables arising from cross currency swap agreement/forward exchange agreement are translated into Baht at the rates of exchange ruling at the end of reporting period. Unrecognised gains and losses from the translation are recognised in profit or loss. Premiums or discounts on cross currency swap agreement/forward exchange agreement are amortised on a straight-line basis over the contract periods.

4.27 FAIR VALUE MEASUREMENT

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company and its subsidiaries apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company and its subsidiaries measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

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

At the end of each reporting period, the Company and its subsidiaries determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

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, aging profile of outstanding debts and the prevailing economic condition.

FAIR VALUE OF FINANCIAL INSTRUMENTS

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk (bank and counterparty, both) liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

IMPAIRMENT OF INVESTMENTS

The Company and its subsidiaries treat 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 and its subsidiaries' plant and equipment and to review estimated useful lives and residual values when there are any changes.

The Company and its subsidiaries measure land at revalued amounts in the consolidated financial statements. Such amounts are determined by the independent valuer using the market approach. 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.

PROJECT COSTS-MEDIA AND AMORTISATION

In determining amortisation of project costs-media, the management is required to make estimate of the rental and advertising income over the concession period and to review the estimated rental and advertising income when circumstance changes.

REAL ESTATE DEVELOPMENT COST ESTIMATION

In recognising revenue from real estate sales, the Company and its subsidiaries need 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.

GOODWILL AND INTANGIBLE ASSETS

The initial recognition and measurement of goodwill and intangible assets, and subsequent impairment testing, require management to 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.

DEFERRED TAX ASSETS

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

ACCRUED EXPENSES

In determining a provision for the Company and its subsidiaries' 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 and its subsidiaries, recording expenses as of the statement of financial position date. The management of the Company and its subsidiaries 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.

PROVISIONS

The subsidiaries determined the provisions using various assumptions relevant to each provision. Estimates are reviewed whenever circumstances change.

ALLOCATION OF ASSETS AND LIABILITIES AND REVENUES AND EXPENSES TO BTSGIF

The subsidiary allocated assets, liabilities, revenues and expenses in order to submit net fare box revenues to BTSGIF. In making these allocations the management needs to apply judgment, bases, information and various assumptions, regarding matters such as route length and the expenses reimbursable from BTSGIF. The allocations are reviewed whenever new transactions occur and circumstances change. In addition, the allocations have to be verified and approved by BTSGIF.

CORPORATE INCOME TAX OF A SUBSIDIARY (BTSC)

From a tax perspective, the sale of future net fare box revenues was treated as borrowing from BTSGIF and so in calculating corporate income tax, the subsidiary calculated interest expense based on the difference between the net fare box revenues submitted to BTSGIF and the amortisation of BTSGIF's investment in rights to receive fare box revenue of the Core Bangkok Mass Transit System of BTSGIF (calculated based on projections of numbers of passengers in the report prepared by an independent valuer). The estimate is reviewed whenever new transactions occur and circumstances change.

LITIGATION

The Company and its subsidiaries have contingent liabilities as a result of litigation. The Company and its subsidiaries' management has 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				Pricing policy
	Consolidated financial statements		Separate financial statements		
	2016	2015	2016	2015	
Transactions with subsidiaries					
(Eliminated from the consolidated financial statements)					
Sales of land and investments (Note 17.1.8)	-	-	2,992	-	Contract price
Interest income	-	-	73	95	At cost of funds plus margin
Management income	-	-	47	47	Contract price
Utility income	-	-	12	10	Contract price
Revenue from guarantee	-	-	57	59	Contract price
Commission income	-	-	-	43	Contract price
Rental income	-	-	50	42	Contract price
Dividend income	-	-	2,001	2,026	Announce rate
Management fee	-	-	7	20	Contract price
Rental expenses	-	-	12	5	Contract price
Interest expenses	-	-	284	57	At cost of funds plus margin
Purchases of fixed assets and investment properties	-	-	207	379	Contract price
Return of capital	-	-	501	-	Announce rate
Transactions with jointly controlled entities and associates					
Sale of land	-	1,411	-	-	Contract price
Interest income	145	6	119	6	At cost of funds plus margin
Service income	88	99	-	-	Contract price
Dividend income	1,316	1,226	1,292	1,207	Announce rate
Return of capital	656	149	93	149	Announce rate
Revenue sharing paid	1	1	-	-	Contract price
Management fee	34	44	13	17	Contract price
Special business tax paid	57	53	-	-	Contract price
Shortfall in revenues being lower than the minimum guaranteed amounts paid (Note 35)	188	-	-	-	Contract price
Net fare box revenues transferred	4,475	3,957	-	-	Contract price
Transactions with related parties					
Sale of investment (Note 17.1.5)	769	-	769	-	Contract price
Interest income	4	-	9	-	At cost of funds plus margin
Service income	31	9	-	-	Contract price
Revenue sharing paid	25	-	-	-	Contract price
Cost of service	-	7	-	-	Contract price
Management fee	12	11	4	-	Contract price
Purchases of fixed assets and investment properties	24	32	3	-	Contract price

As at 31 March 2016 and 2015, the balances of the accounts between the Company and those related parties are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Trade and other receivables-related parties (Note 10)				
Subsidiary companies	-	-	50,714	23,281
Jointly controlled entities and associated companies	153,104	149,340	92,894	1,198
Related companies (common shareholders/ shareholder of related company)	30,886	4,374	8,262	-
Total trade and other receivables-related parties	183,990	153,714	151,870	24,479
Advance to contractor-related party				
Subsidiary company	-	-	3,186	19,476
Total advance to contractor-related party	-	-	3,186	19,476
Accrued income-related parties				
Associated companies	447,723	357,299	-	-
Related company (common shareholders/ shareholder of related company)	14	1,205	-	-
Total accrued income-related parties	447,737	358,504	-	-
Trade and other payables-related parties (Note 29)				
Subsidiary companies	-	-	316,941	91,400
Jointly controlled entities and associated companies	274	685	-	-
Related companies (common shareholders/ shareholder of related company)	25,383	1,558	1,168	-
Total trade and other payables-related parties	25,657	2,243	318,109	91,400
Unearned revenue-related party				
Associated company	504,854	541,839	-	-
Total unearned revenue-related party	504,854	541,839	-	-
Retention payable-related parties				
Subsidiary company	-	-	13,017	7,471
Related company (shareholder of subsidiary company)	16,679	-	-	-
Total retention payable-related party	16,679	-	13,017	7,471
Provision-related parties (Note 35)				
Associated companies	1,171,299	1,208,163	-	-
Total provision-related party	1,171,299	1,208,163	-	-

LOANS TO RELATED PARTIES AND LOANS FROM RELATED INDIVIDUALS AND PARTIES

As at 31 March 2016 and 2015, the balances of loans between the Company and those related individuals and parties and the movements are as follows:

(Unit: Thousand Baht)

Short-term loan to related parties	Related by	Consolidated financial statements			
		Balance as at 31 March 2015	Increase during the year	Decrease during the year	Balance as at 31 March 2016
EGV Co., Ltd.	Related company	4,018	-	-	4,018
Related individual	Director of subsidiaries	-	14,318	-	14,318
		4,018	14,318	-	18,336
Less: Allowance for doubtful debt		(4,018)	-	-	(4,018)
Net		-	14,318	-	14,318

(Unit: Thousand Baht)

Short-term loan to related parties	Related by	Separate financial statements			
		Balance as at 31 March 2015	Increase during the year	Decrease during the year	Balance as at 31 March 2016
Rabbit Rewards Co., Ltd. (Formerly known as "Carrot Rewards Co., Ltd.")	Subsidiary company	306,500	20,000	(326,500)	-
Man Kitchen Co., Ltd	Subsidiary company	-	30,800	(30,800)	-
Primary Kitchen Co., Ltd.	Subsidiary company	-	10,400	(10,400)	-
EGV Co., Ltd.	Related company	4,018	-	-	4,018
		310,518	61,200	(367,700)	4,018
Less: Allowance for doubtful debts		(216,518)	-	212,500	(4,018)
Net		94,000	61,200	(155,200)	-

(Unit: Thousand Baht)

Long-term loan to related parties	Related by	Consolidated financial statements			
		Balance as at 31 March 2015	Increase during the year	Decrease during the year	Balance as at 31 March 2016
Hwa Kay Thai (Thailand) Co., Ltd.	Related company	22,900	-	(2,800)	20,100
Midas Global Media Co., Ltd. ⁽¹⁾	Related company	39,250	80,000	(11,925)	107,325
BTS Sansiri Holding One Ltd.	Jointly controlled entity	350,000	160,000	(190,000)	320,000
BTS Sansiri Holding Two Ltd.	Jointly controlled entity	373,756	-	(247,068)	126,688
BTS Sansiri Holding Three Ltd.	Jointly controlled entity	-	400,000	(130,000)	270,000
BTS Sansiri Holding Four Ltd.	Jointly controlled entity	-	642,000	(420,000)	222,000
BTS Sansiri Holding Five Ltd.	Jointly controlled entity	-	175,000	(147,000)	28,000
BTS Sansiri Holding Six Ltd.	Jointly controlled entity	-	450,000	-	450,000
BTS Sansiri Holding Seven Ltd.	Jointly controlled entity	-	75,000	(70,000)	5,000
BTS Sansiri Holding Eight Ltd.	Jointly controlled entity	-	209,000	-	209,000
BTS Sansiri Holding Nine Ltd.	Jointly controlled entity	-	36,000	-	36,000
BTS Sansiri Holding Eleven Ltd.	Jointly controlled entity	-	283,000	(220,000)	63,000
BTS Sansiri Holding Twelve Ltd.	Jointly controlled entity	-	174,000	-	174,000
BTS Sansiri Holding Fourteen Ltd.	Jointly controlled entity	-	86,000	(76,000)	10,000
Nuvo Line Agency Co., Ltd.	Jointly controlled entity	-	50,000	-	50,000
ATS Rabbit Special Purpose Vehicle Co., Ltd.	Jointly controlled entity	-	29,870	-	29,870
Bayswater Co., Ltd.	Jointly controlled entity	-	3,901,300	-	3,901,300
		785,906	6,751,170	(1,514,793)	6,022,283
Less: Allowance for doubtful debts		(22,900)	-	2,800	(20,100)
		763,006	6,751,170	(1,511,993)	6,002,183
Less: Current portion		(3,925)	(61,662)	11,925	(53,662)
Net		759,081	6,689,508	(1,500,068)	5,948,521

⁽¹⁾ On 1 July 2015, the status of Midas Global Media Company Limited changed from a jointly controlled entity to a related company.

(Unit: Thousand Baht)

Long-term loans to related parties	Related by	Separate financial statements			
		Balance as at 31 March 2015	Increase during the year	Decrease during the year	Balance as at 31 March 2016
Yongsu Co., Ltd.	Subsidiary company	5,875	85	(5,960)	-
Tanayong Food and Beverage Co., Ltd.	Subsidiary company	243,139	66,983	(310,122)	-
Muangthong Assets Co., Ltd.	Subsidiary company	274,200	-	(274,200)	-
Tanayong International Ltd.	Subsidiary company	437,142	5,539	-	442,681
Tanayong Hong Kong Ltd.	Subsidiary company	3,752	66	-	3,818
Siam Paging and Communication Co., Ltd.	Subsidiary company	116,550	9,460	(126,010)	-
BTS Land Co., Ltd.	Subsidiary company	71,300	8,500	(79,800)	-
Thana City Golf & Sports Club Co., Ltd.	Subsidiary company	49,300	14,100	(63,400)	-
Unicorn Enterprise Co., Ltd.	Subsidiary company	-	6,895,909	(813,600)	6,082,309
Rabbit Rewards Co., Ltd. (Formerly known as "Carrot Rewards Co., Ltd.")	Subsidiary company	-	326,500	-	326,500
BTS Sansiri Holding One Ltd.	Jointly controlled entity	350,000	120,000	(470,000)	-
BTS Sansiri Holding Two Ltd.	Jointly controlled entity	373,756	-	(373,756)	-
BTS Sansiri Holding Three Ltd.	Jointly controlled entity	-	291,000	(291,000)	-
BTS Sansiri Holding Four Ltd.	Jointly controlled entity	-	600,000	(600,000)	-
BTS Sansiri Holding Five Ltd.	Jointly controlled entity	-	175,000	(175,000)	-
BTS Sansiri Holding Six Ltd.	Jointly controlled entity	-	330,000	(330,000)	-
BTS Sansiri Holding Seven Ltd.	Jointly controlled entity	-	75,000	(75,000)	-
BTS Sansiri Holding Eight Ltd.	Jointly controlled entity	-	169,000	(169,000)	-
Bayswater Co., Ltd.	Jointly controlled entity	-	3,901,300	-	3,901,300
		1,925,014	12,988,442	(4,156,848)	10,756,608
Less: Allowance for doubtful debts		(520,074)	(499,251)	97,225	(922,100)
Net		1,404,940	12,489,191	(4,059,623)	9,834,508

Note: During the current year, the Company novated loans to a subsidiary in accordance with the restructuring of the business under common control (Note 17.1.8).

(Unit: Thousand Baht)

Short-term loan from individual	Related by	Consolidated financial statements			
		Balance as at 31 March 2015	Increase during the year	Decrease during the year	Balance as at 31 March 2016
Individual	Shareholder of subsidiary company	-	13,200	(13,200)	-
Total		-	13,200	(13,200)	-

(Unit: Thousand Baht)

Short-term loans from related parties	Related by	Separate financial statements			
		Balance as at 31 March 2015	Increase during the year	Decrease during the year	Balance as at 31 March 2016
Bangkok Mass Transit System Plc.	Subsidiary company	9,185,000	17,308,500	(8,564,000)	17,929,500
Dnal Co., Ltd.	Subsidiary company	-	20,000	(20,000)	-
Mak8 Co., Ltd.	Subsidiary company	-	57,000	(57,000)	-
BSS Holding Co., Ltd.	Subsidiary company	-	140,000	(36,000)	104,000
Total		9,185,000	17,525,500	(8,677,000)	18,033,500

(Unit: Thousand Baht)

Short-term loan from individual	Related by	Separate financial statements			
		Balance as at 31 March 2015	Increase during the year	Decrease during the year	Balance as at 31 March 2016
Theory Ltd.	Shareholder of subsidiary company	-	35,669	-	35,669
Total (Current portion)		-	35,669		35,669

The loans to related parties and loans from related individuals and parties are not collateralised, except for the loan to Midas Global Media Co., Ltd., which is secured by assets and transfers of rights as stipulated in the agreement.

DIRECTORS' AND MANAGEMENT'S BENEFITS

During the years ended 31 March 2016 and 2015, the Company and its subsidiaries had employee benefit expenses to their directors and management as below.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Short-term employee benefits	321	270	113	78
Post-employment benefits	31	11	2	2
Share-based payment	3	6	1	1
Total	355	287	116	81

GUARANTEE OBLIGATION WITH RELATED PARTY

The Company has an outstanding guarantee obligation with its related party, as described in Note 55.7 d) to the financial statements.

7. CASH AND CASH EQUIVALENTS

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cash	36,237	136,557	183	104
Current deposits and saving deposits	2,080,407	2,912,832	240,883	309,439
Fixed deposits with maturity date due not more than 3 months	37,516	2,108,724	4	4
Certificates of deposits	140,284	4,412,189	140,284	296,218
Bills of exchange	70,209	541,618	-	-
Total	2,364,653	10,111,920	381,354	605,765

As at 31 March 2016, cash and cash equivalents carried interests between 0.01 to 3.00% per annum (2015: 0.10 and 3.10% per annum) (Separate financial statements: between 0.10 to 1.25% per annum (2015: 0.13 and 1.50% per annum)).

8. CURRENT INVESTMENTS

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Fixed deposits with maturity date due more than 3 months	1,169,708	2,289,947	-	-
Held to maturity securities				
Domestic private debt securities	1,368,225	1,870,965	-	230,674
Foreign private debt securities	605,052	1,134,259	597,416	1,134,259
	1,973,277	3,005,224	597,416	1,364,933
Investments in trading securities				
Investments in fixed income funds	891,963	497,866	-	-
Domestic marketable equity securities	255,250	296,258	255,249	-
Derivative warrants	129,983	-	-	-
Government and state-owned enterprise bonds	47,847	74,902	-	-
Domestic private debt securities	175,345	197,003	-	-
	1,500,388	1,066,029	255,249	-
Allowance for change in value	22,845	10,177	11,444	-
	1,523,233	1,076,206	266,693	-
Total	4,666,218	6,371,377	864,109	1,364,933

On 1 July 2015, a subsidiary (BTSC) transferred investments in domestic marketable equity securities held in the trading portfolio to the available-for-sale portfolio. At the transfer date, the fair value and the original cost amounted to approximately Baht 364 million and Baht 391 million, respectively.

The current investments of Baht 1,408 million were pledged to secure a bank guarantee issued by a bank on behalf of the subsidiary as security for the long-term debentures and for compliance with Contract for Establishment of Central Clearing House project.

The Company and its subsidiaries had sale and purchase transactions of investments in trading securities. The details were as follows:

(Unit: Million Baht)

	For the years ended 31 March			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Purchases of investments	20,287	1,235	2,167	-
Sales of investments	19,462	573	1,912	-

The Company and its subsidiary recognised gain or loss on the sales of investments in trading securities in the profit or loss. The details were as follows:

(Unit: Million Baht)

	For the years ended 31 March			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Gain on sales	90	18	5	-

9. BANK ACCOUNT FOR ADVANCES 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 2016, the balance of cash received in advance from cardholders was Baht 285 million (2015: Baht 211 million).

10. TRADE AND OTHER RECEIVABLES

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Trade receivables-related parties				
Not yet due	2,514	4,350	-	-
Past due				
Up to 3 months	413	66	-	-
3-6 months	-	2	-	-
Total trade receivables-related parties	2,927	4,418	-	-
Trade receivables-unrelated parties				
Not yet due	585,370	676,442	-	-
Past due				
Up to 3 months	159,606	212,058	-	-
3-6 months	27,926	47,300	-	-
6-12 months	16,139	11,299	-	-
Over 12 months	63,808	26,142	-	-
Total	852,849	973,241	-	-
Posted date cheques	-	8,914	-	-
Less: Allowance for doubtful debts	(59,054)	(49,759)	-	-
Total trade receivables-unrelated parties-net	793,795	932,396	-	-
Total trade receivables-net	796,722	936,814	-	-
Other receivables				
Advances	12,535	6,410	1,169	20
Interest receivables-related parties	110,777	198	142,951	20,706
Interest receivables	29,702	75,285	6,786	9,955
Dividend receivables-related party	7,500	1,000	7,500	1,000
Dividend receivables	17,975	7,862	17,975	7,862
Other receivables-related parties	70,286	148,098	1,419	2,773
Other receivables	65,773	42,473	37,663	36,512
Total other receivables	314,548	281,326	215,463	78,828
Total trade and other receivables-net	1,111,270	1,218,140	215,463	78,828

11. RECEIVABLE UNDER CONCESSION AGREEMENT

(Unit: Thousand Baht)

	Consolidated financial statements	
	2016	2015
Balance at the beginning of year	3,707,436	3,747,663
Addition	-	49,793
Repayment	(92,205)	(90,020)
Balance at the end of year	3,615,231	3,707,436
Current	94,584	92,205
Non-current	3,520,647	3,615,231
	3,615,231	3,707,436

The receivable represents a receivable from the provision of train procurement services for extension line—Silom and Sukhumvit, and the core line after the expiry of the existing concession, in accordance with an arrangement under the Operating and Maintenance of Bangkok Mass Transit System Agreement dated 3 May 2012 between Krungthep Thanakom Company Limited (“Krungthep Thanakom”) and a subsidiary (BTSC), and the amendment to that agreement, with a term of 30 years from 8 May 2012 to 2 May 2042.

The agreement stipulates that the subsidiary is to procure a number of trains for a specified period and will receive a monthly fixed payment. The subsidiary can negotiate adjustment of the compensation with Krungthep Thanakom. In addition, the subsidiary has obligations to perform major maintenance or restoration of these trains, and these are recorded under the provision accounts, as discussed in Note 35 to the financial statements. Krungthep Thanakom has a call option to purchase the trains at the end of the agreement at the rates stipulated in the agreement.

Baht 3,116 million of the receivable under the concession agreement is more than 5 years past due (2015: Baht 3,221 million), and this is subject to interest at rates of 0.58% and 6.12% per annum (2015: 0.58 and 6.12% per annum).

12. RECEIVABLE UNDER FINANCIAL LEASE AGREEMENT

(Unit: Thousand Baht)

	Consolidated financial statements		
	2016		
	Amounts due under the agreements		
	Less than 1 year	1–5 years	Total
Gross investment in the agreement	30,756	2,563	33,319
Less: Deferred revenue	(1,110)	(13)	(1,123)
Receivable under finance lease agreement	29,646	2,550	32,196
Current portion of receivable under finance lease agreement			29,646
Receivable under finance lease agreement-net of current portion			2,550

(Unit: Thousand Baht)

	Consolidated financial statements		
	2015		
	Amounts due under the agreements		
	Less than 1 year	1–5 years	Total
Gross investment in the agreement	30,756	33,319	64,075
Less: Deferred revenue	(2,811)	(1,123)	(3,934)
Receivable under finance lease agreement	27,945	32,196	60,141
Current portion of receivable under finance lease agreement			27,945
Receivable under finance lease agreement-net of current portion			32,196

The receivable represents a receivable from the provision of bus procurement services in accordance with an arrangement under the Operating and Bus Procurement (BRT) Agreement dated 10 February 2010 between a subsidiary (BTSC) and Krungthep Thanakom Company Limited and the amendment to the agreement, for 7 years, from 15 May 2010 to 15 May 2017.

