

BANGKOK LAND PUBLIC COMPANY LIMITED
INTERIM FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT ON REVIEW
OF INTERIM FINANCIAL INFORMATION
SEPTEMBER 30, 2013

Independent Auditor's Report on Review of Interim Financial Information

To the Board of Directors of Bangkok Land Public Company Limited

I have reviewed the accompanying consolidated and separate statements of financial position of Bangkok Land Public Company Limited and its subsidiary and of Bangkok Land Public Company Limited, respectively, as at September 30, 2013, the consolidated and separate statements of comprehensive income for the three-month and six-month periods ended September 30, 2013, and the consolidated and separate statements of changes in shareholders' equity and cash flows for the six-month period ended September 30, 2013 and condensed notes (interim financial information). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 (Revised 2009), "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

I conducted my review in accordance with the Thai Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 (Revised 2009), "Interim Financial Reporting".

(Ms. Kannika Wipanurat)

Certified Public Accountant

Registration No. 7305

Karin Audit Company Limited

Bangkok, Thailand

November 12, 2013

BANGKOK LAND PUBLIC COMPANY LIMITED
STATEMENTS OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2013

In Thousand Baht					
		Consolidated financial statements		Separate financial statements	
		September 30, 2013	March 31, 2013	September 30, 2013	March 31, 2013
		"Unaudited" "Reviewed"	"Audited"	"Unaudited" "Reviewed"	"Audited"
Notes					
ASSETS					
Current assets					
	Cash and cash equivalents	1,199,637	1,342,324	191,873	453,242
4	Short-term investments	2,602,586	113,675	2,462,181	113,675
5	Trade receivable and other receivable, net	452,523	361,638	54,854	14,933
6	Real estate development cost, net	14,268,593	14,070,972	14,229,683	14,023,886
3.2	Advance and receivables from related parties, net	-	-	2,470,465	2,379,748
3.3	Short-term loans to related parties, net	-	-	400,062	400,062
3.4	Investment in loans	-	-	475,000	475,000
	Other current assets, net of allowance for doubtful accounts of Baht 50 million	119,112	60,990	20,344	13,796
	Total current assets	18,642,451	15,949,599	20,304,462	17,874,342
Non-current assets					
6	Real estate development cost, net	1,192,321	1,380,971	1,422,576	1,417,260
7	Investments in subsidiaries, at cost method	-	-	10,026,887	10,026,887
8	Investment property	4,026,202	3,392,342	5,280	5,280
9	Property, plants and equipment, net	22,931,100	22,146,433	12,615	13,639
	Land held for future use	7,285,036	7,285,036	7,285,036	7,285,036
	Deferred tax assets	16,288	16,592	548	998
	Other non-current assets, net	643,822	631,262	463,921	467,226
	Total non-current assets	36,094,769	34,852,636	19,216,863	19,216,326
	TOTAL ASSETS	54,737,220	50,802,235	39,521,325	37,090,668

The accompanying notes are an integral part of these interim financial statements.

BANGKOK LAND PUBLIC COMPANY LIMITED
STATEMENTS OF FINANCIAL POSITION (CONT.)
AS AT SEPTEMBER 30, 2013

		In Thousand Baht			
		Consolidated financial statements		Separate financial statements	
		September 30, 2013	March 31, 2013	September 30, 2013	March 31, 2013
		"Unaudited" "Reviewed"	"Audited"	"Unaudited" "Reviewed"	"Audited"
Notes					
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
	Payables to contractors	330,139	332,701	147,929	143,652
	Trade payable and other payable	149,421	240,023	79,919	128,574
3.5	Payable to related parties	-	-	9,367,692	9,233,141
3.6	Short-term loan from related parties	-	-	-	2,050,000
Current portion of:					
10	- Long-term debt instruments	2,816,742	2,802,381	-	-
3.7	- Long-term loans from related parties	-	-	4,775,030	4,775,030
11	- Long-term loan	-	200,000	-	-
	Accrued interest expense	413,995	872,061	659	659
	Advances and deposits from customers	1,175,532	914,947	1,005,268	839,747
12	Other current liabilities	835,867	836,783	131,513	124,454
	Total current liabilities	5,721,696	6,198,896	15,508,010	17,295,257
Non-current liabilities					
11	Long-term loan	-	1,850,000	-	-
	Deferred tax liabilities	2,562,957	2,299,090	878	878
	Employee benefit obligations	21,655	22,016	-	-
	Total non-current liabilities	2,584,612	4,171,106	878	878
	Total liabilities	8,306,308	10,370,002	15,508,888	17,296,135

The accompanying notes are an integral part of these interim financial statements.

BANGKOK LAND PUBLIC COMPANY LIMITED
STATEMENTS OF FINANCIAL POSITION (CONT.)
AS AT SEPTEMBER 30, 2013

		In Thousand Baht			
		Consolidated financial statements		Separate financial statements	
		September 30, 2013	March 31, 2013	September 30, 2013	March 31, 2013
		"Unaudited" "Reviewed"	"Audited"	"Unaudited" "Reviewed"	"Audited"
Notes					
Shareholders' equity					
Share capital					
Authorized share capital					
		-	26,671,687	-	26,671,687
		29,584,073	-	29,584,073	-
	13	29,584,073	-	29,584,073	-
Issued and fully paid - up share					
		-	17,795,295	-	17,795,295
		20,642,460	-	20,642,460	-
	13	20,642,460	-	20,642,460	-
	13	2,832	413,191	2,832	413,191
		4,112,453	1,550,438	4,112,453	1,550,438
		(2,137,151)	(2,137,151)	(2,137,151)	(2,137,151)
		126,429	126,429	126,429	126,429
		11,863,062	11,411,617	1,265,414	2,046,331
		11,820,827	11,272,414	-	-
		46,430,912	40,432,233	24,012,437	19,794,533
		46,430,912	40,432,233	24,012,437	19,794,533
Total shareholders' equity					
TOTAL LIABILITIES AND					
SHAREHOLDERS' EQUITY					
		54,737,220	50,802,235	39,521,325	37,090,668
		54,737,220	50,802,235	39,521,325	37,090,668

The accompanying notes are an integral part of these interim financial statements.

