



**BANGKOK LAND**  
PUBLIC COMPANY LIMITED

**ANNUAL REPORT**  
31 MARCH 2015



# CONTENTS

Information for Investors	2
Highlights	3
Report of the Chairman	4
Business Profile	6
Management Discussion and Analysis	
- Review of Operation	9
- Financial Review	13
Corporate Governance	17
Responsibilities of the Board	21
Corporate Social Responsibility	26
Shareholders and Management	27
Directors' Profile	33
Risk Factors	35
Connected Parties Transactions	37
Information of Subsidiary Companies	38
Report of Directors' Duties on Financial Statements	39
Report of Audit Committee	40
Report of Independent Auditor	43
Financial Statements	45

## INFORMATION FOR INVESTORS

<b>Company Name</b>	Bangkok Land Public Company Limited	
<b>Registration Number</b>	0107536001222	
<b>Registered Office</b>	47/569-576 Moo 3, 10 <sup>th</sup> Floor, New Geneva Building, Popular 3 Road, Tambol Bannmai, Amphur Pakkred, Nonthaburi 11120, Thailand Telephone: 66-2-5044949 Facsimile: 66-2-5044986	
<b>Website</b>	<a href="http://www.bangkokland.co.th">www.bangkokland.co.th</a> <a href="http://www.impact.co.th">www.impact.co.th</a>	
<b>Share Registrar</b>	Thailand Securities Depository Company Limited The Stock Exchange of Thailand Building 62 Rachadapisek Road, Klongtoey, Bangkok 10110 Telephone: 66-2-2292800 Facsimile: 66-2-3591262	
<b>Auditors</b>	Karin Audit Company Limited B1 6 <sup>th</sup> Floor, Boonmitr Building 138 Silom Road, Bangrak, Bangkok 10500 Telephone: 66-2-6342484 Facsimile: 66-2-6342668	
<b>Legal Advisors</b>	Siam Premier International Law Office Limited 26 <sup>th</sup> Floor, The Offices at Central World 999/9 Rama I Road, Pathumwan, Bangkok 10330 Telephone: 66-2-6461888 Facsimile: 66-2-6461919	
<b>Share Information</b>	Share Exchange	Stock Exchange of Thailand
	Listing Date	5 <sup>th</sup> February 1992
	Par Value	Baht 1 per share
	Lot Size	100 shares
	Number of shares issued	* 20,662,414,818
	Treasury stock	* 1,155,011,400
	Voting stock minus treasury stock	* 19,507,403,418
	Stock Sector	Property
	Stock Symbol	BLAND
<b>Financial Calendar</b>	Financial year-end:	31 March
	2015 full-year results announced:	2 June 2015
	Record Date	8 July 2015
	Share register to be closed	9 July 2015
	Annual General Meeting to be held	29 July 2015
	2016 results to be announced **	
	June 2015 quarter	14 August 2015
	September 2015 quarter	13 November 2015
	December 2015 quarter	12 February 2016
	March 2016 full year results	30 May 2016

\* as at 3 April 2015

\*\* subject to change

## HIGHLIGHTS

	<b>2015</b>	<b>2014</b>	<b>Change</b>
	<b>Baht m</b>	<b>Baht m</b>	<b>%</b>
Total recurring revenue	3,689	4,341	(15.0)
Other revenue	2,283	2,729	(16.3)
Net profit			
Owner of the Company *	2,169	2,096	3.5
Minority interest	316	-	100.0
Total assets	64,234	55,220	16.3
Total liabilities	11,197	7,390	51.5
Shareholders' equity	45,034	47,830	(5.8)

	<b>Baht</b>	<b>Baht</b>	<b>%</b>
Earnings per share *	0.11	0.10	10.0
Adjusted net asset value per share	2.38	2.43	(2.1)
Dividend per share **	0.09	0.04	125.0
Market share price at last trading date of the financial year	1.50	1.54	(2.6)

\* after adjusted the extraordinary transaction

\*\* subject to AGM approval



## REPORT OF THE CHAIRMAN

### OVERVIEW

The year under review was a challenging one for the Company. With the continuing worldwide economic weakness and local political tension, signs of slowdown in various sectors of the Thai economy have been obvious.

Central banks around the world have been lowering interest rates to a multi-year extreme. The world is in the economic contraction which, I had foreseen last year, is happening now or approaching.

Last year, IMPACT and RMI had the highest successful of distribution and sell the trust unit of IMPACT Growth Real Estate Investment Trust as the BLAND has planed, in

this transaction IMPACT received net cash Baht 11,696 million and hold the trust unit at the value of Baht 7,857 million or 741.25 million shares or 50% of total unit issue and sold. As the consequent the Company has control of the Trust with significant matters and the Trust will be consolidated in the Company's financial Statement.

### RESULTS

In the year ended 31 March 2015, the Group reported a consolidated recurring operating profit of Baht 450 million and a net profit after non-recurring items and tax of Baht 1,203 million. During the year, the Group recognized Professional Fee and Cost of selling asset to the Trust of Baht 230 million and Baht 736 million respectively, excluding these transaction, the Group would have recorded a net profit of Baht 2,169 million.

### DIVIDEND

The directors have declared a dividend of Baht 0.09 per share, an increase of 125.00% from last year. The interim dividend was paid on 12 December 2014 at the rate of Baht 0.04 per share while the rest of Baht 0.05 per share will be proposed for shareholders' approval in the forthcoming Annual General Meeting no. 43 on 29 July 2015.

### OPERATIONS

In my report last year, I mentioned that new housing projects at our Srinakarin land bank Villa Albergo - Rama 9 project. Design and major preparation works, the mock up house and the sale office are almost completed, the Company planned that it could start to sell launch within the 2<sup>nd</sup> half of the current financial year.

With operating environment generally remained uncertain in last year, we did hold back other capital intensive developments, such as, new exhibition space, hotels and large shopping and entertainment facilities. Nevertheless our "Bee Hive" life style shopping complex, Popular Walk" retail shop-house and "New Geneva

Car park”, a nine-storey parking facility with retail space on the ground floor are completed and received good respond from the customers, while “Double Lake” phase 2 residential condominiums is almost completed and the Company expected that we can do the right transferred to the customer in 2H of this financial year.

## **FINANCE**

The Group’s financial position has grown stronger.

Net profit to owners of the company rose 3.5 percent to Baht 2,169 million (2014 - Baht 2,096 million).

Earning per share rose 10.00 percent to Baht 0.11 (2014 - Baht 0.10).

Consolidated total asset rose 16.3 percent to Baht 64,234 million (2014 - Baht 55,220 million).

Shareholders’ equity decreased 5.8 percent to Baht 45,034 million (2014 - Baht 47,830million).

Adjusted net asset value decreased 7.3 percent to Baht 46,469 million (2014 - Baht 50,139 million).

Adjusted net asset value per share decreased 2.1 percent to Baht 2.38 per share (2014 - Baht 2.43 per share).

## **OUTLOOK**

Under the current uncertain economic and political environment, I expect a difficult year ahead for the Thai economy. However, with the Group’s successful from selling trust unit of IMPACT Growth Real Estate Investment Trust and in the debt free position and the strength of its ongoing businesses, Bangkok Land will withstand pressures and challenges that may be posed by the political turmoil and slowing economic activities.

In the year ahead, we will continue to focus on those matters over which we do have control our operation. We will also continue to complete our existing projects and monitor closely new developments on politics and market conditions so as to identify the best opportunities to launch our ready-to-launch new projects.

## **APPRECIATION**

Finally, I would like to thank most sincerely for all the support and confidence extended to the Company during the year ended 31 March 2015. Look forward to reporting further developments and improvements in the coming year.



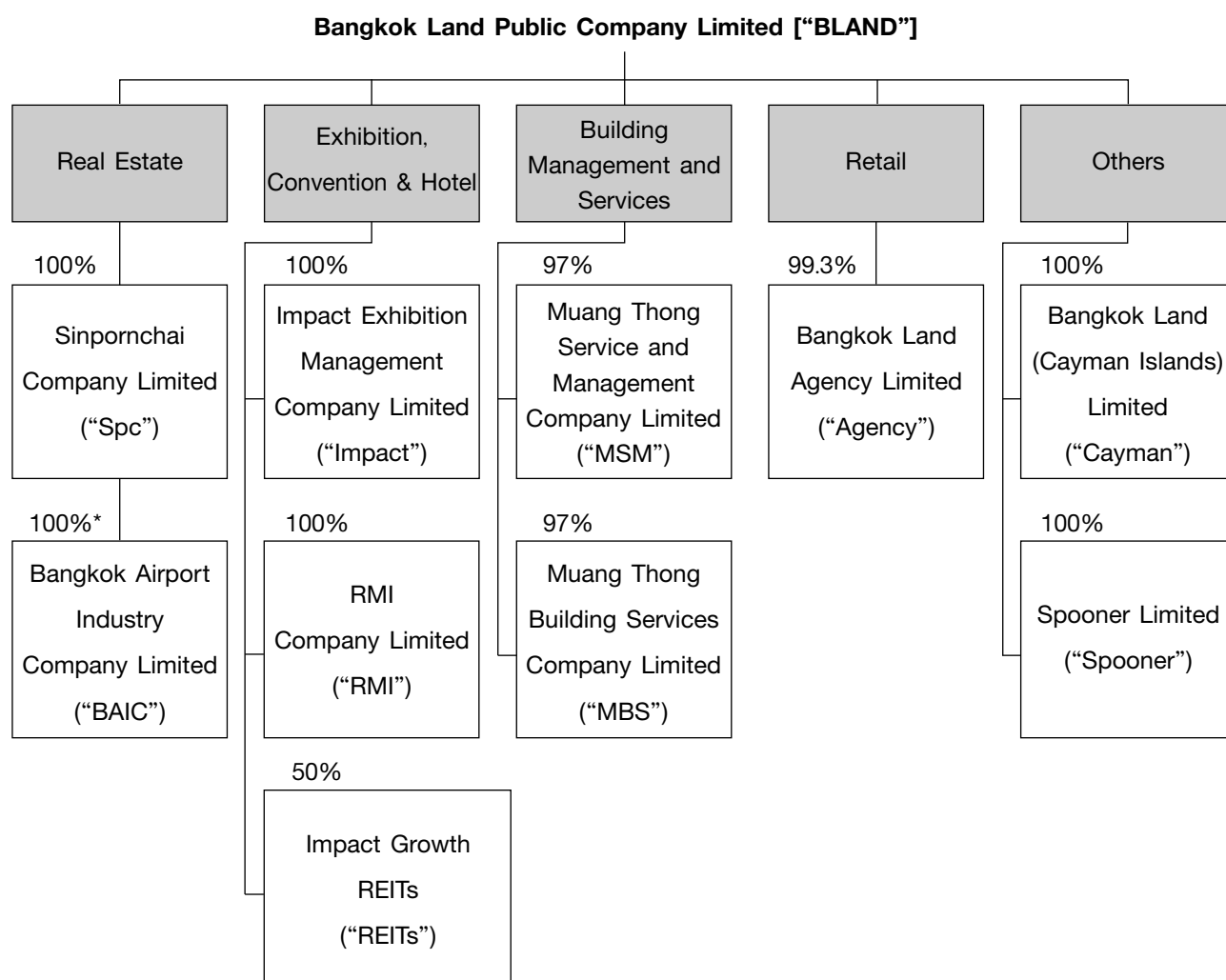
Anant Kanjanapas

Chairman

16 June 2015

## BUSINESS PROFILE

### CORPORATE STRUCTURE



\* 60% owned by BLAND, 40% owned by Spc

### REVENUE STRUCTURE

Business	Operated by	2015		2014		2013	
		Baht mn.	%	Baht mn.	%	Baht mn.	%
Real Estate	BLAND, BAIC, Spc	426	11.2	1,363	30.9	846	22.5
Exhibition, Convention & Hotel	Impact, RMI, REITs	2,992	78.4	2,660	60.3	2,554	67.8
Building Management	MBS, MSM	104	2.7	133	3.0	143	3.8
Retail	Agency	294	7.7	256	5.8	225	6.0
Others	Cayman, Spooner	-	0.0	-	0.0	-	0.0
Total Revenue		3,816	100.0	4,412	100.0	3,768	100.0

## NATURE OF BUSINESS

Bangkok Land is one of Thailand's long established property development companies. The Company has been focusing mainly on the development of large scale self-contained community projects such as Muang Thong Thani Chaengwattana and Muang Thong Thani Banga. Its community projects usually consist of residential accommodation with supporting commercial developments and full range of quality infrastructure facilities.

The Company has also diversified its interest into exhibition and convention business. Through its subsidiary, Impact Exhibition and Management Company Limited, Bangkok Land owns and manages more than 140,000 square meters of world class exhibition and convention space together with a convention hotel (Impact Novotel Hotel) and other related supporting facilities. The Impact Exhibition Center is now the largest and most comprehensive exhibition and convention facility in South East Asia.

## BUSINESS SEGMENT

The Group's business can be classified into five major segments.

### 1) Real Estate

Real estate business mainly involves the development of residential housings and commercial properties for sale and rental. Products include single houses, townhouses, condominiums, shop-houses, high rise office buildings, community and retail malls. These projects vary from small sizes to very large self-contained communities. The Group's real estate business is primarily handled by Bangkok Land Public Company Limited, Bangkok Airport Industry Company and Sinpornchai Company Limited.

### 2) Exhibition, Convention & Hotel

The exhibition and convention business offers customers an international standard venue with full range of facilities and services where government, private corporations and individuals can hold exhibitions, conventions and different kinds of activities such as concerts, entertainment shows, parties, receptions and examinations.

The venue also operates Impact Novotel Hotel and a wide variety of restaurants as well as catering facilities to support various kinds of activities and functions required by its customers. The Group's Exhibition, Convention & Hotel business is primarily handled by Impact Exhibition Management Company Limited, RMI Company Limited and Impact Growth Real Estate Investment Trust.

### 3) Infrastructure and Building Management

Bangkok Land considers that after sales service is one of the key factors to ensure success of its real estate business. Two companies, Muang Thong Services and Management Company Limited

and Muang Thong Building Services Company Limited, were established to take charge of infrastructure and building management, landscaping and waste treatment of the Group's large scale community projects.

**4) Retail**

Retail business is operated only at Muang Thong Thani Chaengwattanna. The Company runs small retail shops, food courts, fresh food market and car parks as to provide full community services to the residents of its property projects. These activities are operated by Bangkok Land Agency Company Limited.

**5) Others**

Bangkok Land (Cayman Islands) Limited is a Company incorporated in Cayman Islands. It was used to raise funds for the Company by issuing foreign currency bonds to investors.

Spooner Limited is a Hong Kong incorporated company. It remained inactive in the year ended 31 March 2015.

## MANAGEMENT DISCUSSION AND ANALYSIS - REVIEW OF OPERATION

### PROFIT AND LOSS SUMMARY

Baht millions	Revenue		%	Profit		%
	2015	2014	change	2015	2014	change
<b>Business Segments</b>						
- Real Estate	426	1,363	-68.7	216	163	32.5
- Exhibition, Convention & Hotel	2,992	2,660	12.5	590	505	16.8
- Retail	294	256	14.8	114	106	7.5
- Others	104	133	-21.8	(5)	(17)	-70.6
- Inter-segment Elimination	(127)	(71)	78.9	(207)	31	-767.7
<b>Total from Operation</b>	<b>3,689</b>	<b>4,341</b>	<b>-15.0</b>	<b>708</b>	<b>788</b>	<b>-10.2</b>
Corporate Expenses				(258)	(201)	28.4
<b>Recurring Profit</b>				<b>450</b>	<b>587</b>	<b>-23.3</b>
Non-recurring Items						
- Net Borrowing Costs				(53)	(190)	-72.1
- Foreign Exchange Gain/(Losses)				287	(535)	-153.6
- Reverse of accrued interest				-	450	-100.0
- Reverse of long outstanding accounts payable				185	417	-55.6
- Reverse of provision for legal proceeding				-	500	-100.0
- Gain on Revaluation of Investment Properties				1,666	763	118.3
- Gain on buy-back of exchangeable notes				43	387	-88.9
- Other Non-recurring Items				(44)	2	-2,300.0
<b>Profit before Tax</b>				<b>2,534</b>	<b>2,381</b>	<b>6.4</b>
Income Tax				(49)	(285)	-82.8
<b>Profit for the Year</b>				<b>2,485</b>	<b>2,096</b>	<b>18.6</b>
Minority Interest				(316)	-	-
<b>Profit attributable to Shareholders *</b>				<b>2,169</b>	<b>2,096</b>	<b>3.5</b>

\* after adjusted the extraordinary transaction

## OVERVIEW

For the year ending 31 March 2015, the Group's total recurring revenue decreased by 15.0 percent to Baht 3,689 million (2014 - Baht 4,341 million). Recurring business operating profit before tax was less than same as last year 23.00 percent to Baht 450 million (2014 - Baht 587 million).

The Group's recorded Baht 287 million gain from exchange rate (2014 - loss Baht 535 million), Baht 185 million reversal of write-backs of over accrued interest and unclaimed accounts payable (2014 - Baht 417 million), Baht 1,666 million gain on revaluation of investment properties (2014 - Baht 763 million), Baht 43 million gain from repurchase on exchangeable note (2014 - Baht 387 million) and Baht 53 million net borrowing cost (2014 - Baht 190 million).

Overall, after income tax expenses of Baht 49 million, Bangkok Land recorded a consolidated net profit of Baht 2,169 million compared to Baht 2,069 million a year ago.

## REAL ESTATE

Baht millions	2015	2014	% change
Revenue	426	1,363	-68.7
Cost of Sales	(149)	(1,163)	-87.2
Gross Profit	277	200	38.5
Other Revenue	24	107	-77.6
	301	307	-2.0
Selling & Admin. Expenses	(85)	(144)	-41.0
Contribution to Recurring Profit	216	163	32.5
Gross Profit Margin	65.0%	14.7%	50.3

Real estate revenue recognized in the year comprised mainly sales of the Company's land plot in Muang Thong Thani Chaengwattana and right transfer of "Double Lake Phase I"

Although real estate revenue reduced 68.7 percent to Baht 426 million (2014 - Baht 1,363 million), gross profit of Baht 277 million was 65.00 percent higher than last year. The higher profit recognized last year was the result of land sales with low book cost at Muang Thong Thani Chaengwattana which booked at the lower cost than undeveloped land plot in Srinakarin Road and The right transfer Double Lake Phase I to the customer that booked and paid the full amount of down payment.