13. REAL ESTATE DEVELOPMENT COSTS

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Land and construction development	628,329	2,239,060	509,764	654,846
Less: Reduce cost to net realisable value	(1,272)	(1,272)	(1,272)	(1,272)
Real estate development costs-net	627,057	2,237,788	508,492	653,574
Mortgaged as collateral for credit facilities	822	611,206	822	822

14. ASSETS AWAITING TRANSFER UNDER REHABILITATION PLAN

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Real estate development costs-net	39,921	39,921	39,921	39,921
Land and projects awaiting development-net	28,315	28,315	28,315	28,315
Property, plant and equipment-net	18	36	18	36
Total	68,254	68,272	68,254	68,272

The balance consists of land and condominium units mortgaged as collateral with a creditor per the rehabilitation plan of the Company. The Company has not yet transferred these assets to the creditor since certain debts are pending a final order from the Supreme Court.

15. INVESTMENTS IN SUBSIDIARIES AWAITING TRANSFER UNDER REHABILITATION PLAN

The balance consists of 72 million ordinary shares of BTSC pledged as collateral with a creditor per the rehabilitation plan of the Company. The Company has not yet transferred these assets to the creditor since certain debts are still pending a final order from the Supreme Court.

16. CASH DEPOSITED AS COLLATERAL FOR DEBT SETTLEMENT

As at 31 March 2016, 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 130.2 million and Baht 40.7 million, respectively (2015: Baht 130.2 million and Baht 40.7 million, respectively), due to the debts pending final court judgement 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 48.8 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.

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 during the year	
	2016	2015	2016	2015	2016	2015	2016	2015
Bangkok Mass Transit System Public Co., Ltd. ("BTSC")	4,016,783	4,016,783	97.46	97.46	29,937,253	29,937,253	1,879,126	1,879,126
VGI Global Media Public Co., Ltd.* (51% held by BTSC)	686,432	686,398	23.30	18.58	7,850,276	6,337,095	119,127	125,985
Dnal Co., Ltd.	-	50,000	-	100	-	680,609	-	-
Muangthong Assets Co., Ltd.	-	125,000	-	100	-	503,695	-	-
PrannaKiri Assets Co., Ltd.	-	311,000	-	100	-	310,010	-	-
Yong Su Co., Ltd.	-	234,000	-	100	-	236,570	-	-
Tanayong Food and Beverage Co., Ltd.	-	1,000	-	100	-	1,000	-	-
Thana City Golf & Sports Club Co., Ltd.	-	20,000	-	100	-	77,472	-	-
Siam Paging and Communication Co., Ltd.	-	5,000	-	100	-	5,000	-	-
Tanayong Property Management Co., Ltd.	-	1,000	-	100	-	1,000	2,580	3,400
Tanayong International Ltd.	25	25	100	100	25	25	-	-
HHT Construction Co., Ltd.	-	25,000	-	51	-	12,750	-	17,850
Tanayong Hong Kong Limited	42	42	100	100	42	42	-	-
Rabbit Rewards Co., Ltd. (Formerly known as "Carrot Rewards Co., Ltd.")	2,000	2,000	100	100	2,000	2,000	-	-
BTS Assets Co., Ltd. ⁽¹⁾	-	800,000	-	100	-	1,424,078	-	-
BTS Land Co., Ltd.	-	10,000	-	100	-	10,000	-	-
Nuvo Line Agency Co., Ltd.	-	2,001,000	-	100	-	1,865,415	-	-
Kamkoong Property Co., Ltd. ⁽¹⁾	-	375,000	-	100	-	375,000	-	-
Man Kitchen Co., Ltd.	165,800	80,000	70	70	116,060	56,000	-	-
Mak8 Co., Ltd.	-	240,000	-	87.5	-	210,000	-	-
Primary Kitchen Co., Ltd.	93,844	10,000	100	100	93,844	10,000	-	-
BSS Holdings Co., Ltd.	1,200,000	75,000	100	100	1,200,000	75,000	-	-
Unicorn Enterprise Co., Ltd.	10,000	-	100	-	10,000	-	-	-
Total					39,209,500	42,130,014		
Less: Surplus on business combination under common control					(3,715,435)	(3,715,435)		
					35,494,065	38,414,579		
Less: Provision for loss on diminution in value					(66)	(1,407,941)		
					35,493,999	37,006,638		
Less: ⁽¹⁾ Classified as assets held for sale (Note 17.1.6)					-	(1,799,078)		
Net					35,493,999	35,207,560		

* As at 31 March 2016, the fair value of the ordinary shares and warrants that are listed on the Stock Exchange of Thailand, based on the latest bid price, is Baht 7,744 million (2015: Baht 7,012 million).

Details of investments in subsidiaries that have material non-controlling interests were as follows:

(Unit: Million Baht)

Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit allocated to non-controlling interests during the year		Dividend paid to non-controlling interests during the year	
	2016 (%)	2015 (%)	2016	2015	2016	2015	2016	2015
Bangkok Mass Transit System Public Co., Ltd.	2.54	2.54	604	617	28	34	49	49
VGI Global Media Public Co., Ltd.	27.00 ¹	31.72 ¹	605	580	247	307	133	347

¹ Calculated based on the Company's 23.30% (2015: 18.58%) shareholding and BTSC's 51.00% (2015: 51.00%) shareholding in VGI

Summarised financial information that based on amounts before inter-company elimination about subsidiaries that have material non-controlling were as follows:

SUMMARISED INFORMATION ABOUT FINANCIAL POSITION

(Unit: Million Baht)

	Bangkok Mass Transit System Public Co., Ltd.		VGI Global Media Public Co., Ltd.	
	2016	2015	2016	2015
Current assets	24,217	24,998	837	1,042
Non-current assets	12,072	13,584	2,262	2,244
Current liabilities	(3,926)	(4,671)	(822)	(1,433)
Non-current liabilities	(6,347)	(7,792)	(35)	(24)

SUMMARISED INFORMATION ABOUT COMPREHENSIVE INCOME

(Unit: Million Baht)

	For the years ended 31 March			
	Bangkok Mass Transit System Public Co., Ltd.		VGI Global Media Public Co., Ltd.	
	2016	2015	2016	2015
Revenue	5,075	6,164	2,299	3,063
Profit	2,059	2,196	941	838
Other comprehensive income	18	(56)	(12)	-
Total comprehensive income	2,077	2,140	929	838

SUMMARISED INFORMATION ABOUT CASH FLOW

(Unit: Million Baht)

	For the years ended 31 March			
	Bangkok Mass Transit System Public Co., Ltd.		VGI Global Media Public Co., Ltd.	
	2016	2015	2016	2015
Cash flow from operating activities	1,549	778	785	1,070
Cash flow from (used in) investing activities	(6,385)	7,733	(55)	(954)
Cash flow used in financing activities	(3,334)	(4,841)	(805)	(432)
Net increase (decrease) in cash and cash equivalents	(8,170)	3,670	(75)	(316)

17.1 SUBSIDIARIES DIRECTLY OWNED BY THE COMPANY

17.1.1 Bangkok Mass Transit System Public Company Limited (“BTSC”)

All of BTSC’s ordinary shares (excluding the ordinary shares of VGI Global Media Public Company Limited and Bangkok Smartcard System Company Limited held by BTSC, benefits and rights on an Operating and Maintenance of Bangkok Mass Transit System Agreement and an Operating and Bus Procurement (BRT) Agreement stipulated the Net Revenue Purchase and Transfer Agreement of the Core BTS Sky Train System) have been pledged with BTS Rail Mass Transit Growth Infrastructure Fund to secure its obligations under the Sponsor Support and Guarantee Agreement.

17.1.2 Man Kitchen Company Limited

On 2 June 2015, the Extraordinary General Meeting of shareholders of a subsidiary passed a resolution to approve a Baht 220 million increase in its registered capital, from the existing registered capital of Baht 80 million to Baht 300 million, by issuing 2,200,000 new ordinary shares with a value of Baht 100 each, 39% called up. The Company acquired additional ordinary shares of the subsidiary in proportion to its existing holding, and as a result, its shareholding in the subsidiary is unchanged at 70%.

17.1.3 Primary Kitchen Company Limited

On 2 June 2015, an Extraordinary General Meeting of the shareholders of a subsidiary passed a resolution to approve a Baht 90 million increase in the subsidiary’s registered capital, from Baht 10 million to Baht 100 million, by issuing 900,000 new ordinary shares with a value of Baht 100 each, 45% called up. Subsequently, on 27 November 2015, the subsidiary called up a further 48.16% of the registered share capital, amounting to Baht 43 million. The Company acquired all additional ordinary shares of the subsidiary, and as a result, its shareholding in the subsidiary is unchanged at 100%.

17.1.4 Mak8 Company Limited

On 7 May 2015, the Company acquired 300,000 ordinary shares of a subsidiary, representing a 12.5% interest, from its existing shareholder at a price of Baht 30 million. As a result, the Company’s shareholding in the subsidiary increased from 87.5% to 100%.

The purchase transaction of investment in the subsidiary was detailed below.

(Unit: Thousand Baht)

	Consolidated financial statements
Purchase price	30,000
Less: Non-controlling interests of subsidiary adjusted	(29,990)
Deficit from the change in the ownership interests in subsidiary	10

As discussed in Note 17.1.8 to the financial statements, as a result of the restructuring of the property business unit, in December 2015, the Company transferred investment in the subsidiary to Unicorn.

Subsequently, on 9 May 2016, the Annual General Meeting of the subsidiary’s shareholders passed a resolution to decrease the subsidiary’s registered and issued share capital by Baht 89 million from Baht 240 million to Baht 151 million by decreasing number of ordinary shares from 2,400,000 ordinary shares to 1,510,000 ordinary shares with a par value of Baht 100 each.

17.1.5 Nuvo Line Agency Company Limited

On 27 May 2014, the Company acquired an additional 4,002,000 ordinary shares of a subsidiary, representing a 20% interest, from its existing shareholder at a price of Baht 227.5 million. As a result, the Company's shareholding in the subsidiary increased from 80% to 100%. The Company recorded surplus from the changes in the ownership interests in a subsidiary from purchase of ordinary shares amounting to Baht 214 million under the shareholders' equity in the consolidated statements of financial position as at 31 March 2015.

On 24 July 2015, the Extraordinary General Meeting of shareholders of a subsidiary passed a resolution to approve a decrease in its registered and issued share capital, from Baht 2,001 million to Baht 1,500 million.

Subsequently, on 25 September 2015, a meeting of the Executive Committee of the Company passed a resolution to approve the Company's disposal of 7,500,000 shares of the subsidiary with a par value of Baht 100 per share, representing a 50% shareholding, to Sansiri Public Company Limited. On 6 October 2015, the Company sold the shares for a total price of Baht 769 million.

The assessment of the Company's management was that, as a result of the disposal of ordinary shares, the Company had lost control over the subsidiary and that the assets and liabilities of the subsidiary as at 6 October 2015 and 30 September 2015 did not materially differ. Therefore, the Company has excluded the financial statements of the subsidiary from the consolidated financial statements since 30 September 2015.

Details of the book values of assets and liabilities of the subsidiary as at 30 September 2015 are as follows:

(Unit: Thousand Baht)

Assets	
Cash and cash equivalents	41,659
Current investment	87,130
Project development costs	1,451,210
Other current assets	309
Investment properties	29,646
Property, plant and equipment	189
Other non-current assets	651
Total assets	1,610,794
Liabilities	
Trade and other payables	34,883
Unearned revenue	1,315
Income tax payable	8,191
Other current liabilities	414
Total liabilities	44,803
Net asset value	1,565,991

As a result of the disposal of the investment in subsidiary, the Company remained a 50% shareholding in this company and it was considered as investment in a jointly controlled entity, held by the Company and Sansiri Public Company Limited. The management of the Company assessed that the acquisition of the jointly controlled entity was an asset acquisition because, applying the definition in TFRS 3 (revised 2014) Business Combinations, the assets acquired do not constitute a business.

The Company derecognised the investment in subsidiary and recognised investment in jointly controlled entity of Baht 682 million in the separate financial statements, while recording the investment in a jointly controlled entity at its fair value of Baht 769 million (equivalent to the selling price of the 50% interest in the subsidiary) in the consolidated financial statements. The Company recorded a gain on the sale of investment in the profit or loss for the year ended 31 March 2016, as detailed below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Selling price of investment in subsidiary	769,019	769,019
Fair value of investment in jointly controlled entity	769,019	-
Less: Book value of investment in subsidiary at 50%	-	(682,208)
Book value of subsidiary's net assets as at selling date	(1,565,991)	-
Gain (loss) on sale of investment	(27,953)	86,811

As discussed in Note 17.1.8 to the financial statements, as a result of the restructuring of the property business unit, in December 2015, the Company transferred investment in joint venture to Unicorn.

17.1.6 BTS Assets Company Limited (“BTSA”) and Kamkoong Property Company Limited (“Kamkoong”)

On 24 November 2014, a meeting of the Board of Directors of the Company passed a resolution to approve the Company's disposal of all of the ordinary shares it held in BTSA and Kamkoong to U City Public Company Limited (“U City”) (Formerly known as “Natural Park Public Company Limited”) at a price of not less than Baht 8,616.47 million but not exceeding Baht 9,409.14 million. The final selling price of BTSA and Kamkoong's shares will be determined based on the actual area of the land plots before the closing date. In return, the Company will be entitled to compensation in the form of newly issued ordinary shares of U City, with the number of these to be calculated based on the final selling price. This means not less than 183,329.13 million new shares of U City but not more than 200,194.38 million shares, with a par value of Baht 1 per share and at an offering price of Baht 0.047 per share (representing not less than 33.66% but not exceeding 35.66% of the total issued shares of U City as of the closing date). In addition, the Company will receive warrants to purchase ordinary shares of U City No. 2. To comply with the requirements of TFRS 5 (revised 2012) “Non-current Assets Held for Sale and Discontinued Operations”, the Company separately presented the assets, liabilities and equities relating to BTSA and Kamkoong under the caption of “Assets classified as held for sale”, “Liabilities directly associated with assets classified as held for sale” and “Amount recognised in equities relating to assets classified as held for sale” in the statement of financial position as at 31 March 2015.

As stipulated in the Share Purchase Agreement between the Company and U City dated 9 December 2014, on 3 April 2015, the Extraordinary General Meeting of shareholders of BTSA passed a resolution to approve a Baht 2,155 million increase in its registered capital, from the existing registered capital of Baht 800 million to Baht 2,955 million, by issuing 21,550,000 new ordinary shares with a value of Baht 100 each. The Company acquired all additional ordinary shares of BTSA, and as a result, its shareholding in BTSA is unchanged at 100%. In addition, on 3 April 2015, the Extraordinary General Meeting of shareholders of Kamkoong passed a resolution to approve a Baht 725 million increase in its registered capital, from the existing registered capital of Baht 375 million to Baht 1,100 million, by issuing 7,250,000 new ordinary shares with a value of Baht 100 each. The Company acquired all additional ordinary shares of Kamkoong, and as a result, its shareholding in Kamkoong is unchanged at 100%.

Subsequently on 20 April 2015, the Company transferred all of the ordinary shares it held in BTSA and Kamkoong to U City. In return, the Company has received compensation in the form of (i) the allotment of 200,086,877,212 new ordinary shares of U City (representing 35.64% of the total issued shares of U City), and (ii) 100,043,438,606 units of the newly issued warrants to purchase the ordinary shares of U City No. 2, at no cost (1 unit of warrant can be exercised to purchase 1 ordinary share of U City at a price of Baht 0.047 per share and the warrants are non-listed securities that cannot be traded on the Stock Exchange of Thailand).

Details of the book values of assets and liabilities of BTSA and Kamkoong as at 20 April 2015 are as follows:

(Unit: Thousand Baht)

	BTSA	Kamkoong	Total
Assets			
Cash and cash equivalents	100,509	629	101,138
Trade and other receivables	17,427	-	17,427
Prepaid expenses	4,822	-	4,822
Other current assets	45,352	771	46,123
Restricted deposits	5,000	-	5,000
Investment properties	804,036	1,050,952	1,854,988
Property, plant and equipment	2,567,640	-	2,567,640
Intangible assets	1,796	-	1,796
Other non-current assets	4,147	-	4,147
Total assets	3,550,729	1,052,352	4,603,081
Liabilities			
Trade and other payables	58,139	197	58,336
Income tax payable	55,045	-	55,045
Other current liabilities	4,498	218	4,716
Retention payable	1,306	-	1,306
Provision for long-term employee benefits	11,630	-	11,630
Long-term provision	231,000	-	231,000
Deferred tax liabilities	144,897	-	144,897
Other non-current liabilities	1,000	-	1,000
Total liabilities	507,515	415	507,930
Net asset value	3,043,214	1,051,937	4,095,151

The operating results of BTSA as presented under the heading of "Loss from discontinued operation for the year" (The Company did not present the discontinued operations of Kamkoong since it is not a significant line of business and its operations are not material to the consolidated financial statements) in the consolidated profit or loss were detailed below.

(Unit: Thousand Baht)

	For the period as from 1 April 2015 to 19 April 2015	For the year ended 31 March 2015
Revenues		
Service income	36,932	508,034
Other income	305	4,113
Total revenues	37,237	512,147
Expenses		
Cost of services	17,561	228,741
Selling and servicing expenses	1,512	18,834
Administrative expenses	14,273	316,216
Total expenses	33,346	563,791
Profit (loss) from discontinued operation	3,891	(51,644)

Cash flow information of BTSA is as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	
	For the period as from 1 April 2015 to 19 April 2015	For the year ended 31 March 2015
Cash flows from operating activities	4,316	80,366
Cash flows from (used in) investing activities	69	(6,507)

Details of earnings per share of the discontinued operation are as below.

(Unit: Thousand Baht)

	For the period as from April 2015 to 19 April 2015	For the year ended 31 March 2015
Basic earnings (loss) per share (Baht)	0.0003	(0.0040)
Diluted earnings per share (Baht)	0.0003	-

In order to appropriately reflect the value of its investment in U City, the Company recorded the investment in U City as investment in associate at a fair value of ordinary shares and warrants of U City as at 20 April 2015, calculated based on the valuation report from an independent valuer, at a price of Baht 9,469 million. It also de-recognised its investments in BTSA and Kamkoong as at 20 April 2015 in the separate financial statements and de-recognised the net assets values of BTSA and Kamkoong as at 20 April 2015 from the consolidated financial statements. The Company recorded a gain on swap of investments in the profit or loss for the year ended 31 March 2016, as detailed below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Fair value of investment in U City	9,468,845	9,468,845
Less: Book value of investment in BTSA	-	(3,579,078)
Book value of investment in Kamkoong	-	(1,175,000) ⁽²⁾
Net assets of BTSA and Kamkoong per books	(4,095,151)	-
Gain on swap of investments	5,373,694	4,714,767
Less: Deferred gain on swap of investments	(1,915,184) ⁽¹⁾	-
Gain on swap of investments-net	3,458,510	4,714,767

⁽¹⁾ Gain on swap of investments was eliminated in proportion to the Company's 35.64% shareholding in U City.

⁽²⁾ After adjustment of deficit on swap of investment in subsidiary under common control.

The Company transferred revaluation surplus on assets of BTSA amounting to Baht 580 million to retained earnings in the consolidated financial statements.

17.1.7 BSS Holdings Company Limited

On 20 October 2015, the subsidiary called up the remaining 75% of the registered share capital, amounting to Baht 225 million, and on 20 November 2015, the subsidiary issued 2,000,000 new ordinary shares with a par value of Baht 100 each, 50% called up, amounting to Baht 100 million and on 23 February 2016, called up the remaining 50%, amounting to Baht 100 million.

Subsequently, on 10 March 2016, an Extraordinary General Meeting of the shareholders of a subsidiary passed a resolution to approve a Baht 700 million increase in the subsidiary's registered capital, from Baht 500 million to Baht 1,200 million, by issuing 7,000,000 new ordinary shares with a value of Baht 100 each, 100% called up. The Company acquired all additional ordinary shares of the subsidiary, and as a result, its shareholding in the subsidiary is unchanged at 100%.

17.1.8 Unicorn Enterprise Company Limited (“Unicorn”)

On 1 October 2015, the Company established Unicorn Enterprise Company Limited to engage in the investment in real estate business, with a registered share capital of Baht 10 million (100,000 ordinary shares with a par value of Baht 100 each), with the Company to hold a 100% interest. This company registered its incorporation on 1 October 2015.