BANGKOK LAND PUBLIC COMPANY LIMITED
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2013

"UNAUDITED"
"REVIEWED"

In Thousand Baht					
	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2013	2012	2013	2012
Sales		159,392	340,741	-	83,220
Rental and service revenues		555,974	611,464	524	1,755
Total revenues		715,366	952,205	524	84,975
Costs of sales		(137,443)	(274,234)	-	(59,776)
Costs of rental and services		(293,616)	(310,508)	-	-
Total costs		(431,059)	(584,742)	-	(59,776)
Gross profit margin		284,307	367,463	524	25,199
Gain on exchange rate, net		-	42,553	-	28,411
Other revenues	15	820,221	589,524	73,234	86,912
Profit before expenses		1,104,528	999,540	73,758	140,522
Selling expenses		(6,092)	(16,323)	(677)	(802)
Administrative expenses		(226,100)	(314,768)	(54,425)	(156,554)
Loss on exchange rate, net		(137,821)	-	(7,546)	-
Total expenses		(370,013)	(331,091)	(62,648)	(157,356)
Profit (loss) before finance costs and income tax expense		734,515	668,449	11,110	(16,834)
Finance costs	3.1	(8,587)	(12,752)	(42,224)	(39,595)
Profit (loss) before income tax expense		725,928	655,697	(31,114)	(56,429)
Income tax expense		(27,820)	(163,190)	(282)	(1,409)
Net profit (loss)		698,108	492,507	(31,396)	(57,838)

The accompanying notes are an integral part of these interim financial statements.

BANGKOK LAND PUBLIC COMPANY LIMITED
 STATEMENTS OF COMPREHENSIVE INCOME (CONT.)
 FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2013

"UNAUDITED"
 "REVIEWED"

		In Thousand Baht			
		Consolidated		Separate	
		financial statements		financial statements	
Notes		2013	2012	2013	2012
	Net profit (loss)	698,108	492,507	(31,396)	(57,838)
	Other comprehensive income				
	Depreciation on surplus on revaluation of assets	(18,855)	-	-	-
	Other comprehensive income for the period - net of income tax	(18,855)	-	-	-
	Net profit (loss) and comprehensive income	<u>679,253</u>	<u>492,507</u>	<u>(31,396)</u>	<u>(57,838)</u>
	Net profit (loss) and comprehensive income attributable to:				
	Owners of the Company	698,108	437,331	(31,396)	(57,838)
	Non-controlling interests	-	55,176	-	-
		<u>698,108</u>	<u>492,507</u>	<u>(31,396)</u>	<u>(57,838)</u>
	Net profit (loss) and comprehensive income attributable to:				
	Owners of the Company	679,253	437,331	(31,396)	(57,838)
	Non-controlling interests	-	55,176	-	-
		<u>679,253</u>	<u>492,507</u>	<u>(31,396)</u>	<u>(57,838)</u>
	Earnings (loss) per share				
	Basic earnings (loss) per share (Baht)	17	0.034	0.025	(0.002)
	(2013 : 20,642 million shares)				(0.003)
	(2012 : 17,794 million shares)				

The accompanying notes are an integral part of these interim financial statements.

BANGKOK LAND PUBLIC COMPANY LIMITED
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE SIX-MONTH PERIOD ENDED SEPTEMBER 30, 2013

"UNAUDITED"
"REVIEWED"

In Thousand Baht					
	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2013	2012	2013	2012
Sales		294,195	835,797	900	350,912
Rental and service revenues		1,188,804	1,217,546	1,010	2,537
Total revenues		1,482,999	2,053,343	1,910	353,449
Costs of sales		(235,977)	(664,495)	(900)	(253,056)
Costs of rental and services		(587,368)	(573,502)	-	-
Total costs		(823,345)	(1,237,997)	(900)	(253,056)
Gross profit margin		659,654	815,346	1,010	100,393
Gain on exchange rate, net		-	124,410	-	640
Other revenues	15	1,484,436	683,506	102,172	123,400
Profit before expenses		2,144,090	1,623,262	103,182	224,433
Selling expenses		(11,703)	(27,163)	(1,862)	(2,444)
Administrative expenses		(447,467)	(542,549)	(103,920)	(210,110)
Loss on exchange rate, net		(379,496)	-	(59,302)	-
Total expenses		(838,666)	(569,712)	(165,084)	(212,554)
Profit (loss) before finance costs and income tax expense		1,305,424	1,053,550	(61,902)	11,879
Finance costs	3.1	(38,935)	(29,933)	(99,377)	(83,537)
Profit (loss) before income tax expense		1,266,489	1,023,617	(161,279)	(71,658)
Income tax expense		(195,856)	(186,092)	(450)	(1,947)
Net profit (loss)		1,070,633	837,525	(161,729)	(73,605)

The accompanying notes are an integral part of these interim financial statements.

BANGKOK LAND PUBLIC COMPANY LIMITED
 STATEMENTS OF COMPREHENSIVE INCOME (CONT.)
 FOR THE SIX-MONTH PERIOD ENDED SEPTEMBER 30, 2013

"UNAUDITED"
 "REVIEWED"

In Thousand Baht				
Notes	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
Net profit (loss)	1,070,633	837,525	(161,729)	(73,605)
Other comprehensive income				
Currency translation differences	-	46	-	-
Depreciation on surplus on revaluation of assets	(37,505)	-	-	-
Surplus on revaluation of assets	585,918	-	-	-
Other comprehensive income				
for the period - net of income tax	548,413	46	-	-
Net profit (loss) and comprehensive income	<u>1,619,046</u>	<u>837,571</u>	<u>(161,729)</u>	<u>(73,605)</u>
Net profit (loss) and comprehensive income				
attributable to:				
Owners of the Company	1,070,633	719,833	(161,729)	(73,605)
Non-controlling interests	-	117,692	-	-
	<u>1,070,633</u>	<u>837,525</u>	<u>(161,729)</u>	<u>(73,605)</u>
Net profit (loss) and comprehensive income				
attributable to:				
Owners of the Company	1,619,046	719,879	(161,729)	(73,605)
Non-controlling interests	-	117,692	-	-
	<u>1,619,046</u>	<u>837,571</u>	<u>(161,729)</u>	<u>(73,605)</u>
Earnings (loss) per share				
Basic earnings (loss) per share (Baht)	17	<u>0.052</u>	<u>0.040</u>	<u>(0.008)</u>
(2013 : 20,585 million shares)				<u>(0.004)</u>
(2012 : 17,794 million shares)				

The accompanying notes are an integral part of these interim financial statements.