Selling and administration expenses reduced 41 percent to 85 million (2014 - Baht 144 million).

Overall, contribution to recurring profit before tax for the year increased 32.5 percent to Baht 216 million (2014 - Baht 163 million).

## EXHIBITION, CONVENTION & HOTEL

Baht millions	2015	2014	% change
Revenue	2,992	2,660	12.5
Cost of Sales	(1,502)	(1,538)	-2.3
Gross Profit	1,490	1,122	32.8
Other Revenue	4	17	-76.5
	1,494	1,139	31.2
Selling & Admin. Expenses	(904)	(634)	42.6
Contribution to Recurring Profit	590	505	16.8
Gross Profit Margin	49.8%	42.2%	7.6
Occupancy Rate	50.8%	51.8%	-1.0

IMPACT's revenue came from its three principal business areas - exhibition & convention space service, 68.9% (2014 - 72.4%); food & beverages, 24.2% (2014 - 20.9%); hotel, 6.6% (2014 - 6.7%) and others, 0.3 percent (2014 - 0.0%).

Exhibition space utilization declined slightly by 1.0 percent to 50.8 percent. This shortfall was fully offset by increase in average service rate during the year. In effect, exhibition space service revenue for the year increased 7.0 % to Baht 2,061 million compared to Baht 1,927 million a year before.

Food and beverage revenue increased by 30.5 percent to Baht 724 million (2014 - Baht 555 million) resulting mainly from increasing number of restaurants within and outside IMPACT

IMPACT Novotel has been acting as an important supplementary service attracting more events to its exhibition and convention halls. This year the hotel recorded revenue increased by 10.7 to Baht 197 million (2014 - Baht 178 million) and EBITDA of Baht 48 million (2014 - Baht 31 million). Gain before tax was Baht 11 million as compared to a net loss of Baht 5 million a year before.

Cost of sales decreased 2.3 percent to Baht 1,502 million (2014 - Baht 1,538 million). Selling and administration expenses also increased 42.6 percent to Baht 904 million (2014 - Baht 634 million) mainly as the result of more depreciation charges on completed venue upgrades and more manpower expenses to cope with the increased business.

Overall, our exhibition, convention and hotel business increased its revenue by 12.5 percent to Baht 2,992 million (2014 - Baht 2,660 million). As such, recurring profit before tax rose by 16.8 percent to Baht 590 million from Baht 505 million a year ago.

## RETAIL AND BUILDING MANAGEMENT

Baht millions	Retail			Infrastructure and Building Management		
	2015	2014	% change	2015	2014	% change
Revenue	294	256	14.8	104	133	-21.8
Cost of Sales	(151)	(143)	5.6	(98)	(123)	-20.3
Gross Profit	143	113	26.5	6	10	-40.0
Other Revenue	11	31	-64.5	5	6	-16.7
Selling & Admin. Expenses	154	144	6.9	11	16	-31.3
	(40)	(38)	5.3	(16)	(33)	-51.5
Contribution to Recurring Profit	114	106	7.5	(5)	(17)	-70.6
Gross Profit Margin	48.6%	44.1%	4.5	5.8%	7.5%	-1.7

Retail and building management are non-core businesses, established as supplementary services for the real estate projects of the Group at Muang Thong Thani. Performance during the year remained broadly unchanged with insignificant variances compared to the year before.

Overall, the Group reported contributing profit of Baht 114 million from its retail business and a loss of Baht 5 million from its infrastructure and building management business for the year ended 31 March 2015.

## NON-RECURRING ITEMS

The Group recorded Baht 287 million gain from exchange rate (2014- loss Baht 535 million), Baht 185 million reversal of unclaimed accounts payable (2014- Baht 417 million), Baht 1,666 million gain on revalued its investment properties (2014 - Baht 763 million), Baht 43 million gain on repurchase of Exchange note (2014- Baht 387 million). Net borrowing cost for the year was Baht 53 million (2014 - Baht 190 million).

During the year, there is not gain from reversal of interest payable and gain from reversal of lawsuit provision but in last year the Group reported gain on reversal of interest payable for Baht 450 million and the Group has reported Baht 500 million gain from reversal of lawsuit provision.

## INCOME TAX

Income tax expenses for the year comprised of adjusted corporation income tax of Baht 378 million (2014 - Baht 285 million) on profits of the Company's subsidiaries and Baht 333 million of deferred tax on revaluation surplus of investment properties.

## MANAGEMENT DISCUSSION AND ANALYSIS - FINANCIAL REVIEW

### NET ASSET VALUE PER SHARE

One common benchmark to determine the underlying value of a company is by calculating its total net asset value. Using this approach, Bangkok Land's adjusted consolidated net assets value per share on 31 March 2015 stood at Baht 2.38 (2014 - Baht 2.43). The Company's closing share price on that date was Baht 1.50 (2014 - Baht 1.54) representing a discount of 2.6 percent (2014 - 36.6 percent) to its adjusted net asset value.

#### Adjusted net asset value per share

Baht millions	2015	2014
Total shareholders' equity	53,037	47,830
Minority interest	(8,003)	0
Deferred tax on revaluation surplus of property, plant & equipments	380	1,587
Deferred tax on revaluation surplus of investment properties	1,055	722
Adjusted shareholders equity	46,469	50,139
Number of shares in issue (millions)	20,662	20,644
Treasury stock	(1,155)	-
Value per share (Baht)	2.38	2.43
Closing market price per share (Baht) - last trading day of March	1.50	1.54
Share price premium/(discount)	(2.6%)	(36.6%)

### ASSETS

Total assets of the Group increased 16.3 percent to Baht 64,234 million (2014 - Baht 55,220 million) mainly as the result of proceeds of Baht 11,696 million received from selling trust unit of IMPACT Growth Real Estate Investment Trust on September 2014.

Key components of assets comprised "property, plant and equipment" (35.1%), "real estate development cost" (22.4%), "land held for future use" (11.3), "investment properties" (11.8%) as well as cash and cash equivalent (16.9%), details of which are summarized next.

## Real estate development cost

Baht millions	2015	2014	% change
Undeveloped Land			
- Srinakarin Road	12,435	12,373	0.5
- Muang Thong Thani & Others	876	1,531	-42.8
	13,312	13,904	-4.3
Finished Products & Work in Progress	724	519	39.4
Uncompleted Condominiums	226	226	0.0
Other discontinued Projects	143	143	0.0
Total	14,405	14,793	-2.6

Real estate development cost remained broadly unchanged compared to last year. The slight decrease of 2.6 percent to Baht 14,405 million (2014 - Baht 14,793 million) was primarily the new categorized of land in Muang Thong Thani Chaengwattana that transferred Baht 606 million to be Investment property category and construction of “Double Lake Phase 2” and Villa Albero - Rama 9)

## Land held for future use

Land held for future use comprised a 375 rai of land and lake in the middle of Bangkok Land’s flagship development, Muang Thong Thani, Chaengwattana. Book cost of this land was Baht 7,285 million, which remained unchanged. No market valuation was done during the year as management assessed that there was no indication of any value impairment, and land capital value in Greater Bangkok, including areas close to Muang Thong Thani, continued to rise during the year ended 31 March 2015.

## Property, plant and equipments

Cash out flow to purchase, building construction and equipment for the total year was Baht 817 million, most comes from the construction of new car park building of the Company including equipment and furniture

After deducting the total amount of depreciation charges of Baht 642 million, reported net book value of property, plant and equipments as at 31 March 2015 decreased 1.7 percent to Baht 22,524 million (2014 - Baht 22,917 million).

## Investment property

In response to market situation, the Company’s community mall “Bee Hive” at Muang Thong Thani, Retail shop “Popular Walk”, “New Geneva Car Park” and the area near Silapakorn University new Campus in Muang Thong Thani. New construction cost was Bath 148 million, total development cost of Baht 606 million and net book value of Baht 417 million of property, plant and equipment were reclassified as investment properties. A revaluation was done in the last quarter or the year resulting in a surplus of Baht 1,666 million and deficit of Baht 3 million over and under the historical cost of these assets.

All property valuation was performed by an independent third party professional appraiser approved by the Stock Exchange of Thailand.

Taken together, total investment property increased by 60 percent to Baht 7,558 million (2014 - Baht 4,724 million) with a total revaluation surplus of Baht 1,666 million (2014 - Baht 763 million) recognized as other revenue in the consolidated financial statement of the Company.

## **LIQUIDITY**

Net cash flow from recurring operating activities decreased by Baht 1,743 million to Baht -354 million (2014 - Baht 1,389 million) primarily resulting from the effect of more cash outflow from tax payment to transfer asset of IMPACT Growth Real Estate Investment Trust for the period end 31 March 2015.

Non-recurring cash flow from investing activities included Baht 60 million interest incomes and Baht 105 million from the disposal of fixed assets.

Non-recurring cash flow from financial activities comprised Baht 3,900 million of long term loan and Baht 37 million from issue new ordinary share to the Company's warrant holder and Baht 7,857 million from share cost of the company's subsidiary.

Total recurring and non-recurring cash flow generated during the year was Baht 11,605 million. Together with cash of Baht 1,162 million brought forward from 31 March 2014, these cash flows were applied to settle stock treasury (Baht 2,236 million), pay dividend (Baht 1,783 million), interest (Baht 84 million), capital expenditure (Baht 817 million), buy back of foreign currency bonds (Baht 16 million) and renovation of investment properties (Baht 148 million).

During the year, the Group also increased its short term investment in interest bearing debentures and fixed deposits with local financial institutions by 6,480 million to Baht 9,681 million (2014 Baht 3,201 million).

In effect, Bangkok Land's consolidated statements of cash flows for the year ended 31 March 2015 recorded a net increase of Baht 26 million in cash and cash equivalent to Baht 1,188 million (2014 - Baht 1,162 million).

## **LIABILITIES**

Consolidated total liabilities as at 31 March 2015 rose 51.5 percent to Baht 11,197 million compared to Baht 7,390 million in 2014. This increased in the Group's total liabilities to equity ratio to 0.25 times from 0.15 times a year ago.

Consolidated net total liabilities (net of cash, cash equivalent and short term investments) as at 31 March 2015 was Baht 328 million compared to Baht 3,027 million in 2014. This reduced the Group's net total liabilities to equity ratio to 0.01 times from 0.06 times a year ago.

The following table presents a summary of the Group's total liabilities as at 31 March 2015.

<b>Baht millions</b>	<b>Total</b>	<b>Interest Bearing</b>	<b>Non-interest Bearing</b>
Bank Loans	3,900	3,900	-
Unsecured Debts in Default *			
- Bonds	2,527	2,527	-
- Overdue Interest (Bonds)	418	-	418
	2,945	2,527	418
Deferred Tax	1,536	-	1,536
Other Liabilities & Accruals	2,816	-	2,816
<b>Total Liabilities</b>	<b>11,197</b>	<b>6,427</b>	<b>4,770</b>
<b>Total Liabilities excluding Bonds</b>	<b>8,252</b>	<b>3,900</b>	<b>4,352</b>

\* The Baht 2,945 million unsecured bonds were in default for 16 years since 1999.

## SHAREHOLDERS' EQUITY

Shareholders' equity reduce 5.8 percent to Baht 45,034 million (2014 - Baht 47,830 million) chiefly reflecting the consolidated net profit after tax of Baht 1,203 million for the year ended 31 March 2015 together with Baht 2,336 million stock treasury and Baht 19 million issue new share to the warrant holders.

## COMMITMENT AND CONTINGENT LIABILITIES

As at 31 March 2015, the Group had major pending lawsuits of Baht 118 million by property buyers claiming refund of deposits paid on uncompleted projects and Baht 194 million by a contractor demanding settlement of a dispute on construction work performed. Adequate provisions of all these pending cases were made and accounted for in the Group's financial statements.

There were no other major commitment and contingent liabilities as at 31 March 2015 which might materially affect the financial position of the Group.

# **CORPORATE GOVERNANCE**

## **SUMMARY**

Bangkok Land recognizes the importance of good corporate governance practices and procedures. The Board of Directors believes that by maintaining a high standard of business ethics and by following good corporate governance practices will provide a strong background for the long term success of the Group.

## **CORPORATE GOVERNANCE PRACTICES**

The Group is committed to a policy of good and adequate corporate governance. During the financial year ended 31 March 2015, Bangkok Land applied all guidelines set forth by the Stock Exchange of Thailand and the Securities and Exchange Commission with the following exception:-

There is no separation of roles of the Chairman and Chief Executive - Mr. Anant Kanjanapas is the Company's Chairman and Chief Executive.

The Company is of the view that it is in the best interest of Bangkok Land that Mr. Anant Kanjanapas, with his profound local and international expertise, shall continue in his dual capacity as the Chairman and Chief Executive of the Company. Although the Company's Chairman and Chief Executive is the same individual, authority is not concentrated, as responsibilities are also shared with other directors. In addition, all major decisions are made after consultation with other Directors and approved by meetings of the board. The Company considers that it functions effectively and efficiently with the current board structure.

## **RIGHTS OF SHAREHOLDERS**

The Board of Directors recognizes that it is its duty to protect the rights of all shareholders. The Company has a policy to make sure that all shareholders are entitled to the following rights:-

- (1) buy, sell, or transfer shares,
- (2) share in the profit of the Company,
- (3) obtain relevant and adequate information on the Company in a timely and regular basis, and
- (4) participate and vote in the shareholder meetings, as required under Thai listed company law and regulations, such as, to elect or remove members of the board, appoint external auditors, dividend payment, and change of company's article of association.

All processes and procedures for shareholders meetings are in accordance with the SET recommended best practice. To allow shareholders sufficient time and to facilitate equitable treatment of all shareholders, the Company provides shareholders, with at least 7 days in advance of the meeting, a notice on the meeting date, time and venue as well as an agenda with relevant supporting information and reports. Shareholders who were unable to attend a meeting in person can appoint any other person or independent director of the Company as their proxy. Voting procedures and method were explained to the shareholders during the meeting, and ballot cards are used to ensure transparency and provide evidence for any necessary future reference.

The Company's last Annual General Meeting of shareholders was held on 30 July 2014, at 11.00 a.m., at the Royal Jubilee Ballroom, Impact Challenger, Muang Thong Thani, Bannmai, Pakkred, Nonthaburi. Ten Directors, including the Chief Executive and four Independent Non-executive Directors, attended the meeting. Notice of the meeting with supplementary information was sent to the shareholders by mail more than 7 days prior to the date of the meeting. The same notice was also published on a daily newspaper for 3 consecutive days before the meeting. All documents were prepared in both Thai and English.

At the meeting, total shareholders attending in person or by proxy was 1,642, representing 9,316,905,288 shares or 45.13 percent of the total issued shares of the Company. The Company's external auditor, Karin Audit Company Limited, the Company's legal advisor, Siam Premier, and the Company's finance advisor Maybank Kim Eng Securities (Thailand) Public Company Limited & Kasikorn bank Public Company Limited, were invited to the meeting in order to render assistance to the Board in answering questions from the shareholders.

During the course of the meeting, all shareholders were given equal chance to express their opinion and to pose questions to the board of directors on the operations of the Company. All issues raised by the shareholders were properly clarified by the Directors, and questions and answers having material effects to the Company were recorded in the minute of the meeting.

## **EQUITABLE TREATMENT OF SHAREHOLDERS**

The Board of Directors acknowledges that it is its duty to maintain an equitable treatment to all groups of shareholders of the Company, individual or institutional. Basic rights of shareholders are outlined under the previous section - "Right of Shareholders".

To protect the equitable rights of all shareholders, the Group prohibits directors, and staff to use inside information acquired at work for personal benefits. Directors and all employees are not allowed to conduct a connected transaction that may have conflict of interest with the Company and its subsidiaries. If it is necessary, for the benefit of the Group, to conduct a connected transaction, it must comply with all the SET rules, procedures and disclosure of connected transaction by a listed company.

## **ROLE OF STAKEHOLDERS**

The board of Directors understands the importance of fair treatment to all stakeholders such as customers, employees, suppliers, shareholders, investors, creditors, community, the government, competitors and external auditors. Bangkok Land respects the rights of all stakeholders and provides channels for stakeholders to communicate with the Group for unfair treatment and misconduct complaints. Procedures and practice on treatment of major groups of stakeholders are summarized next.

### **Shareholders**

The Company strictly adheres to the practice of treating all shareholders equally. Details of shareholders equal rights are disclosed in previous sections on "Rights of Shareholders" and "Equitable Treatment of Shareholders". All businesses of the Group are operated with honesty, prudent financial management and good business ethics as to ensure continuing growth and maximizing wealth of the shareholders.

## **Customers**

Bangkok Land appreciates the correlation between the success of its business and customers' satisfaction. The Group provides its customers high standard products as well as services at fair and competitive prices and uses its best efforts to meet all contractual commitments.

## **Employees**

Bangkok Land recognizes the contribution of employees for the success of the Company. It is the Group's policy to treat all staff members fairly in relation to remuneration, welfare, training and discipline. Bangkok Land adopts a decentralized policy on matter concerning staff welfare and development. Individual companies within the group are given flexibilities to set their own detailed schemes according to the need and specific working conditions of each entity.

The Group encourages employees to attend various work related outside courses. Selected employees are eligible to attend workshops and seminars presented by experts and academics to strengthen effectiveness and teamwork. Bangkok Land also provides in-house work related training programs, talks and activities at regular intervals on selected functional areas with the aim to assist professional development of individual employees and to strengthen the general work performance of the staff.

The Group pays proper attention on the general well-being of its employees. Individual companies within the group organize their own recreational events and activities with the aim to help balancing work and leisure of the workforce. Bangkok Land also employs appropriate safety measures in all its work places to prevent accidents, injuries and other related health issues.

## **Creditors**

Bangkok Land's policy is to equally and fairly treat its creditors and lenders.

Like all other major companies in Thailand with substantial borrowings, the financial crisis of 1997 caused Bangkok Land to default on all its local and foreign borrowings. Following the defaults, the Group had pursued various debt restructuring and settlement schemes with creditors, both secured and unsecured. These schemes include debt settlement with lenders by debt/asset swap, debt/equity swap and debt buy-back from bondholders. All debt restructurings and bond buy-backs had substantial discounts to the nominal value of the original debts. As at date of this report, all restructured debts had been settled in accordance with the debt restructuring agreements. Bangkok Land had treated all creditors fairly by honoring all signed debt restructuring agreements, and it will continue to repurchase, whenever appropriate, the remaining outstanding foreign currency bonds offered in the open market by bondholders.