Subsequently, Unicorn established subsidiaries to engage in real estate business, with a registered share capital of Baht 10 million each (100,000 ordinary shares with a par value of Baht 100 each), with Unicorn to hold a 100% interest as follows:

	Registered date
Keystone Estate Company Limited	7 October 2015
Ratburana Property Company Limited	21 December 2015
Kingkaew Assets Company Limited	21 December 2015
The Community One Company Limited	28 December 2015
The Community Two Company Limited	28 December 2015
Nine Square Property Company Limited	17 February 2016

A meeting of the Board of Directors of the Company on 9 November 2015 passed resolutions to approve the restructuring of the property business unit. In December 2015, the Company transferred certain plots of land, and investments in subsidiaries, associates and jointly controlled entities to Unicorn, and also novated loans to related companies together with interest receivables to Unicorn. Details of the land, investments and loans and interest receivables were as follows:

(Unit: Thousand Baht)

Land	Separate financial statements			
	Book value	Allowance for impairment	Net book value	Selling price
Real estate development costs	118,566	-	118,566	293,062
Investment properties	704,177	(27,624)	676,553	635,487
Total	822,743	(27,624)	795,119	928,549

(Unit: Thousand Baht)

Investments	Separate financial statements			
	Book value	Allowance for impairment	Net book value	Selling price
Dnal Co., Ltd.	680,609	(680,609)	-	115,379
Muangthong Assets Co., Ltd.	503,694	(433,694)	70,000	51,775
PrannaKiri Assets Co., Ltd.	310,010	-	310,010	258,988
Yongsu Co., Ltd.	236,570	(236,570)	-	7,496
Tanayong Food and Beverage Co., Ltd.	1,000	(1,000)	-	-
Thana City Golf & Sports Club Co., Ltd.	77,472	(48,000)	29,472	-
Siam Paging and Communication Co., Ltd.	5,000	(5,000)	-	-
Tanayong Property Management Co., Ltd.	1,000	(1,000)	-	6,741
BTS Land Co., Ltd.	10,000	(2,000)	8,000	-
Mak8 Co., Ltd.	240,000	-	240,000	239,488
Absolute Hotel Services Co., Ltd.	4,000	-	4,000	22,711
HHT Construction Co., Ltd.	12,750	-	12,750	39,510
BTS Sansiri Holding One Ltd.	50,000	-	50,000	50,000
BTS Sansiri Holding Two Ltd.	50,000	-	50,000	50,000
BTS Sansiri Holding Three Ltd.	50,000	-	50,000	50,000
BTS Sansiri Holding Four Ltd.	50,000	-	50,000	50,000
BTS Sansiri Holding Five Ltd.	50,000	-	50,000	50,000
BTS Sansiri Holding Six Ltd.	50,000	-	50,000	50,000
BTS Sansiri Holding Seven Ltd.	50,000	-	50,000	50,000
BTS Sansiri Holding Eight Ltd.	50,000	-	50,000	50,000
BTS Sansiri Holding Nine Ltd.	50,000	-	50,000	50,000
BTS Sansiri Holding Eleven Ltd.	50,000	-	50,000	50,000
BTS Sansiri Holding Twelve Ltd.	50,000	-	50,000	50,000
Nuvo Line Agency Co., Ltd.	682,208	-	682,208	766,022
Bayswater Co., Ltd.	5,000	-	5,000	5,000
Total	3,319,313	(1,407,873)	1,911,440	2,063,110

(Unit: Thousand Baht)

Loans and interest receivables	Separate financial statements		
	Book value	Allowance for doubtful	Net book value
Muangthong Assets Co., Ltd.	291,511	-	291,511
Yongsu Co., Ltd.	6,631	(6,631)	-
Tanayong Food and Beverage Co., Ltd.	399,467	(91,211)	308,256
Thana City Golf & Sports Club Co., Ltd.	66,410	-	66,410
Siam Paging and Communication Co., Ltd.	142,319	(21,100)	121,219
BTS Land Co., Ltd.	75,098	(75,098)	-
BTS Sansiri Holding One Ltd.	280,000	-	280,000
BTS Sansiri Holding Two Ltd.	126,688	-	126,688
BTS Sansiri Holding Three Ltd.	161,000	-	161,000
BTS Sansiri Holding Four Ltd.	180,000	-	180,000
BTS Sansiri Holding Five Ltd.	28,000	-	28,000
BTS Sansiri Holding Six Ltd.	330,000	-	330,000
BTS Sansiri Holding Seven Ltd.	5,000	-	5,000
BTS Sansiri Holding Eight Ltd.	169,000	-	169,000
Total	2,261,124	(194,040)	2,067,084⁽¹⁾

⁽¹⁾ Consisting of loan amounting to Baht 2,042 million and interest receivables amounting to Baht 25 million.

The restructuring of the property business unit was a restructuring of a business under common control. The Company therefore recorded gains or losses from the transfers of assets that formed part of the business restructuring, net of transaction costs, under the heading of "Surplus from business restructuring under common control" in shareholders' equity in the separate financial statements. Details were as follows:

(Unit: Thousand Baht)	
Loans to Unicorn (equivalent to selling price of assets and value of loans and interest receivables transferred to Unicorn)	5,252,783
Less: Book values as at transaction date	
- Land	(795,119)
- Investments	(1,911,440)
- Loans and interest receivables	(2,067,084)
Surplus from business restructuring under common control (before transaction costs)	479,140

Surplus from business restructuring under common control net of transaction costs was detailed below.

(Unit: Thousand Baht)	
Surplus (deficit) from business restructuring under common control	
Land	
- Gain on transfer of land	105,806
- Reversal of allowance for diminution in value	27,624
Investments	
- Loss on transfer of investments	(1,256,203)
- Reversal of allowance for diminution in value	1,407,873
Loans and interest receivables	
- Reversal of allowance for doubtful debts	194,040
Total	479,140
Transaction costs	
- Land	(55,866)
- Investments	233,460
Surplus from business restructuring under common control-net	656,734

Transaction costs consisted of special business tax, transfer fees, stamp duty and related taxes.

In addition, to reflect the value of the existing assets before business restructuring under common control, the Company presented value of loans to Unicorn equivalent to the net book values of land, investments and loans and interest receivables before business restructuring under common control. The Company recorded the adjustment under the heading of "Adjustment of asset value as a result of business restructuring under common control" in shareholders' equity in the separate financial statements. Details were as follows:

(Unit: Thousand Baht)	
Loans to Unicorn (equivalent to selling price of assets and value of loans and interest receivables transferred to Unicorn)	5,252,783
Less: Adjustment of asset value as a result of business restructuring under common control	(479,140)
Loans to Unicorn-net	4,773,643

17.2 SUBSIDIARIES INDIRECTLY OWNED BY THE COMPANY

17.2.1 VGI Global Media Public Company Limited ("VGI") (51% held by BTSC)

Transactions for the year ended 31 March 2015

Stock dividends

The Extraordinary General Meeting of the shareholders of VGI passed resolutions to pay stock dividends of 3,431,975,575 ordinary shares (577,511,696 ordinary shares distributed to the Company and 2,327,831,696 ordinary shares distributed to the Group).

Warrants

BTSC entered into the Warrant Sale and Purchase Agreements, whereby it is to sell 350 million warrants to purchase the newly issued ordinary shares of a subsidiary to an unrelated individual, at prices of Baht 1.50-2.20 per warrant, or for a total of Baht 507 million (net of related tax amounting to Baht 13 million). The Company believes that the transaction constitutes a change in the Company's ownership interest in the subsidiary without loss of control. The Company therefore recorded the surplus on the sales of warrants of the subsidiary amounting to Baht 494 million under shareholders' equity in the consolidated financial statements.

As at 31 March 2016, the Group has 184 million units (2015: 184 million units) (the Company: 96 million units (2015: 96 million units)) remaining warrants of VGI.

Purchase and sale transactions of investment in the subsidiary

The Company purchased 289 million ordinary shares of VGI at prices of Baht 11-14 per share and 120 million ordinary shares of VGI at Baht 6.1-6.3 per share for a total of Baht 4,426 million.

The Company recorded deficit from the changes in the ownership interests in a subsidiary from purchase of ordinary shares amounting to Baht 4,218 million under the shareholders' equity in the consolidated statements of financial position.

The Company sold 84 million ordinary shares of VGI at prices of Baht 12.3 per share for a total of Baht 960 million (net of related tax amounting to Baht 73 million).

The Company recorded surplus from the changes in the ownership interests in a subsidiary from sale of ordinary shares amounting to Baht 906 million under the shareholders' equity in the consolidated statements of financial position. The Company also reversed the surplus on business combination under common control of approximately Baht 75 million under shareholders' equity in the separate statements of financial position and recorded gain on sales of investments in subsidiary amounting to Baht 366 million in the separate profit or loss.

Transactions for the year ended 31 March 2016

Purchase transactions of investment in the subsidiary

The Company purchased 324 million ordinary shares of the subsidiary at prices of Baht 4.22-5.05 per share. The purchase transactions are detailed below.

	(Unit: Thousand Baht)
	Consolidated financial statements
Purchase price	1,513,181
Less: Non-controlling interests of subsidiary adjusted	(94,518)
Deficit from the change in the ownership interests in subsidiary	1,418,663

As a result of the purchases of ordinary shares of the subsidiary, the Company's shareholding in the subsidiary increased from 18.58% to 23.30% (51% held by BTSC).

BTSC pledged all ordinary shares of VGI Global Media Public Company Limited and Bangkok Smartcard System Company Limited with the Company in accordance with an agreement relating to the Net Revenue Purchase and Transfer Agreement.

17.2.2 999 Media Company Limited (held by VGI Global Media Public Company Limited ("VGI"))

On 5 June 2015, VGI entered into a share sale and purchase agreement with an unrelated party to sell its investment in the subsidiary at a price of Baht 3 million, in accordance with a resolution passed by the VGI's Board of Directors meeting No. 7/2015 on the same day. VGI received payment and transferred the shares to the buyer on 5 June 2015, on which the subsidiary had cash and cash equivalents amounting to Baht 4 million.

17.2.3 888 Media Company Limited (held by VGI)

On 17 July 2015, the Extraordinary General Meeting of the subsidiary's shareholders No. 1/2015 passed a resolution to increase its share capital from Baht 5 million (0.5 million ordinary shares with a par value of Baht 10 each) to Baht 20 million (2 million ordinary shares with a par value of Baht 10 each). On 22 July 2015, the subsidiary registered the increase of the registered capital with the Ministry of Commerce.

17.2.4 VGI Advertising China Company Limited (held by VGI)

On 2 March 2015, VGI entered into a share sale and purchase agreement with an unrelated party to sell its investment in VGI Advertising China Company Limited at a price of USD 2 million. Subsequently, on 29 September 2015, VGI received payment and transferred the shares to the buyer. VGI had gain on sale of the investment in VGI Advertising China Company Limited amounting to Baht 62 million, and this was included under the caption of "Gain on sales of investments" in the consolidated profit or loss.

17.2.5 Bangkok Payment Solutions Company Limited ("BPS") (held by BSS Holdings Company Limited)

On 7 May 2015, BPS called up a further 50% of the registered share capital, amounting to Baht 12.5 million. BTS Land Company Limited ("BTSL") acquired additional ordinary shares of BPS in proportion to its existing holding, and as a result, its shareholding in BPS is unchanged at 60%. Subsequently, BTSL sold all of the ordinary shares it held in BPS to BSS Holdings Company Limited, at a price of Baht 16 million. BTSL has already transferred the ordinary shares.

17.2.6 RabbitPay System Company Limited (held by BSS Holdings Company Limited)

On 18 November 2015, the subsidiary established RabbitPay System Company Limited ("RabbitPay") to engage in electronic payment services through any devices or networks, bill payment service, and investment in the securities of other companies, with a registered share capital of Baht 250 million (2,500,000 ordinary shares with a par value of Baht 100 each) (50% called up), with the subsidiary to hold an 80% interest. This company registered its incorporation on 18 November 2015.

On 22 January 2016, RabbitPay called up a further 50% of the registered share capital, amounting to Baht 125 million. Subsequently, on 15 March 2016, an Extraordinary General Meeting of the shareholders of RabbitPay passed a resolution to approve a Baht 550 million increase in RabbitPay's registered capital, from Baht 250 million to Baht 800 million, by issuing 5,500,000 new ordinary shares with a value of Baht 100 each, 100% called up. The subsidiary acquired additional ordinary shares of RabbitPay in proportion to its existing holding, and as a result, its shareholding in RabbitPay is unchanged at 80%.

On 31 March 2016, RabbitPay has executed a Share Subscription Agreement for the subscription of shares in Line Biz Plus Ltd. ("Line Biz Plus") entered into among RabbitPay, Line Biz Plus, and the existing shareholders of Line Biz Plus (i.e., Line Biz+ PTE. Ltd. and Line Company (Thailand) Co., Ltd.) (the "Share Subscription Agreement") where RabbitPay will subscribe 1,999,998 newly issued shares from Line Biz Plus and purchase 1 share from an existing shareholder, i.e., 1,999,999 shares in total, which is equivalent to 50% of the total shares, totaling Baht 750 million, in Line Biz Plus, a company engaging in the business of accepting electronic and online payments. The subscription of shares was completed on 25 April 2016.

17.2.7 Rabbit Internet Company Limited ("RI") (Formerly known as "ASK Hanuman Company Limited") (held by BSS Holdings Company Limited)

On 27 November 2015, the subsidiary invested in 1,001 newly issued preferred shares of RI, at a price of Baht 87,975 per share, or for a total of Baht 88 million. As a result, the subsidiary holds 25% of all issued shares of RI. In addition, the subsidiary agreed to grant a credit facility to RI in an amount not exceeding Baht 234,775,958 to be used as working capital of RI. The subsidiary has the right to convert the loan to capital of RI and is entitled to nominate 3 of 5 directors.

The subsidiary also invested in ordinary shares of the companies as follows:

- a) 510 ordinary shares of ASK Direct Group Company Limited (“ASKD”), at a price of Baht 1 per share, or for a total of Baht 510. As a result, the subsidiary holds 51% of all issued shares of ASKD. RI holds 489 shares in ASKD, representing 49% of the total shares in issue.
- b) 21,900 ordinary shares of ASK Broker Association Co., Ltd. (“ASKB”), at a price of Baht 1 per share, or for a total of Baht 21,900. As a result, the subsidiary holds 51% of all issued shares of ASKB. RI holds 21,000 shares in ASKB, representing 49% of total shares in issue.

In addition to these share purchase transactions, the subsidiary is entitled to subscribe to up to 2,666 additional preferred shares of RI to be issued in the future. Since the subsidiary has the power to direct the policies, management or operations of RI through RI’s board of directors, and rights to variable returns from RI, the subsidiary has classified this investment as investment in subsidiary.

The subsidiary’s management estimated that the assets and liabilities of RI Group as at 27 November 2015 and 31 December 2015 were not materially different. The subsidiary has therefore assumed that the date of the share acquisition was 31 December 2015 and included RI Group’s operating results in the Company’s consolidated financial statements as from 1 January 2016.

Details of the fair and book values of identifiable assets and liabilities of RI Group as at 31 December 2015 were as follows.

(Unit: Thousand Baht)	
Assets	
Cash and cash equivalents	61,388
Trade and other receivables	15,760
Short-term loans to related parties	14,318
Others current assets	5,943
Other non-current assets	7,191
Total assets	104,600
Liabilities	
Trade and other payables	33,490
Other current liabilities	1,466
Long-term loans from related parties	35,669
Total liabilities	70,625
Net asset value	33,975
Less: Non-controlling interests at their proportion	(25,611)
Net asset value at the subsidiary’s proportion	8,364
Add: Excess of cost for the acquisition of subsidiary over its net asset value	79,721
Cost of acquisition of investment in subsidiary	88,085
Less: Cash and cash equivalents of subsidiary	(61,388)
Net cash paid for acquisition of investment in subsidiary	26,697

At present, the subsidiary is in the process of assessing the fair value of the identifiable assets acquired and liabilities assumed at the acquisition date, in order to allocate costs of the business acquisition. The subsidiary therefore recorded the excess of cost for the acquisition of RI Group over its net asset value amount Baht 80 million under the caption of “Unallocated costs of business acquisition” as a separate item in non-current assets in the consolidated statement of financial position.

The consolidated statements of comprehensive income for the current year include revenue and loss of RI Group as from the acquisition date, amounting to Baht 13 million and Baht 25 million, respectively.

RI is a limited company incorporated and domiciled in Thailand and is principally engaged in the provision of data management and processing

17.2.8 Little Corner Company Limited (“Little Corner”) (held by Man Kitchen Company Limited)

On 29 January 2016, a meeting of the Board of Directors of the subsidiary passed a resolution to sell 36,000 ordinary shares of Little Corner to unrelated party, representing a 6% interest, amounting to Baht 9 million. As a result, the subsidiary’s shareholding in Little Corner decreased from 75% to 69%.

The sale transaction of investment in the subsidiary was detailed below.

(Unit: Thousand Baht)

	Consolidated financial statements
Selling price	9,000
Less: Related taxes on consolidated financial statements	(1,080)
Net cash receipt from sale of investment in subsidiary	7,920
Less: Non-controlling interests of subsidiary adjusted	(2,006)
Surplus from the changes in the ownership interests in a subsidiary	5,914

18. INVESTMENTS IN JOINT VENTURES

18.1 DETAILS OF INVESTMENTS IN JOINT VENTURES

Investments in joint ventures were as follows:

(Unit: Thousand Baht)

Company's name	Consolidated financial statements		Separate financial statements	
	Equity method		Cost method	
	2016	2015	2016	2015
BTS Sansiri Holding One Ltd.	-	-	-	50,000
BTS Sansiri Holding Two Ltd.	36,811	49,675	-	50,000
BTS Sansiri Holding Four Ltd.	46,395	-	-	-
BTS Sansiri Holding Five Ltd.	47,308	-	-	-
BTS Sansiri Holding Six Ltd.	46,171	-	-	-
BTS Sansiri Holding Seven Ltd.	49,577	-	-	-
BTS Sansiri Holding Nine Ltd.	49,610	-	-	-
BTS Sansiri Holding Eleven Ltd.	49,340	-	-	-
BTS Sansiri Holding Twelve Ltd.	49,305	-	-	-
BTS Sansiri Holding Fourteen Ltd.	49,726	-	-	-
Nuvo Line Agency Co., Ltd. (Note 17.1.5)	205,304	-	-	-
Midas Global Media Co., Ltd.	-	64,289	-	-
ATS Rabbit Special Purpose Vehicle Co., Ltd.	8,551	20	-	-
Total	638,098	113,984	-	100,000

Note: The Company transferred investments to a subsidiary in accordance with business restructuring under common control (Note 17.1.8).

Investments under equity method presented under “Provision for transaction under equity method of investments in joint ventures” were detailed as follows:

(Unit: Thousand Baht)

Company's name	Consolidated financial statements	
	2016	2015
BTS Sansiri Holding One Ltd.	444,799	317,713
BTS Sansiri Holding Three Ltd.	12,274	-
BTS Sansiri Holding Eight Ltd.	5,018	-
Bayswater Co., Ltd. ⁽¹⁾	66,931	-
Total	529,022	317,713

⁽¹⁾ Classified as investment in joint venture in accordance with a joint venture agreement and Article of Associate.

The Company presented the negative investment value based on equity method as "Provision for transaction under equity method of investments in joint ventures" in the consolidated statement of financial position. The negative investment value was resulted from elimination of gain on related party transactions in proportion to the Company's shareholding in jointly controlled entities.

18.1.1 Jointly controlled entities between Unicorn and Sansiri Public Company Limited ("SIRI")

Meetings of the Executive Committee of the Company passed a resolution approving the establishment of 50:50 joint venture companies with SIRI for the residential projects for sale under a strategic alliance framework agreement with SIRI dated 16 October 2014 (currently, the Company transferred investments in jointly controlled entities with SIRI to Unicorn as discussed in Note 17.1.8 to the financial statements). Each company has a registered share capital of Baht 100 million (1,000,000 ordinary shares with a par value of Baht 100 each). The details were as follows:

	Registered date		
BTS Sansiri Holding One Ltd.	19	December	2014
BTS Sansiri Holding Two Ltd.	13	March	2015
BTS Sansiri Holding Three Ltd.	12	June	2015
BTS Sansiri Holding Four Ltd.	12	June	2015
BTS Sansiri Holding Five Ltd.	12	June	2015
BTS Sansiri Holding Six Ltd.	12	June	2015
BTS Sansiri Holding Seven Ltd.	14	July	2015
BTS Sansiri Holding Eight Ltd.	8	September	2015
BTS Sansiri Holding Nine Ltd.	28	September	2015
BTS Sansiri Holding Eleven Ltd.	14	December	2015
BTS Sansiri Holding Twelve Ltd.	14	December	2015
BTS Sansiri Holding Fourteen Ltd.	4	February	2016

In addition, Nuvo Line Agency Co., Ltd. is a joint venture company under the strategic alliance framework agreement.

18.1.2 Bayswater Company Limited ("Bayswater") (held by Unicorn)

Bayswater engaged in the property development business which was 50% held by Unicorn.

