

Sansiri Public Company Limited and its subsidiaries

Notes to interim financial statements

For the three-month period ended 31 March 2016

1. General information

1.1 The Company's general information

Sansiri Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company operates in Thailand and is principally engaged in property development.

The Company's top 5 major shareholders as at 18 March 2016 the latest closing date of the shares register book, are as following:

	Percentage of shareholding (base on paid-up capital)
1. The Viriyah Insurance Public Company Limited	6.43
2. CHASE NOMINEES LIMITED	5.96
3. UBS AG SINGAPORE BRANCH	5.93
4. Thai NVDR Company Limited	4.71
5. Mr. Wanchak Buranasiri	2.91

The registered office of the Company is at 475, Siripinyo Building, Sri Ayutthaya Road, Phayathai, Rajthevi, Bangkok.

1.2 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standards No. 34 (revised 2015) “*Interim Financial Reporting*”, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events, and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

(Unaudited but reviewed)

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

1.3 Basis of consolidation

These consolidated interim financial statements are prepared on the same basis as that applied for the preparation of the consolidated financial statements for the year ended 31 December 2015.

Details of subsidiaries included in the consolidated financial statements of the Company are as follows:

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			31 March	31 December
			<u>2016</u>	<u>2015</u>
			Percent	Percent
<u>Directly owned</u>				
Chanachai Ltd.	Property development	Thailand	100	100
Plus Property Co., Ltd.	Property development	Thailand	100	100
Sansiri Venture Co., Ltd.	Property development	Thailand	100	100
S.U.N. Management Co., Ltd.	Property development	Thailand	100	100
Arnawat Ltd.	Property development	Thailand	100	100
Piwattana Ltd.	Property development	Thailand	100	100
Red Lotus Properties Ltd.	Property development	Thailand	100	100
Pacific Challenge Holding Co., Ltd.	Property development	Thailand	85	85
Sansiri Global Investment Pte. Ltd.	Property development	Singapore	100	100
Plus Property Space Co., Ltd.	Property development	Thailand	100	100
Papanan Ltd.	Property development	Thailand	100	100
NED Management Co., Ltd.	Property development and Holder of Satit Pattana School's license	Thailand	100	100
Satit Pattana Personnel Center Ltd.	Provision of administrative services to Satit Pattana School	Thailand	100	100
Siriwattana Holding Limited	Property development	Thailand	100	-
Pattanasiri Estate Limited	Property development	Thailand	100	-
<u>Indirectly owned</u>				
QT Lifestyle Co., Ltd.	Property development and events management	Thailand	100	100
Touch Property Co., Ltd.	Property development	Thailand	100	100
Sansiri Guernsey (2009) Limited	Property development	Guernsey	100	100
Satit Pattana School	Education business	Thailand	100	100
QEW (Thailand) Co., Ltd.	Events management and full wedding planning services	Thailand	70	70
Sansiri Guernsey (2015) Limited	Property development	Guernsey	100	100

Details of changes in the composition of the group of companies during the current period are presented in Note 6 and 7.

1.4 New financial reporting standards

During the period, the Company has adopted the revised and new financial reporting standards and accounting treatment guidance issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after 1 January 2016. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements.

2. Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2015.

3. Related party transactions

- 3.1 During the periods, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarised below, were concluded on commercial terms and bases agreed upon between the Company and those related parties.

Details of subsidiaries are presented in Note 1.3 and details of joint ventures are presented in Note 7.1. Other related companies have common director with the Company.

(Unit: Thousand Baht)

	For the three-month periods ended 31 March				
	Consolidated financial statements		Separate financial statements		Transfer Pricing Policy
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	
<u>Transactions with subsidiary companies</u>					
(eliminated from the consolidated financial statements)					
Sales of precast concrete	-	-	2,201	-	Cost plus certain margin at a rate of 5%
Revenues from business management and project management	-	-	1,995	1,514	Based on agreement (1)
Interest income	-	-	130,763	148,528	3.25 - 3.50 percent per annum (2015: 3.00 - 3.25 percent per annum)
Commission income	-	-	8,378	2,896	Based on agreement (3)