For all new debts incurred after the financial crisis, creditors will be treated fairly and equally in accordance with agreed terms and conditions.

## **Suppliers**

The Group adheres to the policy of equitable treatment to all suppliers and honors all commitments as stipulated in agreements with suppliers. Bangkok Land also uses its best efforts to avoid choosing suppliers with conflict of interest to connected persons of the Company and its subsidiaries.

## **Competitors**

Bangkok Land respects fair and ethical competition practices in treating its competitors. The Group does not use any unethical and fraudulent means in acquiring trade and related secrets as well as businesses from its competitors.

## **DISCLOSURE AND TRANSPARENCY**

It is the policy of Bangkok Land to make disclosure of all important information relevant to the Company, both financial and non-financial, correctly, accurately, on a timely basis and transparently through easy-to-access channels that are trustworthy.

Corporation information is disseminated on a timely basis through different channels including annual and quarterly reports, press releases and published announcements. The Group maintains 2 web sites, [www.bangkokland.co.th](http://www.bangkokland.co.th) and [www.impact.co.th](http://www.impact.co.th) offering investors and customer timely access to the Group's financial and business information. These web sites will be updated and improved on a continuing basis in 2014 and going forward.

Bangkok Land also maintains regular dialogue with investors and analysts to keep them informed on the Group's developments. Any party who is interested in the Company's information can contact investor relation at Tel. 66-2-5044949 (ext.1022) or Fax. 66-2-5044986.

# RESPONSIBILITIES OF THE BOARD

## Board Structure

### Summary

As at 31 March 2015, there were 10 directors including three Executive Directors, three Non-executive Directors and four Independent Non-executive Directors. The Board believes that the balance between Executive and Non-executive Directors is appropriate in providing adequate checks and balances to safeguard the interest of all groups of shareholders.

Non-executive Directors, come from a variety of different backgrounds, have a diverse range of business and professional experience. Their views and participation in board meetings provide independent opinions and judgments on strategic, business and management issues of the Company.

The Company has four Independent Non-executive Directors. Among these independent directors, at least one of whom has appropriate accounting and financial management expertise. Qualifications of all Independent Non-executive Directors comply with the guidelines for assessment of independence as stipulated by the SET and SEC.

### Director Appointment, Re-election and Removal

The Company's Article of Association provides that at each Annual General Meeting, one-third of the directors who have held office for the longest term shall retire. If the number is not a multiple of three, then the number nearest to one-third shall retire from office. Retiring directors shall be eligible for re-election at the Annual General Meeting of the Company.

The Board is empowered under the Article of Association to appoint qualified person as a Director to fill a casual vacancy.

In selection of new directors, the Company adopts a transparent approach with the following procedures:-

- 1) Major shareholders may propose suitable candidates to the Board of Directors of the Company.
- 2) Candidates for appointment as directors may be sourced by referrals from the Company's existing Directors, Executives or by using the services of executive search firms.
- 3) Candidates for appointment as executive and non-executive directors may be sourced internally from the management team of the Company.
- 4) Before a prospective person is formally nominated, it is required to obtain the opinion and majority consensus of all existing Directors before the Board seeks approval of the appointment in shareholders meetings.

### Company Secretary

The Company Secretary of the Company is responsible to take and keep minutes of all Board meetings and ensure that all applicable meeting rules and regulations are followed. He also maintains a register of original minutes of meeting, which are open for inspection by all directors.

## Committees

As at 31 March 2015, the Company has two committees: the Audit Committee and the Executive Board.

### Audit Committee

The Audit Committee was established in 2001, and it consists of three Independent Directors. Mr. Thumgrong Chientachakul was the Chairman and the other members are Mr. Supavat Saicheua and Mr. Siriwat Likitnuruk.

The Audit Committee meets at least four times a year to consider the Company's financial reporting, effectiveness of the internal control system, compliance with SET as well as SEC and other relevant regulations. It is also responsible for the review and recommendation of appointment, reappointment, removal and remuneration of the external auditors.

All members of the Audit Committee have significant knowledge and experience in the area of finance as well as possess sufficient knowledge in understanding accounting and financial regulation and reporting.

The Audit Committee held 4 meetings during the year ended 31 March 2015. The attendance record of each member is set out below:-

Directors	Meetings attended / Total
Mr. Thumgrong Chientachakul	4 / 4
Mr. Supavat Saicheua	4 / 4
Mr. Siriwat Likitnuruk	4 / 4

### Executive Board

The Executive Board was established in 2010. Including the Chief Executive Officer, it consists of 3 directors. The Executive Board handles and manages the daily operation of the Group.

The Executive Board held 20 meetings during the year ended 31 March 2015. The attendance record of each member is set out below:-

Directors	Meetings attended / Total
Mr. Anant Kanjanapas	20 / 20
Mr. Sui Hung Kanjanapas	20 / 20
Mr. Shui Pang Kanjanapas	20 / 20

### Remuneration and Nomination Committee

Bangkok Land has not established any Remuneration Committee and Nomination Committee. At present, matters related to remuneration and director nomination are managed by the Executive Directors with assistance from other members of the board. In the light of Bangkok Land's current operation and simple management structure, the Company considers it appropriate to maintain its existing arrangement.

## **Role and Responsibilities of the Board**

### Overall Responsibilities

The Board has the responsibility for management of the Group, which includes formulating business strategies, reviewing and approving the Group's ongoing vision and mission, setting financial targets, ensuring proper risk management, and directing as well as supervising the Group's affairs and operations.

The Board makes broad policy decision and delegates the day-to-day management and operation to the management of the Group. The Executive Directors, lead by the Chief Executive, are closely involved in the daily operation of the Company and its subsidiaries. The Executive Directors regularly review and ensure that an effective system of internal control exists to safeguard all interest of the Group.

### Role on Corporate Governance

The Board is committed to good corporate governance and set out as a policy to follow and implement principles and recommendations as detailed in "The Principles of Good Governance for Listed Companies" published by the SET.

### Business Conduct

The Board requires all employees of the Group to conduct business in a professional, ethical and fair manner. Bangkok Land requires all group companies comply with all laws, and specific industry rules, regulations and practices. Employees must perform their duties with care and honesty, giving or receiving illicit payments is not allowed. General guidelines to employees on company rules, regulations, work conducts and disciplinary actions are set out in the staff handbooks of each individual company in the Group.

### Conflict of Interest

The Board of Directors understands that it is its duty to consider the issue of conflict of interest in all transactions of the Group. There is a clear guideline on the approval of transactions involving conflict of interest with connected persons.

In case of a potential conflict of interest involving a shareholder or a Director, Bangkok Land has a policy to arrange meetings in which Independent Non-Executive Directors with no conflict of interest will attend and discuss the matter. A Director who and/or person connected to him has potential conflict of interest in any transaction shall not vote or be counted in the quorum of the meeting. The Board also monitors proper compliance of all requirements regarding criteria, procedures and disclosure under the rules of the SET.

During the year ended 31 March 2015 there was no contract, arrangement or transaction that demands the Board's consideration on the issue of conflict of interest.

### Internal Control

The Board has responsibility for maintaining an effective and adequate internal control system to safeguard the Group's assets and shareholders' interest. The system includes a well-defined organizational structure, proper segregation of duties and effective check and balance procedures wherever appropriate.

Bangkok Land has an internal audit department; it reports directly to the Audit Committee and performs independent regular financial as well as operational reviews to monitor the effectiveness of the internal control system of the Group. Audit reports are prepared with analysis of weaknesses and recommendations for improvement, and these reports are reviewed by the Audit Committee. Recommended actions will be considered and implemented as and when considered appropriate.

### Risk Management Policy

The Board understands the importance of risk management and is constantly in alert of possible threats that may affect the business of the Company. Measures are in place to access and manage risk factors, internal and external, through the work of the Audit Committee and the internal audit department. The Executive Directors also involve closely in the day-to-day management of the Group and review regularly all risk factors affecting its performance and development.

### **Board Meetings**

The board meets from time to time and has a policy for holding at least 4 meetings per year.

There were 5 board meetings during the year under review. At the meetings the Directors discussed and formulated company strategies; the Directors also reviewed and approved quarter and annual results as well as other significant issues and general operation of the Group.

Other than regular meetings, the Chairman also meets with non-executive directors and independent non-executive directors to discuss particular corporate and business matters. Non-executive Directors are free to arrange meetings among themselves without involvement of the management team.

All Directors have unrestricted access to the Company Secretary who is in charge for ensuring that meeting procedures and regulations are properly followed. They also have access to relevant information in respect of the meetings. They can also ask for further information or request the Board to approve in retaining independent professional advisors, if necessary.

7 day advance notice of all board meetings are given to all directors, and all directors are free to include matters in the meeting agenda.

The attendance record of the Board meetings held in the year ended 31 March 2015 is set out below:-

Directors	Meetings attended / Total
Executive Directors	
Mr. Anant Kanjanapas	5 / 5
Mr. Sui Hung Kanjanapas	4 / 5
Mr. Shui Pang Kanjanapas	4 / 5

Directors	Meetings attended / Total
Non-Executive Directors	
Mr. Sakorn Kanjanapas (resigned on 8 September 2014)	0 / 5
Mr. Burin Wongsanguan	3 / 5
Mr. Wattanasak Sanitwongse	5 / 5
Mr. Tawin Boonruangkhaio	5 / 5

Directors	Meetings attended / Total
Independent Non-Executive Directors	
Mr. Thumrong Chientachakul	5 / 5
Mr. Supavat Saicheua	5 / 5
Mr. Siriwat Likitnuruk	5 / 5
Mr. Panya Boonyapiwat	5 / 5

### Board Self Assessment

The Board of Directors has a policy to hold at least one meeting per year to review, discuss and assess the performance of its members. The last assessment meeting was held on 2 June 2015.

### Remuneration

The Board of Directors is responsible for the policy on remuneration of Directors and senior management. The Group's policy is to provide fair and competitive remunerations based on business needs and industry practice. For determining the amount of fees pay to Directors, market rates and factors such as contribution are also taken into consideration. No Director is allowed to involve in decisions relating to his own remuneration. Management remuneration is assessed by the Executive Directors and is based on individual employee's job responsible and performance.

### Board and Management Training

Bangkok Land has a policy to support skill and knowledge development of the Directors and senior management by encourage them to attend seminars and courses on topics which would improve quality and efficiency of their work.

## CORPORATE SOCIAL RESPONSIBILITY

Since the recent promotion of corporate social responsibility concepts by the Stock Exchange of Thailand, the Company has identified the following areas for attention and compliance:-

- 1) Good corporate governance
- 2) Fair competition
- 3) Human right observation
- 4) Fair treatment of employees
- 5) Fair treatments to suppliers and customers
- 6) Caring for the environment and society

As committed to be a good corporate citizen, the Group cares about the society and the environment. Bangkok Land promotes the conservation of energy within its operation, and all its project layout, construction and landscaping designs meets high standards of environmental protection. The Group installs effective waste management, sewerage systems and flooding controls in all its housing and investment property projects. The Muang Thong Thani housing estate and Impact exhibition facilities are good examples to display the high standard of practices adopted by Bangkok Land on its commitment to good environmental care and protection.

During the year, Bangkok Land and its subsidiaries also made a few donations to non-profit making and charitable organizations that help the less fortunate in the society.

Although the Group has been following this social responsibility policies (details included under Corporation Governance Practice section of this report), no written procedure manual has been prepared at the time of preparing this report. In view of the Group's organization structure and nature of its current business, the board of directors believes that the current arrangement is appropriate and adequate.

## SHAREHOLDERS AND MANAGEMENT

### EQUITY

#### Ordinary shares

As at 4 April 2014, the Company had authorized capital of Baht 29,584,073,225 divided into 29,584,073,225 shares with a par value of Baht 1 per shares. Paid-up capital was Baht 20,643,972,584 representing 20,643,972,584 ordinary shares fully paid up at a par value of 1 Baht each.

On 30 June 2014, warrant holders of Bland-W3 exercised their rights and purchased 6,163 ordinary shares of the Company at a price of Baht 1.7 per share. Registration of this new share with the Ministry of Commerce was completed on 3 July 2014.

On 30 September 2014, warrant holders of Bland-W3 exercised their rights and purchased 306,595 ordinary shares of the Company at a price of Baht 1.7 per share. On the same date, warrant holders of Bland-W4 exercised their rights and purchased 18,048,952 ordinary shares of the Company at a price of Baht 2 per share. Registration of these new shares with the Ministry of Commerce was completed on 3 October 2014.

On 31 December 2014, warrant holders of Bland-W3 exercised their rights and purchased 524 ordinary shares of the Company at a price of Baht 1.9 per share. Registration of this new share with the Ministry of Commerce was completed on 8 January 2015.

On 31 March 2015, warrant holders of Bland-W3 exercised their rights and purchased 80,000 ordinary shares of the Company at a price of Baht 1.9 per share. Registration of this new share with the Ministry of Commerce was completed on 3 April 2015.

In effect, as at 3 April 2015, the Company had authorized capital of Baht 29,584,073,225 divided into 29,584,073,225 shares with a par value of Baht 1 per shares. Paid-up capital was Baht 20,662,414,818 representing 20,662,414,818 ordinary shares fully paid up at a par value of 1 Baht each, treasury stock was 1,155,011,400 shares and voting stock minus treasury stock was 19,507,403,418 shares.

On 11 June, 2015 the Company closed its share register and its list of shareholders revealed the following major information.

- (a) Number of shareholders - 35,128
- (b) Investors holding Non-voting depository receipts ("NDVR") - 554,806,014 shares

Total NDVR represents 2.69 percent of all paid-up shares of the Company and is not entitled to vote (except in the case of delisting) in shareholders' meetings. NDVR shares information can be found at the web site of the Stock Exchange of Thailand, [www.set.or.th](http://www.set.or.th).

## Warrants

The Company has the following warrant listed on the Stock Exchange of Thailand as at the date of this report.

### 1) BLAND-W3

Security symbol	BLAND-W3
Total units	1,994,248,065
Exercise ratio (warrant : share)	1 : 1
Exercise price (per share)	
Ending 7 November 2011	1 <sup>st</sup> year - Baht 1.1
8 November 2011 - 7 November 2012	2 <sup>nd</sup> year - Baht 1.3
8 November 2012 - 7 November 2013	3 <sup>rd</sup> year - Baht 1.5
8 November 2013 - 7 November 2014	4 <sup>th</sup> year - Baht 1.7
8 November 2014 - 7 November 2015	5 <sup>th</sup> year - Baht 1.9
Exercise date	every 3 months
Expiry date	7 November 2015
Total units exercised	3,107,737
Total units remaining	1,991,140,328

### 2) BLAND-W4

Security symbol	BLAND-W4
Total units	6,949,753,569
Exercise ratio (warrant : share)	1 : 1
Exercise price (per share)	Baht 2.0
Exercise date	every 3 months
Expiry date	2 July 2018
Total units exercised	19,481,921
Total units remaining	6,930,271,648

## MAJOR SHAREHOLDERS

Details of the 10 largest shareholders of the Company, according to the most up to date shareholder list as at 11 June 2015 are listed below.

Rank	Name	Number of shares	% to paid-up capital
1	Mr. Anant Kanjanapas	4,209,541,860	20.37
2	Bangkok Land Public Company Limited	1,155,011,400	5.59
3	Thai NVDR Co., Ltd.	554,806,014	2.69
4	Mr. Jean-Marie Verbughe	547,080,000	2.65
5	Mr. Chanya Mahadamrongkul	404,245,680	1.96
6	Ms. Zorana Yaowapongsiri	277,259,582	1.34
7	Mr. Sakorn Kanjanapas	269,851,065	1.31
8	Mr. Chaiyasith Kanjanapas	229,736,602	1.11
9	Bangkok Land (Cayman Island) Limited	212,096,990	1.03
10	State Street Bank Europe Limited	186,295,400	0.90
<b>Total</b>		<b>8,045,924,593</b>	<b>38.94</b>

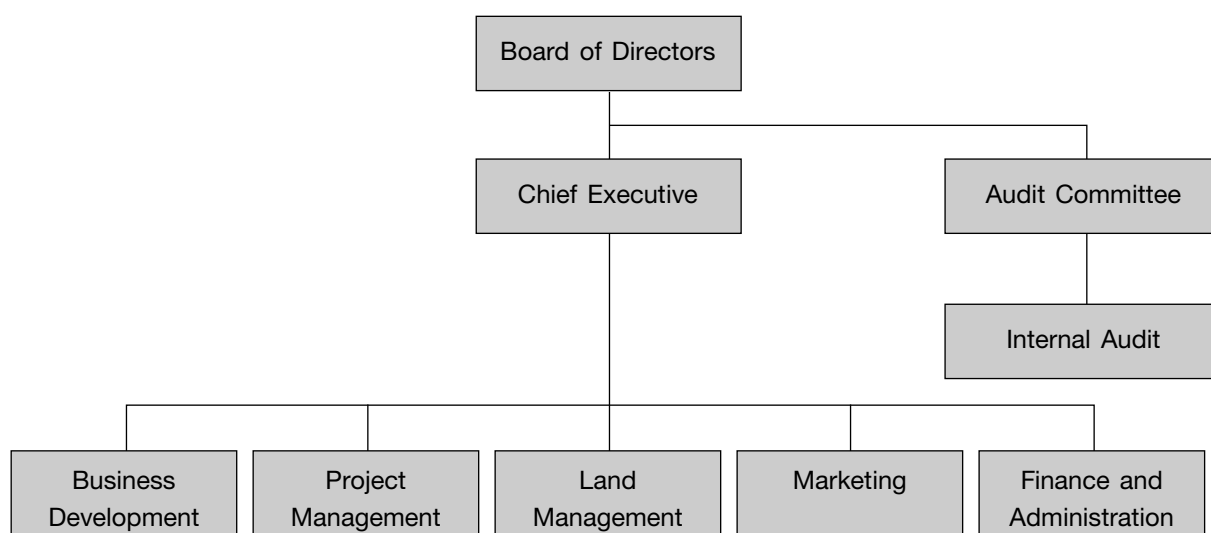
Source: Thailand Securities Company Limited

## DIVIDEND POLICY

The Company has a policy to pay an annual dividend of not more than 50 percent of its net profit after tax and legal reserves. In recommending dividend payments, the board of directors will take into consideration the Company and the Group's consolidated operating results, financial position, liquidity, future business plans and other management related factors.