On 15 October 2015, Bayswater entered into a sale and purchase of land agreement with the Legal Execution Department, with a price of Baht 7,350 million, and Bayswater has now received transfer of ownership of the land. The Company has loans to Bayswater totaling to Baht 3,901 million (Note 6). However, a company filed petitions with the Central Bankruptcy Court relating to the land as discussed in Note 55.8 h) to the financial statements.

18.1.3 Midas Global Media Company Limited ("Midas") (held by VGI)

On 30 March 2015, the Extraordinary General Meeting of Midas Global Media Company Limited ("Midas")'s shareholders No. 2/2015 approved an increase in Midas' registered capital from Baht 262.5 million (26.25 million ordinary shares of Baht 10 each) to Baht 350 million (35 million ordinary shares of Baht 10 each), through the issuance of 8.75 million additional ordinary shares with a par value of Baht 10 each, to the existing shareholders of Midas, at a price of Baht 10 per share.

As at 31 March 2015, the subsidiary's interest in Midas was 30%.

Subsequently, on 6 July 2015, the subsidiary's Board of Directors meeting No. 8/2015 passed resolutions to sell the subsidiary's 3,875,000 ordinary shares in Midas, at a price of Baht 10 per share, or for a total of Baht 38.75 million, and not to buy any additional ordinary shares of Midas, in order to reduce its shareholding in Midas. In addition, the meeting passed a resolution to terminate Midas' shareholders agreement dated 5 February 2014 between the subsidiary and Deelight Multimedia Company Limited, the sole licensing agreement granting a license to find customers for advertising media dated 5 February 2014 between the subsidiary and Midas, and the sole licensing agreement granting a license to find customers for advertising media dated 5 February 2014 between the subsidiary and Deelight Multimedia Company Limited, effective from 1 July 2015.

In accordance with the above resolution passed by the subsidiary's Board of Directors meeting, on 10 July 2015, the subsidiary entered into a share sale and purchase agreement with an unrelated party to sell its 3,875,000 ordinary shares in Midas, at a price of Baht 10 per share, or for a total of Baht 38.75 million. The subsidiary received a payment of Baht 19.375 million and transferred the first half of 1,937,500 shares to the buyer on the same date.

As a result, the subsidiary changed the status of Midas from a jointly controlled entity to a related party and reclassified its investment in Midas from investment in a joint venture, which was accounted for in the consolidated financial statements using the equity method, to other investment, which has been stated at cost (at fair value at the date when the control in the jointly controlled entity ceased in the consolidated financial statements) since 1 July 2015.

The subsidiary received the remaining payment of Baht 19.375 million and transferred the second half of 1,937,500 shares to the buyer on 31 October 2015.

The subsidiary had gain on sale totaling Baht 10 million and included this under the caption of "Gain on sales of investments" in the consolidated profit or loss.

In accordance with a resolution passed by the Extraordinary General Meeting of Midas' shareholders No. 2/2015 on 30 March 2015, Midas issued 3 million additional ordinary shares and registered the corresponding increase in its share capital to Baht 292.5 million (29.25 million ordinary shares of Baht 10 each) with the Ministry of Commerce on 4 August 2015. As a result, Midas had 5.75 million ordinary shares that remained unissued.

In addition, on 28 August 2015, the Extraordinary General Meeting of Midas' shareholders No. 3/2015 passed a resolution to cancel the outstanding additional registered capital of Midas, amounting to Baht 57.5 million (5.75 million ordinary shares of Baht 10 each), in accordance with a resolution passed by the Extraordinary General Meeting of Midas' shareholders No. 2/2015 on 30 March 2015, and approved an increase in Midas' registered capital from Baht 292.5 million (29.25 million ordinary shares of Baht 10 each) to Baht 482.5 million (48.25 million ordinary shares of Baht 10 each), through the issuance of 19 million additional ordinary shares with a par value of Baht 10 each. Subsequently, Midas issued 3 million additional ordinary shares and registered the corresponding increase in its share capital to Baht 322.5 million (32.25 million ordinary shares of Baht 10 each) with the Ministry of Commerce on 17 September 2015. Moreover, Midas issued 3.75 million additional ordinary shares and registered the corresponding increase in its share capital to Baht 360 million (36 million ordinary shares of Baht 10 each) with the Ministry of Commerce on 14 December 2015. As at 31 March 2016, the shareholding of the subsidiary remained at 11.11%

18.1.4 ATS Rabbit Special Purpose Vehicle Company Limited ("ATS Rabbit") (held by BSS Holdings Company Limited)

On 2 February 2015, the Company, Bangkok Smartcard System Company Limited ("BSS") and AEON Thana Sinsap (Thailand) Public Company Limited ("AEONTS") entered into Memorandum of Understanding for Business Cooperation for the joint issue of the Co-Branded Rabbit Program, the securitisation project and the establishment of a special purpose vehicle ("SPV"). SPV is to be established under the securitisation project in a form of a jointly controlled entity between AEONTS and BSS Holdings Company Limited ("BSS Holdings"), the Company's subsidiary, to carry out the securitisation project in accordance with the Emergency

Decree regarding Securitisation B.E. 2540 (1997). This securitisation project has a term of up to 10 years and a funding size of up to Baht 5,000 million. The Company will invest up to Baht 4,500 million in the debentures to be issued by the SPV, while BSS Holdings and AEONTS, the shareholders of the SPV, will provide the SPV with subordinated loans in equal amounts, up to an aggregate amount of Baht 500 million.

Subsequently, on 20 March 2015, ATS Rabbit was registered as a special purpose vehicle for the securitisation project under the Civil and Commercial Code of Thailand with a registered capital of Baht 40,000. This consisted of 2 preferred shares with a par value of Baht 100 per share and 398 ordinary shares with a par value of Baht 100 per share, with 51% of shares held by BSS Holdings and the remaining 49% held by AEONTS. ATS Rabbit was granted approval for the securitisation project by the SEC on 2 October 2015.

In accordance with the conditions stipulated in the Memorandum of Understanding for Business Cooperation, on 22 October 2015 the Company, ATS Rabbit and AEONTS entered into the Subscription Agreement, and on 31 March 2016 the Company invested approximately Baht 497 million in unsubordinated secured long-term debentures, bearing interest at a rate of 4% per annum, to be paid monthly commencing from 18 December 2015. The debentures will be redeemed beginning from 2023 and mature in 2025, with conditions permitting early redemption. In the event that a Put Trigger Event occurs, as defined in the agreement, AEONTS is to purchase and the Company is to sell the debentures at a price equal to the outstanding principal amount plus accrued interest at the purchase date.

In addition, on 22 October 2015, BSS Holdings entered into an agreement to provide a subordinated term loan to ATS Rabbit (Note 6). The term loan matures in the year 2025 and carries interest at a rate of 12% per annum, payable monthly.

18.2 SHARE OF PROFIT (LOSS)

During the years/period, the Company and its subsidiaries recognised their share of profit (loss) from investments in the joint ventures in the consolidated financial statements as follows:

(Unit: Thousand Baht)

Jointly controlled entities	2016	2015
BTS Sansiri Holding One Ltd.	(127,086)	(153)
BTS Sansiri Holding Two Ltd.	(12,863)	(325)
BTS Sansiri Holding Three Ltd.	(62,274)	-
BTS Sansiri Holding Four Ltd.	(3,605)	-
BTS Sansiri Holding Five Ltd.	(2,692)	-
BTS Sansiri Holding Six Ltd.	(3,829)	-
BTS Sansiri Holding Seven Ltd.	(423)	-
BTS Sansiri Holding Eight Ltd.	(55,018)	-
BTS Sansiri Holding Nine Ltd.	(390)	-
BTS Sansiri Holding Eleven Ltd.	(661)	-
BTS Sansiri Holding Twelve Ltd.	(695)	-
BTS Sansiri Holding Fourteen Ltd.	(274)	-
Nuvo Line Agency Co., Ltd.	(1,215)	-
Midas Global Media Co., Ltd.	(5,244)	(13,978)
ATS Rabbit Special Purpose Vehicle Co., Ltd. ("ATS Rabbit")	8,531	-
Bayswater Co., Ltd. ("Bayswater")	(71,896)	-
Total	(339,634)	(14,456)

Share of profit (loss) from investments in jointly controlled entities between Unicorn and SIRI, Bayswater and ATS Rabbit was determined based on financial statements reviewed by their auditors.

18.3 RETURN OF CAPITAL

On 8 February 2016, the Extraordinary General Meeting of shareholders of Nuvo Line Agency Co., Ltd. ("Nuvo Line") passed a resolution to approve a decrease of Baht 1,125 million in its registered and issued share capital, from Baht 1,500 million to Baht 375 million, by decreasing the number of ordinary shares from 15,000,000 ordinary shares with a par value of Baht 100 each to 3,750,000 ordinary shares with a par value of Baht 100. The subsidiary received return of capital from Nuvo Line amounting to Baht 563 million.

Subsequently, on 18 April 2016, the Extraordinary General Meeting of shareholders of Nuvo Line passed a resolution to approve a decrease of Baht 275 million in its registered and issued share capital, from Baht 375 million to Baht 100 million, by decreasing the number of ordinary shares from 3,750,000 ordinary shares with a par value of Baht 100 each to 1,000,000 ordinary shares with a par value of Baht 100.

18.4 SUMMARISED FINANCIAL INFORMATION ABOUT MATERIAL JOINT VENTURES

Summarised information about financial position

(Unit: Million Baht)

	Jointly controlled entities between Unicorn and SIRI		Bayswater Co., Ltd.	
	2016	2015	2016	2015
Cash and cash equivalents	768	332	74	-
Current assets	12,331	2,304	9	-
Non-current assets	158	-	7,824	-
Current liabilities	(1,565)	(1)	(203)	-
Long-term loans	(10,590)	(2,435)	(7,803)	-
Net assets	1,102	200	(99)	-
Shareholding percentage (%)	50	50	50	-
Share of net assets	551	100	(50)	-
Elimination of inter-transactions under equity method	(383)	(368)	(17)	-
Carrying amounts of joint ventures based on equity method	168	(268)	(67)	-

Profit or Loss

(Unit: Million Baht)

	Jointly controlled entities between Unicorn and SIRI		Bayswater Co., Ltd.	
	2016	2015	2016	2015
Loss	(515)	-	(108)	-

Jointly controlled entities between Unicorn and SIRI has mortgaged land and construction with a total net book value as at 31 March 2016 of approximately Baht 12,200 million (the Company's proportion: Baht 6,100 million) (2015: Baht 1,476 million (the Company's proportion: Baht 738 million)) as collateral for credit facilities granted by a bank.

19. INVESTMENTS IN ASSOCIATES

19.1 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	
			2016	2015	2016	2015	2016	2015
BTS Rail Mass Transit Growth Infrastructure Fund	Investment in infrastructure businesses	Thai	33.33	33.33	20,592,075	20,684,667	12,833,187	13,357,347
Absolute Hotel Services Co., Ltd.	Hotel management	Thai	50.00	50.00	4,000	4,000	17,255	18,749
Absolute Hotel Services Hong Kong Ltd. ¹	Hotel management	Hong Kong	50.00	50.00	3,049	3,049	-	-
Bayswater Co., Ltd. ²	Property development	Thai	-	50.00	-	5,000	-	4,964
Master Ad Public Co., Ltd.	Advertising, leasing of property and the purchase/sale of electronic billboards	Thai	24.96	24.96	620,738	620,744	635,778	630,583
Aero Media Group Co., Ltd. (Formerly known as "LED Advance Co., Ltd.")	Advertising media in domestic airports	Thai	20.00	-	100,000	-	106,415	-
U City Public Co., Ltd.	Property development	Thai	35.64	-	9,468,845	-	7,427,043	-
Total					30,788,707	21,317,460	21,019,678	14,011,643

(Unit: Million Baht)

Company's name	Nature of business	Country of incorporation	Separate financial statements			
			Shareholding percentage		Cost	
			2016	2015	2016	2015
BTS Rail Mass Transit Growth Infrastructure Fund	Investment in infrastructure businesses	Thai	33.33	33.33	20,592,075	20,684,667
Absolute Hotel Services Co., Ltd. ³	Hotel management	Thai	-	50.00	-	4,000
Bayswater Co., Ltd. ²	Property development	Thai	-	50.00	-	5,000
U City Public Co., Ltd.	Property development	Thai	35.64	-	9,468,845	-
Total					30,060,920	20,693,667

¹ 12.26% held by Tanayong Hong Kong Limited and 75.47% held by Absolute Hotel Services Co., Ltd.

² Classified as investment in joint venture in accordance with a joint venture agreement and Article of Associate.

³ 50% held by Unicorn Enterprise Company Limited (2558: 50% held by the Company)

19.1.1 BTS Rail Mass Transit Growth Infrastructure Fund (“BTSGIF”) (held by the Company)

Investment in BTSGIF under equity/cost method was detailed below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	Equity method		Cost method	
	2016	2015	2016	2015
Cost	20,833,200	20,833,200	20,833,200	20,833,200
Less: Gain on sale of future net fare box revenues in proportion to the Company’s investment	(6,748,791)	(6,748,791)	-	-
Add: Accumulated share of profit from investment	3,631,056	2,290,894	-	-
Less: Adjustment under equity method	(1,342,564)	(849,760)	-	-
Less: Accumulated dividend income	(3,298,590)	(2,019,663)	-	-
Less: Return of capital	(241,125)	(148,533)	(241,125)	(148,533)
Net	12,833,187	13,357,347	20,592,075	20,684,667

19.1.2 U City Public Co., Ltd. (“U City”) (Formerly known as “Natural Park Public Co., Ltd.”) (held by the Company)

As discussed in Note 17.1.6 to the interim financial statements, on 20 April 2015, the Company transferred all of the ordinary shares it held in BTSA and Kamkoong to U City. In return, the Company has received compensation in the form of the allotment of 200,086,877,212 new ordinary shares of U City (representing 35.64% of the total issued shares of U City), and 100,043,438,606 units of the newly issued warrants to purchase the ordinary shares of U City No. 2, at no cost (1 unit of warrant can be exercised to purchase 1 ordinary share of U City at a price of Baht 0.047 per share and the warrants are non-listed securities that cannot be traded on the Stock Exchange of Thailand).

In order to appropriately reflect the value of its investment in U City, the Company recorded the investment in U City as investment in associate at a fair value of ordinary shares and warrants of U City as at 20 April 2015, calculated based on the valuation report from an independent value, at a price of Baht 9,469 million.

U City is a public company incorporated and domiciled in Thailand and is principally engaged in the real estate business.

The Company completed measurement of the fair value of identifiable assets acquired and liabilities assumed at the acquisition date in the current year.

Details of the book values of assets and liabilities of the associate as at 20 April 2015 are as follows:

(Unit: Thousand Baht)

	Fair value	Book value
Assets		
Cash and cash equivalents	2,594,051	2,594,051
Short-term investments	3,688,776	3,688,776
Trade and other receivables	92,923	92,923
Real estate development costs	1,706,931	1,495,153
Other current assets	131,893	131,893
Non-current assets classified as held for sale	237,740	237,740
Investments in associates	40,956	47,703
Restricted deposits	51,864	51,864
Long-term loans to related parties	51,198	51,198
Land awaiting development	3,985,869	3,701,435
Investment properties	2,802,764	2,802,764
Property, plant and equipment	7,204,915	7,242,688
Goodwill	174,024	174,024
Other non-current assets	121,343	121,343
Total assets	22,885,247	22,433,555
Liabilities		
Trade and other payables	158,521	158,521
Deposits and advances received from customer	66,057	66,057
Other current liabilities	111,808	111,808
Creditors per rehabilitation plan	1,201,334	1,201,334
Long term loans	894,538	894,538
Provision for long-term employee benefits	32,319	32,319
Long-term provision	231,000	231,000
Deferred tax liabilities	954,384	848,410
Other non-current liabilities	10,192	10,192
Total liabilities	3,660,153	3,554,179
Net asset value	19,225,094	18,879,376
The Company's proportion (%)	35.64	
Fair value of net asset value at the Company's proportion	6,851,823	

Investment in U City under equity/cost method was detailed below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	Equity method		Cost method	
	2016	2015	2016	2015
Cost	9,468,845	-	9,468,845	-
Less: Gain on swap of investments in proportion to the Company's investment	(1,915,184)	-	-	-
Share of loss from investment	(143,953)	-	-	-
Share of other comprehensive income	17,335	-	-	-
Net	7,427,043	-	9,468,845	-

19.1.3 Master Ad Public Company Limited (“MACO”) (held by VGI)

On 12 May 2014, the subsidiary invested in 73.5 million ordinary shares of Master Ad Public Company Limited (“MACO”), at a price of Baht 9 per share, or for a total of Baht 661.5 million, through the big lot board in the Stock Exchange of Thailand, in accordance with a resolution passed by the subsidiary’s Board of Directors meeting No. 3/2014 on 9 May 2014. As a result, the subsidiary held 24.43% of all issued shares of MACO, and classifies this investment as investment in an associate.

During the year ended 31 March 2015, the subsidiary gradually invested in a further number of MACO’s ordinary shares through the Stock Exchange of Thailand. As a result, the shareholding of the subsidiary increased from 24.43% to 24.96% of all issued shares of MACO.

On 19 November 2014, the subsidiary sold 187,250,000 warrants to purchase the newly issued ordinary shares of MACO to unrelated parties through the Stock Exchange of Thailand, at a price of approximately Baht 0.6828 per warrant, or for a total of approximately Baht 128 million. The subsidiary recognised an allocation of costs of the warrants from the cost of investments in the associate, with reference to the fair values of the warrants and the ordinary shares of MACO, and recorded a gain on the sale of the warrants amounting Baht 53 million, presenting it as a separate item in the consolidated profit or loss for the year ended 31 March 2015.

Furthermore, during the year ended 31 March 2015, the subsidiary gradually purchased warrants to purchase the newly issued ordinary shares of MACO through the Stock Exchange of Thailand, in accordance with a resolution passed by the subsidiary’s Board of Directors meeting No. 9/2014 on 28 November 2014. As a result, the subsidiary held 28,351,500 warrants to purchase the newly issued ordinary shares of MACO, acquired at prices of approximately Baht 0.4 per share, or for a total of Baht 11 million. The subsidiary classifies its investment in these warrants as investment in an associate.

Subsequently, on 16 March 2016, the subsidiary’s Board of Directors meeting No. 2/2016 passed resolutions to make a share acquisition and a mandatory tender offer for all securities of MACO. Details are below.

- a) The acquisition of 375 million additional shares of MACO with a par value of Baht 0.1, or 12.46% of all issued shares of MACO, from existing shareholders, at a price of Baht 1.1 per share, or for a total of Baht 412.5 million. On 17 March 2016, in accordance with a resolution passed by the subsidiary’s Board of Directors meeting No. 2/2016 on 16 March 2016, the subsidiary entered into a conditional share purchase and sale agreement with 3 sellers who are the existing shareholders of MACO based on the forms, agreements and conditions that the counterparties mutually agreed. Significant details of the conditions are below.
 - 1) The subsidiary was granted approval by a meeting of its shareholders to acquire MACO’s shares in accordance with the share purchase and sale agreement.
 - 2) No changes occur that will have a significant adverse impact on the status of the business, operating results, assets and/or financial position of the MACO Group.
- b) A mandatory tender offer for all securities of MACO since, after the subsidiary acquires MACO’s shares in accordance with the share purchase and sale agreement, including the 750,967,400 existing shares of MACO held by the subsidiary, the subsidiary will hold 1,125,967,400 shares of MACO, or 37.42% of all issued shares. In accordance with the Notification of the Capital Market Supervisory Board No. Thor Jor. 12/2554 Re: Rules, Conditions and Procedures for the Acquisition of Securities for Business Takeovers (Chain Principle) dated 13 May 2011 and relevant amendments, the subsidiary thus will have to make a mandatory tender offer for all securities of MACO. This mandatory tender offer will be for all of 1,883,002,100 remaining ordinary shares of MACO, or 62.58% of all issued shares of MACO, at a price of Baht 1.1 per share, or for a total of Baht 2,071 million.

In addition, the subsidiary’s Board of Directors meeting No. 2/2016 passed a resolution to hold the Extraordinary General Meeting of the subsidiary’s shareholders No. 1/2016 on 30 May 2016 in order to approve the above transactions and the subsidiary’s takeover of MACO.

MACO is a public company incorporated and domiciled in Thailand and is principally engaged in advertising, leasing of property and the purchase/sale of electronic billboards.

19.1.4 Aero Media Group Company Limited (“Aero”) (formerly known as “LED Advance Company Limited”) (held by VGI)

On 15 May 2015, the subsidiary invested in 15,000 ordinary shares of Aero, at a price of Baht 6,667 per share, or for a total of Baht 100 million, in accordance with a resolution passed by the subsidiary’s Board of Directors meeting No. 6/2015 on 6 May 2015. As a result, the subsidiary held 20% of all issued shares of Aero, and classifies this investment as investment in an associate.

However, the subsidiary is in the process of assessing the fair and book values of Aero’s identifiable assets and liabilities at the share acquisition date.

Aero is a limited company incorporated and domiciled in Thailand and is principally engaged in the provision of advertising media in 13 domestic airports.