BANGKOK LAND PUBLIC COMPANY LIMITED
 STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
 FOR THE SIX-MONTH PERIOD ENDED SEPTEMBER 30, 2013

"UNAUDITED"
 "REVIEWED"

In Thousand Baht															
Consolidated financial statements															
	Notes					Retained earnings		Other components of equity							
		Issued and paid-up share capital	Share subscription	Premium on share capital	Discount on share capital	Appropriated for legal reserve	Unappropriated	Currency translation differences	Surplus on revaluation of assets	Net book value of subsidiaries investment as of purchasing date	exceed Change in shareholding in subsidiaries	Total other components of equity	Total equity attributable to owner's of the Company	Non- controlling interests	Total
For the six-month period ended September 30, 2013															
Beginning balance		17,795,295	413,191	1,550,438	(2,137,151)	126,429	11,411,617	1,390	8,428,277	28,184	2,814,563	11,272,414	40,432,233	-	40,432,233
Share capital increase	13	2,847,165	(413,191)	2,562,015	-	-	-	-	-	-	-	-	4,995,989	-	4,995,989
Share subscription	13	-	2,832	-	-	-	-	-	-	-	-	-	2,832	-	2,832
Dividend payment	14	-	-	-	-	-	(619,188)	-	-	-	-	-	(619,188)	-	(619,188)
Depreciation on surplus on revaluation of assets		-	-	-	-	-	-	-	(37,505)	-	-	(37,505)	(37,505)	-	(37,505)
Surplus on revaluation of assets		-	-	-	-	-	-	-	585,918	-	-	585,918	585,918	-	585,918
Net profit for the period		-	-	-	-	-	1,070,633	-	-	-	-	-	1,070,633	-	1,070,633
Ending balance		20,642,460	2,832	4,112,453	(2,137,151)	126,429	11,863,062	1,390	8,976,690	28,184	2,814,563	11,820,827	46,430,912	-	46,430,912
For the six-month period ended September 30, 2012															
Beginning balance		17,794,400	-	1,550,165	(2,137,151)	50,781	9,505,215	1,344	-	28,184	-	29,528	26,792,938	5,319,669	32,112,607
Share subscription		-	1,168	-	-	-	-	-	-	-	-	-	1,168	-	1,168
Dividend payment		-	-	-	-	-	(355,822)	-	-	-	-	-	(355,822)	-	(355,822)
Currency translation differences		-	-	-	-	-	-	46	-	-	-	46	46	-	46
Net profit for the period		-	-	-	-	-	719,833	-	-	-	-	-	719,833	117,692	837,525
Ending balance		17,794,400	1,168	1,550,165	(2,137,151)	50,781	9,869,226	1,390	-	28,184	-	29,574	27,158,163	5,437,361	32,595,524

BANGKOK LAND PUBLIC COMPANY LIMITED

"UNAUDITED"

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

"REVIEWED"

FOR THE SIX-MONTH PERIOD ENDED SEPTEMBER 30, 2013

In Thousand Baht								
Separate financial statements								
	Notes	Issued and paid-up share capital	Share subscription	Premium on share capital	Discount on share capital	Retained earning		Total
						Appropriated for legal reserve	Unappropriated	
For the six-month period ended September 30, 2013								
Beginning balance		17,795,295	413,191	1,550,438	(2,137,151)	126,429	2,046,331	19,794,533
Share capital increase	13	2,847,165	(413,191)	2,562,015	-	-	-	4,995,989
Share subscription	13	-	2,832	-	-	-	-	2,832
Dividend payment	14	-	-	-	-	-	(619,188)	(619,188)
Net loss for the period		-	-	-	-	-	(161,729)	(161,729)
Ending balance		20,642,460	2,832	4,112,453	(2,137,151)	126,429	1,265,414	24,012,437
For the six-month period ended September 30, 2012								
Beginning balance		17,794,400	-	1,550,165	(2,137,151)	50,781	964,842	18,223,037
Share subscription		-	1,168	-	-	-	-	1,168
Dividend payment		-	-	-	-	-	(355,820)	(355,820)
Net loss for the period		-	-	-	-	-	(73,605)	(73,605)
Ending balance		17,794,400	1,168	1,550,165	(2,137,151)	50,781	535,417	17,794,780

The accompanying notes are an integral part of these interim financial statements.

BANGKOK LAND PUBLIC COMPANY LIMITED
STATEMENTS OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED SEPTEMBER 30, 2013

"UNAUDITED"
"REVIEWED"

	In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit (loss) before income tax expense	1,266,489	1,023,617	(161,279)	(71,658)
Net adjustments to reconcile profit (loss) before income tax expense				
to cash provided by operating activities:				
Depreciation				
- property and equipment	240,447	131,692	1,056	6,014
- infrastructure	32,422	32,422	32,422	32,422
- other assets	5,273	-	5,273	-
Interest income	(24,982)	(14,516)	(42,786)	(32,799)
Interest expense	38,935	29,933	99,377	83,537
Unrealised (gain)loss on exchange rate	377,976	(124,140)	59,946	(635)
Provision for employee benefit	-	2,457	-	-
Gain on sale of fixed assets	-	(116)	-	-
Gain on revaluation of investment property	(633,860)	(551,916)	-	-
Gain on repurchase of exchangeable notes	(227,911)	-	-	-
Reversal of accrued interest	(496,476)	-	-	-
Gain on reversal of long outstanding account payable	-	(66,714)	-	-
Net profit (loss) provided by (use in) operating activities before				
changes in operating assets and liabilities	578,313	462,719	(5,991)	16,881
(Increase) decrease in operating assets:				
Trade receivable and other receivable	(90,885)	(60,788)	(39,921)	2,301
Real estate development cost	(235,685)	323,975	(243,535)	108,091
Other current assets	(31,814)	28,226	(5,832)	25,786
Other non-current assets	(17,833)	(11,312)	(1,968)	(12)
Increase (decrease) in operating liabilities:				
Payables to contractors	(2,561)	(5,355)	(44,376)	(10,700)
Trade payable and other payable	(90,602)	17,995	-	-
Other current liabilities	269,142	(307,006)	163,148	(300,473)
Employee benefit obligations	(362)	(1,290)	-	-
Income tax paid	(109,282)	(115,796)	(717)	(4,869)
Net cash provided by (used in) operating activities	268,431	331,368	(179,192)	(162,995)

The accompanying notes are an integral part of these interim financial statements.

BANGKOK LAND PUBLIC COMPANY LIMITED
STATEMENTS OF CASH FLOWS (CONT.)
FOR THE SIX-MONTH PERIOD ENDED SEPTEMBER 30, 2013

"UNAUDITED"
"REVIEWED"

	In Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest income received	24,982	14,516	66,133	5,086
Increase in short-term investments	(2,488,911)	(433,217)	(2,348,507)	(150,000)
(Increase) decrease in short-term loans to and receivable from related parties	-	-	(114,064)	97,074
Proceeds from sale of assets	-	766	-	-
Cash paid for purchase and construction of fixed assets	(140,593)	(153,893)	(33)	(10,557)
Net cash used in investing activities	(2,604,522)	(571,828)	(2,396,471)	(58,397)
CASH FLOWS FROM FINANCING ACTIVITIES				
Interest expense paid	(26,489)	(2,139)	(15,333)	-
Decrease in short-term loans from and amount due to related parties	-	-	(2,050,005)	(1,020)
Repayment of long-term loan	(2,050,000)	-	-	-
Cash paid for repurchase of exchangeable notes	(109,739)	-	-	-
Proceeds from share subscription	4,998,820	1,168	4,998,820	1,168
Dividend payment	(619,188)	(355,822)	(619,188)	(355,822)
Net cash provided by (used in) financing activities	2,193,404	(356,793)	2,314,294	(355,674)
Net decrease in cash and cash equivalents	(142,687)	(597,253)	(261,369)	(577,066)
Cash and cash equivalents at beginning of the period	1,342,324	1,566,305	453,242	634,772
Cash and cash equivalents at end of the period	1,199,637	969,052	191,873	57,706
Supplemental Disclosures of Cash Flows Information:				
1. Cash and cash equivalents :				
Cash on hand	45,226	59,981	8,977	12,980
Undeposited cheques	12,553	26,628	-	3,981
Saving accounts	954,449	554,856	172,003	42,290
Current accounts	42,110	17,292	10,893	(1,545)
Fixed deposits	145,299	310,295	-	-
Total	1,199,637	969,052	191,873	57,706

The accompanying notes are an integral part of these interim financial statements.