(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the three-month periods ended 31 March				
	Consolidated financial		Separate		
	statements		financial statements		Transfer Pricing Policy
	2016	2015	2016	2015	
Revenues from land sales	-	-	668,631	-	Cost plus margin
Project management fee and other expenses	-	-	6,647	4,013	Based on agreement (2)
Commission expenses	-	-	12,883	9,986	Based on agreement (3)
Interest expenses	-	-	1,501	894	3.50 percent per annum (2015: 3.25 percent per annum)
<u>Transactions with joint ventures</u>					
Revenues from business management and project management	253,293	-	488,622	-	Based on agreement (1)
Commission income	21	-	-	-	Based on agreement (3)
Revenue from land sales	172,891	413,756	345,782	-	Cost plus margin
Interest income	15,493	2,685	15,493	5,745	3.50 percent per annum (2015: 3.25 percent per annum)

Transactions, pricing policies and related contracts are as follows: -

- (1) Revenue from business service and project management fees are charged based on costs plus certain margin. Those charges are allocated to subsidiaries and joint ventures based on revenue and investment costs, respectively.
- (2) Project management fees are charged monthly, depended upon the size of the project.
- (3) Commission from sales of projects are charged at a rate of 1% of selling price per the contract, with payments divided between the time the customer executes the agreement and when the properties are transferred.

3.2 Directors and management's benefits

During the three-month periods ended 31 March 2016 and 2015, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	Consolidated / Separate financial statements	
	2016	2015
Short-term employee benefits	84,237	78,492
Post-employment benefits	877	743
Total	85,114	79,235

(Unaudited but reviewed)

- 3.3 The balances of the accounts as at 31 March 2016 and 31 December 2015 between the Company and those related parties are as follows: -

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	31 March 2016	31 December 2015	31 March 2016	31 December 2015
<u>Accounts receivable</u>				
Subsidiaries	-	-	6,886	19,350
Joint ventures	1,834	5,123	1,451	1,890
Total	1,834	5,123	8,337	21,240
<u>Prepaid rental expenses</u>				
Subsidiary	-	-	368	-
Total	-	-	368	-
<u>Loans to related parties</u>				
Subsidiaries	-	-	16,443,404	15,100,998
Joint ventures	1,963,688	1,598,688	1,963,688	1,598,688
Related party	5,000	5,000	-	-
Total	1,968,688	1,603,688	18,407,092	16,699,686
Current portion	-	-	2,973,070	4,973,794
Less: Allowance for doubtful accounts	-	-	-	-
Net	-	-	2,973,070	4,973,794
Long-term portion	1,968,688	1,603,688	15,434,022	11,725,892
Less: Allowance for doubtful accounts	(5,000)	(5,000)	-	-
Net	1,963,688	1,598,688	15,434,022	11,725,892
<u>Interest receivables</u>				
Subsidiaries	-	-	47,745	42,856
Joint ventures	15,736	1,349	15,736	1,349
Related party	333	333	-	-
Total	16,069	1,682	63,481	44,205
Less: Allowance for doubtful accounts	(333)	(333)	-	-
Net	15,736	1,349	63,481	44,205
<u>Unearned income</u>				
Related parties	14,100	14,019	12,011	12,011
Total	14,100	14,019	12,011	12,011
<u>Trade accounts payable</u>				
Subsidiaries	-	-	9,730	11,101
Total	-	-	9,730	11,101
<u>Short-term loans from related party</u>				
Subsidiary	-	-	172,000	172,000
Total	-	-	172,000	172,000

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2016	31 December 2015	31 March 2016	31 December 2015
<u>Interest payable</u>				
Subsidiary	-	-	4,012	2,512
Total	-	-	4,012	2,512
<u>Advance received from customer</u>				
Joint ventures	587,599	495,040	587,599	495,040
Total	587,599	495,040	587,599	495,040

3.4 During the period, movements of loans with related parties were as follows: -

(Unit: Million Baht)

	Consolidated financial statements			
	Balance as at	During the period		Balance as at
Loans to	1 January 2016	Increase	Decrease	31 March 2016
Joint ventures				
BTS Sansiri Holding One Ltd.	280.00	40.00	-	320.00
BTS Sansiri Holding Two Ltd.	126.69	-	-	126.69
BTS Sansiri Holding Three Ltd.	161.00	109.00	-	270.00
BTS Sansiri Holding Four Ltd.	180.00	42.00	-	222.00
BTS Sansiri Holding Five Ltd.	28.00	-	-	28.00
BTS Sansiri Holding Six Ltd.	330.00	120.00	-	450.00
BTS Sansiri Holding Seven Ltd.	5.00	-	-	5.00
BTS Sansiri Holding Eight Ltd.	169.00	40.00	-	209.00
BTS Sansiri Holding Nine Ltd.	36.00	-	-	36.00
Nuvo Line Agency Co., Ltd.	-	50.00	-	50.00
BTS Sansiri Holding Eleven Ltd.	283.00	-	(220.00)	63.00
BTS Sansiri Holding TwelveLtd.	-	174.00	-	174.00
BTS Sansiri Holding Fourteen Ltd.	-	86.00	(76.00)	10.00
Related party				
Regency One Co., Ltd.	5.00	-	-	5.00
Total	1,603.69	661.00	(296.00)	1,968.69