19.2 SHARE OF COMPREHENSIVE INCOME

During the year/period, the Company and its subsidiaries have summarised their share of comprehensive income from investments in associates in the consolidated financial statements as follows:

(Unit: Thousand Baht)

Associates	Consolidated financial statements			
	Share of profit (loss)		Share of other comprehensive income	
	2016	2015	2016	2015
BTS Rail Mass Transit Growth Infrastructure Fund	847,359	828,670	-	-
Absolute Hotel Services Co., Ltd.	12,006	8,875	-	-
Bayswater Co., Ltd.	-	(78)	-	-
Master Ad Public Co., Ltd.	29,204	28,564	-	-
Aero Media Group Co., Ltd.	6,415	-	-	-
U City Public Co., Ltd.	(143,953)	-	17,335 ⁽¹⁾	-
Total	751,031	866,031	17,335	-

⁽¹⁾ Consisting of gain on changes in value of available-for-sale investments amounting to Baht 11 million and actuarial gain amounting to Baht 6 million.

Share of profit from investment in Aero was determined based on the financial statements prepared by Aero’s management, and share of loss from investment in U City was determined based on financial statements reviewed by U City’s auditor.

19.3 DIVIDENDS RECEIVED AND RETURN OF CAPITAL

Dividends received from the associates were as follows:

(Unit: Million Baht)

Company’s name	For the years ended 31 March			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
BTS Rail Mass Transit Growth Infrastructure Fund	1,279	1,200	1,279	1,200
Absolute Hotel Services Co., Ltd.	13	7	13	7
Master Ad Public Co., Ltd.	24	19	-	-
Total	1,316	1,226	1,292	1,207

In addition, on 22 April 2016, the Annual General Meeting of MACO's shareholders passed a resolution to pay to the shareholders a cash dividend for 2015 of Baht 0.03 per share, or a total of Baht 90 million. The dividend will be paid on 13 May 2016 and the subsidiary received a dividend of Baht 23 million from MACO on that date.

Return of capital from the associate was as follows:

(Unit: Million Baht)

Company's name	For the years ended 31 March	
	Consolidated and separate financial statements	
	2016	2015
BTS Rail Mass Transit Growth Infrastructure Fund	93	149
Total	93	149

19.4 FAIR VALUE OF THE INVESTMENTS IN THE ASSOCIATES

Fair value based on the latest bid price of the investments in the associates, which are listed on the Stock Exchange of Thailand was as follows:

(Unit: Million Baht)

Company's name	2016	2015
BTS Rail Mass Transit Growth Infrastructure Fund	22,183	19,869
Master Ad Public Co., Ltd.	819	902
U City Public Co., Ltd.	6,003 ⁽¹⁾	-

⁽¹⁾ Excluding fair value of warrants which are not listed on the Stock Exchange of Thailand.

19.5 SUMMARISED FINANCIAL INFORMATION ABOUT MATERIAL ASSOCIATES

Summarised information about financial position

(Unit: Million Baht)

	BTS Rail Mass Transit Growth Infrastructure Fund		Master Ad Public Co., Ltd.		U City Public Co., Ltd.	
	2016	2015	2016	2015	2016	2015
Current assets	-	-	632	586	4,987	-
Non-current assets	66,836	65,739	302	304	17,075	-
Current liabilities	-	-	(108)	(133)	(228)	-
Non-current liabilities	(52)	(251)	(38)	(41)	(2,376)	-
Net assets	66,784	65,488	788	716	19,458	-
Shareholding percentage (%)	33.33	33.33	24.96	24.96	35.64	-
Share of net assets	22,261	21,829	197	179	6,935	-
Accumulated net unrealised gain on investments	(1,344)	(870)	-	-	-	-
Fair value adjustment of assets acquired and liabilities assumed	-	-	55	68	141	-
Goodwill	-	-	384	384	2,266	-
Elimination of inter-transactions under equity method	(8,084)	(7,602)	-	-	(1,915)	-
Carrying amounts of associates based on equity method	12,833	13,357	636	631	7,427	-

Note: Assets and liabilities of BTS Rail Mass Transit Growth Infrastructure Fund presented as non-current assets and non-current liabilities.

Summarised information about comprehensive income

(Unit: Million Baht)

	BTS Rail Mass Transit Growth Infrastructure Fund		Master Ad Public Co., Ltd.		U City Public Co., Ltd.	
	2016	2015	2016	2015	2016	2015
Revenue	4,497	3,984	740	657	1,075	-
Profit (loss)	4,020	3,520	173	133	(454)	-
Other comprehensive income	-	-	(2)	-	49	-
Total comprehensive income	4,020	3,520	171	133	(405)	-

20. OTHER LONG-TERM INVESTMENTS

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Fixed deposits with maturity date due more than 1 year	-	945,836	-	-
Held-to-maturity securities				
Domestic private debt securities	697,405	1,548,000	597,405	100,000
Foreign private debt securities	-	16,037	-	8,041
	697,405	1,564,037	597,405	108,041
Investments in available for sale				
Domestic marketable equity securities	5,593,720	4,591,368	5,186,334	4,591,368
Foreign marketable equity securities	3,629,624	2,326,219	1,524,224	641,047
	9,223,344	6,917,587	6,710,558	5,232,415
Less: Allowance for change in value	(1,114,911)	(552,988)	(1,116,689)	(483,085)
Allowance for impairment	(497,205)	-	(497,205)	-
	7,611,228	6,364,599	5,096,664	4,749,330
Other investments				
Domestic non-marketable equity securities	149,784	118,584	119,784	118,584
Foreign non-marketable equity securities	1,293,012	555,390	1,293,012	555,390
	1,442,796	673,974	1,412,796	673,974
Total	9,751,429	9,548,446	7,106,865	5,531,345

During the year, the Company recorded loss on impairment of available for sale investments amounting to Baht 497 million under the heading of "Other expenses" in profit or loss.

In addition, the Company sold available for sale investments and recognised gains on the sales in the profit or loss. The details were as follows:

(Unit: Million Baht)

Company's name	For the years ended 31 March	
	Consolidated and separate financial statements	
	2016	2015
Sales of investments	2,426	6,097
Gain on sales	50	252

21. PROJECT COSTS-MEDIA

(Unit: Thousand Baht)

	Consolidated financial statements	
Cost		
1 April 2014		2,371,456
31 March 2015		2,371,456
31 March 2016		2,371,456
Accumulated amortisation		
1 April 2014		31,389
Amortisation for the year		13,556
31 March 2015		44,945
Amortisation for the year		29,126
31 March 2016		74,071
Net book value		
31 March 2015		2,326,511
31 March 2016		2,297,385
Amortisation included in cost of services		
2015		13,556
2016		29,126

Project costs-media represent the portion of costs of rights that relate to media that were allocated from the intangible asset (generating fare box revenues and advertising revenues to a subsidiary) derecognised from the books of account since the rights to receive future net fare box revenues were sold to BTSGIF. The costs were allocated in accordance with bases and assumptions set by the subsidiary's management. The subsidiary's management believes that these assumptions are appropriate under the current circumstances.

22. REUSABLE SPARE PARTS

As at the dates of the statements of financial position, the balances of reusable spare parts were comprised as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	
	2016	2015
Reusable spare parts	107,168	99,799
Less: Accumulated amortisation	(15,912)	(8,361)
Reusable spare parts-net	91,256	91,438
Amortisation included in cost of services	7,551	3,213

23. INVESTMENT PROPERTIES

The net book value of investment properties as at 31 March 2016 and 2015 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements			
	Land awaiting sales	Buildings for rent	Total	Land awaiting sales	Buildings and Hotel for rent	Golf course and construction for rent	Total
31 March 2016:							
Cost	1,704,075	269,898	1,973,973	840,991	902,402	1,459,143	3,202,536
<u>Less</u> Accumulated depreciation	-	(121,135)	(121,135)	-	(182,745)	(755,816)	(938,561)
<u>Less</u> Allowance for impairment	(405,423)	(36,913)	(442,336)	(397,071)	(45,707)	(175,567)	(618,345)
Net book value	1,298,652	111,850	1,410,502	443,920	673,950	527,760	1,645,630
31 March 2015:							
Cost	1,895,690	284,128	2,179,818	1,665,507	896,441	1,383,374	3,945,322
<u>Less</u> Accumulated depreciation	-	(114,099)	(114,099)	-	(146,323)	(724,854)	(871,177)
<u>Less</u> Allowance for impairment	(543,764)	(42,004)	(585,768)	(543,764)	(49,597)	(181,032)	774,393
Net book value	1,351,926	128,025	1,479,951	1,121,743	700,521	477,488	2,299,752

A reconciliation of the net book value of investment properties for the years 2016 and 2015 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Net book value at beginning of year	1,479,951	3,101,461	2,299,752	1,691,152
Acquisition of assets	4,292	771,740	96,806	385,533
Transfer in (out)	(6,046)	167,928	(10,381)	279,690
Disposals-net book value	(27,919)	(695,048)	(5,562)	(1,159)
Depreciation charged	(10,130)	(11,141)	(58,432)	(55,464)
Sale of investment in subsidiary (Note 17.1.5)	(29,646)	-	-	-
Classified as assets classified as held for sale (Note 17.1.6)	-	(1,854,989)	-	-
Transfer land to a subsidiary for the restructuring of the business (Note 17.1.8)	-	-	(676,553)	-
Net book value at end of year	1,410,502	1,479,951	1,645,630	2,299,752

The fair value of the investment properties as at 31 March 2016 stated below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Land awaiting sales	4,113,800	2,659,100
Buildings and hotel for rent	205,000	983,000
Golf course and construction for rent	-	1,727,000

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 using market approach.
- Buildings and hotels for rent has been determined using the income approach and market approach.
- Golf course and construction for rent has been determined using the income approach.

The main assumptions used in the valuation of the buildings are yield rate, inflation rate and long-term growth rates.

On 15 October 2014, a meeting of the Executive Committee of the Company passed resolutions to approve the sale by the Company's wholly owned subsidiary of approximately 5 rai (8,000 sq.m.) of land to BTS Sansiri Holding One Ltd. for a consideration of Baht 1,411 million. The subsidiary recognised a gain on the sale of the land of Baht 368 million (after eliminating 50% in proportion to the Company's shareholding in BTS Sansiri Holding One Ltd. under the equity method) and presented this under the heading of "Gain on sales of assets" as a separate item in the consolidated profit or loss for the year ended 31 March 2015.

The Company and its subsidiaries have pledged investment properties amounting to approximately Baht 56 million (2015: Baht 85 million) (Separate financial statement: Baht 537 million (2015: Baht 486 million)) as collateral against credit and guarantee facilities received from a financial institution and a creditor per rehabilitation plan.

24. PROPERTY, PLANT AND EQUIPMENT

(Unit: Thousand Baht)

	Consolidated financial statements							Total
	Land (revalued)	Buildings and improvements	Golf course development costs	Machinery and equipment	Furniture and office equipment	Motor vehicles	Construction in progress and assets under installation	
Cost								
1 April 2014	192,796	2,741,189	534,381	1,346,918	572,298	142,269	1,231,970	6,761,821
Additions	-	474,537	-	55,715	51,635	5,491	724,790	1,312,168
Disposals	-	(64,951)	-	(94,164)	(15,857)	(15,761)	(6,640)	(197,373)
Transfer in (out)	-	342,793	-	879,869	35,140	(2,004)	(1,352,159)	(96,361)
Translation adjustment	-	-	-	-	9	10	-	19
Classified as assets held for sale (Note 17.1.6)	(88,966)	(1,876,711)	-	(66,095)	(32,171)	-	-	(2,063,943)
31 March 2015	103,830	1,616,857	534,381	2,122,243	611,054	130,005	597,961	5,716,331
Additions	-	7,188	-	39,936	30,653	8,903	524,171	610,851
Acquisition of subsidiaries	-	3,149	-	-	5,369	465	-	8,983
Disposals	-	(11,240)	-	(376,070)	(15,166)	(866)	(105,144)	(508,406)
Transfer in (out)	-	89,110	-	241,774	34,458	-	(384,292)	18,950
Sale of investment in subsidiary	-	-	-	11,599	(8,297)	-	(177)	(20,073)
31 March 2016	103,830	1,705,064	534,381	2,016,284	658,071	138,507	632,519	5,788,656
Accumulated depreciation								
1 April 2014	-	567,853	277,036	711,213	417,220	110,303	-	2,083,625
Depreciation for the year	-	113,391	5,646	194,070	60,132	8,510	-	381,749
Depreciation on disposals	-	(8,101)	-	(84,191)	(15,752)	(15,761)	-	(123,805)
Depreciation on transfers	-	(116)	-	116	18,284	(1,110)	-	17,174
Translation adjustment	-	-	-	-	(131)	4	-	(127)
Classified as assets held for sale (Note 17.1.6)	-	(174,237)	-	(22,065)	(19,447)	-	-	(215,749)
31 March 2015	-	498,790	282,682	799,143	460,306	101,946	-	2,142,867
Depreciation for the year	-	55,209	5,662	206,815	59,876	9,718	-	337,190
Acquisition of subsidiaries	-	312	-	-	1,323	7	-	1,642
Depreciation on disposals	-	(8,113)	-	(320,492)	(14,370)	(866)	-	(343,841)
Depreciation on transfers	-	(581)	-	(2,103)	1,109	-	-	(1,575)
Sale of investment in subsidiary	-	-	-	(5,871)	(6,111)	-	-	(11,982)
31 March 2016	-	545,617	288,344	677,492	502,043	110,805	-	2,124,301

(Unit: Thousand Baht)

	Consolidated financial statements							Total
	Land (revalued)	Buildings and improvements	Golf course development costs	Machinery and equipment	Furniture and office equipment	Motor vehicles	Construction in progress and assets under installation	
Revaluation surplus on assets								
1 April 2014	2,970,861	-	-	-	-	-	-	2,970,861
Classified as assets held for sale (Note 17.1.6)	(724,484)	-	-	-	-	-	-	(724,484)
31 March 2015	2,246,377	-	-	-	-	-	-	2,246,377
31 March 2016	2,246,377	-	-	-	-	-	-	2,246,377
Allowance for impairment								
1 April 2014	-	12,405	208,426	-	-	-	-	220,831
Addition	-	-	-	88,601	-	-	-	88,601
31 March 2015	-	12,405	208,426	88,601	-	-	-	309,432
Disposal	-	-	-	(72,605)	-	-	-	(72,605)
31 March 2016	-	12,405	208,426	15,996	-	-	-	236,827
Net book value								
31 March 2015	2,350,207	1,105,662	43,273	1,234,499	150,748	28,059	597,961	5,510,409
31 March 2016	2,350,207	1,147,042	37,611	1,322,796	156,028	27,702	632,519	5,673,905
Depreciation for the years								
2015								381,749
2016								337,190

(Unit: Thousand Baht)

	Separate financial statements					Total
	Buildings and improvements	Machinery and equipment	Furniture and office equipment	Motor vehicles	Construction in progress and assets under installation	
Cost						
1 April 2014	50,520	40,166	42,569	101,732	434,206	669,193
Additions	1,510	-	6,383	-	43,586	51,479
Transfer in (out)	-	-	50,310	-	(306,613)	(256,303)
Disposals	(7,309)	-	(3,537)	(3,288)	-	(14,134)
31 March 2015	44,721	40,166	95,725	98,444	171,179	450,235
Additions	53	-	6,702	914	191,482	199,151
Transfer in (out)	-	-	10,784	-	(51)	10,733
Disposals	(1,084)	-	(282)	(295)	-	(1,661)
31 March 2016	43,690	40,166	112,929	99,063	362,610	658,458
Accumulated depreciation						
1 April 2014	39,526	35,401	33,543	75,886	-	184,356
Depreciation for the year	3,054	4,041	10,634	6,424	-	24,153
Depreciation for transfer	-	-	21,969	-	-	21,969
Depreciation on disposals	(7,309)	-	(3,534)	(3,288)	-	(14,131)
31 March 2015	35,271	39,442	62,612	79,022	-	216,347
Depreciation for the year	2,397	559	14,809	6,591	-	24,356
Depreciation for transfer	-	-	403	-	-	403
Depreciation on disposals	(1,084)	-	(270)	(296)	-	(1,650)
31 March 2016	36,584	40,001	77,554	85,317	-	239,456
Net book value						
31 March 2015	9,450	724	33,113	19,422	171,179	233,888
31 March 2016	7,106	165	35,375	13,746	362,610	419,002
Depreciation for the years						
2015						24,153
2016						24,356

Depreciation expenses for the year recorded in profit or loss are detailed below.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Costs of services	224	203	8	12
Administrative expenses	113	179	16	12
Total	337	382	24	24

The Company has mortgaged land and construction with net book value as at 31 March 2016 of Baht 2,742 million (2015: Baht 2,691 million) as collateral for credit and guarantee facilities from a financial institution.

As at 31 March 2016, 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 1,307 million (2015: Baht 1,240 million) (Separate financial statements: Baht 183 million (2015: Baht 139 million)).

25. LEASEHOLD RIGHTS

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Cost		
1 April 2014	33,494	26,004
31 March 2015	33,494	26,004
31 March 2016	33,494	26,004
Accumulated amortisation		
1 April 2014	19,636	17,454
Amortisation for the year	2,196	1,812
31 March 2015	21,832	19,266
Amortisation for the year	781	397
31 March 2016	22,613	19,663
Net book value		
31 March 2015	11,662	6,738
31 March 2016	10,881	6,341
Amortisation included in administrative expenses		
2015	2,196	1,812
2016	781	397

26. INTANGIBLE ASSETS

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Costs		
1 April 2014	533,727	7,732
Additions	56,470	317
Disposals	(292)	-
Transfer in	5,456	96
Classified as assets classified as held for sale (Note 17.1.6)	(4,189)	-
31 March 2015	591,172	8,145
Additions	53,187	53
Increase from acquisition of subsidiary	521	-
Disposals	(52,080)	(102)
Transfer in	18,913	51
Sale of investment in subsidiary	(398)	-
31 March 2016	611,315	8,147
Accumulated amortisation		
1 April 2014	158,372	7,524
Amortisation for the year	49,547	158
Amortisation on disposals	(289)	-
Amortisation on transfers	96	96
Classified as assets classified as held for sale (Note 17.1.6)	(2,349)	-
31 March 2015	205,377	7,778
Amortisation for the year	60,604	205
Amortisation on disposals	(106)	(102)
Sale of investment in subsidiary	(94)	-
31 March 2016	265,781	7,881
Net book value		
31 March 2015	385,795	367
31 March 2016	345,534	266
Amortisation included in administrative expenses		
2015	49,547	158
2016	60,604	205

27. RIGHTS OF CLAIM FROM ACQUISITION OF DEBTS PER REHABILITATION PLAN

In order to comply with the rehabilitation plan, in 2009 the Company held an open auction of assets mortgaged as collateral with a group of creditors per the rehabilitation plan and a company successfully bid to purchase all of these assets.

In 2011, a subsidiary purchased rights of claim from a group of creditors and made payment totaling Baht 816 million for these rights. The subsidiary recorded this transaction under the heading of "Rights of claim from acquisition of debts per rehabilitation plan" in the consolidated statement of financial position. Subsequently, in 2012 and 2013, there were gradual transfers of ownership and redemption from mortgage of certain secured assets. The subsidiary, as a creditor holding rights of claim over debts and other rights under the rehabilitation plan, received proportionate settlement of debt, leaving a balance of "Rights of claim from acquisition of debts per rehabilitation plan" of Baht 256 million in the consolidated statement of financial position as at 31 March 2016 (2015: Baht 204 million).

28. SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

Short-term loans are subject to interest at a rate tied to the Minimum Overdraft Rate (MOR), not collateralised and to be repaid at call.

29. TRADE AND OTHER PAYABLES

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Trade payables-related parties	12,710	614	-	-
Trade payables	330,487	369,547	-	5,122
Other payables-related parties	12,335	1,629	55,134	24,145
Other payables	104,150	118,177	11,726	8,151
Payable from acquisition of investment	28,532	116,586	28,532	116,586
Accrued interest expenses-related parties	612	-	254,390	40,169
Accrued interest expenses	11,414	19,535	1,439	-
Retention payable-related party	-	-	7,835	25,428
Retention payable	17,800	39,266	6,291	4,432
Deposit payable	234,193	195,057	30,000	30,000
Accrued expenses-related parties	-	-	750	1,658
Accrued expenses	581,020	650,538	31,520	31,768
Dividend payable	289,736	267,622	89,120	76,644
Total trade and other payables	1,622,989	1,778,571	516,737	364,103

30. BILLS OF EXCHANGE PAYABLES

Bills of exchange are subject to interest at rates of 2.18%-2.65% per annum, not collateralised and mature during May to October 2016.

31. CREDITORS PER REHABILITATION PLAN/LIABILITY AWAITING FINAL COURT ORDER

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	2016	2015
Creditors per rehabilitation plan	637,620	733,188
Less: Current portion	(610,668)	(683,617)
Creditors per rehabilitation plan - net of current portion	26,952	49,571

Creditors per the rehabilitation plan consist of creditors who have debts pending a final order from the Supreme Court and undue debts under the rehabilitation plan.