Subsidiaries of the Company do not set dividend payment policies based on a percentage of net profit after tax. Dividend will be decided by each of the subsidiary's board of directors on a case by case basis, and in fixing the amount of payment, operating results, financial position, liquidity, future business plans and other management related factors will be taken into consideration.

## ORGANISATION STRUCTURE



## MANAGEMENT STRUCTURE

As at date of this report the Board of Directors of Bangkok Land consists of the following members:

### Executive Directors

Mr. Anant Kanjanapas \*

Mr. Sui Hung Kanjanapas

Mr. Shui Pang Kanjanapas

### Non-executive Directors

Mr. Burin Wongsanhuan

Mr. Wattanasak Sanitwongse

Mr. Tawin Boonruangkhaio

\* Chairman of the Board and Chief Executive Officer

### Independent Directors

Mr. Thumrong Chientachakul (Chairman)

Mr. Supavat Saicheua

Mr. Siriwat Likitnuruk

Mr. Panya Boonyapiwat

## AUTHORIZED SIGNATURE

Signing authority of the Directors is governed by clause 25 of the Company's Article of Association. To bind the Company, it requires the following signatures.

- 1) Mr. Anant Kanjanapas signs jointly with an executive director or a non-executive director together with the affix of the Company Seal.
- 2) Mr. Sui Hung or Mr. Shui Pang signs jointly with a non-executive director together with the affix of the Company Seal.

## SCOPE OF DUTIES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS

Duties and responsibilities of the directors are summarized next.

- 1) Perform duties in compliance with the law, the Company's objectives and article of association, and the resolutions of shareholders' meetings.
- 2) Determine and approve business policies, goals, operational plans and annual budgets of the Company.
- 3) Appoint directors, in accordance with the rules under the Public Company Act and the Securities and Exchange Act, to fill vacant positions occurred other than retirement by rotation.
- 4) Appoint independent directors and/or auditing directors under the requirement of law and guidelines of governing securities and exchange regulatory body.
- 5) Appoint another person as operator of the Company's business under the control of the Board of Directors or empower the person, within a period of time as the board thinks suitable, with the authority that the board may revoke, revise or modify.
- 6) Consider and approve transactions involving acquisitions or disposals of assets unless such transactions require approval from a meeting of shareholders. Such consideration for approval shall conform to the relevant rules, regulations and/or notifications of the securities exchange.
- 7) Consider and approve related transactions unless such transactions require approval from a meeting of shareholders. Such consideration for approval shall conform to the relevant rules, regulations and/or notifications of the securities exchange.

- 8) Consider and approve interim dividend payments to shareholders when the Company makes profits and gains liquidity that enables it to do so and report on such dividend payments to the next meeting of shareholders.
- 9) Conduct businesses that have been approved and/or assigned to the Board of Directors by a meeting of shareholders.
- 10) Implementation of an effective internal control and internal audit systems in the Company.
- 11) Schedule an annual general shareholders meeting to be organized at least once every year and a board meeting at least once every three months, and arrange to send out notices of meeting in advance according to the periods of time as required by law.
- 12) Consider and amend authorize signatures of the Company.

## **SCOPE OF DUTIES AND RESPONSIBILITIES OF THE AUDIT COMMITTEE**

The Audit Committee reports to the Board of Directors, its duties and responsibilities are summarized next.

- 1) Review the accuracy and adequacy of the Company's financial reports.
- 2) Review the Company's internal control system and internal audit system to ensure that they are suitable and efficient. Determine the internal audit unit's independence as well as approve the appointment, transfer, and dismissal of the chief of an internal audit unit or any unit being responsible for the Company's internal audit.
- 3) Review compliance with the Securities and Exchange Acts, regulation of the SET and any other relevant law.
- 4) Consider, select and nominate an independent person as the Company's auditor and to propose such person's remuneration as well as attend a non-management meeting with the auditor at least once a year.
- 5) Review connected transactions, or transactions that may lead to conflicts of interests as to ensure that the Company complies with all related rules.
- 6) Prepare and disclose in the Company's annual report an audit committee's report which must be signed by the Audit Committee's Chairman and consists of at least the following information:
  - an opinion on the accuracy, completeness and creditability of the Company's financial report;
  - an opinion on the adequacy of the Company's internal control system;
  - an opinion on the compliance with SEC's and SET's laws and regulation and other laws relevant to the Company's business;
  - an opinion on the suitability of an auditor;
  - an opinion on transactions that may lead to conflicts of interest;
  - the number of audit committee meetings and the attendance of such meetings by each committee member;
  - an opinion or overview comment on issues that have arisen as the audit committee performed its duties as defined in the committee's charter; and
  - any other matters which should be made available to shareholders and general investors within the scope of duties and responsibilities assigned by the Company's Board of Directors.
- 7) Perform other duties as assigned by the Board of Directors of the Company with the consent of the Audit Committee.

## DIRECTORS' REMUNERATION

The Company compensated its directors in the form of an annual fee based on meeting attendance. Payment of fees is normally made in the following financial year after the annual general meeting ("AGM"). Total director remuneration for the year ended 31 March 2015 was set at 6.89 million Baht at the AGM of 31 July 2014. Actual remuneration paid in the year was Baht 5.99 million.

## SENIOR MANAGEMENT'S REMUNERATION

	2015		2014	
	Number of Persons	Amount (Baht million)	Number of Persons	Amount (Baht million)
Salary and Allowance				
- Directors	5	14.32	5	14.28
- Senior Management	10	12.03	9	11.22
Total	15	26.35	14	25.50

## DIRECTORS' PROFILE

### **Anant Kanjanapas Ph.D.**

**Chairman**

**Chief Executive Officer**

Age 74, Mr. Anant Kanjanapas has been the Chief Executive Officer of the Company since 1990. He was appointed Chairman of the Group in 2003. Mr. Kanjanapas was educated in Thailand and Switzerland. He has had wide international experience in real estate, manufacturing, banking and retail sectors. Mr. Kanjanapas previously owned and operated several public and private companies in Asia, Europe and North America over a career span of more than 50 years.

### **Sui Hung Kanjanapas B.Sc.**

**Managing Director**

Age 42, Mr. Sui Hung Kanjanapas is a son of the Chairman. He was appointed director of the Company in 2001. Mr. Kanjanapas was educated in Hong Kong and the United Kingdom. He is also a Director of Impact Exhibition Management Company Limited.

### **Shui Pang Kanjanapas B.A.**

**Executive Director**

Age 40, Mr. Sui Pang Kanjanapas is a son of the Chairman. He was appointed director of the Company in 2003. Mr. Kanjanapas was educated in Hong Kong and the United Kingdom. He is also the managing director of Impact Exhibition Management Company Limited.

### **Burin Wongsanguan B.Arch.**

**Non-Executive Director**

Age 79, Mr. Burin Wongsanguan was appointed director of the Company in 1993. He was educated in Thailand and the United States of America. Mr. Wongsanguan has had significant experience in real estate business. He is also a director of his privately owned investment, Muang Thong Seiko Company Limited and Thossapol Land Company Limited.

### **Wattanasak Sanitwongse**

**Non-Executive Director**

Age 74, Mr. Wattanasak Sanitwongse was appointed director in 1993. He was educated in Thailand and Switzerland. Mr. Sanitwongse has had many years of experience in real estate, construction and watch business. He is also a director of his privately owned investment, Univest group of companies.

**Tawin Boonruangkhaio LL.B.****Non-Executive Director**

Age 71, Mr. Boonruangkhaio was appointed director of the Company in 2001. He was educated in Thailand and has had many years of experience in purchase, sale and management of land in Thailand.

**Thumrong Chientachakul B.A.****Independent Non-executive Director****Chairman of Audit Committee**

Age 57, Mr. Thumrong Chientachakul was appointed director of the Company on 27 January 2010. He was educated in Thailand and has had significant experience in management and corporate finance. Mr. Chientachakul is an independent director and the chairman of the audit committee.

**Supavat Saicheua M.A.****Independent Non-executive Director**

Age 56, Mr. Supavat Saicheua was appointed director of the Company on 9 August 2010. He was educated in Thailand and the United States of America. Mr. Saicheua has had significant experience in capital markets, securities trading and company research. He is an independent director and a member of the audit committee.

**Siriwat Likitnuruk M.A.****Independent Non-executive Director**

Age 62, Mr. Likitnuruk was appointed director of the Company on 19 October 2010. He was educated in Thailand and the United Kingdom. Mr. Likitnuruk has had significant experience in finance, management and banking. He is an independent director and a member of the audit committee.

**Panya Boonyapiwat PhD****Independent Non-executive Director**

Age 52, Mr. Boonyapiwat was appointed director of the Company on 19 October 2010. He was educated in Thailand and the United States of America. Mr. Boonyapiwat has had significant experience in information technology and management. He is an independent director.

## RISK FACTORS

### Demand risk

Market demand is particularly important for Bangkok Land's real estate business. A benefit shortfall may result from lower than projected actual demands, which will in turn cause financial and other distress for the Company. Since the root cause of demand shortfalls is from planning overestimation, the Group adopts a prudent approach in its project development planning which includes detailed consideration of benefit shortfall analysis and close follow-ups on cost overruns.

### Operational risk

Operational risk is the risk of loss resulting from failed internal processes, which includes frauds, workplace safety, product defects, assets damages, system failure, data entry, accounting error and mandatory reporting. The Company's management adopts a proactive approach and closely involved in the day-to-day operation of the business. Internal controls are also in place to detect and safeguard operational risk wherever appropriate.

### Currency risk

The policy of the Group is to minimize its exposure to foreign currency fluctuations. Foreign exchange transactions will be hedged whenever feasible and cost effective. With the exception of two foreign currency bonds, US Dollars 13.38 million and Swiss Francs 60.20 million, the Group's assets, operational cash flow and bank borrowings are denominated in Thai Baht. The Company has not hedged its foreign currency bond liabilities as hedging cost is prohibitively high and settlement date remains uncertain. The following analysis illustrates the effect on profit for a one per cent change in exchange rate of Baht against USD and CHF.

		<b>Un-hedged amount (Baht mn.)</b>	<b>Profit effect of 1% rate change</b>
US Dollars Bonds			
- Principal	USD 13.38	438	4.38
- Put Premium	USD 1.40	47	0.47
Swiss Francs Bonds	CHF 60.20	2,042	20.42
<b>Total</b>		<b>2,527</b>	<b>25.27</b>

### Interest rate risk

The Group is exposed to interest rate risk due to the impact of rate changes on interest bearing debts with floating interest rates. The following analysis illustrates the effect on profit per year of a one per cent interest rate change.

<b>Baht millions</b>	<b>Fixed interest rate borrowings</b>	<b>Floating interest rate borrowings</b>	<b>Profit effect of 1% change in interest rate</b>
Bonds	2,527	-	-
Bank Loans	-	3,900	39.00

### Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in raising fund to meet its commitments and operating requirements. Liquidity risk may arise from situations in which the Group cannot find customers or buyers of its products or assets on a timely basis at times of poor market liquidity. The Group takes a conscientious approach when deciding its sources and applications of funds to ensure sufficient liquidity to meet its obligations.

## CONNECTED PARTIES TRANSACTIONS

In the normal course of business, the Group may occasionally need to conduct transactions with related parties.

For the year ended 31 March 2015, the Group disclosed details of transactions with related parties under note 5 of the Notes to Financial Statements. These transactions comprised those between the Company and its fully owned subsidiaries and those between fellow subsidiaries within Bangkok Land Group.

The Audit Committee have reviewed all connected party transactions and confirmed that these transactions were entered into by the Company and its subsidiaries in the normal course of business of the Group, under normal commercial terms, and in the interest of the Group and its shareholders.

The external auditor of the Company has also reviewed all connected party transactions and has the opinion that these transactions were properly and fairly disclosed in the financial statements of the Company for the year ended 31 March 2015.

During the year, the Company did not conduct any connected party transactions which were subject to the procedural and disclosure requirements under the rules of SET.

## INFORMATION OF SUBSIDIARY COMPANIES

Subsidiaries	Equity Interest	Address	Principal Activities	Issued Capital
Impact Exhibition Management Company Limited	100%	99 Popular Road, Bannmai, Pakkred, Nonthaburi 11120 Tel. (02) 980 5500 Fax. (02) 504 4445	Exhibition, convention & hotel	12,952,714,100
Bangkok Airport Industry Company Limited [Note (2)]	100%	47/569-576 Moo 3, 10/F New Geneva Building Popular Road 3, Bannmai Pakkred, Nonthaburi 11120 Tel. (02) 504 4949 Fax. (02) 504 4982	Property development	5,320,000,000
Sinpornchai Company Limited	100%	47/569-576 Moo 3, 10/F New Geneva Building Popular Road 3, Bannmai, Pakkred, Nonthaburi 11120 Tel. (02) 504 4949 Fax. (02) 504 4982	Property development	30,000,000
Bangkok Land Agency Company Limited	99.3%	47/563-574 Moo 3, 9/F New Geneva Building Popular Road 3, Bannmai, Pakkred, Nonthaburi 11120 Tel. (02) 503 5040 Fax. (02) 503 5064	Retail	200,000,000
Muang Thong Services and Management Company Limited	97%	47/567-568, Moo 3, 9/F New Geneva Building Popular Road 3, Bannmai, Pakkred, Nonthaburi 11120 Tel. (02) 980 5500 Fax. (02) 503 4784	Infrastructure management	25,000,000
Muang Thong Building Services Company Limited	97%	47/567-568, Moo 3, 9/F New Geneva Building Popular Road 3, Bannmai, Pakkred, Nonthaburi 11120 Tel. (02) 980 5500 Fax. (02) 503 4784	Building management	12,500,000
Bangkok Land (Cayman Islands) Limited [incorporated in Cayman Islands]	100%	G/F, Caledonian House Mary Street, P.O. Box 1043 Cayman Islands Tel. (345) 949 0050	Issuer of USD & CHF Bonds	US\$ 10,000
Spooner Limited [incorporated in Hong Kong]	100%	27/F Stelux House 698 Prince Edward Road East, San Po King, Hong Kong	Dormant	HK\$ 2
RMI Company Limited	100%	47/569-576 Moo 3, 10/F New Geneva Building Popular Road 3, Bannmai, Pakkred, Nonthaburi 11120 Tel. (02) 833 5576	REIT management	10,000,000
Impact Growth Real Estate Investment Trust	50%	47/569-576 Moo 3, 10/F New Geneva Building Popular Road 3, Bannmai, Pakkred, Nonthaburi 11120 Tel. (02) 833 4455	Real Estate Investment Trust	15,714,500,000

Notes: (1) Unless otherwise stated, issued capital of all subsidiaries are in Thai Baht.

(2) 60% owned by Bangkok Land Public Co., Ltd. & 40% owned by Sinpornchai Ltd.

## REPORT OF DIRECTORS' DUTIES ON FINANCIAL STATEMENTS

The Board of Directors is responsible for the maintenance of proper accounting records and the preparation and fair presentation of the financial statements of Bangkok Land Public Company Limited and its subsidiaries.

The Directors also have responsibility for selecting suitable accounting policies and applying them consistently, and for taking such step as are reasonable open to them to safeguard assets of the Company and prevent and detect fraud and irregularities. In carrying out this duty, the Board entrusts the Audit Committee to undertake responsibility in ensuring credible financial reporting and proper internal control systems are in place.

The financial statements and other financial information, presented in this report, have been prepared in accordance with generally accepted accounting standards applied on a consistency basis and supported by prudent and reasonable judgments and estimates made by management.

The going concern basis is adopted to prepare the financial statements. The Directors have no reason to believe that the group will not be a going concern in the foreseeable future based on forecasts and available assets and cash resources in the Company.

The financial statements have been audited by Karin Audit Company Limited, an independent audit firm, which was given unrestricted access to all financial records and related information, including minutes of meetings of shareholders and the board of directors. A report by the independent auditor is presented as part of this Annual Report for the year ended 31 March 2015.



Anant Kanjanapas  
Chairman and Chief Executive

## REPORT OF AUDIT COMMITTEE

Dear Shareholders,

The Audit Committee of Bangkok Land Public Company Limited has three members. On 2 June 2015 as this report is being prepared, the Chairman is Mr. Thumrong Chientachakul, and other members are Mr. Supavat Saicheua and Mr. Siriwat Likitnuruk.

The Audit Committee has duties assigned by the Board of Directors. These duties are set by the Directors in accordance with the guidelines recommended by the Stock Exchange of Thailand.

During the year ended 31 March 2015, the Audit Committee has met totally of 4 times. The attendance record of each member is set out below:-

Committee member	Meetings attended / Total
Mr. Thumrong Chientachakul	4 / 4
Mr. Supavat Saicheua	4 / 4
Mr. Siriwat Likitnuruk	4 / 4


Major works performed by the Audit Committee are summarized next.

- 1) Review the accuracy and adequacy of the Company's financial reports.
- 2) Review the Company's internal control system and internal audit system to ensure that they are suitable and efficient. Determine the internal audit unit's independence as well as approve the appointment, transfer, and dismissal of the chief of an internal audit unit or any unit being responsible for the Company's internal audit.
- 3) Review compliance with the Securities and Exchange Acts, regulation of the SET and any other relevant law.
- 4) Consider, select and nominate an independent person as the Company's auditor and to propose such person's remuneration as well as attend a non-management meeting with the auditor at least 1 time per annum. Such meeting in the previous year were totally 4 times.
- 5) Review connected transactions, or transactions that may lead to conflicts of interests as to ensure that the Company complies with all related rules.
- 6) Prepare and disclose in the Company's annual report an audit committee's report which must be signed by the Audit Committee's Chairman and consists of at least the following information:
  - a. an opinion on the accuracy, completeness and creditability of the Company's financial report;
  - b. an opinion on the adequacy of the Company's internal control system;
  - c. an opinion on the compliance with SEC's and SET's laws and regulation and other laws relevant to the Company's business;
  - d. an opinion on the suitability of an auditor;
  - e. an opinion on transactions that may lead to conflicts of interest;
  - f. the number of audit committee meetings and the attendance of such meetings by each committee member;

- g. an opinion or overview comment on issues that have arisen as the audit committee performed its duties as defined in the committee's charter; and
  - h. any other matters which should be made available to shareholders and general investors within the scope of duties and responsibilities assigned by the Company's Board of Directors.
- 7) Together with other Board of Directors, members to set up the anti-corruption policy of the Company and its subsidiaries.
- 8) Perform other duties as assigned by the Board of Directors of the Company with the consent of the Audit Committee.