(Unaudited but reviewed)

(Unit: Million Baht)

Loans to	Separate financial statements			
	Balance as at	During the period		Balance as at
	1 January 2016	Increase	Decrease	31 March 2016
Subsidiaries				
Arnawat Ltd.	6,322.75	165.69	(608.65)	5,879.79
Plus Property Co., Ltd.	-	50.00	(30.00)	20.00
Piwattana Ltd.	3,264.13	160.41	(305.91)	3,118.63
Red Lotus Properties Ltd.	1,268.76	-	(359.17)	909.59
Plus Property Space Co., Ltd.	756.62	3.67	(70.70)	689.59
NED Management Co., Ltd.	3,445.62	391.29	(199.22)	3,637.69
Sansiri Venture Co., Ltd.	5.60	-	-	5.60
Papanan Ltd.	37.52	-	(24.63)	12.89
Siriwattana Holding Limited	-	435.00	-	435.00
Pattanasiri Estate Limited	-	1,734.63	-	1,734.63
Joint ventures				
BTS Sansiri Holding One Ltd.	280.00	40.00	-	320.00
BTS Sansiri Holding Two Ltd.	126.69	-	-	126.69
BTS Sansiri Holding Three Ltd.	161.00	109.00	-	270.00
BTS Sansiri Holding Four Ltd.	180.00	42.00	-	222.00
BTS Sansiri Holding Five Ltd.	28.00	-	-	28.00
BTS Sansiri Holding Six Ltd.	330.00	120.00	-	450.00
BTS Sansiri Holding Seven Ltd.	5.00	-	-	5.00
BTS Sansiri Holding Eight Ltd.	169.00	40.00	-	209.00
BTS Sansiri Holding Nine Ltd.	36.00	-	-	36.00
Nuvo Line Agency Co., Ltd.	-	50.00	-	50.00
BTS Sansiri Holding Eleven Ltd.	283.00	-	(220.00)	63.00
BTS Sansiri Holding Twelve Ltd.	-	174.00	-	174.00
BTS Sansiri Holding Fourteen Ltd.	-	86.00	(76.00)	10.00
Total	16,699.69	3,601.69	(1,894.28)	18,407.10

(Unit: Million Baht)

Loan from	Separate financial statements			
	Balance as at	During the period		Balance as at
	1 January 2016	Increase	Decrease	31 March 2016
Subsidiary				
Chanachai Ltd.	172.00	-	-	172.00
	172.00	-	-	172.00

As at 31 March 2016, loans to and loan from related parties are clean loans, due for repayment at call, and carry interest at rates of 3.25 - 3.50 percent per annum (31 December 2015: 3.25 - 3.50 percent per annum).

(Unaudited but reviewed)

3.5 Guarantees to related companies

As at 31 March 2016 and 31 December 2015, the Company has the following obligation in respect of guarantee provided to bank for loans facility:-

(Unit: Million Baht)

Guarantor	Guarantee	31 March 2016	31 December 2015
Sansiri Plc.	Arnawat Ltd.	395	395
Total		395	395

4. Trade accounts receivable

Trade accounts receivable as at 31 March 2016 and 31 December 2015 are presented as follows: -

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2016	31 December 2015	31 March 2016	31 December 2015
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	0.01	3.23	-	-
Past due				
Up to 3 months	0.49	1.89	6.78	14.91
3 - 6 months	1.34	-	1.38	5.23
6 - 12 months	-	-	0.18	-
Over 12 months	-	-	-	1.10
Total trade receivables - related parties	1.84	5.12	8.34	21.24
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	33.23	43.16	-	-
Past due				
Up to 3 months	29.36	22.90	6.41	9.50
3 - 6 months	2.15	2.49	3.72	1.40
6 - 12 months	8.44	12.56	2.33	3.97
Over 12 months	17.57	12.72	3.42	1.26
Total	90.75	93.83	15.88	16.13
Less: Allowance for doubtful debts	(22.04)	(17.78)	(9.35)	(6.53)
Total trade receivables				
- unrelated parties, net	68.71	76.05	6.53	9.60
Total trade receivables - net	70.55	81.17	14.87	30.84