In 2006, a creditor under the Company's business rehabilitation plan filed a petition with the Central Bankruptcy Court, asking the court to overturn the order of the official receiver regarding the revocation of claims for settlement of debt. However, the Central Bankruptcy Court dismissed the claim. The creditor filed an appeal with the Supreme Court, who has now issued an order dismissing the creditor's petition. The Company therefore reversed creditors per the rehabilitation plan amounting to Baht 96 million, and presented this under the heading of "Reversal of creditors per rehabilitation plan" in profit or loss. In addition, the Company made payments of Baht 28 million to a creditor and Baht 154 million to a subsidiary, as a creditor holding rights of claim over debts and other rights under the rehabilitation plan, from cash reserved for payment to creditors under the Central Bankruptcy Court's order, leaving no balance of "Liability awaiting final court order" in the consolidated statement of financial position as at 31 March 2016 (2015: Baht 182 million).

The Company has been unable to transfer to creditors the Company's 39,332,125 ordinary shares with a par value of Baht 4 each that were temporarily registered in the name of a subsidiary, part of which are deposited with the Central Bankruptcy Court as a guarantee of debt settlement, since there are still undue debts and debts pending a final court judgment or comptroller's order. As a result, the number of shares allocated to each creditor is still uncertain as the debt ratio might be altered to accord with the final court judgment or comptroller's order. However, the creditors will still receive the total number of ordinary shares stipulated in the rehabilitation plan and the Company has already recorded the issuance of ordinary shares for debt settlement by offsetting them against the Company's debts during the year ended 31 March 2007.

32. LONG-TERM LOANS

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Long-term loans	1,268,222	1,213,084	1,062,222	981,084
Less: Current portion	(1,095,222)	(26,000)	(1,062,222)	-
Long-term loans-net of current portion	173,000	1,187,084	-	981,084

The Company

A facility of USD 30 million, subject to interest at LIBOR plus a margin stipulated in the agreement, and secured by a fixed deposit of the Company of RMB 215 million. As at 31 March 2016, the outstanding balance of this loan was USD 30 million, equivalent to Baht 1,062 million (2015: USD 30 million, equivalent to Baht 981 million), but in April 2016, the Company repaid the loan.

A subsidiary (*Bangkok Smartcard System Company Limited*)

On 17 October 2011, a subsidiary (Bangkok Smartcard System Co., Ltd.) entered into a long-term loan agreement with a local commercial bank for total credit facilities of Baht 300 million which are subject to interest at the Minimum Loan Rate (MLR) minus a certain spread stipulated in the agreement and the principal is to be repaid in monthly installments, from November 2014 to October 2021.

Loan agreements of the subsidiary 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 the Company 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.

33. LONG-TERM DEBENTURES

As at the dates of the statements of financial position, details of the debentures were as follows:

(Unit: Thousand Baht)

	Maturity date	Interest rate	Consolidated and financial statements	
			2016	2015
		p.a.%		
Debenture-Tranche 4	21 August 2015	6.25	-	1,468,900
Debenture-Tranche 5	21 August 2016	6.75	1,348,450	1,348,450
Total			1,348,450	2,817,350
Less: Issuing costs			(979)	(4,570)
Total long-term debentures			1,347,471	2,812,780
Less: Current portion of long-term debentures*			(1,347,471)	(1,467,656)
Long-term debentures-net of current portion			-	1,345,124

* The subsidiary has presented the current portion by deducting its issuing costs.

The debentures were secured by the letter of guarantee provided by a bank of Baht 1,394 million (the letter of guarantee was secured by the current investments and other long-term investments of a subsidiary (BTSC)).

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.

34. PROVISION FOR LONG-TERM EMPLOYEE BENEFITS

Provision for long-term employee benefits as at 31 March 2016 and 2015, which is compensations on employees' retirement, was as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Balance at beginning of year	575,701	557,624	27,249	24,622
Current service cost	57,637	44,434	4,367	2,535
Interest cost	24,613	21,931	1,745	978
Included in other comprehensive income:				
Actuarial loss (gain) arising from				
Demographic assumptions changes	(31,733)	-	(2,422)	-
Financial assumptions changes	156,414	-	9,886	-
Experience adjustments	(3,345)	-	11,534	-
Benefits paid during the year	(11,007)	(22,042)	-	(886)
	768,280	601,947	52,359	27,249
Increase from acquisition of subsidiary	683	-	-	-
Transfer from related company	14,863	-	14,863	-
Decrease from sale of investment in subsidiary	(1,431)	-	-	-
Classified as liabilities directly associated with assets classified as held for sale (Note 17.1.6)	-	(26,246)	-	-
Balance at end of year	782,395	575,701	67,222	27,249

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	
	2016	2015	2016	2015
Current service cost	57,637	44,434	4,367	2,535
Interest cost	24,613	21,931	1,745	978
Total expense recognised in profit or loss	82,250	66,365	6,112	3,513
Line items under which such expenses are included in profit or loss				
Cost of services	48,799	43,491	-	-
Administrative expenses	33,451	22,874	6,112	3,513

The Net Revenue Purchase and Transfer Agreement stipulates that a subsidiary (BTSC) can claim costs related to long-term employee benefits of employees, which represents compensation payable to employees when they retire from BTSGIF, since BTSGIF will be responsible for the long-term employee benefits of employees who retire during the remaining period of the Core Mass Transit System. Therefore, the subsidiary recorded these transactions as assets, presenting them as accrued income in the statement of financial position, in accordance with bases and assumptions that were determined by the subsidiary's management. The subsidiary's management believes that these bases and assumptions are appropriate under the current circumstances. The details are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	
	2016	2015
Balance as at beginning of year	357,299	324,969
Increase	36,728	34,414
Payment from BTSGIF	-	(2,084)
Recognised in other comprehensive income	53,664	-
Balance as at end of year	447,691	357,299

Long-term employee benefits that can be claimed from BTSGIF in the future (presented net of long-term employee benefit expenses in profit or loss) amounted to Baht 37 million (2015: Baht 34 million).

The Company and its subsidiaries expect to pay Baht 15 million of long-term employee benefits during the next year (Separate financial statements: Baht 5 million) (2015: Baht 11 million (separate financial statements: Nil)).

As at 31 March 2016, the weighted average duration of the liabilities for long-term employee benefit is 19 years (Separate financial statements: 19 years) (2015: 26 years (Separate financial statements: 26 years)).

Significant actuarial assumptions are summarised below:

	Consolidated and Separate financial statements	
	2016	2015
	(% per annum)	(% per annum)
Discount rate	2.4	4.1
Salary increase rate	5.0-6.0	5.0

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 March 2016 are summarised below:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	Increase by 1%	Decrease by 1%	Increase by 1%	Decrease by 1%
Discount rate	(97)	116	(6)	7
Salary increase rate	111	(95)	7	(6)

35. PROVISIONS

(Unit: Thousand Baht)

	Consolidated financial statements				
	Special business tax	Major maintenance or restoration of elevated trains under service concession	Construction cost of car park building and sky walk	Damage loss	Total
Balance as at 1 April 2014	1,083,484	229,246	-	-	1,312,730
Increase during the year	98,181	55,112	231,000	166,729	551,022
Decrease during the year	(53,407)	-	-	-	(53,407)
Revision of provision	26,467	(134,376)	-	-	(107,909)
Reclassified as liabilities directly associated with assets classified as held for sale (Note 17.1.6)	-	-	(231,000)	-	(231,000)
Balance as at 31 March 2015	1,154,725	149,982	-	166,729	1,471,436
Increase during the year	100,925	62,388	-	-	163,313
Decrease during the year	(56,860)	-	-	(207,228)	(264,088)
Revision of provision	(27,491)	-	-	40,499	13,008
Balance as at 31 March 2016	1,171,299	212,370	-	-	1,383,669
As at 31 March 2016					
Current	58,953	-	-	-	58,953
Non-current	1,112,346	212,370	-	-	1,324,716
	1,171,299	212,370	-	-	1,383,669
As at 31 March 2015					
Current	60,682	-	-	166,729	227,411
Non-current	1,094,043	149,982	-	-	1,244,025
	1,154,725	149,982	-	166,729	1,471,436

Special Business Tax of BTS Rail Mass Transit Growth Infrastructure Fund ("BTSGIF")

A subsidiary (BTSC) recognised a provision for future special business tax liabilities of BTSGIF over the remaining period of the Core Bangkok Mass Transit System, since under the Net Revenue Purchase and Transfer Agreement, the subsidiary is responsible for this tax. In calculating the provision for special business tax, the subsidiary referred to projections of future revenues prepared by an independent valuer and amortisation of BTSGIF's investment in rights to receive fare box revenue of the Core Bangkok Mass Transit System of BTSGIF, discounted to present value.

During the current year, the subsidiary reversed Baht 27 million of the provision for special business tax (2015: Recorded an additional Baht 26 million), since BTSGIF revised its projections of net future fare box revenues and passengers over the remaining period of the Core Bangkok Mass Transit System in accordance with the valuation report of an independent valuer dated 29 April 2016, and these projections are one of the assumptions used in calculating the provision for special business tax. The subsidiary's management believes that the assumptions are appropriate under the current circumstances.

Major maintenance or restoration of elevated trains under service concession

A subsidiary (BTSC) recognises a provision for its contractual obligation to perform major maintenance or restoration on elevated trains under the service concession.

During the current year, the subsidiary recorded provision for major maintenance or restoration of elevated trains under the service concession amounting to Baht 62 million (2015: reversal of Baht 79 million).

Damage loss

Damage loss is provisions set aside by a subsidiary (VGI) for losses resulting from the termination of agreements with a counterpart that is the owner of a department store and for the shortfall in revenues compared to the minimum guaranteed compensation under another agreement that the subsidiary made with a related company.

As a result of the termination of the agreements with the department store, during the year ended 31 March 2015, the subsidiary recognised allowance for impairment loss on equipment and other assets related to the agreement amounting to Baht 102 million including in the heading of “Other expenses” in the consolidated profit or loss.

During the current year, the subsidiary and the counterpart negotiated and reached a settlement of their disputes related to the termination of the agreements with the department store, and on 11 August 2015 that subsidiary entered into an agreement with the subsidiary to purchase the advertising equipment installed in the department store at a price of Baht 79 million. The subsidiary received the first payment of Baht 25 million in September 2015 and is to receive the balance within December 2018 in 3 installments of Baht 18 million each. The equipment had a net book value of Baht 5 million at the disposal date (net of allowance for impairment loss amounting to Baht 52 million) and the subsidiary therefore had a gain on the sale of the equipment amounting to Baht 74 million. This was included in the consolidated profit or loss, under the caption of “Gain on sales of assets”.

The subsidiary’s management believes that the termination will not have any significant adverse impact on the subsidiary, other than the actual amounts of severance pay and other expenses incurred during the current year, amounting to Baht 19 million. Therefore, the subsidiary reversed the provision for losses from the termination of the agreements of Baht 94 million, and as at 31 March 2016, there was no balance of provision for damage loss (2015: Baht 113 million).

In addition, the subsidiary revisited the provision for the shortfall in revenues compared to the minimum guaranteed compensation, because the actual amounts of certain revenues were lower than the amounts estimated. As a result, additional provision amounting to Baht 135 million was recorded, resulting in a total provision of Baht 188 million (2015: Baht 53 million). During the current year, the subsidiary paid the amount set aside as provision of Baht 188 million to the related subsidiary.

Loss on provisions, which is presented under the heading of “Other expenses” in profit or loss, is detailed below.

(Unit: Thousand Baht)

	Consolidated financial statements	
	2016	2015
Loss on provision for special business tax (reversal)	(27,491)	26,467
Loss on provision for major maintenance or restoration of elevated trains under service concession (reversal)	62,388	(79,264)
Loss on provision for terminating agreements (reversal)	(94,382)	113,291
Loss on provision for shortfall in revenues being lower than the minimum guaranteed amounts	134,881	53,438
Total loss on provisions	75,396	113,932

36. SHARE CAPITAL / SHARE PREMIUM

As at 31 March 2015, the Company's issued and fully paid share capital has increased from Baht 47,656,922,100 (11,914,230,525 ordinary shares with a par value of Baht 4 each) to Baht 47,677,000,644 (11,919,250,161 ordinary shares with a par value of Baht 4 each) as a result of the exercise of the warrants (BTS-WA) to ordinary shares amounting to Baht 20,078,544 (5,019,636 ordinary shares with a value of Baht 4 each), resulting in an increase in total share premium to Baht 1,807,590,613 (including adjustment to transfer amounting to Baht 8,470,637 of capital reserve for share-based payment transaction to share premium).

The Company registered the corresponding increase in its paid-up capital with the Ministry of Commerce on 3 October 2014.

On 24 July 2015, the Annual General Meeting of the shareholders of the Company passed the following significant resolutions:

- a) Decrease its registered share capital from Baht 63,652,544,720 to Baht 63,651,644,348 by cancellation of 225,093 unissued ordinary shares with a par value of Baht 4 each.
- b) Increase its registered share capital from Baht 63,651,644,348 to Baht 63,715,644,348 by issuing 16,000,000 ordinary shares with a par value of Baht 4 each to accommodate the exercise of the warrants to be issued and offered to the employees of the Company and its subsidiaries under the BTS Group ESOP 2015 Scheme (BTS-WC).

The Company registered the decrease and increase in its registered capital with the Ministry of Commerce on 27 July 2015 and 28 July 2015, respectively.

As at 31 March 2016, the Company's issued and fully paid share capital has increased from Baht 47,677,000,644 (11,919,250,161 ordinary shares with a par value of Baht 4 each) to Baht 47,717,396,744 (11,929,349,186 ordinary shares with a par value of Baht 4 each) as a result of the exercise of the warrants (BTS-WA) to ordinary shares amounting to Baht 20,946,780 (5,236,695 ordinary shares with a value of Baht 4 each) and the warrants (BTS-WB) to ordinary shares amounting to Baht 19,449,320 (4,862,330 ordinary shares with a value of Baht 4 each), resulting in an increase in total share premium to Baht 1,834,603,129 (including adjustment to transfer amounting to Baht 20,949,490 of capital reserve for share-based payment transaction to share premium).

The Company registered the corresponding increase in its paid-up capital with the Ministry of Commerce on 7 July 2015 and 13 October 2015.

37. WARRANTS

The warrants are detailed as follows:

	BTS-W3 Units	BTS-WA Units	BTS-WB Units
Outstanding as at 31 March 2014	3,944,626,464	69,144,900	16,000,000
Exercised during the year	-	(31,372,725)	-
Outstanding as at 31 March 2015	3,944,626,464	37,772,175	16,000,000
Exercised during the year	-	(31,546,425)	(4,862,330)
Outstanding as at 31 March 2016	3,944,626,464	6,225,750	11,137,670

Warrants to purchase new ordinary shares of the Company issued to the Company's existing shareholders (BTS-W3)

On 11 October 2013, the Extraordinary Meeting No.1/2013 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-W3) in a ratio of 1 warrant for every 3 existing ordinary shares, without specifying the offer price. Details are as follows:

Date of grant	1 November 2013
Number granted (Units)	3,944,626,464
Contractual lives	5 years from the issued date
Exercisable	Last business day of each quarter, after completion of a 3-year period from the issued date
Exercise price per 1 ordinary share	12 Baht
Exercise ratio (warrant to ordinary share)	1:1

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
Contractual lives	5 years from the issued date
Exercisable	Last business day of each quarter, after completion of a 2-year period from the issued date
Exercise price per 1 ordinary share	4.22 Baht
Exercise ratio (warrant to ordinary shares)	1:0.166

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%.

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 grant	11 June 2013
Number granted (Units)	16,000,000
Contractual lives	5 years from the issued 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	5.01 Baht
Exercise ratio (warrant to ordinary shares)	1:1

The estimated fair value of each warrant granted is Baht 2.5568. This was calculated by applying the Black-Scholes-Merton formula. The model inputs were the share price at price determination date of Baht 7.90, exercise price of Baht 5.01, expected volatility of 27.348%, expected dividend yield of 5%, contractual life of five years, and a risk-free interest rate of 2.90-3.37%.

38. DEFICIT ON BUSINESS COMBINATION UNDER COMMON CONTROL

Deficit on business combination under common control consisted of the following:

- Differences between the cost of a business combination under common control and the equity interest of the Company in the net book value of a subsidiary (BTSC) on the acquisition date in the consolidated and separate financial statements.
- Differences between considerations paid from purchase of investment and cost of investment under common control in the separate financial statements.

The details were as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Balance at beginning of year	3,371,978	3,371,978	3,715,435	3,790,493
Sales of investment in subsidiary under common control	-	-	-	(75,058)
Balance at end of year	3,371,978	3,371,978	3,715,435	3,715,435

39. SURPLUS ON SWAP OF INVESTMENTS IN SUBSIDIARIES UNDER COMMON CONTROL

Surplus on swap of investments in subsidiaries under common control represents difference of costs of investments in subsidiaries under common control at exchange date. The details were as follows:

(Unit: Thousand Baht)

	Separate financial statements	
	2016	2015
Balance at beginning of year	325,065	250,065
Reclassified as amount recognised in equities relating to assets classified as held for sale (Note 17.1.6)	-	75,000
Decrease from sale of subsidiary	(325,065)	-
Balance at end of year	-	325,065

40. SURPLUS 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. The Company will record surplus from the changes in the ownership interests in subsidiaries in the shareholders' equity in the consolidated statements of financial position.

Surplus from changes in ownership interests in a subsidiary was calculated based on the differences between the considerations paid or received as a result of changes in ownership interests in the subsidiaries of the Company and the equity interests of non-controlling interests of the subsidiaries at the net book value of the subsidiaries on the changing date. Non-controlling interests of subsidiaries are valued at the value of the identifiable net assets of the subsidiaries based on the percentage shareholdings of non-controlling interests. The details were as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	
	2016	2015
Balance at beginning of year	1,353,172	4,448,284
Purchase of investment in the subsidiary (Note 17.1.4, 17.1.5 and 17.2.1)	(1,418,673)	(4,003,560)
Sales of investment in the subsidiary (Note 17.2.1 and 17.2.8)	5,914	905,636
Warrants exercised of the subsidiary	-	2,812
Balance at end of year	(59,587)	1,353,172

41. SURPLUS FROM SALES OF WARRANTS OF THE SUBSIDIARY

Surplus from sales of warrants of the subsidiary represents the considerations received as a result of sales of warrants of the subsidiary constituting a change in the Company's ownership interest in the subsidiary without loss of control. The details were as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	
	2016	2015
Balance at beginning of year	494,317	-
Sales of warrants of the subsidiary (Note 17.2.1)	-	494,317
Balance at end of year	494,317	494,317

42. REVALUATION SURPLUS ON ASSETS

This represents surplus arising from revaluation of land which can neither be offset against deficit nor used for dividend payment.

43. TREASURY SHARES / APPROPRIATED RETAINED EARNINGS FOR TREASURY SHARES

On 8 August 2014, the Board of Directors of the Company passed a resolution to approve a program to repurchase up to 600 million shares (par value of Baht 4 each), or 5% of the total number of shares in issue, with a budget of Baht 6,000 million, for liquidity surplus management purposes. The shares are to be repurchased on the Stock Exchange of Thailand within the period of 6 months, starting from 25 August 2014 to 24 February 2015, and can be resold more than 6 months after completing the repurchase. As at 31 March 2016, the Company had purchased back 95.8 million ordinary shares, for a total of approximately Baht 925.4 million (2015: Baht 925.4 million) or 0.8% of the total number of shares in issue.

According to letter No. Gor Lor Tor. Chor Sor. (Vor) 2/2548 of the Office of the Securities and Exchange Commission, dated 14 February 2005, concerning the acquisition of treasury shares, a public limited company may purchase back treasury shares in an amount not exceeding the amount of its retained earnings and is to appropriate an equal amount of retained earnings to a reserve for treasury shares, which must be maintained until the Company either sells the treasury shares or reduces its paid-up share capital by an amount equal to the value of the treasury shares which it could not sell. As at 31 March 2016, the Company appropriated the full required amount of retained earnings to a reserve for the treasury shares.

44. 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.