The Audit Committee also has selected, for re-appointment, Karin Audit Company Limited as the Company's external auditor for the year ending 31<sup>st</sup> March 2016. The proposed audit fee is Baht 5,780,000 which is Baht 450,000 higher than the previous year. Because of the transaction volume of some subsidiaries has increase from previous year. Nomination shall be submitted to the Board before seeking the approval of shareholders at the 2015 Annual General Meeting.

The Audit Committee is of the opinion that the Company operates its business with good corporate governance. Based on the review of the Company's operation, the Audit Committee is confident that the Company has employed appropriate internal control as well as risk management procedures and there were no material problems on internal control, financial reporting and regulatory compliance in the year under review.



Thumrong Chientachakul  
Chairman of Audit Committee  
2 June 2015

**BANGKOK LAND PUBLIC COMPANY LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED MARCH 31, 2015**  
**AND INDEPENDENT AUDITOR'S REPORT**

## **INDEPENDENT AUDITOR’S REPORT**

To the Shareholders of Bangkok Land Public Company Limited

I have audited the accompanying consolidated and separate financial statements of Bangkok Land Public Company Limited and its subsidiaries, and of Bangkok Land Public Company Limited, respectively, which comprise the consolidated and separate statements of financial position as at March 31, 2015, the consolidated and separate 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 notes.

### **Management’s Responsibility for the Consolidated and Separate Financial Statements**

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

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

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

## Opinion

In my opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the financial position as at March 31, 2015, and the financial performance and cash flows for the year then ended of Bangkok Land Public Company Limited and its subsidiaries, and of Bangkok Land Public Company Limited, respectively, in accordance with Thai Financial Reporting Standards.



(Kannika Wipanurat)

Certified Public Accountant

Registration No. 7305

Karin Audit Company Limited

Bangkok

June 2, 2015

**BANGKOK LAND PUBLIC COMPANY LIMITED**  
**STATEMENTS OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2015**

		In Baht			
		Consolidated		Separate	
		financial statements		financial statements	
Notes		2015	2014	2015	2014
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents		1,187,528,732	1,161,829,120	125,028,806	73,126,476
Short-term investments	6	9,681,154,169	3,200,652,328	1,053,365,806	2,756,637,642
Trade receivable and other receivable, net	7	518,877,115	441,596,293	60,799,110	43,700,011
Real estate development cost, net	8	13,038,244,767	13,374,119,330	13,208,660,432	12,933,518,484
Advances and other receivables from related parties, net	5.2	-	-	5,149,069,068	4,130,149,497
Short-term loans to related parties, net	5.3	-	-	935,980,755	721,740,755
Investment in loans	5.4	-	-	475,000,000	475,000,000
Other current assets, net of allowance for doubtful accounts of Baht 50 million		178,174,737	110,355,747	10,461,035	35,547,210
Total current assets		24,603,979,520	18,288,552,818	21,018,365,012	21,169,420,075
<b>Non-current assets</b>					
Real estate development cost, net	8	1,367,124,489	1,418,908,213	1,367,124,489	1,418,908,213
Investments in subsidiaries	9	-	-	10,026,886,908	10,026,886,908
Investment property	10	7,557,734,036	4,723,684,055	734,855,000	608,001,010
Property, plants and equipment, net	11	22,524,423,041	22,917,417,464	16,274,656	14,694,762
Land held for future use	12	7,285,035,600	7,285,035,600	7,285,035,600	7,285,035,600
Deferred tax assets	16	348,801,476	19,169,980	-	-
Other non-current assets, net		546,889,354	567,094,067	448,611,009	458,979,700
Total non-current assets		39,630,007,996	36,931,309,379	19,878,787,662	19,812,506,193
<b>TOTAL ASSETS</b>		<b>64,233,987,516</b>	<b>55,219,862,197</b>	<b>40,897,152,674</b>	<b>40,981,926,268</b>

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

**BANGKOK LAND PUBLIC COMPANY LIMITED**  
**STATEMENTS OF FINANCIAL POSITION (CONT.)**  
**AS AT MARCH 31, 2015**

<b>In Baht</b>				
<b>Notes</b>	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>				
<b>Current liabilities</b>				
Payables to contractors	427,877,454	365,921,747	187,374,943	158,188,406
Trade payable and other payable	542,829,118	299,631,601	95,243,236	121,768,251
Payable to related parties	5.5	-	9,521,128,974	9,402,535,494
Current portion of:				
- Long-term debt instruments	13	2,526,564,152	-	-
- Long-term loans from related parties	5.6	-	4,573,699,512	4,593,734,442
Accrued interest expense	13	438,438,517	658,780	658,780
Advances and deposits from customers		861,038,076	721,635,203	598,712,865
Other current liabilities	14	933,518,324	181,967,406	138,683,241
Total current liabilities		5,730,265,641	15,281,708,054	15,014,281,479
<b>Non-current liabilities</b>				
Long-term loans	15	3,900,000,000	-	-
Deferred tax liabilities	16	1,535,591,088	28,582,187	28,238,201
Employee benefit obligations	17	31,107,038	-	-
Total non-current liabilities		5,466,698,126	28,582,187	28,238,201
<b>Total liabilities</b>		11,196,963,767	15,310,290,241	15,042,519,680

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

**BANGKOK LAND PUBLIC COMPANY LIMITED**  
**STATEMENTS OF FINANCIAL POSITION (CONT.)**  
**AS AT MARCH 31, 2015**

		In Baht			
		Consolidated		Separate	
		financial statements		financial statements	
Notes		2015	2014	2015	2014
<b>Shareholders' equity</b>					
Share capital					
Authorized share capital					
	29,584,073,225 common shares of Baht 1 par value	29,584,073,225	29,584,073,225	29,584,073,225	29,584,073,225
Issued and fully paid - up share					
	20,643,891,506 common shares of Baht 1 par value	-	20,643,891,506	-	20,643,891,506
	20,662,334,818 common shares of Baht 1 par value	18 20,662,334,818	-	20,662,334,818	-
	Treasury stock	19 (2,336,023,824)	-	(2,336,023,824)	-
	Share subscription	18 152,000	157,319	152,000	157,319
	Premium on share capital	20 1,995,046,530	4,113,852,551	1,995,046,530	4,113,852,551
	Discount on share capital	20 -	(2,137,150,617)	-	(2,137,150,617)
Retained earnings					
	-Appropriated for legal reserve	21 392,638,585	214,683,295	392,638,585	214,683,295
	-Unappropriated	12,342,928,227	12,800,394,681	4,872,714,324	3,103,972,534
	Other components of equity	11,977,290,219	12,193,770,207	-	-
	<b>Total shareholders' equity of the Company</b>	45,034,366,555	47,829,598,942	25,586,862,433	25,939,406,588
	Non-controlling interests	8,002,657,194	-	-	-
	<b>Total shareholders' equity</b>	53,037,023,749	47,829,598,942	25,586,862,433	25,939,406,588
<b>TOTAL LIABILITIES AND</b>					
<b>SHAREHOLDERS' EQUITY</b>					
		64,233,987,516	55,219,862,197	40,897,152,674	40,981,926,268

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

**BANGKOK LAND PUBLIC COMPANY LIMITED**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED MARCH 31, 2015**

		<b>In Baht</b>			
		<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>		<b>financial statements</b>	
	<b>Notes</b>	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
Sales		979,666,018	1,817,925,802	111,029,574	1,202,802,285
Rental and service revenues	5.1	2,708,922,494	2,523,273,558	59,706,540	2,674,050
<b>Total revenues</b>		<b>3,688,588,512</b>	<b>4,341,199,360</b>	<b>170,736,114</b>	<b>1,205,476,335</b>
Costs of sales		(805,212,207)	(1,674,773,637)	(81,579,118)	(1,144,667,634)
Costs of rental and services		(1,166,627,358)	(1,220,770,650)	-	-
<b>Total costs</b>		<b>(1,971,839,565)</b>	<b>(2,895,544,287)</b>	<b>(81,579,118)</b>	<b>(1,144,667,634)</b>
<b>Gross profit margin</b>		<b>1,716,748,947</b>	<b>1,445,655,073</b>	<b>89,156,996</b>	<b>60,808,701</b>
Gain on exchange rate, net		287,451,432	-	-	-
Dividend income	5.1	-	-	2,900,000,000	1,700,000,000
Other revenues	23	1,995,570,167	2,729,397,103	1,052,173,323	783,041,606
<b>Profit before expenses</b>		<b>3,999,770,546</b>	<b>4,175,052,176</b>	<b>4,041,330,319</b>	<b>2,543,850,307</b>
Selling expenses		(31,998,680)	(43,379,345)	(4,892,106)	(24,422,401)
Administrative expenses		(1,244,476,744)	(904,447,714)	(263,469,638)	(226,147,691)
Expenses of sale of assets	5.7	(735,511,640)	-	-	-
Consulting fee	5.7	(230,375,000)	-	-	-
Management benefit	26	(76,007,809)	(70,373,505)	(31,839,254)	(31,162,342)
Loss on exchange rate, net		-	(534,601,519)	(3,433,489)	(89,125,008)
<b>Total expenses</b>		<b>(2,318,369,873)</b>	<b>(1,552,802,083)</b>	<b>(303,634,487)</b>	<b>(370,857,442)</b>
<b>Profit before finance costs and</b>					
<b>income tax expense</b>		<b>1,681,400,673</b>	<b>2,622,250,093</b>	<b>3,737,695,832</b>	<b>2,172,992,865</b>
Finance costs	5.1	(112,650,974)	(240,916,443)	(151,009,378)	(379,550,747)
<b>Profit before income tax expense</b>		<b>1,568,749,699</b>	<b>2,381,333,650</b>	<b>3,586,686,454</b>	<b>1,793,442,118</b>
Income tax expense	25	(49,437,798)	(285,113,348)	(27,580,660)	(28,358,406)
<b>Net profit</b>		<b>1,519,311,901</b>	<b>2,096,220,302</b>	<b>3,559,105,794</b>	<b>1,765,083,712</b>

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

**BANGKOK LAND PUBLIC COMPANY LIMITED**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED MARCH 31, 2015**

		In Baht			
		Consolidated		Separate	
		financial statements		financial statements	
Notes		2015	2014	2015	2014
	<b>Net profit</b>	1,519,311,901	2,096,220,302	3,559,105,794	1,765,083,712
	<b>Other comprehensive income</b>				
	Currency translation differences	(111,216)	(162,296)	-	-
	Depreciation on surplus on revaluation of assets	(86,894,294)	(77,742,969)	-	-
	Surplus on revaluation of assets	-	999,261,816	-	-
	Surplus on revaluation of sold assets	(129,474,478)	-	-	-
	<b>Other comprehensive income - net of income tax</b>	(216,479,988)	921,356,551	-	-
	<b>Net profit and comprehensive income</b>	1,302,831,913	3,017,576,853	3,559,105,794	1,765,083,712
	<b>Net profit attributable to:</b>				
	Owners of the Company	1,203,423,072	2,096,220,302	3,559,105,794	1,765,083,712
	Non-controlling interests	315,888,829	-	-	-
		1,519,311,901	2,096,220,302	3,559,105,794	1,765,083,712
	<b>Net profit and comprehensive income attributable to:</b>				
	Owners of the Company	986,943,084	3,017,576,853	3,559,105,794	1,765,083,712
	Non-controlling interests	315,888,829	-	-	-
		1,302,831,913	3,017,576,853	3,559,105,794	1,765,083,712
	<b>Earnings per share</b>				
	<b>Basic earnings per share (Baht)</b>	28	0.060	0.177	0.086
	(2015 : 20,154 million shares)				
	(2014 : 20,614 million shares)				

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

**BANGKOK LAND PUBLIC COMPANY LIMITED**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE YEAR ENDED MARCH 31, 2015**

<b>In Baht</b>												
<b>Consolidated financial statements</b>												
Notes	Issued and paid-up share capital	Treasury stock	Share subscription	Premium on share capital	Discount on share capital	Appropriated for legal reserve	Unappropriated	Retained earnings				
								Other components of equity				
								Net book value of subsidiaries		Change in shareholding in subsidiaries		
								exceed investment as of purchasing date		Total other components of equity		
								Surplus on revaluation of assets		Total components of equity in the Company		Total
								Currency translation differences		Non-controlling interests		
<b>Balance as at March 31, 2013</b>												
Share capital increase	17,795,295,397	-	413,190,591	1,550,438,037	(2,137,150,617)	126,429,109	11,411,616,760	1,390,320	8,428,276,501	28,184,195	2,814,562,640	40,432,232,933
Share subscription	2,848,596,109	-	(413,190,591)	2,563,414,514	-	-	-	-	-	-	-	4,998,820,032
Currency translation differences	-	-	157,319	-	-	-	-	-	-	-	-	157,319
Dividend payment	-	-	-	-	-	-	(619,188,195)	(162,296)	-	-	(162,296)	(162,296)
Depreciation on surplus on revaluation of assets	-	-	-	-	-	-	-	-	-	-	-	(619,188,195)
Surplus on revaluation of assets	-	-	-	-	-	-	-	-	(77,742,969)	-	-	(77,742,969)
Appropriated for legal reserve	-	-	-	-	-	-	-	-	999,261,816	-	-	999,261,816
Net profit for year	-	-	-	-	-	88,254,186	(88,254,186)	-	-	-	-	-
<b>Balance as at March 31, 2014</b>												
Share capital increase	20,643,891,506	-	157,319	4,113,852,551	(2,137,150,617)	214,683,295	12,800,394,681	1,228,024	9,349,795,348	28,184,195	2,814,562,640	47,829,598,942
Share subscription	18,443,312	-	(157,319)	18,344,596	-	-	-	-	-	-	-	36,630,589
Currency translation differences	-	-	152,000	-	-	-	-	(11,216)	-	-	-	152,000
Treasury stock	-	(2,336,023,824)	-	-	-	-	-	-	-	-	(11,216)	(11,216)
Set off discount on share capital	-	-	-	(2,137,150,617)	2,137,150,617	-	-	-	-	-	(2,336,023,824)	(2,336,023,824)
Share capital of newly established subsidiary	-	-	-	-	-	-	-	-	-	-	-	-
Dividend payment	-	-	-	-	-	-	(1,612,408,714)	-	-	-	-	-
Depreciation on surplus on revaluation of assets	-	-	-	-	-	-	-	-	-	-	-	-
Surplus on revaluation of sold assets	-	-	-	-	-	-	-	-	(86,894,294)	-	-	(86,894,294)
Appropriated for legal reserve	-	-	-	-	-	-	-	-	(129,474,478)	-	-	-
Net profit for the year	-	-	-	-	-	177,955,290	(177,955,290)	-	-	-	-	-
<b>Balance as at March 31, 2015</b>												
	20,662,334,818	(2,336,023,824)	152,000	1,995,046,530	-	392,638,585	12,342,928,227	1,116,808	9,133,426,576	28,184,195	2,814,562,640	53,037,023,749

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

**BANGKOK LAND PUBLIC COMPANY LIMITED**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE YEAR ENDED MARCH 31, 2015**

		In Baht					
		Separate financial statements					
Notes	Issued and paid-up share capital	Treasury stock	Share subscription	Premium on share capital	Discount on share capital	Retained earning	
						Appropriated for legal reserve	Unappropriated
21	17,795,295,397	-	413,190,591	1,550,438,037	(2,137,150,617)	126,429,109	2,046,331,203
	2,848,596,109	-	(413,190,591)	2,563,414,514	-	-	-
	-	-	157,319	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	88,254,186	(88,254,186)
Net profit for the year		-	-	-	-	-	1,765,083,712
Balance as at March 31, 2014		20,643,891,506	-	157,319	4,113,852,551	(2,137,150,617)	214,683,295
Share capital increase		18,443,312	-	(157,319)	18,344,596	-	-
Share subscription		-	-	152,000	-	-	-
Treasury stock		-	(2,336,023,824)	-	-	-	-
Set off discount on share capital		-	-	(2,137,150,617)	2,137,150,617	-	-
Dividend payment		-	-	-	-	-	(1,612,408,714)
Appropriated for legal reserve		-	-	-	-	177,955,290	(177,955,290)
Net profit for the year		-	-	-	-	-	3,559,105,794
Balance as at March 31, 2015		20,662,334,818	(2,336,023,824)	152,000	1,995,046,530	-	4,872,714,324
						392,638,585	25,586,862,433

**BANGKOK LAND PUBLIC COMPANY LIMITED**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEAR ENDED MARCH 31, 2015**

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit before income tax expense	1,568,749,699	2,381,333,650	3,586,686,454	1,793,442,118
Net adjustments to reconcile profit before income tax expense to cash provided by operating activities:				
Depreciation and amortization	623,857,429	576,666,124	78,562,510	77,657,786
Interest income	(59,953,356)	(51,002,617)	(123,136,850)	(98,225,112)
Dividend income	-	-	(2,900,000,000)	(1,700,000,000)
Interest expense	112,650,974	240,916,443	151,009,378	379,550,747
Unrealised (gain) loss on exchange rate	(298,165,276)	520,142,768	3,489,690	91,039,601
Provision for employees benefits	8,196,083	-	-	-
(Gain) loss on sale of fixed assets	43,945,089	(1,613,055)	-	-
Gain on revaluation of investment property	(1,666,093,869)	(762,935,454)	-	(134,227,723)
Provision for impairment loss from investment property	3,033,256	-	3,033,256	-
Gain on repurchase of exchangeable notes	(43,348,137)	(387,206,840)	-	-
Reversal of allowance for doubtful account	-	-	-	(33,432,069)
Allowance for doubtful account	12,961,833	-	-	-
Provision for loss on pending lawsuit	46,244,443	-	46,244,443	-
Reversal of provision for loss on pending lawsuits	-	(500,255,221)	-	-
Reversal of accrued interest	-	(450,018,278)	-	-
Gain on reversal of long outstanding account payable	(185,000,000)	(416,600,000)	(100,000,000)	-
Net profit provided by operating activities before changes in operating assets and liabilities	167,078,168	1,149,427,520	745,888,881	375,805,348
(Increase) decrease in operating assets:				
Trade receivable and other receivable	(90,242,654)	(79,958,182)	(17,099,099)	(28,766,911)
Real estate development cost	(283,593,081)	(42,072,333)	(288,202,869)	555,381,858
Other current assets	(34,525,728)	(34,529,751)	3,636,847	(8,515,918)
Other non-current assets	9,658,688	221,271,115	(177,330)	(2,299,531)
Increase (decrease) in operating liabilities:				
Payables to contractors	273,909,624	33,220,481	2,661,523	7,730,327
Trade payable and other payable	31,243,600	59,608,806	-	-
Other current liabilities	340,024,110	259,291,552	219,962,058	(236,237,193)
Other non-current liabilities	-	894,512	-	-
Cash received from refundable withholding tax	21,449,328	-	21,449,328	-
Income tax paid	(788,903,710)	(177,728,548)	(27,236,673)	(13,235,619)
Net cash provided by (used in) operating activities	(353,901,655)	1,389,425,172	660,882,666	649,862,361