5. Property development for sale

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2016	31 December 2015	31 March 2016	31 December 2015
Land	39,439.63	36,931.34	24,349.14	23,990.65
Construction cost	58,534.45	56,501.33	25,613.40	24,273.46
Utility costs	15,742.22	15,181.13	9,070.43	8,624.59
Construction material	34.00	36.48	33.00	24.06
Capitalised financial costs	4,378.72	4,149.91	3,520.18	3,308.67
Total	118,129.02	112,800.19	62,586.15	60,221.43
Less: Accumulated transfer to cost of project	(66,348.31)	(61,471.95)	(32,933.78)	(30,819.64)
Allowance for loss on diminution in value of project	(283.00)	(283.00)	(174.00)	(174.00)
Balance	51,497.71	51,045.24	29,478.37	29,227.79

- 5.1 As at 31 March 2016 and 31 December 2015, land and construction thereon of projects of the Company and its subsidiaries amounting Baht 28,117 million and Baht 30,459 million, respectively, were pledged as collateral for loans obtained from banks (Separate financial statements: Baht 18,648 million and Baht 19,159 million, respectively).
- 5.2 As at 31 March 2016 and 31 December 2015, the estimated expense to the Company and subsidiaries of development and construction for completion of the opened projects (excluding the costs of land and construction already recorded) are Baht 47,498 million and Baht 47,563 million, respectively (Separate financial statements: Baht 31,991 million and Baht 34,098 million, respectively).
- 5.3 During the three-month periods ended 31 March 2016 and 2015, the Company and its subsidiaries included borrowing costs in the cost of property development amounting to Baht 228.81 million and Baht 282.88 million, respectively (Separate financial statements: Baht 211.52 million and Baht 218.44 million, respectively). Capitalisation rates for the three-month periods ended 31 March 2016 and 2015 were 4.33% and 4.60%, respectively (Separate financial statements: 4.47% and 4.66%, respectively).

(Unaudited but reviewed)

- 5.4 Loss on diminution in value of property development for sale and land held for development for the three-month periods ended 31 March 2016 and 2015 are as follow.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
Property development for sale (Note 5)	-	202.63	-	92.63
Land held for development (Note 9)	52.49	-	-	-
Total	52.49	202.63	-	92.63

- 5.5 Additional information of the Company's and its subsidiaries' projects are as follow: -

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2016	31 December 2015	31 March 2016	31 December 2015
Sales with signed agreements	116,878	112,000	62,269	59,513
Total estimated project value	174,978	172,465	96,635	94,144
The ratio of sales with signed agreements				
to total estimated project sales	66.80%	64.94%	64.44%	63.21%
Unearned income	1,949	2,226	1,275	1,380

6. Investments in subsidiaries

As at 31 March 2016 and 31 December 2015, investments in subsidiaries presented in separate financial statements are as follows: -

(Unit: Million Baht)

	Paid-up capital		Percentage of shareholding		Investment at cost		Dividend received for the three-month periods ended 31 March	
	31 March 2016	31 December 2015	31 March 2016 Percent	31 December 2015 Percent	31 March 2016	31 December 2015	2016	2015
<u>Subsidiaries - Directly owned</u>								
Chanachai Ltd.	90.00	90.00	100	100	101.52	101.52	-	50.04
Plus Property Co., Ltd.	150.00	150.00	100	100	160.52	160.52	-	186.00
Sansiri Venture Co., Ltd.	3.00	3.00	100	100	4.52	4.52	-	-
S.U.N. Management Co., Ltd.	10.00	10.00	100	100	20.08	20.08	-	-
Arnawat Ltd.	2.50	2.50	100	100	2.50	2.50	-	-
Piwattana Ltd.	100.00	100.00	100	100	100.00	100.00	-	-
Red Lotus Properties Ltd.	20.00	20.00	100	100	20.00	20.00	-	-
Plus Propety Space Co., Ltd.	2.50	2.50	100	100	4.07	4.07	-	-
Pacific Challenge Holding Co., Ltd.	2.50	2.50	85	85	2.13	2.13	-	-
Papanan Ltd.	20.00	20.00	100	100	20.00	20.00	-	230.00