45. SERVICE INCOME

Details of service income are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Advertising income	1,620,116	2,428,150	-	-
Revenues from provision of operating services	1,630,291	1,596,214	-	-
Revenues from provision of spaces	659,257	622,401	64,807	58,154
Revenues from hotel and restaurant operations	561,338	409,573	-	-
Other service income	496,180	620,213	71,664	66,398
Total	4,967,182	5,676,551	136,471	124,552

46. INTEREST INCOME

Details of interest income are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Interest income under concession agreement	129,998	132,183	-	-
Interest income under finance lease agreement	2,811	4,415	-	-
Interest income from financial institutions	219,330	911,328	41,321	74,763
Interest income from related parties	149,265	6,119	199,904	101,414
Total	501,404	1,054,045	241,225	176,177

47. OTHER EXPENSES

Details of other expenses are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Allowance for doubtful accounts	9,344	17,892	77,614	201,705
Allowance for impairment loss of assets	-	125,651	-	-
Allowance for diminution in value of investment	497,205	-	497,205	-
Loss on provisions	75,396	113,932	-	-
Total	581,945	257,475	574,819	201,705

48. EXPENSES BY NATURE

Significant expenses by nature are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Continued operation:				
Salaries, wages and other benefits	1,218,033	1,164,553	225,465	133,404
Depreciation and amortisation	458,116	394,269	83,408	80,187
Consultation, project management and professional fee	104,134	119,803	56,185	74,560
Allowance for doubtful accounts	9,344	17,892	77,614	201,705
Allowance for impairment loss of assets	-	125,651	-	-
Allowance for impairment loss of investment	497,205	-	497,205	-
Loss on provisions	75,396	113,932	-	-
Premise tax and other taxes	109,602	105,301	28,906	21,891
Rental expenses from operating lease agreements	31,540	37,031	41,827	30,996
Repair and maintenance expenses	265,570	163,446	6,290	6,007
Utility expenses	260,604	236,041	23,196	21,463
Advertising and promotional expenses	85,330	65,720	261	2,856
Subcontractor expenses for train operating service	20,077	23,442	-	-
Concession fee	152,497	618,864	-	-
Costs of advertising services	83,622	130,827	-	-
Real estate development during the year	18,686	104,407	4,123	60,584
Change in real estate development costs	159,521	139,484	26,517	(28,822)
Discontinued operation:				
Salaries, wages and other benefits	9,556	172,864	-	-
Depreciation and amortisation	5,083	82,543	-	-

49. INCOME TAX

Income tax expenses for the years ended 31 March 2016 and 2015 are made up as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Current income tax:				
Current income tax charge	1,364,458	1,095,154	916,192 ⁽¹⁾	118,115
Adjustment in respect of income tax of previous year	(4,620)	6,759	893	59
Deferred tax:				
Relating to origination and reversal of temporary differences	(238,406)	(368,887)	(110,376)	6,857
Income tax expense reported in the statement of comprehensive income	1,121,432	733,026	806,709	125,031

⁽¹⁾ Baht 223 million presented under shareholders' equity in the separate financial statements in accordance with the business restructuring as discussed in Note 17.1.8 to the financial statements.

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 March 2016 and 2015 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Deferred tax relating to:				
Increase in loss on change in value of available-for-sale investments	112,385	91,834	126,721	77,854
Loss from actuarial loss	13,180	-	3,799	-
	125,565	91,834	130,520	77,854

Reconciliations between accounting profit and income tax expenses are detailed below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Profit before income tax expenses from continued operation	5,524,260	4,124,889	7,361,671	3,660,378
Profit (loss) before income tax expenses from discontinued operation	3,891	(51,644)	-	-
Accounting profit before income tax expenses	5,528,151	4,073,245	7,361,671	3,660,378
Applicable tax rate at 20%	1,105,630	814,649	1,472,334	732,076
Tax effect of:				
Unrecognised deferred tax on temporary differences	45,884	79,579	21,928	43,387
Utilisation of previously unrecognised deferred tax on temporary differences	(17,104)	(76,118)	(11,299)	(4,032)
Non-deductible expenses	15,111	34,937	8,100	395
Deductible expenses	(2,015)	(2,333)	(1,239)	(175)
Non-taxable income	(47,051)	(118,177)	(693,596)	(646,697)
Taxable income	16,130	-	16,130	-
Difference of tax rates in group companies	(58)	50	-	-
Others	4,905	439	(5,649)	77
Income tax expenses	1,121,432	733,026	806,709	125,031

The tax rate enacted at the end of the reporting period of the Company and its subsidiaries consists of 20% and 25% (2015: 20% and 25%).

The components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Deferred tax assets				
Allowance for doubtful accounts	12,908	10,151	1,259	362
Allowance for asset impairment	140,400	160,459	-	-
Allowance for impairment of investment	99,441	-	99,441	-
Unrealised loss on changes in value of investments	224,685	110,598	221,049	96,617
Provision for damage loss	-	33,346	-	-
Provision for long-term employee benefits	148,083	111,680	10,472	5,450
Transactions under concession and finance lease agreements	38,529	29,677	-	-
Unused tax loss	18,354	11,160	-	-
Deferred gain on sale of land to jointly controlled entity	73,512	73,512	-	-
Others	18,050	19,291	508	330
Total	773,962	559,874	332,729	102,759
Deferred tax liabilities				
Revaluation surplus on land	449,275	449,275	-	-
Prepaid duty stamp	30,407	31,579	-	-
Transactions relating to sale of future net fare box revenues	2,333,579	2,464,371	-	-
Differences of forward and closing exchange rates	1,339	11,480	1,339	11,360
Differences of tax and accounting from depreciation calculation of assets	58,879	59,200	58,879	59,200
Others	4,672	11,112	4,672	5,257
Total	2,878,151	3,027,017	64,890	75,817
Net	(2,104,189)	(2,467,143)	267,839	26,942
Presented as				
Deferred tax assets-net	38,228	149,017	267,839	26,942
Deferred tax liabilities-net	(2,142,417)	(2,616,160)	-	-
Net	(2,104,189)	(2,467,143)	267,839	26,942

As at 31 March 2016, the Company and its subsidiaries have deductible temporary differences and unused tax losses totaling Baht 3,330 million (2015: Baht 4,758 million) (Separate financial statements: Baht 2,653 million (2015: Baht 4,126 million)), on which deferred tax assets have not been recognised as the Company and its subsidiaries believe they may not utilise the deferred tax asset or their future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

The unused tax losses of the subsidiaries amounting to Baht 639 million (2015: Baht 590 million) will expire by 2020.

50. 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.

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.

Details of calculation of earnings per share for the years ended 31 March 2016 and 2015 are as below.

	Consolidated financial statements					
	Profit		Weighted average number of ordinary shares		Earnings per share	
	2016	2015	2016	2015	2016	2015
	Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht
Basic earnings per share						
Profit attributable to equity holders of the Company	4,141,080	2,944,033	11,829,813	11,862,162	0.350	0.248
Effect of dilutive potential ordinary shares						
Warrants (BTS-WA)	-	-	1,971	4,523		
Warrants (BTS-WB)	-	-	5,168	5,923		
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	4,141,080	2,944,033	11,836,952	11,872,608	0.350	0.248

	Separate financial statements					
	Profit		Weighted average number of ordinary shares		Earnings per share	
	2016	2015	2016	2015	2016	2015
	Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht
Basic earnings per share						
Profit attributable to equity holders of the Company	6,554,962	3,535,347	11,829,813	11,862,162	0.554	0.298
Effect of dilutive potential ordinary shares						
Warrants (BTS-WA)	-	-	1,971	4,523		
Warrants (BTS-WB)	-	-	5,168	5,923		
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	6,554,962	3,535,347	11,836,952	11,872,608	0.554	0.298

Details of calculation of earnings per share from continued operation for the years ended 31 March 2016 and 2015 are as below.

	Consolidated financial statements					
	Profit		Weighted average number of ordinary shares		Earnings per share	
	2016	2015	2016	2015	2016	2015
	Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht
Basic earnings per share						
Profit attributable to equity holders of the Company	4,137,189	2,995,677	11,829,813	11,862,162	0.350	0.253
Effect of dilutive potential ordinary shares						
Warrants (BTS-WA)	-	-	1,971	4,523		
Warrants (BTS-WB)	-	-	5,168	5,923		
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	4,137,189	2,995,677	11,836,952	11,872,608	0.350	0.252

	Separate financial statements					
	Profit		Weighted average number of ordinary shares		Earnings per share	
	2016	2015	2016	2015	2016	2015
	Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht
Basic earnings per share						
Profit attributable to equity holders of the Company	6,554,962	3,535,347	11,829,813	11,862,162	0.554	0.298
Effect of dilutive potential ordinary shares						
Warrants (BTS-WA)	-	-	1,971	4,523		
Warrants (BTS-WB)	-	-	5,168	5,923		
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares	6,554,962	3,535,347	11,836,952	11,872,608	0.554	0.298

The exercise price of the warrants (BTS-W3) is higher than the average market price of the Company's ordinary shares for the years ended 31 March 2016 and 2015. Therefore, the Company has not assumed conversion of the warrants in the calculation of diluted earnings per share in the consolidated and separate financial statements for the years ended 31 March 2016 and 2015.

51. PROMOTIONAL PRIVILEGES

A subsidiary (Bangkok Payment Solutions Company Limited) has received promotional privileges from the Board of Investment for the software development, pursuant to the investment promotion certificate No. 58-2513-1-00-2-0 issued on 24 November 2015. Subject to certain imposed conditions, the privileges include an exemption from corporate income tax for a period of 5 years from the date the promoted operations begin generating revenues (15 December 2015).

The subsidiary's revenues of promoted operations and non-promoted operations for the year ended 31 March 2016 amounted to Baht 20 million and Baht 56 million, respectively (2015: revenues of non-promoted operations amounting to Baht 23 million).

52. SEGMENT INFORMATION

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as Executive Chairman.

For management purposes, the Company and its subsidiaries are organised into business units based on its products and services and have four reportable segments as follows:

- 1) Mass transit segment, which is the provision of service as operator of the Core BTS Sky Train System, service under the operating and maintenance service agreement of extension to the Core BTS Sky Train System, and service under the operating and bus procurement (BRT) agreement
- 2) Media segment, which provides advertising services on Bangkok Mass Transit System (BTS), in department stores, in office buildings and others
- 3) Property segment, which consists of hotel and condominium
- 4) Service segment, which is the provision of services of Rabbit Card and other services not included in the other major segments

The Company and its subsidiaries have aggregated the operating segments of mass transit segment and service segment and presented them as the reportable segment of service segment. The aggregated operating segments have similar economic characteristics and are similar in the other respects required by the standard.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following table presents revenue and profit information regarding the Company and its subsidiaries' operating segments for the years ended 31 March 2016 and 2015.

(Unit: Million Baht)

	For the years ended 31 March									
	Media segment		Property segment		Service segment		Elimination		Consolidated financial statements	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Revenues from external customers	2,075	2,937	298	411	2,892	2,789	-	-	5,265	6,137
Inter-segment revenues	31	26	-	-	442	348	(473)	(374)	-	-
Total revenues	2,106	2,963	298	411	3,334	3,137	(473)	(374)	5,265	6,137
Segment profit	1,476	1,751	119	167	1,117	1,170	-	-	2,712	3,088
Unallocated revenues and expenses:										
Management income									3	2
Dividend income									281	42
Interest income									501	1,054
Gain from sales of investments									183	271
Gain on sale of warrants									-	53
Gain on swap of investments									3,459	-
Gain on sales of assets									97	368
Reversal of creditors per rehabilitation plan									96	-
Other income									180	199
Servicing and selling expenses									(117)	(141)

(Unit: Million Baht)

	For the years ended 31 March									
	Media segment		Property segment		Service segment		Elimination		Consolidated financial statements	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Administrative expenses									(1,410)	(1,003)
Other expenses									(582)	(257)
Share of loss from investments in joint ventures									(340)	(14)
Share of profit from investments in associates									751	866
Finance cost									(290)	(403)
Income tax expenses									(1,121)	(733)
Gain (loss) from discontinued operation									4	(52)
Profit for the year									4,407	3,340
Non-controlling interests of the subsidiaries									(266)	(396)
Profit attributable to equity holders of the Company									4,141	2,944

Geographic information

The Company and its subsidiaries mainly operate in Thailand only. As a result, all of the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

During the year ended 31 March 2016, a subsidiary (VGI Global Media Public Company Limited) has revenues from top 10 major customers in total amount of Baht 1,403 million, arising from media segment (2015: Baht 2,020 million).

53. 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 5-15% 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 2016, the Company and its subsidiaries recognised the contributions as expenses amounting to Baht 40 million (2015: Baht 48 million) (Separate financial statements: Baht 4 million (2015: Baht 2 million)) (Baht 21 million (2015: Baht 19 million) claimed from BTSGIF).

54. DIVIDENDS

Dividends	Approved by	Total dividends	Dividend per share
		(Million Baht)	(Baht)
Final dividends for 2013/2014	Annual General Meeting of the shareholders on 25 July 2014	2,501	0.21
Interim dividends for 2014/2015	Board of Directors' meeting on 9 January 2015	3,547	0.30
Total for the year ended 31 March 2015		6,048	
Final dividends for 2014/2015	Annual General Meeting of the shareholders on 24 July 2015	3,548	0.30
Interim dividends for 2015/2016	Board of Directors' meeting on 11 January 2016	4,022	0.34
Total for the year ended 31 March 2016		7,570	

55. COMMITMENTS AND CONTINGENT LIABILITIES

As at the date of the statements of financial position, the Company and its subsidiaries had commitments and contingent liabilities as follows:

55.1 CAPITAL COMMITMENTS

- a) The Company and its subsidiaries (HHT Construction Company Limited and Muangthong Assets Company Limited) had outstanding commitments of approximately Baht 491 million and HKD 2 million (2015: Baht 291 million and HKD 5 million) in respect of agreements of consultation, design and construction projects.
- b) The Company and its subsidiary (Muangthong Assets Company Limited) had outstanding commitments with a subsidiary (HHT Construction Company Limited) approximately Baht 53 million (2015: Baht 224 million) in respect of renovation and development of golf course and construction in progress.
- c) The Company had outstanding commitments of USD 29 million (2015: USD 38 million) in respect of overseas investments.
- d) The subsidiaries (Dnal Company Limited and Siam Paging and Communication Company Limited) had outstanding commitments of approximately Baht 953 million (2015: Baht 953 million) relating to the agreements to purchase and to sell of land and building.
- e) A subsidiary (BTSC) had capital commitments totaling Baht 30 million (2015: SGD 1 million and Baht 35 million) in respect of improvements of BTS Sky train System.
- f) A subsidiary (BTSC) had capital commitments of Baht 13 million (2015: Baht 33 million) in respect of the renovation of office building.
- g) A subsidiary (Bangkok Smartcard System Company Limited) had capital commitments of Baht 14 million (2015: RMB 5 million) relating to the installation of common ticketing systems, management information system and development of website.
- h) A subsidiary (VGI Global Media Public Company Limited) had capital commitments of Baht 47 million (2015: Nil), relating to the acquisition of equipment and software computer
- i) A subsidiary (Rabbit 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.

Obligations as discussed in e) and f) will be allocated for collection from BTS Rail Mass Transit Growth Infrastructure Fund in accordance with bases and assumptions determined by the subsidiary's management. The subsidiary's management believes that these bases and assumptions are appropriate under the current circumstances.

55.2 OPERATING LEASE COMMITMENTS

The Company and its subsidiaries have entered into several lease agreements in respect of the lease of land, office building space, motor vehicles and equipment.

The Company and its subsidiaries have future minimum lease payments required under these non-cancellable operating lease contracts were as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Payable:				
Up to 1 year	53	46	40	23
Over 1 and up to 5 years	158	147	119	93
Over 5 years	297	331	222	247

Obligations will be allocated for collection from BTS Rail Mass Transit Growth Infrastructure Fund in accordance with bases and assumptions determined by the subsidiary's management. The subsidiary's management believes that these bases and assumptions are appropriate under the current circumstances.

55.3 SERVICE CONTRACT COMMITMENTS

- a) A subsidiary (BTSC) had commitments of approximately Baht 53 million (2015: Baht 76 million) relating to its operations under the agreements of the Bus Rapid Transit (BRT) project-Chong Nonsi to Sa-pan Krung Thep Line (Chong Nonsi-Ratchaphruek).
- b) The Company and its subsidiaries had committed to pay fees totaling Baht 270 million (2015: Baht 350 million) (Separate financial statements: Baht 21 million (2015: Baht 13 million)) relating to service agreements.

Obligations as discussed in b) will be allocated for collection from BTS Rail Mass Transit Growth Infrastructure Fund in accordance with bases and assumptions determined by the subsidiary's management. The subsidiary's management believes that these bases and assumptions are appropriate under the current circumstances.

55.4 COMMITMENTS UNDER MAINTENANCE CONTRACT

On 15 September 2014, a subsidiary (BTSC) entered into a fifteen-year maintenance contract with a contractor. Under the contract, the subsidiary has capital commitments in respect of the cost of maintenance and spares supply service fees in relation to the project over a period of 15 years. The amount to be paid for the first year is approximately Baht 253 million and EUR 3 million and in the future years, the amount to be paid will be adjusted upwards with reference to the consumer price index. The contract is effective from 1 January 2015.

For the year ended 31 March 2016, the subsidiary had expenses under these contracts amounting to Baht 259 million and EUR 3 million (2015: Baht 218 million and EUR 2 million).

Obligations will be allocated for collection from BTS Rail Mass Transit Growth Infrastructure Fund in accordance with bases and assumptions determined by the subsidiary's management. The subsidiary's management believes that these bases and assumptions are appropriate under the current circumstances.

55.5 LONG-TERM CONTRACT COMMITMENTS

- a) The Company entered into a service agreement with an associate (Absolute Hotel Services Company Limited), which is to furnish the Company 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 2016 amounted to approximately Baht 16 million (2015: Baht 17 million).
- b) The Company entered into a management agreement with its 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. The fees for the year ended 31 March 2016 amounted to Baht 7 million (2015: Baht 20 million).
- c) A subsidiary (Muangthong Assets Company Limited) entered into service agreements with an associate (Absolute Hotel Services Company Limited), which is to furnish the subsidiary with royalty and hotel business management-related services. The subsidiary are to pay service fees at a rate as stipulated in the agreements. The fees for the year ended 31 March 2016 amounted to approximately Baht 16 million (2015: Baht 26 million).
- d) A subsidiary (BTSC) had commitments of Baht 8,627 million (2015: Baht 8,627 million) in respect of acquisitions of elevated train carriages required for future compliance with the operation and maintenance contract for a mass transit system in Bangkok.
- e) A subsidiary (VGI Global Media Public Company Limited) had outstanding commitments as stipulated in the agreements as follows:
 - 1) Concession agreements for the installation and management of advertising media in buildings with a related company and unrelated companies, whereby it is to install, and manage the provision of advertising through, LCD screens in these buildings.
 - 2) Concession agreements for the management and provision of advertising space, and other related agreements.

The subsidiary had outstanding commitments with respect to minimum guarantees under concession agreements. Fees are payable as follows:

(Unit: Million Baht)

	2016	2015
Fees payable:		
Up to 1 year	59	96
Over 1 and up to 5 years	117	82
Over 5 years	10	-

These amounts will be adjusted in accordance with actual performance, based on certain rates stipulated in the agreements.

- f) A subsidiary (BTSC) had outstanding commitments under the concession agreements of the Bangkok Mass Transit System project for extension line-Silom (S7-S8) and Sukhumvit (E10-E14), for a period of 15 years. Compensation which is payable throughout the terms of the agreements expected to be risen every three years in accordance with the passenger growth rate, but at least 10%. The amount to be paid for the 1-3 year is approximately Baht 79 million.

For the year ended 31 March 2016, the subsidiary paid compensation amounting to Baht 24 million (2015: Nil).

55.6 OTHER COMMITMENTS

- a) The Company and its subsidiary (BTSC) had commitments in respect of compliance with the Net Revenue Purchase and Transfer Agreement and other agreements relating to infrastructure fund transaction.
- b) A subsidiary (BTSC) had commitments of approximately Baht 48 million (2015: Nil) to a subsidiary (Bangkok Payment Solutions Company Limited) in respect of compliance with Establishment of Central Clearing House Project (CCH) Agreement.

55.7 GUARANTEES

- a) There was a bank guarantee of Baht 23 million (2015: Baht 23 million) issued by a bank on behalf of the Company to the Ministry of Finance 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 amounting to Baht 57 million (2015: Baht 57 million) to guarantee electricity use and Baht 1,394 million (2015: Baht 2,999 million) to guarantee the long-term debentures. In addition, there was an outstanding bank guarantee of Baht 40 million (2015: Baht 40 million) issued by a bank on behalf of the subsidiary to guarantee compliance with Contract for Establishment of Central Clearing House Project (CCH). A current investment of Baht 14 million has been pledged as collateral.

BTS Rail Mass Transit Growth Infrastructure Fund will be responsible for the bank guarantees amounting to Baht 38 million (2015: Baht 38 million) issued by a bank on behalf of the subsidiary to the Metropolitan Electricity Authority to guarantee electricity use.

- c) The Company and its subsidiaries had additional bank guarantees issued by banks as required in their normal operations of approximately Baht 274 million (Separate financial statements: Baht 3 million) (2015: Baht 205 million (Separate financial statements: Baht 2 million)).
- d) The Company provided a guarantee on BTSC's compliance to BTS Rail Mass Transit Growth Infrastructure Fund as discussed in Sponsor Support and Guarantee Agreement.

55.8 LITIGATIONS

- a) The Company and its 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 business rehabilitation plan and the Company held an open auction of such assets in order to make payment to the bank. Therefore, the subsidiaries have not set aside provision for the contingent liability in their accounts.