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

**BANGKOK LAND PUBLIC COMPANY LIMITED**  
**STATEMENTS OF CASH FLOWS (CONT.)**  
**FOR THE YEAR ENDED MARCH 31, 2015**

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest income received	59,953,356	51,002,617	57,651,423	84,065,912
(Increase) decrease in short-term investments	(6,394,588,817)	(3,086,977,659)	1,703,271,836	(2,642,962,973)
Proceeds from dividend income	-	-	1,900,000,000	-
Increase in short-term loans to and				
receivable from related parties	-	-	(217,339,844)	(506,742,418)
Proceeds from sale of assets	104,588,064	1,927,780	-	-
Cash paid for purchase of investment property	(147,868,972)	(93,912,837)	(129,887,246)	-
Cash paid for purchase and construction of fixed assets	(817,400,521)	(381,626,015)	(4,751,735)	(3,323,207)
Net cash provided by (used in) investing activities	(7,195,316,890)	(3,509,586,114)	3,308,944,434	(3,068,962,686)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Interest expense paid	(84,110,647)	(237,145,576)	(7,455,177)	(220,896,668)
Increase (decrease) in short-term loans from and				
amount due to related parties	-	-	1,180,357	(2,119,907,820)
Repayment of long-term loans	-	(2,050,000,000)	-	-
Proceeds from long-term loans	3,900,000,000	-	-	-
Cash paid for repurchase of exchangeable notes	(16,089,611)	(152,977,222)	-	-
Proceeds from share subscription	36,782,588	4,998,977,352	36,782,588	4,998,977,352
Cash paid for treasury stock	(2,336,023,824)	-	(2,336,023,824)	-
Proceeds from share capital of subsidiary	7,857,250,000	-	-	-
Dividend payment to non-controlling interests	(170,481,635)	-	-	-
Dividend payment	(1,612,408,714)	(619,188,195)	(1,612,408,714)	(619,188,195)
Net cash provided by (used in) financing activities	7,574,918,157	1,939,666,359	(3,917,924,770)	2,038,984,669
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>25,699,612</b>	<b>(180,494,583)</b>	<b>51,902,330</b>	<b>(380,115,656)</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>1,161,829,120</b>	<b>1,342,323,703</b>	<b>73,126,476</b>	<b>453,242,132</b>
<b>Cash and cash equivalents at end of the year</b>	<b>1,187,528,732</b>	<b>1,161,829,120</b>	<b>125,028,806</b>	<b>73,126,476</b>

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

**BANGKOK LAND PUBLIC COMPANY LIMITED**  
**STATEMENTS OF CASH FLOWS (CONT.)**  
**FOR THE YEAR ENDED MARCH 31, 2015**

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
<b>Supplemental Disclosures of Cash Flows Information:</b>				
1. Cash and cash equivalents :				
Cash on hand	16,157,135	70,367,436	2,988,488	6,963,085
Undeposited cheques	1,762,494	30,397,862	87,576	500,000
Saving accounts	988,829,335	876,057,729	77,531,440	57,008,199
Current accounts	59,633,564	79,716,647	44,421,302	8,655,192
Fixed deposits	121,146,204	105,289,446	-	-
Total	1,187,528,732	1,161,829,120	125,028,806	73,126,476
2. Non-cash transactions				
2.1 Transfer real estate development cost to property, plants and equipment	-	167,649,331	-	-
2.2 Transfer property, plants and equipment to investment property	416,713,673	-	-	-
2.3 Transfer real estate development cost to investment property	606,406,723	468,493,287	-	468,493,287
2.4 Record dividend income and accrued dividend income	-	-	1,000,000,000	1,700,000,000

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

# BANGKOK LAND PUBLIC COMPANY LIMITED

## NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2015

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### 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, 10<sup>th</sup> 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 consolidated and separate financial statements

#### 2.1 Basis of preparation of the financial statements

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”) including related interpretations and guidelines promulgated by the Federation of Accounting Professions (FAP); applicable rules and regulations of the Thai Securities and Exchange Commission.

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 under the historical cost convention except as disclosed in the accounting policies.

#### 2.2 Adoption of new accounting standards

Effective from January 1, 2014 the interim financial statements are prepared on new and revised TFRS issued by FAP in year 2013 as follows :

<u>TFRS</u>	<u>Topic</u>
TAS 1 (revised 2012)	Presentation of financial statements
TAS 7 (revised 2012)	Statement of Cash Flows
TAS 12 (revised 2012)	Income Taxes
TAS 17 (revised 2012)	Leases
TAS 18 (revised 2012)	Revenue Recognition
TAS 19 (revised 2012)	Employee Benefits
TAS 21 (revised 2012)	The Effects of Changes in Foreign Exchange Rates

**BANGKOK LAND PUBLIC COMPANY LIMITED****NOTES TO FINANCIAL STATEMENTS****MARCH 31, 2015**

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<u>TFRS</u>	<u>Topic</u>
TAS 24 (revised 2012)	Related Party Disclosures
TAS 28 (revised 2012)	Investments in Associates
TAS 31 (revised 2012)	Interests in Joint Ventures
TAS 34 (revised 2012)	Interim Financial Reports
TAS 36 (revised 2012)	Impairment of Assets
TAS 38 (revised 2012)	Intangible Assets
TFRS 2 (revised 2012)	Share-based Payment
TFRS 3 (revised 2012)	Business Combinations
TFRS 4	Insurance Contracts
TFRS 5 (revised 2012)	Non-current Assets held for Sale and Discontinued Operations
TFRS 8 (revised 2012)	Operating Segments
TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4	Determining whether an Arrangement contains a Lease
TFRIC 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies
TFRIC 10	Interim Financial Reporting and Impairment
TFRIC 12	Service Concession Arrangements
TFRIC 13	Customer Loyalty Programmes
TFRIC 17	Distributions of Non-cash Assets to Owners
TFRIC 18	Transfers of Assets from Customers
TIC 15	Operating Leases-Incentives
TIC 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TIC 29	Service Concession Arrangements – Disclosure
TIC 32	Intangible Assets-Web Site Costs

Management has considered these new interpretations in accordance with the FAP's announcement and has made a preliminary assessment of the potential initial impact on the consolidated and separate financial statements of these new interpretations and expects that there has no material impact on the financial statements in the current year.

**BANGKOK LAND PUBLIC COMPANY LIMITED****NOTES TO FINANCIAL STATEMENTS****MARCH 31, 2015****3. Significant accounting policies**

The financial statements for the year ended March 31, 2015 are prepared using the same accounting policies as were used in the preparation of the financial statements for the year ended March 31, 2014.

**a) Consolidation**

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 consolidated interim financial statements comprise the following:

	Principal business	Percentage of holding	
		2015	2014
<b>Direct investment :</b>			
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
<b>Direct and indirect investment :</b>			
Bangkok Land Agency Company Limited	Property renting	99.30	99.30
Bangkok Airport Industry Company Limited	Property development	100.00	100.00
RMI Company Limited	REIT manager	100.00	100.00
Impact Growth Real Estate Investment Trust	Real estate investment trust	50.00	-

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

In September 2014, a subsidiary invested in Impact Growth Real Estate Investment Trust (IMPACT GROWTH REIT) equivalent to 50% of share capital. The Group determined that IMPACT GROWTH REIT is a new subsidiary and included in consolidated financial statements as the Group has significant control over IMPACT GROWTH REIT.

**b) Use of estimates**

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the amounts of revenues and expenses in the reported periods. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

**c) Revenue recognition**

Property development business

Revenues from sales of land and houses/condominium units/land are recognised upon transfer of ownership to buyer.

Retail business

Sales of goods are principally on cash terms and are recognised as revenues upon delivery of products and customer acceptance.

Property rental business

Rental income is recognised as revenue over the period of the lease term.

Service business

Service revenue is recognised when the amount of revenue reference to the stage of completions the transaction at the balance sheet date can be measured reliably.

Barter income arises from the exchange of different goods or service for other goods or service, which is recognized at fair value of those goods or service in exchange.

Interest income is recognised on the accrual basis unless collectibility is in doubt.

**d) Real estate development cost**

Real estate development cost is stated at the lower of cost or net realizable value. Costs include cost of land, land development, construction costs, infrastructure, project management fee and related borrowing cost.

Infrastructure for public use is depreciated on a straight line method over 20 years, and such depreciation is charged to cost of sales.

**e) Cash and cash equivalents**

Cash and cash equivalents are carried in the Statement of financial position at cost. For the purpose of the statement of cash flows, cash and cash equivalents comprise cash on hand and at banks and deposits at financial institutions with original maturity of three months or less.

Cash restricted in use is shown as other non-current assets.

**f) Trade receivables**

Trade receivables are carried at anticipated realisable value after allowance for doubtful receivables. An allowance is estimated on the basis of management's assessment of long overdue debts which may not be collectible. Bad debts are written off during the year in which they are identified.

**g) Investments in subsidiaries**

Investments in subsidiaries are recorded at the cost net of allowance for impairment loss.

**h) Capitalisation of borrowing costs**

Borrowing costs are capitalised to the extent that the Company has incurred borrowing costs on assets that require a period of time to get them ready for sale or for intended use. Capitalisation ceases when the assets are ready for sale or for intended use.

**i) Investment property**

Investment property comprises land held for capital appreciation rather than for sale in the ordinary course of business. Investment property is stated at fair value, representing open market value determined by independent valuation and the Group's directors. Changes in the fair value of investment property, net of deferred income tax, is included in the statement of comprehensive income for the period in which it arises.

Fair value is determined using open market value determined by independent valuers who are approved by the Stock Exchange of Thailand.

**j) Property , plants and equipment**

Land are stated at revalue amount (market approach) less provision for impairment of assets (if any). Buildings are stated at the revalued amount (replacement cost approach) less accumulated depreciation and provision for impairment of assets (if any). Equipment is stated at cost less relevant accumulated depreciation and provision for impairment of assets (if any).

Revaluations are performed by independent professional appraisers, which the Company has the policy for the independent professional appraisers will be requested to perform the appraisal for the said assets at sufficient regularity to ensure that the book value of these assets does not differ materially from their fair values at the balance sheet date. Increase from appraisal value will be recorded in the shareholders' equity under "Surplus on revaluation of assets", and decrease from cost recorded as loss from decrease in revaluation of assets in the statements of comprehensive income. Increase in revaluation of building and machines will be amortized in accordance to the remaining useful life of those assets.

Depreciation is calculated on the straight line method to write off the cost of each asset, except for land which is considered to have an indefinite life, to its residual value over the estimated useful lives as follows:

Exhibition Hall and Convention Centers - structure	50 years
Exhibition Hall and Convention Centers - building improvement	20 years
Buildings and other constructions	20 years
Other fixed assets	5 years

The depreciation as calculated above are recorded as follows:

- The depreciation for those calculated from the cost value is included in the calculation of the operating result.
- The depreciation for the revaluation surplus is written off to the surplus on revaluation of assets in the shareholders' equity.

When an asset is retired, the asset and the related accumulated depreciation are written off from the accounts, and any gain or loss from retirement of the asset is recognised in the statement of comprehensive income.

**k) Income tax**

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognized in profit or loss except to the extent that they relate to a business combination, or items recognized directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and jointly-controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, the Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Company believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Company to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax

entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously. A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized.

**l) Foreign currency translation**

Foreign currency transactions are accounted for at the exchange rates prevailing at the transaction dates. Monetary assets and liabilities denominated in foreign currencies at the Statement of financial position date including assets and liabilities of a foreign subsidiary which is identified as a part of the Company's operation are translated into Baht at the exchange rates ruling at that date. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies, are recognised in the statement of comprehensive income.

The financial statements of a foreign subsidiary are translated into Baht by the average exchange rates of the year for the statement of comprehensive income and by the exchange rate at the statement of financial position date for statement of financial position items. The resulting translation adjustment is accumulated as a component of shareholders' equity as "currency translation differences".

**m) Financial instruments**

A financial instrument is any contract that gives rise to both a financial asset of one enterprise and financial liability or an equity instrument of another enterprise.

Financial assets carried on the statement of financial position include cash on hand and at banks, short-term investments, trade receivables, unbilled completed works, loans to and amounts due from related parties and certain balance of other assets. Financial liabilities include trade creditors, borrowings and advances receipts from customers and certain balances of other liabilities. The accounting policy in respect of those items, where applicable, are stated in the related notes to financial statements.

The Group has no outstanding derivative financial instruments as at March 31, 2015 and 2014.

**n) Provisions**

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

**o) Employee benefits**

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

The provision for employee retirement benefits is recognised as a charge to results of operations over the employee's service period. It is calculated by estimating the amount of future benefit earned by employees in return for service provided to the Company in the current and future periods, with such benefit being discounted to determine the present value. The reference point for setting the discount rate is the yield rate of government bonds as at the reporting date. The calculation is performed by a qualified actuary using the Projected Unit Credit Method.

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognised in the statement of income on a straight-line basis over the average period until the benefits become vested. Any actuarial gains or losses are recognised in the statement of income in the period in which they arise.

**p) Impairment of assets**

The Company has determined the impairment of asset if there is indicator that the carrying amount of asset exceeds its recoverable amount. An impairment loss on the assets carrying at cost is recorded as expense in statements of comprehensive income, while an impairment loss on revalued asset is recognized against any revaluation surplus for the asset to the extent that the impairment loss does not exceed the amount held in the revaluation surplus for the same asset.

**4. 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. The significant accounting judgments and estimates are as follows:

**Allowance for doubtful accounts**

Allowances for doubtful accounts are intended to adjust the value of receivables for probable credit losses. The management uses judgment to establish reserves for estimated losses for each outstanding debtor. The allowances for doubtful accounts are determined through a combination of specific reviews, collection experience, and analysis of debtor aging, taking into account changes in the current economic conditions. However, the use of different estimates and assumptions could affect the amounts of allowances for receivable losses and adjustments to the allowances may therefore be required in the future.

**Impairment of investments**

The Group treats 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.

**Depreciation**

In calculating depreciation of plant and equipment, the management estimates useful lives and salvage values of the plant and equipment and reviews estimated useful lives and salvage values if there are any changes.

**BANGKOK LAND PUBLIC COMPANY LIMITED**

**NOTES TO FINANCIAL STATEMENTS**

**MARCH 31, 2015**

**5. Transactions with related parties**

**5.1 Significant transactions with related parties**

Portion of revenues and expenses arose from transactions with related parties for the years ended March 31, 2015 and 2014 are summarized as follows:

		In Million Baht			
		Consolidated		Separate	
		financial statements		financial statements	
Pricing Policy		2015	2014	2015	2014
<b>Rental income :</b>	100,000				
Bangkok Land Agency Company Limited	Bath/month	-	-	-	1
<b>Management fee :</b>					
Bangkok Airport Industry Company Limited	6% of sale contract	-	-	6	1
Impact Exhibition Management Company Limited	Contract price	-	-	800	-
		-	-	806	1
<b>Interest income :</b>	MLR rate				
Bangkok Airport Industry Company Limited		-	-	61	37
Sinpornchai Company Limited		-	-	27	28
		-	-	88	65
<b>Dividend income :</b>	Right to receive dividend				
Impact Exhibition Management Company Limited		-	-	1,750	1,700
Sinpornchai Company Limited		-	-	1,150	-
		-	-	2,900	1,700
<b>Interest expense :</b>					
Bangkok Land (Cayman Islands) Limited	3.125%	-	-	144	149
Impact Exhibition Management Company Limited	6.5%	-	-	-	15
		-	-	144	164

**BANGKOK LAND PUBLIC COMPANY LIMITED**

**NOTES TO FINANCIAL STATEMENTS**

**MARCH 31, 2015**

**5.2 Advances and other receivables from related parties, net**

The balances of receivables from related parties as at March 31, 2015 and 2014 are as follows:

	In Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
<b>Accrued income :</b>				
Bangkok Airport Industry Company Limited	-	-	26	18
Bangkok Land Agency Company Limited	-	-	-	11
<b>Total accrued income</b>	-	-	26	29
<b>Advances deposit and other receivables :</b>				
Bangkok Land Agency Company Limited	-	-	-	43
Spooner Limited	-	-	10	10
Bangkok Airport Industry Company Limited	-	-	225	225
<b>Total advances and other receivables</b>	-	-	235	278
<b>Accrued dividend income</b>				
Impact Exhibition Management Company Limited	-	-	1,550	1,700
Sinpornchai Company Limited	-	-	1,150	-
<b>Total accrued dividend income</b>	-	-	2,700	1,700
<b>Interest receivables :</b>				
Bangkok Airport Industry Company Limited	-	-	2,035	1,974
Sinpornchai Company Limited	-	-	152	125
Bangkok Land Agency Company Limited	-	-	-	23
Muang Thong Building Services Company Limited	-	-	1	1
<b>Total interest receivable</b>	-	-	2,188	2,123
<b>Total</b>	-	-	5,149	4,130

**BANGKOK LAND PUBLIC COMPANY LIMITED****NOTES TO FINANCIAL STATEMENTS****MARCH 31, 2015****5.3 Short-term loans to related parties, net**

The balances of receivables from related parties as at March 31, 2015 and 2014 are as follows:

	In Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Bangkok Airport Industry Company Limited	-	-	536	322
Sinpornchai Company Limited	-	-	400	400
	-	-	936	722

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

**5.4 Investment in loans**

	In Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
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.