1. General information

Bangkok Land Public Company Limited (“the Company”) is incorporated and domiciled in Thailand. The Company is listed on the Stock Exchange of Thailand.

The address of its registered office is 47/569-576 Moo 3, 10th Floor New Geneva Industry Condominium, Popular 3 Road, Tambol Bannmai, Amphur Pakkred, Nonthaburi.

The principal business of the Company and its subsidiaries comprise of real estate development, exhibition and convention, food and beverage and investment in hotel.

2. Basis of preparation of the interim consolidated and separate financial statements

2.1 Basis of preparation of the interim financial statements

The interim financial statements are prepared in accordance with the Accounting Standard No. 34 (Revised 2009) of Thailand to provide additional information from the financial statements for the year ended March 31, 2013 with the emphasis on the more current information about new activities, events, and situations and are not intended to re-emphasize on the information previously reported. The interim financial statements should therefore be read in conjunction with the financial statements for the year ended March 31, 2013.

The interim 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

Subsidiaries

Subsidiary are companies in which significantly controlled by Bangkok Land public company limited.

The consolidated financial statements incorporate the financial statements of Bangkok Land Public Company Limited and its subsidiaries, by eliminating intercompany balances and unrealized gain and loss.

The Company’s subsidiaries included in the interim consolidated financial statements comprise the following:

	Principal business	Percentage of holding	
		September 30, 2013	March 31, 2013
Direct investment :			
Sinporchai Company Limited	Property development	100.00	100.00
Bangkok Land (Cayman Islands) Company Limited	Financing	100.00	100.00
Muang Thong Services and Management Company Limited	Project management service	97.00	97.00
Muang Thong Building Services Company Limited	Building maintenance service	97.00	97.00
Impact Exhibition Management Company Limited	Exhibition convention & hotel	100.00	100.00
Spooner Limited	Dormant	100.00	100.00
Direct and indirect investment :			
Bangkok Land Agency Company Limited	Property renting	99.30	99.30
Bangkok Airport Industry Company Limited	Property development	100.00	100.00
MRT Company Limited	REIT manager	100.00	-

Except for the Bangkok Land (Cayman Islands) Limited, which is incorporated in Cayman Islands, and Spooner Limited, which is incorporated in Hong Kong, all subsidiaries are incorporated in Thailand.

2.2 Significant accounting policies

The interim financial statements for the three-month and six-month periods ended September 30, 2013 are prepared using the same accounting policies as were used in the preparation of the financial statements for the year ended March 31, 2013.

3. Transactions with related parties

3.1 Significant transactions with related parties

Portion of revenues and expenses arose from transactions with related parties for the three-month periods ended September 30, 2013 and 2012 are summarized as follows:

		In Million Baht			
		Consolidated		Separate	
Pricing		financial statements		financial statements	
Policy		2013	2012	2013	2012
Interest Income :	MLR rate				
Subsidiaries					
Bangkok Airport Industry Company Limited		-	-	6	6
Sinpornchai Company Limited		-	-	7	7
		<u>-</u>	<u>-</u>	<u>13</u>	<u>13</u>
Interest expense :					
Subsidiary					
Bangkok Land (Cayman Islands) Limited	3.125%	<u>-</u>	<u>-</u>	<u>38</u>	<u>38</u>

BANGKOK LAND PUBLIC COMPANY LIMITED
NOTES TO INTERIM FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

“UNAUDITED”
“REVIEWED”

Portion of revenues and expenses arose from transactions with related parties for the six-month periods ended September 30, 2013 and 2012 are summarized as follows:

		In Million Baht			
		Consolidated		Separate	
		financial statements		financial statements	
Pricing		2013	2012	2013	2012
	Policy				
	Baht				
Rental income :	100,000				
Subsidiary	Per month				
Bangkok Land Agency Company Limited		-	-	1	1
		<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
Interest income :	MLR rate				
Subsidiaries					
Bangkok Airport Industry Company Limited		-	-	13	13
Sinpornchai Company Limited		-	-	14	15
		<u>-</u>	<u>-</u>	<u>27</u>	<u>28</u>
		<u>-</u>	<u>-</u>	<u>27</u>	<u>28</u>
Interest expense :					
Subsidiary					
Bangkok Land (Cayman Islands) Limited	3.125%	-	-	75	75
Impact Exhibition Management					
Company Limited	6.5%	-	-	15	-
		<u>-</u>	<u>-</u>	<u>15</u>	<u>-</u>
		<u>-</u>	<u>-</u>	<u>90</u>	<u>75</u>
		<u>-</u>	<u>-</u>	<u>90</u>	<u>75</u>

3.2 Advances and other receivables from related parties

The balances of receivables from related parties as at September 30, 2013 and March 31, 2013 are as follows:

	In Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	September 30, 2013	March 31, 2013	September 30, 2013	March 31, 2013
Accrued income :				
Subsidiaries				
Bangkok Airport Industry Company Limited	-	-	18	18
Bangkok Land Agency Company Limited	-	-	11	10
Total Accrued income	<u>-</u>	<u>-</u>	<u>29</u>	<u>28</u>
Advances and other receivables :				
Subsidiaries				
Bangkok Land Agency Company Limited	-	-	43	43
Spooner Limited	-	-	9	9
Bangkok Airport Industry Company Limited	-	-	225	225
Bangkok Land (Cayman Islands) Company Limited	-	-	112	-
Total advances and other receivables	<u>-</u>	<u>-</u>	<u>389</u>	<u>277</u>
Interest receivables :				
Subsidiaries				
Bangkok Airport Industry Company Limited	-	-	1,950	1,987
Sinpornchai Company Limited	-	-	111	97
Bangkok Land Agency Company Limited	-	-	23	23
Muang Thong Building Services Company Limited	-	-	1	1
Less: Allowance for doubtful accounts	-	-	(33)	(33)
Total interest receivable	<u>-</u>	<u>-</u>	<u>2,052</u>	<u>2,075</u>
Total	<u>-</u>	<u>-</u>	<u>2,470</u>	<u>2,380</u>

3.3 Short-term loans to related parties-net

The balances of receivables from related parties as at September 30, 2013 and March 31, 2013 are as follows:

	In Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	September 30, 2013	March 31, 2013	September 30, 2013	March 31, 2013
Subsidiaries				
Sinpornchai Company Limited	-	-	400	400

Loans to subsidiaries and related parties carry interest at MLR rate. The loans are unsecured and have no fixed repayment dates.