- b) A creditor under the Company's business rehabilitation plan filed a petition with the Central Bankruptcy Court, asking the court to overturn the order of the official receiver regarding the amount of debt settlement it is entitled to receive. The Central Bankruptcy Court ordered the amendment of the amounts of the debt settlement entitlements. The creditor appealed the order of the Central Bankruptcy Court to the Supreme Court, and the case is currently being considered by the Supreme Court. The maximum amount of payment or transfer of assets that the Company would have to make under the plan amounts to approximately Baht 587 million, and a cash amount equal to the amount payable has been deposited with the Central Bankruptcy Court as collateral. However, the Company has already recorded this liability in its accounts.
- c) A creditor under the Company's business rehabilitation plan filed a petition with the Central Bankruptcy Court, asking the court to order the Company to make payment of debt under the rehabilitation plan. The Central Bankruptcy Court ordered the Company to make such payment but both the creditor and the Company subsequently filed separate appeals with the Supreme Court. In order to stay execution of the court's order, the Company placed land and a condominium building with the Central Bankruptcy Court as collateral for the amount that the Company would have to pay under the court order, together with interest at a rate of 7.5% per annum, totaling Baht 66.3 million. In the meantime, the Central Bankruptcy Court instructed Thailand Securities Depository Company Limited to sequester the 3,896,518 shares of the Company arising from the conversion of debt to equity. The case is currently being considered by the Supreme Court. However, the Company has already recorded this liability in its accounts.
- d) 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 Supreme Court is considering the lawsuit. However, the subsidiary believes that no significant loss will result from this case.
- e) Creditors under the business rehabilitation plan of a subsidiary (BTSC) have filed petitions with the Central Bankruptcy Court with respect to their claims totaling approximately Baht 307 million, of which the official receiver ordered the subsidiary to pay approximately Baht 21 million. However, the Court dismissed the petitions and currently, the cases are being considered by the Supreme Court. The subsidiary believes that no significant loss will result from this case.
- f) Bangkok Metropolitan Administration has called for a subsidiary (BTSC) to pay Baht 86 million (already recorded in the account) for the use of state owned land, together with penalties and surcharges on the outstanding amount at a rate of 18% per annum, and a letter of guarantee fee for a building construction contract amounting to approximately Baht 8.2 million. The subsidiary is arguing that the subsidiary has no obligation to pay these expenses because, under its concession agreement, the subsidiary has the right to use such land of the Bangkok Mass Transit System without liability for payment of any rental, fees and other expenses. Currently, the Thai Arbitration Institute has ordered that the dispute be temporarily removed from the case list in order to await the Supreme Court's decision in the business rehabilitation case as mentioned in e). The subsidiary believes that it will suffer no significant loss as a result of this litigation.
- g) A subsidiary (BTSC) was sued together with Bangkok Metropolitan Administration and the Bangkok Governor in an administrative case seeking to have elevators and facilities for the disabled installed at 23 elevated train stations and on elevated trains. The Administrative Court of First Instance dismissed the case since, in their opinion, when the Concession Agreement was concluded there were no laws requiring that the defendants build elevators and facilities for the disabled. Subsequently, the plaintiffs appealed to the Supreme Administrative Court and on 21 January 2015, the Supreme Administrative Court issued an order reversing the decision of the Administrative Court of First Instance and ordering the Bangkok Governor, on behalf of the Bangkok Metropolitan Administration, to provide elevators and facilities for the disabled at 23 elevated train stations within 1 year and ordered the subsidiary to cooperate. Currently, the Bangkok Metropolitan Administration is implementing these actions.

- h) On 15 October 2015, a jointly controlled company (Bayswater Co., Ltd.) purchased land through an auction organised by the official receiver for a price of Baht 7,350 million. However, a company who is a debtor under the bankruptcy action and the original landowner (not related to the Company and its subsidiaries) (“Debtor”) petitioned the Central Bankruptcy Court (“the Court”) seeking an order to cease the auction of assets of the debtor. On 22 September 2015, the Court dismissed the petition on the grounds that there was no legal basis to permit the petition. Subsequently, on 23 September 2015, the debtor lodged an appeal of the Court’s order with the Supreme Court, asking for permission to appeal. Currently, the Supreme Court is considering whether to order cessation of the auction.

Subsequently, on 14 October 2015 the debtor company filed petitions asking the Court to order the official receiver to accept an application for a composition of debt for processing in accordance with the law, and to order the postponement or cessation of the auction that was to be held on 15 October 2015 and the following day, based on the auction announcement. The Court dismissed the petition on 28 January 2016. Subsequently, on 4 March 2016, the debtor lodged an appeal of the Court’s order with the Supreme Court, asking for permission to appeal. Currently, the Supreme Court is considering whether to grant the appeal.

In addition, on 29 October 2015 the debtor company and its 2 unsecured creditors filed petitions asking the Court to order the cancelation of the auction of assets and to cease compulsory of litigation result during consideration of the petitions of cancelation of the auction of assets. The Court dismissed the petition on 28 January 2016. Subsequently, on 18 February 2016, the debtor and its creditors lodged an appeal of the Court’s order with the Supreme Court, asking for permission to appeal. Currently, the Supreme Court is considering whether to grant the appeal.

The Company and the jointly controlled company believe that no significant losses will result from these cases.

56. FAIR VALUE HIERARCHY

As at 31 March 2016, the Company and its subsidiaries had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated financial statements			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Held for trade investments				
Equity instruments (fixed income fund)	-	902	-	902
Equity instruments	267	-	-	267
Debt instruments	-	228	-	228
Derivative warrants	127	-	-	127
Available-for-sale investments				
Equity instruments	6,576	1,035	-	7,611
Land	-	2,350	-	2,350
Assets for which fair value are disclosed				
Investment properties	-	4,114	205	4,319
Investments in listed associates	29,005	-	-	29,005
Derivative				
Forward exchange agreement	-	11	-	11
Liabilities for which fair value are disclosed				
Derivatives				
Cross currency swap agreements	-	16	-	16

(Unit: Million Baht)

	Separate financial statements			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Held for trade investments				
Equity instruments	267	-	-	267
Available-for-sale investments				
Equity instruments	4,062	1,035	-	5,097
Assets for which fair value are disclosed				
Investment properties	-	2,659	2,710	5,369
Investment in listed subsidiary	7,744	-	-	7,744
Investments in listed associates	28,186	-	-	28,186
Derivatives				
Forward exchange agreement	-	11	-	11
Liabilities for which fair value are disclosed				
Derivatives				
Cross currency swap agreements	-	16	-	16

57. FINANCIAL INSTRUMENTS

57.1 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:

Financial assets	Financial liabilities
- Cash and cash equivalents	- Short-term loans from financial Institutions
- Current investments	- Bills of exchange payables
- Bank account for advances from cardholders	- Trade and other payables
- Trade and other receivables	- Advance received from cardholders
- Receivable under concession agreement	- Short-term loans
- Receivable under finance lease agreement	- Creditors per rehabilitation plan
- Advances to contractors	- Long-term loans
- Short-term loans	- Long-term debentures
- Accrued income	- Retention payable
- Restricted deposits	
- Cash deposited as collateral for debt settlement	
- Long-term loans	
- Other long-term investments	
- Deposits and advances for asset acquisitions	

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 accounts receivable 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 accounts receivable 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, investments, loans, bills of exchange and 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.

Significant financial assets and liabilities as at 31 March 2016 and 2015 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 2016						
	Consolidated financial statements						
	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Interest rate
Within 1 year	1-5 years	Over 5 years					
Financial assets							(% p.a.)
Cash and cash equivalents	248	-	-	2,080	37	2,365	0.01-3.00
Current investments	3,318	-	-	-	1,348	4,666	0.90-4.98
Bank account for advances from cardholders	-	-	-	285	-	285	0.38-2.00
Trade and other receivables	-	-	-	-	1,111	1,111	-
Receivable under concession agreement	94	405	3,116	-	-	3,615	0.58-6.12
Receivable under finance lease agreement	30	2	-	-	-	32	5.92
Advances to contractors	-	-	-	-	29	29	-
Short-term loan to related party	-	-	-	-	14	14	-
Accrued income	-	-	-	-	654	654	-
Restricted deposits	1,154	-	-	-	115	1,269	5.20
Cash deposited as collateral for debt settlement	-	-	-	-	171	171	-
Long-term loans to related parties	54	5,949	-	-	-	6,003	MLR-0.5
Other long-term investments	-	-	697	-	9,054	9,751	4.38
Deposits and advances for asset acquisitions	-	-	-	-	129	129	-
	4,898	6,356	3,813	2,365	12,662	30,094	
Financial liabilities							
Short-term loans from financial institutions	3,750	-	-	-	-	3,750	1.96-2.60
Bills of exchange payables	2,917	-	-	-	-	2,917	2.18-2.65
Trade and other payables	-	-	-	-	1,623	1,623	-
Advance received from cardholders	-	-	-	-	281	281	-
Loan from related party	-	-	-	-	36	36	-
Creditors per rehabilitation plan	-	-	-	-	638	638	-
Long-term loans from financial institutions	-	-	-	1,268	-	1,268	MLR-1, LIBOR+0.8
Long-term debentures	1,347	-	-	-	-	1,347	6.75
Retention payable	-	-	-	-	137	137	-
	8,014	-	-	1,268	2,715	11,997	

(Unit: Million Baht)

	As at 31 March 2016						
	Consolidated financial statements						
	Fixed interest rates					Total	Interest rate
	Within 1 year	1-5 years	Over 5 years	Floating interest rate	Non-interest bearing		
Financial assets							(% p.a.)
Cash and cash equivalents	7,062	-	-	2,913	137	10,112	0.10-3.10
Current investments	5,567	-	-	-	804	6,371	0.70-6.00
Bank account for advances from cardholders	-	-	-	211	-	211	0.38-2.80
Trade and other receivables	-	-	-	-	1,218	1,218	-
Receivable under concession agreement	92	394	3,221	-	-	3,707	0.58-6.12
Receivable under finance lease agreement	28	32	-	-	-	60	5.92
Advances to contractors	-	-	-	-	21	21	-
Accrued income	-	-	-	-	935	935	-
Restricted deposits	1,154	-	-	-	31	1,185	5.20
Cash deposited as collateral for debt settlement	-	-	-	-	171	171	-
Long-term loans to related parties	4	759	-	-	-	763	2.50-4.50
Other long-term investments	-	2,310	200	-	7,038	9,548	3.45-4.89
Deposits and advances for asset acquisitions	-	-	-	-	129	129	-
	13,907	3,495	3,421	3,124	10,484	34,431	
Financial liabilities							
Short-term loans from financial institutions	530	-	-	-	-	530	2.60-2.90
Trade and other payables	-	-	-	-	1,779	1,779	-
Advance received from cardholders	-	-	-	-	211	211	-
Creditors per rehabilitation plan	-	-	-	-	733	733	-
Long-term loan from financial institution	-	-	-	1,213	-	1,213	MLR-2, LIBOR+0.8
Long-term debentures	1,468	1,345	-	-	-	2,813	6.25-6.75
Retention payable	-	-	-	-	178	178	-
	1,998	1,345	-	1,213	2,901	7,457	

(Unit: Million Baht)

	As at 31 March 2016						
	Separate financial statements						
	Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Interest rate
	Within 1 year	1-5 years	Over 5 years				
Financial assets							(% p.a.)
Cash and cash equivalents	140	-	-	241	-	381	0.10-1.25
Current investments	864	-	-	-	-	864	0.90-4.89
Trade and other receivables	-	-	-	-	215	215	-
Advances to contractors	-	-	-	-	7	7	-
Restricted deposits	1,154	-	-	-	30	1,184	5.20
Cash deposited as collateral for debt settlement	-	-	-	-	171	171	-
Long-term loans to related parties	-	9,835	-	-	-	9,835	MLR-0.5, 3.00-3.40
Other long-term investments	-	-	597	-	6,510	7,107	4.00-4.375
	2,158	9,835	597	241	6,933	19,764	
Financial liabilities							
Short-term loans from financial institutions	3,510	-	-	-	-	3,510	1.96-2.60
Bills of exchange payables	2,917	-	-	-	-	2,917	2.18-2.65
Trade and other payables	-	-	-	-	517	517	-
Short-term loan from related party	-	-	-	18,033	-	18,033	1.50-2.03
Creditors per rehabilitation plan	-	-	-	-	638	638	-
Long-term loan from financial institutions	-	-	-	1,062	-	1,062	LIBOR+0.8
Retention payable	-	-	-	-	19	19	-
	6,427	-	-	19,095	1,174	26,696	-
Financial assets							
Cash and cash equivalents	296	-	-	310	-	606	0.13-1.50
Current investments	1,365	-	-	-	-	1,365	0.70-2.60
Trade and other receivables	-	-	-	-	79	79	-
Advances to contractors	-	-	-	-	28	28	-
Short-term loan to related party	94	-	-	-	-	94	2.50-2.75
Restricted deposits	1,154	-	-	-	30	1,184	-
Cash deposited as collateral for debt settlement	-	-	-	-	171	171	-
Long-term loans to related parties	-	1,405	-	-	-	1,405	2.50-3.25
Other long-term investments	-	8	100	-	5,423	5,531	4.375-4.89
	2,909	1,413	100	310	5,731	10,463	
Financial liabilities							
Trade and other payables	-	-	-	-	364	364	-
Short-term loan from related party	-	-	-	9,185	-	9,185	2.27-2.42
Creditors per rehabilitation plan	-	-	-	-	733	733	-
Long-term loan from financial institution	-	-	-	981	-	981	LIBOR+0.8
Retention payable	-	-	-	-	12	12	-
	-	-	-	10,166	1,109	11,275	

FOREIGN CURRENCY RISK

The Company's and subsidiaries' exposure to foreign currency risk arises mainly from cash at banks, investments, loans and purchases of spare parts and equipment that are denominated in foreign currencies.

As at 31 March 2016 and 2015, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currencies	Consolidated financial statements				Separate financial statements				Average exchange rate	
	Financial assets		Financial liabilities		Financial assets		Financial liabilities		2016	2015
	2016	2015	2016	2015	2016	2015	2016	2015	(Baht per 1 foreign currency unit)	
	(Million)	(Million)	(Million)	(Million)	(Million)	(Million)	(Million)	(Million)		
USD	76	75	30	31	51	54	30	30	35.2392	32.5551
EUR	31	22	1	1	-	-	-	-	39.8996	35.2178
SGD	-	-	1	2	-	-	-	-	26.0867	23.6597
RMB	247	247	-	-	215	215	-	-	5.5143	5.2508

As at 31 March 2016 and 2015, the Company has entered into cross currency swap and sale forward exchange agreements amounting to USD 24 million and RMB 215 million under which the contractual rates are Baht 31.25 - 32.69 per USD and Baht 5.3772 per RMB, respectively.

57.2 FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of the Company and its subsidiaries' financial instruments are not expected to differ materially from the amounts presented in the statement of financial position.

The estimated fair value of the derivatives was as follows:

	(Unit: Million Baht)	
	2016	2015
	Fair value	Fair value
	Gain (Loss)	Gain
Derivatives		
Sale forward exchange agreement	11	-
Cross currency swap agreements	(16)	39

The methods and assumptions used by the Company and its subsidiaries in estimating the fair value of financial instruments are as follows:

- For financial assets and liabilities which have short-term maturity, including cash and cash at banks, accounts receivable, accrued income, loans to related companies, investments, accounts payable, loans from unrelated companies, bills of exchange and debentures, their carrying amounts in the statement of financial position approximate their fair value.
- For debt and equity securities and derivative warrants, their fair value is generally derived from quoted market prices and net assets value.
- For held to maturity debt securities carrying interest approximate to the market rate, their carrying amounts in the statement of financial position approximates their fair value.
- For derivatives, their fair value has been determined by using a discounted future cash flow model and a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as spot rates of foreign currencies, yield curves of the respective currencies and interest rate yield curves. The Company had considered to counterparty credit risk when determining the fair value of derivatives.

During the current year, there were no transfers within the fair value hierarchy.

58. 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 2016, the Group's debt-to-equity ratio was 0.39:1 (2015: 0.28:1) and the Company's was 0.43:1 (2015: 0.18:1).

59. EVENTS AFTER THE REPORTING PERIOD

Significant subsequent events are detailed below.

- 59.1** On 8 April 2016, the Company established KMJ 2016 Company Limited to engage in restaurant, food and beverage businesses, with a registered share capital of Baht 41 million (410,000 ordinary shares with a par value of Baht 100 each), with the Company to hold a 51% interest.
- 59.2** On 11 May 2016, the Board of Directors of a subsidiary (VGI Global Media Public Company Limited) passed a resolution to approve payment of dividend of Baht 755 million in respect of its operating results for the year ended 31 March 2016. The subsidiary has paid interim dividend totaling approximately Baht 343 million. The outstanding dividend of Baht 412 million (at a rate of Baht 0.06 per share) will be paid to the shareholders.
- 59.3** On 18 May 2016, the Board of Directors of a subsidiary (BTSC) passed the following significant resolutions:
- Payment of dividend of Baht 1,446 million in respect of its operating results for the year ended 31 March 2016. The subsidiary has paid interim dividend totaling approximately Baht 643 million. The outstanding dividend of Baht 803 million (at a rate of Baht 0.05 per share) will be paid to the shareholders.
 - Approved the issue and offer of up to Baht 30,000 million of debentures, or the equivalent amount in other currencies. The subsidiary's Board of Directors or authorised persons have the authority to stipulate details of the debentures.
- 59.4** On 18 May 2016, the Company established Man Food Products Company Limited to engage in producing and selling food, with a registered share capital of Baht 100 million (1,000,000 ordinary shares with a par value of Baht 100 each), with the Company to hold a 100% interest.
- 59.5** On 23 May 2016, a subsidiary (BTSC) entered into agreements to purchase elevated trains and related assets amounting to EUR 270 million, equivalent to Baht 10,918 million.
- 59.6** On 27 May 2016, the Board of Directors of the Company passed the following significant resolutions:
- Payment of dividend of Baht 8,048 million in respect of its operating results for the year ended 31 March 2016. The Company has paid interim dividend totaling approximately Baht 4,022 million. The outstanding dividend of Baht 4,026 million (at a rate of Baht 0.34 per share) will be paid to the shareholders.
 - Approved the issue and offer of up to Baht 30,000 million of debentures, or the equivalent amount in other currencies. The Company's Board of Directors or authorised persons have the authority to stipulate details of the debentures.

60. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorised for issue by the Company's Board of Directors on 27 May 2016.

GLOSSARY OF TERMS

TERMS

Unless the context otherwise requires, terms defined shall have the following meanings:

Terms	Definitions
"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
"2013/14"	The fiscal year from 1 April 2013 to 31 March 2014
"2014/15"	The fiscal year from 1 April 2014 to 31 March 2015
"2015/16"	The fiscal year from 1 April 2015 to 31 March 2016
"2016/17"	The fiscal year from 1 April 2016 to 31 March 2017
"1Q 15/16"	The first quarter of fiscal year 2015/16
"2Q 15/16"	The second quarter of fiscal year 2015/16
"3Q 15/16"	The third quarter of fiscal year 2015/16
"4Q 15/16"	The fourth quarter of fiscal year 2015/16
"AHS"	Absolute Hotel Services Group
"BEM"	Bangkok Expressway and Metro Public Company Limited
"BMA"	Bangkok Metropolitan Administration
"BMCL"	Bangkok Metro Public Company Limited
"BMTA"	Bangkok Mass Transit Authority
"BPS"	Bangkok Payment Solutions Company Limited
"BRT"	Bus Rapid Transit
"BSS"	Bangkok Smartcard System Co.,Ltd.
"BTS Assets"	BTS Assets Co., Ltd.
"BTSC"	Bangkok Mass Transit System Public Company Limited
"BTSGIF" or "the Fund"	BTS Rail Mass Transit Growth Infrastructure Fund
"BTS Group" or "Group"	The Company and its subsidiaries
"BTS SkyTrain"	The Sukhumvit and the Silom Line, including the Sukhumvit Line Extension and the Silom Line
"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"	Bangkok Mass Transit System Concession Agreement between BMA and BTSC for the operation of the Core Network
"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
"Form 56-1"	2015/16 Annual Registration Statement

Terms	Definitions
“HHT”	HHT Construction Co., Ltd.
“IF”	Infrastructure Fund
“IOD”	Thai Institute of Directors Association
“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
“MRT” or “MRT Subway”	M.R.T. Chaloe Ratchamongkhon Subway Line
“MRTA”	Mass Rapid Transit Authority of Thailand
“Net Revenue Purchase and Transfer Agreement”	The purchase and transfer of net revenue agreement entered into between BTSC and BTSGIF for the transfer and sale of the future net farebox revenue that BTSC will receive from the Core Network to BTSGIF
“O&M”	Operation and maintenance
“OTP”	Office of Transport and Traffic Policy and Planning under the Ministry of Transport
“QoQ”	Quarter-over-quarter
“Rabbit Rewards”	Rabbit Rewards Co., Ltd.
“SARL”	Suvarnabhumi Airport Rail Link
“SEC Office”	The Office of the 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”	<p>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:</p> <p>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.</p> <p>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 which commenced operations on 5 December 2013.</p>
“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 Company Limited (former name of BTS Group Holdings Public Company Limited)
“VGI”	VGI Global Media Public Company Limited
“VGI Group”	VGI and its subsidiaries
“YoY”	Year-over-year



BTS GROUP HOLDINGS PCL

14-15 Floor, TST Tower, 21 Soi Choei Phuang,
Viphavadi-Rangsit Road, Chomphon, Chatuchak,
Bangkok 10900

Tel : +66 (0) 2273 8611-15

Fax : +66 (0) 2273 8610

www.btsgroup.co.th