**BANGKOK LAND PUBLIC COMPANY LIMITED**

**NOTES TO FINANCIAL STATEMENTS**

**MARCH 31, 2015**

**5.5 Payables to related parties**

The balances of payables to related parties as at March 31, 2015 and 2014 are as follows:

	In Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
<b>Interest payable :</b>				
Bangkok Land (Cayman Islands) Company Limited	-	-	9,461	9,315
<b>Accrued management fee :</b>				
Bangkok Land Agency Company Limited	-	-	-	29
Bangkok Land (Cayman Islands) Company Limited	-	-	50	50
Impact Exhibition Management Company Limited	-	-	1	-
<b>Total accrued management fee</b>	-	-	51	79
<b>Advances and other payables :</b>				
Muang Thong Services and Management Company Limited	-	-	4	4
Muang Thong Building Services Company Limited	-	-	4	4
Impact Exhibition Management Company Limited	-	-	1	1
<b>Total advances and other payables</b>	-	-	9	9
<b>Total payables to related parties</b>	-	-	9,521	9,403

**5.6 Long-term loans from related parties**

Long-term loans from related companies as at March 31, 2015 and 2014 comprise of:

	Interest rate per annum	In Million Baht	
		Separate financial statements	
		2015	2014
<u>Due date</u>			
<u>Loans from Bangkok Land (Cayman Islands) Limited (BL Cayman)</u>			
March 2001	3.125%	4,574	4,594
Long-term loans from related companies presented under current liabilities		4,574	4,594

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 13).

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).

#### **5.7 Transactions with Impact Growth Real Estate Investment Trust**

RMI Company Limited (RMI), a 100% subsidiary, obtained an approval to issue and offer for sale of trust units of Impact Growth Real Estate Investment Trust (IMPACT GROWTH REIT) from the Office of SEC on September 5, 2014. RMI issued and offered for sale of 1,482,500,000 trust units at the offering price of Baht 10.60 per unit to raise gross proceeds amounting Baht 15,714.50 million. Impact Exhibition Management Company Limited (Impact), another 100% subsidiary, acquired 741,250,000 units of IMPACT GROWTH REIT's trust units (equivalent to 50% of total paid-up capital of IMPACT GROWTH REIT) at the offering price of Baht 10.60 per unit with totaling Baht 7,857.25 million. The Group has expenses related to the public offering totaling Baht 230 million.

RMI, as the settlor and the REIT manager of IMPACT GROWTH REIT, applied net proceeds from offering of trust units of IMPACT GROWTH REIT in conjunction with loans from financial institutions for the amount of Baht 3,900 million to acquire IMPACT Arena, IMPACT Exhibition, IMPACT Forum and IMPACT Challenger from Impact, all of which are located in Impact Muang Thong Thani Project, for the total amount of Baht 19,556.23 million. Ownership transferal of such 4 assets was registered with competent authorities on September 29, 2014.

In this regard, Impact recorded a gain on sale of assets amounting to Baht 909 million against the book value of the assets and related expenses (gain on sale of assets approximately Baht 1,597 million deduct related expenses approximately Baht 688 million) and transferred surplus on revaluation of assets approximately Baht 4,764 million to retained earnings. In addition, the Group eliminated gain on assets of Baht 1,597 million in the consolidated statements and recorded relevant

**BANGKOK LAND PUBLIC COMPANY LIMITED****NOTES TO FINANCIAL STATEMENTS****MARCH 31, 2015**

fees and expenses of Baht 736 million and deferred tax assets of Baht 329 million in the consolidated financial statements for the years ended March 31, 2015.

The Stock Exchange of Thailand announced trust units of IMPACT GROWTH REIT as listed securities on the SET.

Trading of IMPACT GROWTH REIT trust units on the SET commenced on October 1, 2014.

**6. Short-term investments**

As at March 31, 2015 and 2014 short-term investments comprise of:

	In Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Fixed deposit 6 -15 months	1,041	1,414	1,000	1,114
Investment in short-term debt instruments	8,640	1,787	53	1,643
Total	9,681	3,201	1,053	2,757

**7. Trade receivable and other receivable, net**

Trade receivable and other receivable as at March 31, 2015 and 2014 are as follows:

	In Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Trade receivable	441	371	-	-
<u>Less</u> Allowance for doubtful account	(91)	(78)	-	-
Trade receivable, net	350	293	-	-
Other receivable	169	149	61	44
Total trade and other receivables, net	519	442	61	44
The aging of trade receivable are as follows :				
Up to 3 months	258	213	-	-
3 - 6 months	26	39	-	-
6 - 12 months	32	59	-	-
Over 12 months	125	60	-	-
Total	441	371	-	-

**BANGKOK LAND PUBLIC COMPANY LIMITED**

**NOTES TO FINANCIAL STATEMENTS**

**MARCH 31, 2015**

**8. Real estate development cost, net**

Real estate development cost as at March 31, 2015 and 2014 comprises:

	In Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Land	14,472	14,157	13,341	13,374
Construction in progress	18,776	18,857	8,601	8,710
Infrastructure cost - areas for sale	1,372	1,351	1,294	1,298
- public areas	1,297	1,297	1,297	1,297
Project management fee	993	993	483	483
Borrowing costs	3,831	3,831	1,346	1,346
Other related costs	1,209	1,158	786	739
	41,950	41,644	27,148	27,247
Less: Transfer to cost of sales to date				
- Cost of sales	(23,732)	(23,073)	(11,049)	(10,968)
- Accumulated depreciation of public area infrastructure	(1,086)	(1,021)	(1,086)	(1,021)
Allowance for net realizable value discounts	(2,121)	(2,121)	(437)	(437)
Transfer to property, plants and equipment	-	(167)	-	-
Transfer to investment property	(606)	(469)	-	(469)
Total	14,405	14,793	14,576	14,352
Less: Real estate development cost classified as current assets	(13,038)	(13,374)	(13,209)	(12,933)
Net	1,367	1,419	1,367	1,419

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 30). The mortgaged land and condominium units, as a percentage of the total land areas/total units, is as follows:

**BANGKOK LAND PUBLIC COMPANY LIMITED**

**NOTES TO FINANCIAL STATEMENTS**

**MARCH 31, 2015**

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Percentage of land mortgaged	1	1	1	1
Percentage of condominium units mortgaged	28	30	28	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 1<sup>st</sup> 100 rai on October 10, 2013, the 2<sup>nd</sup> 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.

**9. Investment in subsidiaries**

As at March 31, 2015 and 2014, 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	
	2015	2014	2015	2014	2015	2014	2015	2014
<b><u>Investment in subsidiaries</u></b>								
Impact Exhibition Management								
Company Limited	12,953	12,953	100	100	9,848	9,848	1,750	1,700
Sinpornchai Company Limited	30	30	100	100	30	30	1,150	-
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								
Company Limited	200	200	99	99	120	120	-	-
Bangkok Airport Industry								
Company Limited	5,320	5,320	60	60	3	3	-	-
Bangkok Land (Cayman Islands)								
Company Limited	USD 0.01	USD 0.01	100	100	-	-	-	-
Spooner Limited	-	-	100	100	-	-	-	-
Total					10,026	10,026	2,900	1,700

**BANGKOK LAND PUBLIC COMPANY LIMITED****NOTES TO FINANCIAL STATEMENTS****MARCH 31, 2015****10. Investment property**

During for the years ended March 31, 2015 and 2014, the movements of investment property are as follows :

	In Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
<b>Appraised Value</b>				
Beginning balance	4,724	3,398	608	5
Increase	148	94	130	-
Transfer from real estate development cost	606	469	-	469
Transfer from property, plant and equipment	417	-	-	-
Gain on revaluation	1,666	763	-	134
Loss on impairment	(3)	-	(3)	-
Ending balance	<u>7,558</u>	<u>4,724</u>	<u>735</u>	<u>608</u>

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

**BANGKOK LAND PUBLIC COMPANY LIMITED**

**NOTES TO FINANCIAL STATEMENTS**

**MARCH 31, 2015**

**11. Property, plants and equipment, net**

Consolidated (In Million Baht)									
	Land	Buildings and other construction	Impact Hall interior systems	Impact Hall structure	Buildings improvements	Furniture and fixtures	Motor vehicles	Construction in progress	Total
<u>At Cost</u>									
March 31, 2014	3,142	169	4,562	6,035	274	1,130	89	118	15,519
Increase	-	-	17	-	-	75	12	713	817
Decrease	(148)	-	-	-	-	-	(3)	-	(151)
Transfer in (Transfer out)	-	-	7	80	-	4	-	(508)	(417)
March 31, 2015	2,994	169	4,586	6,115	274	1,209	98	323	15,768
<u>Accumulated Depreciation</u>									
March 31, 2014	-	74	1,586	942	183	737	60	-	3,582
Increase	-	8	247	143	13	124	12	-	547
Decrease	-	-	-	-	-	-	(3)	-	(3)
March 31, 2015	-	82	1,833	1,085	196	861	69	-	4,126
<u>Differences on revaluation</u>									
<u>of assets</u>									
March 31, 2014	6,682	43	1,594	2,785	-	-	-	-	11,104
Increase	-	-	-	-	-	-	-	-	-
Decrease	-	-	-	-	-	-	-	-	-
March 31, 2015	6,682	43	1,594	2,785	-	-	-	-	11,104
<u>Accumulated depreciation</u>									
<u>-differences on revaluation</u>									
<u>of assets</u>									
March 31, 2014	-	6	49	69	-	-	-	-	124
Increase	-	4	40	54	-	-	-	-	98
Decrease	-	-	-	-	-	-	-	-	-
March 31, 2015	-	10	89	123	-	-	-	-	222
<u>Net book value</u>									
March 31, 2014	9,824	132	4,521	7,809	91	393	29	118	22,917
March 31, 2015	9,676	120	4,258	7,692	78	348	29	323	22,524

As at March 31, 2015 and 2014, a portion of property with historical costs of Baht 651 million and Baht 626 million, respectively, are in use but fully depreciated.

**BANGKOK LAND PUBLIC COMPANY LIMITED****NOTES TO FINANCIAL STATEMENTS****MARCH 31, 2015**

As at March 31, 2015, a certain parcel of land and building of a subsidiary have been mortgaged as collateral for long-term loan. (Note 15).

	Separate (In Million Baht)			
	Building Improvements	Furniture and fixtures	Motor vehicles	Total
<u>Cost</u>				
March 31, 2014	37	19	7	63
Increase	-	1	4	5
Decrease	-	-	-	-
March 31, 2015	37	20	11	68
<u>Accumulated Depreciation</u>				
March 31, 2014	30	12	6	48
Increase	1	2	1	4
Decrease	-	-	-	-
March 31, 2015	31	14	7	52
<u>Net book value</u>				
March 31, 2014	7	7	1	15
March 31, 2015	6	6	4	16

As at March 31, 2015 and 2014, a portion of property with historical costs of Baht 44 million and Baht 43 million, respectively, are in use but fully depreciated.

The Group has applied the accounting for assets revaluation in accordance with the announcement of the Federation of Accounting Professions No.18/2554 dated April 12, 2011 which allow the Company to use the former accounting for assets revaluation as per the announcement No. 25/2549 that transfer depreciation for capital surplus from asset revaluation shall be treated as already occurred to the retained earning directly without passing through the statement of comprehensive income until the accounting period beginning before January 1, 2016. If the Company and its subsidiaries recorded the depreciation of such surplus on revaluation of assets in the statements of income, the effect to the statements of income for the years ended March 31, 2015 and 2014, are as follows:

**BANGKOK LAND PUBLIC COMPANY LIMITED**

**NOTES TO FINANCIAL STATEMENTS**

**MARCH 31, 2015**

	In Million Baht	
	Consolidated	
	2015	2014
Depreciation recognized in shareholders' equity	98	97
Effect to statements of income from above depreciation recognized in shareholders' equity		
Profit for the years decrease	(98)	(97)
Earnings per share decrease (Unit : Baht per share)	(0.005)	(0.005)

**12. Land held for future use**

Previously, the Company invested in an overseas property fund, The New Land Fund (NALF), incorporated in Bermuda. Pursuant to the agreement of the fund holders, NALF had commenced to distribute all its assets in 2002 to each of NALF's unit holders, including the Company, in exchange for the unit holders returning their units to NALF. The asset distribution is based on the percentage of holding of each unit holder.

As a result of the liquidation of NALF, the fund transferred plots of land totaling Baht 7,285 million to the Company which was presented under "Land held for future use".

Presently, the Company is considering to launch a new project on such land.

**13. Long-term debt instruments**

			Consolidated financial statements			
			2015		2014	
	Maturity date	Interest rate per annum	Amount		Amount	
			Original Currency	Million Baht	Original Currency	Million Baht
1. Exchangeable	October	4.50 %	13.38 million		13.38 million	
Bonds	2003		U.S. Dollars	438	U.S. Dollars	436
2. Exchangeable	March	3.125%	60.20 million		61.60 million	
Notes	2001		Swiss Francs	2,042	Swiss Francs	2,272
				2,480		2,708
Provision for premium on bond redemption				47		46
Total long-term debt instruments presented as current portion				2,527		2,754

## BANGKOK LAND PUBLIC COMPANY LIMITED

### NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2015

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The notes have been classified to current liabilities due to the fact that Bangkok Land (Cayman Islands) Company 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 Group has not hedged any long-term liabilities denominated in foreign currencies.

**BANGKOK LAND PUBLIC COMPANY LIMITED****NOTES TO FINANCIAL STATEMENTS****MARCH 31, 2015****14. Other current liabilities**

The balances of other current liabilities as at March 31, 2015 and 2014, are as follows :

	In Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Provision for loss on pending lawsuits (Note 30)	164	129	164	126
Accrued income tax	539	46	-	-
Others	231	162	18	13
Total	934	337	182	139

**15. Long-term loans**

On September 29, 2014, a subsidiary borrowed Baht 3,900 million. The loans carry interest at floating rates not exceeding MLR - 1.50% per annum, with interest payable every month-end and principal to be paid within 5 years.

The loans are secured by mortgage of land and buildings, including utility systems and equipment of IMPACT Muang Thong Thani in which the subsidiary has invested, including the conditional assignment of rights under insurance policies, right under related contracts and rights over bank accounts of the subsidiary.

The loan agreements contain covenants, which, among other things, require the subsidiary to maintain certain financial ratios such as loan-to-total assets and interest coverage ratios.

As at March 31, 2015, the subsidiary has unutilized credit facilities with one financial institution amounting to Baht 180 million.

During April and May 2015, one lender of the subsidiary, who granted loan of Baht 1,900 million, has changed from a financial institution to two life insurance companies. The repayment schedule has been changed to be the following:

	In Million Baht
	Repayment amount per year
Year 1 (April 2015 - March 2016)	-
Year 2 (April 2016 - March 2017)	4.65
Year 3 - 6 (April 2017 - March 2021)	4.75
Year 7 (April 2021 - March 2022)	4.46
Year 8 (April 2022 - March 2023)	1,871.90

**BANGKOK LAND PUBLIC COMPANY LIMITED**

**NOTES TO FINANCIAL STATEMENTS**

**MARCH 31, 2015**

**16. Deferred tax**

Deferred tax as at March 31, 2015 and 2014 comprises:

	In Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Deferred tax assets	349	19	-	-
Deferred tax liabilities	(1,536)	(2,409)	(29)	(28)

Movements in total deferred tax assets and liabilities during the year were as follows:

	In Million Baht				
	Consolidated financial statements				
	(Charged) / credited to:				
	Other				March 31, 2015
	April 1, 2014	Profit or loss	comprehensive income	Equity	
<b>Deferred tax assets</b>					
Allowance for doubtful accounts	15	(1)	-	-	14
Provision for employees benefits	4	2	-	-	6
Gain on sale of assets	-	329	-	-	329
Total	19	330	-	-	349
<b>Deferred tax liabilities</b>					
Revaluation of property, plant and equipment	(1,587)	1,170	37	-	(380)
Revaluation of investment property	(722)	(333)	-	-	(1,055)
Income recognition of real estate business	(1)	(1)	-	-	(2)
Others	(99)	-	-	-	(99)
Total	(2,409)	836	37	-	(1,536)

**BANGKOK LAND PUBLIC COMPANY LIMITED**

**NOTES TO FINANCIAL STATEMENTS**

**MARCH 31, 2015**

	In Million Baht				
	Consolidated financial statements				
	(Charged) / credited to:				
	Other				
	April 1, 2013	Profit or loss	comprehensive income	Equity	March 31, 2014
<b>Deferred tax assets</b>					
Allowance for doubtful accounts	11	4	-	-	15
Provision for employees benefits	4	-	-	-	4
Income recognition of real estate business	2	(2)	-	-	-
<b>Total</b>	<b>17</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>19</b>

**Deferred tax liabilities**

Revaluation of property, plant and equipment	(1,403)	-	(184)	-	(1,587)
Revaluation of investment property	(569)	(153)	-	-	(722)
Income recognition of real estate business	-	(1)	-	-	(1)
Others	(85)	(14)	-	-	(99)
<b>Total</b>	<b>(2,057)</b>	<b>(168)</b>	<b>(184)</b>	<b>-</b>	<b>(2,409)</b>

	In Million Baht				
	Separate financial statements				
	(Charged) / credited to:				
	Other				
	April 1, 2014	Profit or loss	comprehensive income	Equity	March 31, 2015
<b>Deferred tax assets</b>					
Income recognition of real estate business	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Deferred tax liabilities</b>					
Revaluation of investment property	(27)	-	-	-	(27)
Income recognition of real estate business	(1)	(1)	-	-	(2)
<b>Total</b>	<b>(28)</b>	<b>(1)</b>	<b>-</b>	<b>-</b>	<b>(29)</b>

**BANGKOK LAND PUBLIC COMPANY LIMITED**

**NOTES TO FINANCIAL STATEMENTS**

**MARCH 31, 2015**

	In Million Baht				
	Separate financial statements				
	(Charged) / credited to:				
	Other				March 31,
	April 1,	Profit or	comprehensive	Equity	
	2013	loss	income		2014
<b>Deferred tax assets</b>					
Income recognition of real estate business	1	(1)	-	-	-
Total	1	(1)	-	-	-
<b>Deferred tax liabilities</b>					
Revaluation of investment property	(1)	(26)	-	-	(27)
Income recognition of real estate business	-	(1)	-	-	(1)
Total	(1)	(27)	-	-	(28)

Deferred tax assets are recognised for tax loss carried forward only to the extent that realisation of the related tax benefit through the future taxable profits is probable. The Group has unrecognised tax losses of Baht 76 million in 2015, which may carry forward against future taxable income .

Deferred income tax assets and liabilities are offset when there is a legally enforceable right and the income taxes relate to the same fiscal authority.