3.4 Investment in loans

	In Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	September 30, 2013	March 31, 2013	September 30, 2013	March 31, 2013
Subsidiary				
Bangkok Airport Industry Company Limited	-	-	475	475

Investment in loans comprised of :

	In Million Baht
Receivable per original agreement	965
Deferred income	(490)
Investment in loans	475

As at February 20, 2009, a subsidiary owed Baht 965 million (divided into principal of Baht 444 million and accrued interest of Baht 521 million) to a financial institution. On the same date, the Company acquired the rights of claim on this debt from the financial institution at a price of Baht 475 million. The Company expects to recover the total amount of Baht 965 million in full from the subsidiary.

3.5 Payables to related parties

The balances of payables to related parties as at September 30, 2013 and March 31, 2013 are as follows:

	In Million Baht			
	Consolidated		Separate	
	financial statements		Financial statements	
	September 30, 2013	March 31, 2013	September 30, 2013	March 31, 2013
Interest payable :				
Subsidiary				
Bangkok Land (Cayman Islands) Company Limited	-	-	9,211	9,075
Accrued management fee :				
Subsidiaries				
Bangkok Land Agency Company Limited	-	-	29	29
Bangkok Land (Cayman Islands) Company Limited	-	-	50	50
Total accrued management fee	-	-	79	79
Advances and other payables :				
Subsidiaries				
Muang Thong Services and Management Company Limited	-	-	4	4
Muang Thong Building Services Company Limited	-	-	4	4
Bangkok Airport Industry Company Limited	-	-	70	70
Impact Exhibition Management Company Limited	-	-	-	1
Total advances and other payables	-	-	78	79
Total payables to related parties	-	-	9,368	9,233

3.6 Short-term loans from related parties-net

The balances of short-term loans from related parties as at September 30, 2013 and March 31, 2013 are as follows:

	In Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	September 30, 2013	March 31, 2013	September 30, 2013	March 31, 2013
Subsidiaries				
Impact Exhibition Management Company Limited	-	-	-	2,050

Loans from related parties carry interest at 6.5% rate. The loans are unsecured and have no repayment dates.

3.7 Long-term loans from related parties

Long-term loans from related companies as at September 30, 2013 and March 31, 2013 comprise of:

	Interest rate per annum	In Million Baht	
		Separate financial statements	
		September 30, 2013	March 31, 2013
<u>Due date</u>			
<u>Loans from Bangkok Land (Cayman Islands) Limited (BL Cayman)</u>			
March 2001	3.125%	4,775	4,775
Long-term loans from related companies presented under current liabilities		4,775	4,775

The Company established a wholly-owned subsidiary, BL Cayman, in October 1992 with a registered capital of USD 10,000. BL Cayman issued exchangeable notes in foreign capital markets, guaranteed by the Company and the entire proceeds of the notes were lent to the Company on equivalent financial terms (Note 10).

The Company entered into a loan agreement with BL Cayman on October 13, 1993, whereas in the event that the Company should have failed to meet its payment obligation which would have caused BL Cayman not able to make its payment to the note holders, the Company agreed to pay BL Cayman a penalty interest of 1% above the normal

interest rate per annum on the amount due by the Company. However, no claim has been made against the Company. The Company therefore has not accounted for the penalty interest in its financial statements.

On October 1, 2011, the Company entered into agreement with Bland Cayman that both parties agreed to convert the Swiss Franc loan and accrued interest outstanding balance as of September 30, 2011 amounting to SFR 323.72 million and SFR 213.92 million, respectively, to the amount totaling Baht 18,788 million (principal of Baht 11,312 million and accrued interest of Baht 7,476 million).

4. Short-term investments

As at September 30, 2013 and March 31, 2013 short-term investments comprise of:

	In Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	September 30, 2013	March 31, 2013	September 30, 2013	March 31, 2013
Fixed deposit 6 -15 months	1,114	114	1,114	114
Investment in short-term debt instruments	1,489	-	1,348	-
Total	2,603	114	2,462	114

5. Trade receivable and other receivable, net

Trade receivable and other receivable as at September 30, 2013 and March 31, 2013 are as follows:

	In Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	September 30, 2013	March 31, 2013	September 30, 2013	March 31, 2013
Accounts receivable	365	344	-	-
<u>Less</u> Allowance for doubtful account	(60)	(60)	-	-
Trade account receivable	305	284	-	-
Other receivable	148	78	55	15
Total trade and other receivables - net	453	362	55	15
The aging of trade receivable are as follows :				
Up to 3 months	219	191	-	-
3 - 6 months	42	34	-	-
6 - 12 months	42	54	-	-
Over 12 months	62	65	-	-
Total	365	344	-	-

6. Real estate development cost, net

Part of the land and condominium units have been mortgaged with banks as collateral for letter of guarantee for the Group and have been pledged as collateral with the Courts (Note 18). The mortgaged land and condominium units, as a percentage of the total land areas/total units, is as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	September 30, 2013	March 31, 2013	September 30, 2013	March 31, 2013
	2013	2013	2013	2013
Percentage of land mortgaged	1	1	1	1
Percentage of condominium units mortgaged	29	28	30	30

On August 21, 2013, the Company entered into an agreement with a non-related company to sell 321 rai of land at a total price of Baht 3,216.93 million. Land ownership shall be transferred to the buyer in 3 tranches with the 1st 100 rai

BANGKOK LAND PUBLIC COMPANY LIMITED
NOTES TO INTERIM FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

“UNAUDITED”
“REVIEWED”

on October 10, 2013, the 2nd 100 rai on or before October 10, 2015 and the balance of 121 rai on or before October 10, 2016 at the option of the buyer.

7. Investment in subsidiaries

As at September 30, 2013 and March 31, 2013 investment in subsidiaries comprise of :

	Separate financial statements							
	In Million Baht				In Million Baht		In Million Baht	
	Paid-up share capital		Percentage of holding(%)		At Cost		Dividend for six months	
	September 30, 2013	March 31, 2013	September 30, 2013	March 31, 2013	September 30, 2013	March 31, 2013	September 30, 2013	September 30, 2012
Investment in subsidiaries								
Impact Exhibition Management								
Company Limited	12,953	12,953	100	100	9,848	9,848	-	-
Sinpornchai Company Limited	30	30	100	100	30	30	-	-
Muang Thong Building								
Services Company Limited	12	12	97	97	15	15	-	-
Muang Thong Services and								
Management Company Limited	25	25	97	97	10	10	-	-
Bangkok Land Agency Limited	200	200	99	99	120	120	-	-
Bangkok Airport Industry								
Company Limited	5,320	5,320	60	60	3	3	-	-
Bangkok Land								
(Cayman Islands) Limited	USD 0.01	USD 0.01	100	100	-	-	-	-
Spooner Limited	-	-	100	100	-	-	-	-
Total					10,026	10,026	-	-

8. Investment property

During the six-month period ended September 30, 2013, the movements of investment property are as follows :

	In Million Baht	
	Consolidated	Separate
	financial statements	financial statements
Appraised Value		
Beginning balance	3,392	5
Gain on revaluation	634	-
Ending balance	4,026	5

Investment property is stated at fair value based on the latest appraised value (market approach) of independent valuers.

9. Property, plants and equipment, net

During the six-month period ended September 30, 2013, the Company and subsidiaries have following movements in property, plants and equipment.

	In Million Baht	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at April 1, 2013	22,146	14
Additions	340	-
Surplus on revaluation of assets	732	-
Depreciation charge	(240)	(1)
Depreciation-differences on revaluation of assets	(47)	-
Net book value as at September 30, 2013	22,931	13

As at September 30, 2013 and March 31, 2013, a portion of property with historical costs of Baht 602 million and Baht 560 million, respectively, are in use but fully depreciated. (Separate of Baht 43 million)

As at March 31, 2013, a certain parcel of land and building of a subsidiary have been mortgaged as collateral for long-term loan. (Note 11).

10. Long-term debt instruments

		Consolidated financial statements				
		September 30, 2013		March 31, 2013		
		Amount		Amount		
	Maturity date	Interest rate per annum	Original Currency	Million Baht	Original Currency	Million Baht
1. Exchangeable	October	4.50 %	13.38 million		13.97 million	
Bonds	2003		U.S. Dollars	422	U.S. Dollars	411
2. Exchangeable	March	3.125%	67.20 million		75.35 million	
Notes	2001		Swiss Francs	2,503	Swiss Francs	2,347
				2,772		2,758
				45		44
				<u>2,817</u>		<u>2,802</u>
Total long-term debt instruments presented as current portion				<u>2,817</u>		<u>2,802</u>

The notes have been classified to current liabilities due to the fact that Bangkok Land (Cayman Islands) Limited (BL Cayman) has defaulted on interest and principal repayments. Accrued interest on the notes has been calculated at the coupon rates under the contract.

Exchangeable Bonds under item 1

In 1993, BL Cayman issued guaranteed exchangeable bonds of USD 150 million due 2003 that were guaranteed by the Company. The bonds bear interest at the rate of 4.5% per annum and the bondholders had the option to redeem the bonds in October 1998 at 110.73 percent of the principal amount and to exchange to common shares of Bangkok Land Public Company Limited during the period of February 21, 1994 to June 16, 2000.

BL Cayman has been in default on interest payment and principal redemption of the exchangeable bonds from October 13, 1998 to date.

Exchangeable Notes under item 2

In 1994, BL Cayman issued guaranteed exchangeable notes of Swiss Francs 400 million that were guaranteed by the Company. The notes bear interest at the rate of 3.125% per annum and due on March 31, 2001. The noteholders had the option to redeem the notes in March 1999 at the principal amount and to exchange to common shares of Bangkok Land Public Company Limited during the period of November 15, 1993 to August 13, 2003.

BL Cayman has been in default on interest payment on exchangeable notes from March 31, 1998 to date. Under the terms of the note, in the event of default for more than 14 days on payment of interest, the bondholders can give notice to the issuer and the guarantor, and the bonds shall be immediately due and repayable. In May 1998, the noteholders called BL Cayman and the company (as guarantor of the exchangeable note) to repay the principal amount of the notes outstanding together with accrued interest.

The Company has not hedged any long-term liabilities denominated in foreign currencies.

During the 2013, the Company’s legal advisor has reviewed the terms and conditions of these debt instruments and has the opinion that Bland Cayman has over accrued interest payable in the sum of Baht 496 million. This over accrued interest was therefore written back in the financial statements of the Group as other income in the consolidated statement of comprehensive income for the period ended September 30, 2013.

11. Long-term loans

As of September 30, 2013 and March 31,2013, the Company has long-term loans as follows:

	In Million Baht	
	Consolidated	
	financial statements	
	September 30,	March 31,
	2013	2013
Long-term loans	-	2,050
<u>Less Current portion due within one year</u>	-	(200)
Net	-	<u>1,850</u>

In January 2013, a subsidiary has entered into a loan agreement with a commercial bank and borrowed Baht 2,100 million. This loan is secured by land and buildings of the subsidiary (Note 9) with a repayment term of 7 years by quarterly installments at an interest rate of MLR less 0.5% per annum.

The loan was repaid in full by the subsidiary in May 2013.

12. Other current liabilities

The balances of other current liabilities as at September 30, 2013 and March 31, 2013 are as follows :

	In Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	September 30, 2013	March 31, 2013	September 30, 2013	March 31, 2013
Provision for loss on pending lawsuits (Note 18)	633	619	122	118
Accrued income tax	69	78	-	1
Others	134	140	10	5
Total	836	837	132	124

13. a) Share capital

At the extraordinary Meeting of the shareholders held on June 11, 2013, the shareholders has resolutions as follows:

1. Approve the registered capital reduction of the Company from Baht 26,671,687,159 to Baht 22,634,073,225 by cancelling 4,037,613,934 authorized but unissued ordinary shares at a par value of Baht 1 each (save for the authorized but unissued ordinary shares amounting to 1,991,725,989 shares which have been reserved for exercise of the holders of the BLAND W-3).
2. Approve the increase of the registered share capital of the Company from Baht 22,634,073,225 to Baht 29,584,073,225 by issuance of 6,950,000,000 new ordinary shares at a par value of Baht 1 each with conversion rate 2.97 existing shares to 1 unit of warrant.
3. Approve the allotment of 6,950,000,000 new ordinary shares with a par value of Baht 1 each pursuant to the capital increase as a reserve for the exercise of the holders of the Warrants BLAND-W4.

The Company has already registered the decrease and increase of registered share capital with Ministry of Commerce on June 12, 2013 and June 13, 2013 respectively.

b) Warrants

1. On May 26, 2008, warrants to purchase ordinary shares of the Company was listed on the Stock Exchange of Thailand (trading commencement on May 26, 2008) – BLAND-W2 with major characteristics as follows:

Type of Warrants: Named certificate and transferable

Number of Warrants: 6,886,268,732 units

Underlying Shares: 6,897,044,522 shares

Offering: Offered to existing shareholders whose name appeared on the registration book

Rights of Warrants: The holder of warrant certificate has the right to purchase ordinary share of the Company of 1 warrant for 1 new share.