**17. Provision for employees benefits**

An independent actuary carried out an evaluation of the Company's obligations for employees' long-term benefits using the projected unit credit method. The Company has provided the provision for employees' long-term benefits for the years ended March 31, 2015 and 2014, as follows:

	In Million Baht	
	Consolidated	
	financial statements	
	2015	2014
Provision for employee benefits - beginning	22.91	22.02
<u>Add</u> recognized amount	9.46	1.84
<u>Less</u> liability decrease from actual paid	(1.26)	(0.95)
Provision for employee benefits - ending	31.11	22.91

**BANGKOK LAND PUBLIC COMPANY LIMITED****NOTES TO FINANCIAL STATEMENTS****MARCH 31, 2015**

	In Million Baht	
	Consolidated	
	financial statements	
	2015	2014
Present value of unfunded obligation as at March 31,	31.11	22.91
Expense recognised in profit or loss		
Current service cost	8.70	1.24
Interest cost	0.76	0.60
Total – recognized in the statement of comprehensive income	9.46	1.84
Principal actuarial assumptions at the reporting date (Actuarial basis)		
Discount rate (%)	3.3558	3.3558
Future salary increase (%)	3	3
Retirement age (years old)	55	55

**18. Warrants**

- 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;

## BANGKOK LAND PUBLIC COMPANY LIMITED

### NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2015

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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, 2014, the warrant holder of BLAND-W3 exercised 16,122 units and the Company received Baht 27,407 share proceeds from the issuance of 16,122 common shares to the warrant. This proceeds was recorded as "Share subscription" in the statement of financial position as at March 31, 2014. The change of paid-up share capital was officially registered with Ministry of Commerce on April 4, 2014.

On June 30, 2014, the warrant holder of BLAND-W3 exercised 6,163 units and the Company received Baht 10,477.10 share proceeds from the issuance of 6,163 common shares to the warrant. The change of paid-up share capital was officially registered with Ministry of Commerce on July 3, 2014.

On September 30, 2014, the warrant holder of BLAND-W3 exercised 306,595 units and the Company received Baht 521,211.50 share proceeds from the issuance of 306,595 common shares to the warrant. The change of paid-up share capital was officially registered with Ministry of Commerce on October 3, 2014.

On December 31, 2014, the warrant holder of BLAND-W3 exercised 524 units and the Company received Baht 995.50 share proceeds from the issuance of 524 common shares to the warrant. The change of paid-up share capital was officially registered with Ministry of Commerce on January 8, 2015.

On March 31, 2015, the warrant holder of BLAND-W3 exercised 80,000 units and the Company received Baht 152,000 share proceeds from the issuance of 80,000 common shares to the warrant. This proceeds was recorded as "Share subscription" in the statement of financial position as at March 31, 2015. The change of paid-up share capital was officially registered with Ministry of Commerce on April 3, 2015.

As at March 31, 2015, the outstanding of unexercised warrants (BLAND-W3) was 1,991,140,328 units.

2. 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.

## BANGKOK LAND PUBLIC COMPANY LIMITED

### NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2015

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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 March 31, 2014, the warrant holder of BLAND-W4 exercised 64,956 units and the Company received Baht 129,912 share proceeds from the issuance of 64,956 common shares to the warrant. This proceeds was recorded as “Share subscription” in the statement of financial position as at March 31, 2014. The change of paid-up share capital was officially registered with Ministry of Commerce on April 4, 2014.

On September 30, 2014, the warrant holder of BLAND-W4 exercised 18,048,952 units and the Company received Baht 36,097,904 share proceeds from the issuance of 18,048,952 common shares to the warrant. The change of paid-up share capital was officially registered with Ministry of Commerce on October 3, 2014.

As at March 31, 2015, the outstanding of unexercised warrants (BLAND-W4) was 6,930,271,648 units.

#### 19. Treasury stock

The Board of Directors’ meeting held on August 8, 2014 has passed the resolution to approve the share repurchase project for financial management purpose (treasury stock) in an amount not exceeding Baht 3,000 million or equal to the number of shares repurchased not exceeding 1,200,000,000 shares, at a par value of Baht 1 per share or equivalent to not exceeding 5.81% of the total paid-up shares. The period of resale of the shares shall be made after 6 months from the completion date of share repurchase but not later than 3 years.

As at March 31, 2015, the Company has 1,155,011,400 repurchased shares or equal to 5.59% of paid-up share capital which is Baht 2,336 million.

#### 20. Discount on share capital

The Board of Directors’ meeting held on February 16, 2015 has passed the resolution to off set discount on share capital of Baht 2,137 million with premium of share capital.

#### 21. Legal reserve

According to the Public Companies Act, the Company has appropriated its reserve as a legal reserve in the sum of 5% of the annual net profit less the total accumulated deficit brought forward.

**BANGKOK LAND PUBLIC COMPANY LIMITED****NOTES TO FINANCIAL STATEMENTS****MARCH 31, 2015**

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**22. Dividend payment**

At the ordinary meeting of the shareholders held on July 30, 2014, the shareholders passed the resolution to approve the dividend payment at the rate of Baht 0.04 per share, totaling Baht 826 million.

At the meeting of the Company's director held on November 13, 2014, the directors passed the resolution to approve the interim dividend payment at the rate of Baht 0.04 per share, totaling Baht 787 million.

**23. Other revenues**

Other revenues for the years ended March 31, 2015 and 2014 comprise :

	In Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Interest income	60	51	123	98
Gain on reversal of long outstanding account payable	185	417	100	417
Reversal of accrued interest	-	450	-	-
Reversal of provision for loss on pending lawsuits (Note 30)	-	500	-	-
Reversal of allowance for doubtful account	-	-	-	33
Management fee (Note 5.1)	-	-	806	1
Gain on revaluation of investment property	1,666	763	-	134
Gain on repurchase of exchangeable notes	43	387	-	-
Others	42	161	23	100
Total	<u>1,996</u>	<u>2,729</u>	<u>1,052</u>	<u>783</u>

**24. Expenses classified by nature of expenses**

Significant expenses by nature for the years end March 31, 2015 and 2014 are as follows:

	In Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Salary and wages and other employee benefits	763	637	41	43
Depreciation	721	681	29	77
Professional fee	266	28	4	18
Advertising expense	9	38	5	24
Other charges	128	45	10	16

**25. Income tax**Income tax recognized in profit or loss

For the years ended March 31, 2015 and 2014, income tax expense consisted of the following:

	In Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
<b>Corporate income tax:</b>				
Corporate income tax	1,215	119	27	-
<b>Deferred income taxes:</b>				
Relating to origination and reversal of temporary differences	(1,166)	166	1	28
Income tax (revenue) in statements of comprehensive income	49	285	28	28

**BANGKOK LAND PUBLIC COMPANY LIMITED**

**NOTES TO FINANCIAL STATEMENTS**

**MARCH 31, 2015**

Reconciliation of effective tax rate

	In Million Baht			
	Consolidated			
	financial statements			
	Rate (%)	2015	Rate (%)	2014
Profit before income tax expense		1,569		2,381
Income tax using the Thai corporation tax rate	20	314	20	476
Tax effect of income and expenses that are not taxable income or not deductible in determining taxable profit-net		901		(357)
Total		1,215		119

	In Million Baht			
	Separate			
	financial statements			
	Rate (%)	2015	Rate (%)	2014
Profit before income tax expense		3,587		1,793
Income tax using the Thai corporation tax rate	20	717	20	359
Tax effect of income and expenses that are not taxable income or not deductible in determining taxable profit-net		(690)		(359)
Total		27		-

**26. Management benefit expenses**

Management benefit expenses represent benefit expenses that management obtained from the Company such as compensation paid in cash and other benefits as stocks, debentures or other privileges including employee stocks option plan or any incentive, etc. For the listed company, management represents the management team as described according to the Securities and Exchange Law.

Management benefit expenses for the years ended March 31, 2015 and 2014 consist of:

	In Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Management benefit expenses presented in costs				
of sales	33	29	-	-
Management benefit expenses presented in				
administrative expense	76	70	32	31
Total	109	99	32	31

**BANGKOK LAND PUBLIC COMPANY LIMITED**

**NOTES TO FINANCIAL STATEMENTS**

**MARCH 31, 2015**

**27. Segment information**

	Consolidated financial statements ( In Million Baht )						
	For the year ended March 31, 2015						
	Real estate	Retail	Exhibition	Other			
	business	business	center business	service	Total	Elimination	Total
Segment revenue	426	294	2,992	104	3,816	(127)	3,689
Segment profit	216	114	590	(5)	915	(207)	708
Corporate expenses					(258)	-	(258)
Interest income					302	(242)	60
Dividend income					3,070	(3,070)	-
Management fee income					943	(943)	-
Gain on reversal of long outstanding					185	-	185
Gain on revaluation of investment property					1,668	(2)	1,666
Gain on exchange rate, net					287	-	287
Gain (loss) on sale of assets					865	(909)	(44)
Gain on repurchase of exchangeable rate, net					43	-	43
Expenses of sale of assets					(736)	-	(736)
Management fee					(1,173)	943	(230)
Finance costs					(355)	242	(113)
Income tax expense					(375)	326	(49)
Profit of non-controlling interests					(316)	-	(316)
Net profit of year					5,065	(3,862)	1,203

**BANGKOK LAND PUBLIC COMPANY LIMITED**

**NOTES TO FINANCIAL STATEMENTS**

**MARCH 31, 2015**

	Consolidated financial statements ( In Million Baht )						
	For the year ended March 31, 2014						
	Real estate	Retail	Exhibition	Other			
	Business	business	center business	service	Total	Elimination	Total
Segment revenue	1,363	256	2,660	133	4,412	(71)	4,341
Segment profit	163	106	505	(17)	757	31	788
Corporate expenses					(201)	-	(201)
Interest income					291	(240)	51
Dividend income					1,700	(1,700)	-
Gain on reversal of long outstanding account payable					417	-	417
Gain on revaluation of investment property					763	-	763
Reversal of accrued interest					450	-	450
Reversal of provision for loss on pending lawsuits					500	-	500
Gain on sale of assets					2	-	2
Gain on repurchase of exchangeable notes					387	-	387
Loss on exchange rate, net					(535)	-	(535)
Reversal of allowance for doubtful account					33	(33)	-
Finance costs					(481)	240	(241)
Income tax expense					(285)	-	(285)
Net profit of year					3,798	(1,702)	2,096
Property, plants and equipment							
As at March 31, 2015	1,227	115	20,999	5	22,346	178	22,524
As at March 31, 2014	1,256	134	21,356	7	22,753	164	22,917

**BANGKOK LAND PUBLIC COMPANY LIMITED****NOTES TO FINANCIAL STATEMENTS****MARCH 31, 2015**

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**28. Earnings per share****Basic earnings per share**

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

**Diluted earnings per share**

Diluted earnings per share is calculated by dividing the net profit attributable to shareholders by the weighted average number of ordinary shares held by third parties in issue during the year adjusted for the effect of conversion of warrant to ordinary share.

Earning per share for the years ended March 31, 2015 and 2014 comprise :

	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Net profit attributable to shareholders (million Baht)	1,203	2,096	3,559	1,765
Weighted average number of ordinary shares in issue during the year (million shares)	20,154	20,614	20,154	20,614
Diluted earnings per share (Baht per share)	0.060	0.102	0.177	0.086

**29. Financial instruments**

As at March 31, 2015 and 2014 the Group has the following risks relating to significant financial instruments:

**a) Interest rate risk**

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

The Group has long-term loans from banks, and the value of such loans will fluctuate due to changes in market interest rates.

**b) Currency risks**

Currency risk is the risk that the value of the financial instrument will fluctuate due to changes in currency exchange rates.

The Group faced currency exchange risk relating to Exchangeable Notes denominated in Swiss Francs and U.S. Dollars. The Group had not hedged its foreign currency liabilities relative to these Exchangeable Notes as repayment

date of debts remains uncertain following the default by the Group in payment of interest and principal which caused the total amount of debts to become due for repayment as explained in Note 13.

c) Liquidity risk

Liquidity risk or funding risk is the risk that the Group will encounter difficulty in raising fund to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly or close to its fair value.

d) Fair value of financial assets and liabilities

The carrying amounts of all financial assets and liabilities of the Group as at March 31, 2015 and 2014, presented in the consolidated financial statements and separate financial statements approximate to their fair values except for the fair value of long-term debt instruments cannot be calculated, accordingly, no disclosure is made.

**30. Pending lawsuits**

As at March 31, 2015, the Company has pending lawsuits as summarized below:

- a) 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 118 million alleging that the Company and Bangkok Airport Industry Company Limited had breached the purchase and sales agreements (March 31, 2014 : Baht 130 million). As at March 31, 2015, Baht 2 million is recorded in the financial statements (March 31, 2014: Baht 9 million).
- b) 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. On July 24, 2014, the Supreme Court has decided the Company to pay amount to Baht 122 million together with interest at the rate of 7.5% per annum to be calculated from August 11, 1997 until the date of settlement. The Company, therefore, recorded provision loss (excluded interest) of Baht 122 million in the financial statements.

For case a) and b), the Group has provided accrued interest for these cases up to March 31, 2015 of Baht 164 million in the consolidated and separate financial statements.

**BANGKOK LAND PUBLIC COMPANY LIMITED**

**NOTES TO FINANCIAL STATEMENTS**

**MARCH 31, 2015**

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- c) 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 500 million in the financial statements. Subsequently on December 20, 2013 the Appeal Court has judgement to dismiss the plaintiff’s claim. The subsidiary therefore reversed the total amount of provision claims in the financial statements for the year ended March 31, 2014. Presently, the case is under the consideration of the Supreme Court.
- d) The company has lawsuit concerning an exchangeable note holder had filed a civil lawsuit against the Company, who is the guarantor of exchangeable note issued by a subsidiary, requesting for the payment of USD 1 million exchangeable note (Note 13). 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 exchangeable note holder has also filed a petition of this judgment to the Supreme Court. On April 30, 2015 the Supreme Court dismissed the plaintiff’s claim citing the status of limitations has expired.
- e) On January 16, 2015 the Company was sued that the Company had breached the reciprocal agreement. The plaintiffs claimed that the Company sold certain piece of land without the approval and consent of the plaintiffs who were the sole agent. Then, the plaintiff sued the Company to transfer the land to the plaintiffs. If not, the Company has to pay compensation to the plaintiffs. The company had submitted a statement to the court on May 15, 2015. The Company is currently in the process of hearing witness to the Court.

The legal advisor of the Company has opinion that the Company has not breached the reciprocal agreement thus the Company is not required to pay the compensation, return the land plot, made a payment nor the damage cost.

**31. TFRS not yet adopted**

The Group has not adopted the new and revised TFRS as of the reporting date but are not yet effective. Those interpretations that may be applicable to the Group, which become effective for the financial report on or after January 1, 2015 are as follows:

<u>TFRS</u>	<u>Topic</u>
TAS 1 (revised 2014)	Presentation of Financial Statements
TAS 2 (revised 2014)	Inventory
TAS 7 (revised 2014)	Statement of Cash Flows
TAS 8 (revised 2014)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2014)	Events After The Reporting Period
TAS 11 (revised 2014)	Construction Contracts
TAS 12 (revised 2014)	Income Taxes
TAS 16 (revised 2014)	Property, Plant and Equipment
TAS 17 (revised 2014)	Leases
TAS 18 (revised 2014)	Revenue Recognition
TAS 19 (revised 2014)	Employee Benefits
TAS 20 (revised 2014)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2014)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (revised 2014)	Borrowing Costs
TAS 24 (revised 2014)	Related Party Disclosures
TAS 26 (revised 2014)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2014)	Separate Financial Statements
TAS 28 (revised 2014)	Investments in Associates and Joint Ventures
TAS 29 (revised 2014)	Financial Reporting in Hyperinflationary Economies
TAS 33 (revised 2014)	Earnings Per Share
TAS 34 (revised 2014)	Interim Financial Reports
TAS 36 (revised 2014)	Impairment of Assets
TAS 37 (revised 2014)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2014)	Intangible Assets
TAS 40 (revised 2014)	Investment Property
TFRS 2 (revised 2014)	Share-based Payment
TFRS 3 (revised 2014)	Business Combinations
TFRS 4 (revised 2014)	Insurance Contracts
TFRS 5 (revised 2014)	Non-current Assets Held for Sale and Discontinued Operations

**BANGKOK LAND PUBLIC COMPANY LIMITED****NOTES TO FINANCIAL STATEMENTS****MARCH 31, 2015**

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<u>TFRS</u>	<u>Topic</u>
TFRS 6 (revised 2014)	Exploration for and Evaluation of Mineral Resources
TFRS 8 (revised 2014)	Operating Segments
TFRS 10	Consolidated Financial Statements
TFRS 11	Joint Arrangements
TFRS 12	Disclosure of Interests in Other Entities
TFRS 13	Fair Value Measurement
TSIC 10 (revised 2014)	Government Assistance - No Specific Relation to Operating Activities
TSIC 15 (revised 2014)	Operating Leases - Incentives
TSIC 25 (revised 2014)	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders
TSIC 27 (revised 2014)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29 (revised 2014)	Service Concession Arrangements: Disclosures
TSIC 31 (revised 2014)	Revenue - Barter Transactions Involving Advertising Services
TSIC 32 (revised 2014)	Intangible Assets - Web Site Costs
TFRIC 1(revised 2014)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (revised 2014)	Determining whether an Arrangement contains a Lease
TFRIC 5 (revised 2014)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (revised 2014)	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies
TFRIC 10 (revised 2014)	Interim Financial Reporting and Impairment
TFRIC 12 (revised 2014)	Service Concession Arrangements
TFRIC 13 (revised 2014)	Customer Loyalty Programmes
TFRIC 14	TAS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TFRIC 15 (revised 2014)	Agreements for the Construction of Real Estate
TFRIC 17 (revised 2014)	Distributions of Non - cash Assets to Owners
TFRIC 18 (revised 2014)	Transfers of Assets from Customers
TFRIC 20	Stripping Costs in the Production Phase of a Surface Mine

Management expects to adopt and apply these new and revised TFRS in accordance with the FAP's announcement and has made a preliminary assessment of the potential initial impact on the consolidated and separate financial statements of those new and revised TFRS and expects that there will be no material impact on the financial statements in the period of initial application.

**32. Capital management**

The primary objectives of the Company's and its subsidiaries capital management are to maintain their abilities to continue as a going concern and to maintain an appropriate capital structure.

As at March 31, 2015, debt to equity ratio in the consolidated financial statements and the separate financial statements are 0.21 : 1 and 0.60 : 1, respectively.

**33. Commitments and contingent liabilities**

a) As at March 31, 2015, 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 605 million (Separate : Baht 130 million).

b) As at March 31, 2015, 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 129 million (Separate : Baht 36 million).

**34. Approval of financial statements**

These financial statements have been approved by the Company's management on June 2, 2015.