Exercise Price: 1st year : Baht 1.10 per share;

2nd year : Baht 1.30 per share;

3rd year : Baht 1.50 per share;

4th year : Baht 1.70 per share;

5th year : Baht 1.90 per share;

Term of Warrants: 5 years from the issuance date of May 2, 2008 with the last exercise date being May 2, 2013.

On March 31, 2013, the warrant holder of BLAND-W2 exercised 216,702,385 units and the Company received Baht 411,734,531.50 share proceeds from the issuance of 216,702,385 common shares to the warrant. This proceeds was recorded as “Share subscription” in the statement of financial position as at March 31, 2013. The change of paid-up share capital was officially registered with Ministry of Commerce on April 4, 2013.

On May 2, 2013 (the last exercise date of BLAND-W2) the warrant holder exercised 2,629,378,748 units and the Company received Baht 4,995,819,621.20 from the issuance of 2,629,378,748 common shares to the warrant. The change of paid-up share capital was officially registered with Ministry of Commerce on May 15, 2013.

2. At the extraordinary meeting of the shareholders held on October 19, 2010, the shareholders resolved to issue and offer the warrants (BLAND-W3) to the shareholders as detailed belows :

Type of Warrants: Named certificate and transferable

Number of Warrants: 1,999,038,869 units

Underlying Shares: 1,999,038,869 shares

Offering: Offered to existing shareholders whose name appeared on the registration book

Rights of Warrants: The holder of warrant certificate has the right to purchase ordinary share of the Company of 1 warrant for 1 new share.

Exercise Price: 1st year : Baht 1.10 per share;

2nd year : Baht 1.30 per share;

3rd year : Baht 1.50 per share;

4th year : Baht 1.70 per share;

5th year : Baht 1.90 per share;

Term of Warrants: 5 years from the issuance date of November 8, 2010 with the last exercise date being November 8, 2015.

On March 31, 2013, the warrant holder of BLAND-W3 exercised 970,706 units and the Company received Baht 1,456,059 share proceeds from the issuance of 970,706 common shares to the warrant. This proceeds was recorded as “Share subscription” in the statement of financial position as at March 31, 2013. The change of paid-up share capital was officially registered with Ministry of Commerce on April 4, 2013.

On June 30, 2013, the warrant holder of BLAND-W3 exercised 112,359 units and the Company received Baht 168,538.50 share proceeds from the issuance of 112,359 common shares to the warrant. The change of paid-up share capital was officially registered with Ministry of Commerce on July 3, 2013.

On September 30, 2013, the warrant holder of BLAND-W3 exercised 63,898 units and the Company received Baht 95,847 share proceeds from the issuance of 63,898 common shares to the warrant. This proceeds was recorded as “Share subscription” in the statement of financial position as at September 30, 2013. The change of paid-up share capital was officially registered with Ministry of Commerce on October 3, 2013.

As at September 30, 2013, the outstanding of unexercised warrants (BLAND-W3) was 1,991,549,732 units.

3. At the extraordinary meeting of the shareholders held on June 11, 2013, the shareholders resolved to issue and offer the warrants (BLAND-W4) to the shareholders as detailed belows :

Type of Warrants:	Named certificate and transferable
Number of Warrants:	6,949,753,569 units
Underlying Shares:	6,949,753,569 shares
Offering:	Offered to existing shareholders whose name appeared on the record date on May 20, 2013. The Company will allocate and offer to the existing shareholders pro-rata to their shareholding at the rate of 2.97 existing shares to 1 unit of warrants.
Rights of Warrants:	The holder of warrant certificate has the right to purchase ordinary share of the Company of 1 warrant for 1 new share.
Exercise Price:	Baht 2 per share save for the adjustment of the exercise price
Term of Warrants:	5 years from the issuance date of July 3, 2013. The first exercise date is September 30, 2013, and the last exercise date is July 2, 2018.

On September 30, 2013, the warrant holder of BLAND-W4 exercised 1,368,013 units and the Company received Baht 2,736,026 share proceeds from the issuance of 1,368,013 common shares to the warrant. This proceeds was recorded as “Share subscription” in the statement of financial position as at September 30, 2013. The change of paid-up share capital was officially registered with Ministry of Commerce on October 3, 2013.

As at September 30, 2013, the outstanding of unexercised warrants (BLAND-W4) was 6,948,385,556 units.

14. Dividend payment

At the shareholders’ meeting held on July 31, 2013, the shareholders passed the resolution to approve the dividend payment at the rate of Baht 0.03 per share, totaling Baht 619 million.

15. Other revenues

Other revenues for the three-month periods ended September 30, 2013 and 2012 comprise :

	In Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
Interest income	8	7	15	17
Reversal of accrued interest (Note 10)	496	-	-	-
Gain on reversal of long outstanding account payable	-	67	-	66
Gain on revaluation of investment property	-	497	-	-
Gain on repurchase of exchangeable notes	228	-	-	-
Others	88	19	58	4
Total	820	590	73	87

Other revenues for the six-month periods ended September 30, 2013 and 2012 comprise :

	In Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
Interest income	25	15	43	33
Reversal of accrued interest (Note 10)	496	-	-	-
Gain on reversal of long outstanding account payable	-	67	-	66
Gain on revaluation of investment property	634	552	-	-
Gain on repurchase of exchangeable notes	228	-	-	-
Others	101	50	59	24
Total	1,484	684	102	123

16. Segment information

	Consolidated financial statements (In Million Baht)						
	For the three-month period ended September 30, 2013						
	Real						
	estate	Retail	Exhibition	Other			
	Business	business	center business	service	Total	Elimination	Total
Segment revenue	32	64	598	31	725	(10)	715
Segment profit	70	40	90	(1)	199	-	199
Corporate expenses					(59)	-	(59)
Interest income					58	(50)	8
Reversal of accrued interest					496	-	496
Gain on repurchase of exchangeable notes					228	-	228
Loss on exchange rate, net					(137)	-	(137)
Finance costs					(59)	50	(8)
Income tax expense					(28)	-	(28)
Net income of period					698	-	698

	Consolidated financial statements (In Million Baht)						
	For the three-month period ended September 30, 2012						
	Real						
	estate	Retail	Exhibition	Other			
	Business	business	center business	service	Total	Elimination	Total
Segment revenue	237	57	629	39	962	(10)	952
Segment profit	18	36	164	5	223	(4)	219
Corporate expenses					(165)	-	(165)
Interest income					61	(54)	7
Gain on revaluation of investment property					577	(80)	497
Gain on reversal of long outstanding account payable					67	-	67
Gain on exchange rate, net					43	-	43
Finance costs					(67)	54	(13)
Income tax expense					(182)	19	(163)
Profit of non-controlling interests					(55)	-	(55)
Net profit of equity holders of the parent					502	(65)	437

BANGKOK LAND PUBLIC COMPANY LIMITED
NOTES TO INTERIM FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

“UNAUDITED”
“REVIEWED”

Consolidated financial statements (In Million Baht)							
For the six-month period ended September 30, 2013							
	Real						
	estate	Retail	Exhibition	Other			
	Business	business	center business	service	Total	Elimination	Total
Segment revenue	59	128	1,252	64	1,503	(20)	1,483
Segment profit	85	63	271	(3)	416	-	416
Corporate expenses					(114)	-	(114)
Interest income					144	(119)	25
Gain on revaluation of investment property					634	-	634
Reversal of accrued interest					496	-	496
Loss on repurchase of exchangeable notes					228	-	228
Gain on exchange rate, net					(379)	-	(379)
Finance costs					(158)	119	(39)
Income tax expense					(196)	-	(196)
Net income of period					1,071	-	1,071

SEPTEMBER 30, 2013

Consolidated financial statements (In Million Baht)							
For the six-month period ended September 30, 2012							
	Real estate Business	Retail business	Exhibition center business	Other service	Total	Elimination	Total
Segment revenue	619	115	1,267	73	2,074	(21)	2,053
Segment profit	102	61	348	9	520	(8)	512
Corporate expenses					(218)	-	(218)
Interest income					125	(110)	15
Gain on revaluation of investment property					632	(80)	552
Gain on reversal of long outstanding account payable					67	-	67
Gain on disposal of investment					2	-	2
Gain on exchange rate, net					124	-	124
Finance costs					(140)	110	(30)
Income tax expense					(199)	13	(186)
Profit of Non-controlling interests					(118)	-	(118)
Net income of equity holders of the parent					795	(75)	720
Property, plants and equipment							
As at September 30, 2013	956	134	21,478	4	22,572	359	22,931
As at September 30, 2012	614	114	14,700	6	15,434	(2,976)	12,458

17. Earnings (loss) per share

Basic earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the net profit (loss) attributable to shareholders by the weighted average number of ordinary shares in issue during the year.

Diluted earnings (loss) per share

Diluted earnings (loss) per share is calculated by dividing the net profit (loss) attributable to shareholders by the weighted average number of ordinary shares in issue during the period adjusted for the effect of conversion of warrant to ordinary share.

Earning (loss) per share for the three-month periods ended September 30, 2013 and 2012 comprise :

	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
Net profit (loss) attributable to shareholders (million Baht)	698	437	(31)	(58)
Weighted average number of ordinary shares in issue during the year (million shares)	21,523	17,794	21,523	17,794
Diluted earnings (loss) per share (Baht per share)	0.032	0.025	(0.001)	(0.003)

Earning (loss) per share for the six-month periods ended September 30, 2013 and 2012 comprise :

	Consolidated		Separate	
	financial statements		financial statements	
	2013	2012	2013	2012
Net profit (loss) attributable to shareholders (million Baht)	1,071	719	(162)	(73)
Weighted average number of ordinary shares in issue during the year (million shares)	20,747	17,794	20,747	17,794
Diluted earnings (loss) per share (Baht per share)	0.051	0.040	(0.007)	(0.004)

18. Pending lawsuits

As at September 30, 2013, the Company has pending lawsuits as summarized below:

- i) A number of the Group’s customers have filed civil lawsuits demanding that the Company and Bangkok Airport Industry Company Limited, its subsidiary, to return deposits and installments funds, in the aggregate amount of approximately Baht 130 million alleging that the Company and Bangkok Airport Industry Company Limited had breached the purchase and sales agreements (March 31, 2013 : Baht 132 million). As at September 30, 2013, Baht 11 million is recorded in the financial statements (March 31, 2013: Baht 11 million).
- ii) A major contractors have filed civil lawsuits demanding the Group to repay a total debt of Baht 194 million together with interest of 15% per annum to be calculated from the date of filing of lawsuits until the date of settlement. The contractor has alleged that the Company had defaulted on payment of debt under certain construction contracts. As at September 30, 2013, the outstanding principal, excluding interest, payables to this contractor recorded in the financial statements amounted to Baht 122 million (March 31, 2013: Baht 122 million).

For case i) and ii), the ultimate outcomes are still pending. However, the Company has provided accrued interest for these cases up to September 30, 2013 of Baht 123 million in the consolidated financial statements and the separate financial statements of Baht 122 million.

- iii) A government agency has filed a civil lawsuit against Bangkok Airport Industry Company Limited (“BAIC”), a subsidiary of the Company, alleging BAIC had breached a property sale and purchase agreement and demanding a total compensation of Baht 1,241 million (damages of Baht 816 million and interest of Baht 425 million). The plaintiff also demanded additional interest on Baht 816 million, which has to be calculated from the filing date of the lawsuit to the date of settlement at an interest rate of 7.5% per annum. On January 27, 2012 the Court has a judgement to order BAIC to pay Baht 255.92 million together with interest of 7.5% per annum to be calculated from July 13, 2000 until date of settlement. The subsidiary already recorded provision of claims including interest totaling Baht 510 million in the financial statements for the year ended September 30, 2013. Presently, the subsidiary is in process to file a petition to the Appeal court.
- iv) An exchangeable note holder has filed a civil lawsuit against the Company, who is the guarantor of exchangeable notes issued by a subsidiary, requesting for the payment of USD 1 million exchangeable notes (Note 10). The plaintiff has demanded the Company to repay a total amount of Baht 59 million (principal of Baht 35 million and interest plus put premium of Baht 24 million) together with additional interest of 4.5% per annum on the principal of USD 1 million for the period from the date of filing the lawsuit until the date of settlement. On October 1, 2012, the Court dismissed the plaintiff’s claim citing that the 10 year status of limitations has expired. The bond holders has also filed a petition of this judgement to the Supreme Court.

Furthermore, the Company’s legal advisor has the opinion that the status of limitations of this debt has expired and the Company should have no case to answer. Therefore it is not necessary to made further provision in the financial statements.

19. Commitments and contingent liabilities

- a) As at September 30, 2013, the Company’s and its subsidiaries had capital commitments to the principal building contractor for the construction of real estate and rental and service agreements amounting to approximately Baht 473 million. (Separate : Baht 275 million)

- b) As at September 30, 2013, the Company and its subsidiaries had contingent liabilities in respect of bank guarantees issued by the banks on behalf of the Company and its subsidiaries in the normal course of business amounting to approximately Baht 131 million. (Separate : Baht 36 million)

20. Other

In August 2013, the Group’s financial advisor submitted to the SEC an application to request for approval of setting up a Real Estate Investment Trust (REIT) to invest in Impact Arena, Impact exhibition, Impact Challenger, Impact Forum and Car park P2. This properties are owned by the Company’s subsidiary, Impact Exhibition Management Company Limited.

21. Approval of financial statement

These financial statements have been approved by the Company’s management on November 12, 2013.