(Unaudited but reviewed)

(Unit: Million Baht)

	Paid-up capital		Percentage of shareholding		Investment at cost		Dividend received for the three-month periods ended 31 March	
	31	31	31	31	31	31		
	March	December	March	December	March	December		
	2016	2015	2016	2015	2016	2015	2016	2015
			Percent	Percent				
Satit Pattana Personnel Center Ltd.	1.00	1.00	100	100	1.00	1.00	-	-
NED Management Co., Ltd.	40.00	40.00	100	100	40.00	40.00	-	-
Sansiri Global Investment Pte. Ltd.	1,267.18	1,267.18	100	100	1,267.18	1,267.18	-	-
Siriwattana Holding Limited	100.00	-	100	-	100.00	-	-	-
Pattanasiri Estate Limited	100.00	-	100	-	100.00	-	-	-
Total investment in subsidiaries					1,943.52	1,743.52	-	466.04

On 25 January 2016, the Company's Board of Directors meeting No. 1/2016 passed a resolution to approve the setting up of a new subsidiary named Siriwattana Holding Limited, with the registered capital of Baht 100 million. The Company holds 100% of issued and paid up share capital. A new company has engaged in property development and registered its incorporation on 25 January 2016.

On 26 February 2016, the Company's Board of Directors meeting No. 3/2016 passed a resolution to approve the setting up of a new subsidiary named Pattanasiri Estate Limited, with the registered capital of Baht 100 million. The Company holds 100% of issued and paid up share capital. A new company has engaged in property development and registered its incorporation on 4 March 2016.

7. Investments in joint ventures

7.1 Details of investments in joint ventures:

Investments in joint ventures represent investments in entities which are jointly controlled by the Company and other companies. Details of these investments are as follows:

(Unaudited but reviewed)

(Unit: Thousand Baht)

Consolidated financial statements							
Jointly ventures	Nature of business	Shareholding percentage		Cost		Carrying amounts based on equity method	
		31 March	31 December	31 March	31 December	31 March	31 December
		2016	2015	2016	2015	2016	2015
		(%)	(%)				
BTS Sansiri Holding One Ltd.	Property development	50	50	50,000	50,000	_(1)	_(1)
BTS Sansiri Holding Two Ltd.	Property development	50	50	50,000	50,000	_(1)	_(1)
BTS Sansiri Holding Three Ltd.	Property development	50	50	50,000	50,000	_(1)	_(1)
BTS Sansiri Holding Four Ltd.	Property development	50	50	50,000	50,000	_(1)	_(1)
BTS Sansiri Holding Five Ltd.	Property development	50	50	50,000	50,000	_(1)	_(1)
BTS Sansiri Holding Six Ltd.	Property development	50	50	50,000	50,000	_(1)	_(1)
BTS Sansiri Holding Seven Ltd.	Property development	50	50	50,000	50,000	40,895	40,958
BTS Sansiri Holding Eight Ltd.	Property development	50	50	50,000	50,000	_(1)	293
BTS Sansiri Holding Nine Ltd.	Property development	50	50	50,000	50,000	48,417	49,822
Nuvo Line Agency Co., Ltd.	Property development	50	50	214,382	769,019	199,604	764,068
BTS Sansiri Holding Eleven Ltd.	Property development	50	50	50,000	50,000	49,805	49,864
BTS Sansiri Holding Twelve Ltd.	Property development	50	50	50,000	50,000	49,034	49,864
BTS Sansiri Holding Fourteen Ltd.	Property development	50	-	50,000	-	49,868	-
Total				814,382	1,319,019	437,623	954,869

(1) Investments under equity method presented under "Provision for transaction under equity method of investments in joint ventures".

(Unaudited but reviewed)

Investments under equity method presented under “Provision for transaction under equity method of investments in joint ventures” were detailed as follows:

(Unit: Thousand Baht)

Company's name	Consolidated financial statements	
	31 March	31 December
	2016	2015
BTS Sansiri Holding One Ltd.	117,466	106,137
BTS Sansiri Holding Two Ltd.	140,398	136,881
BTS Sansiri Holding Three Ltd.	97,243	87,184
BTS Sansiri Holding Four Ltd.	138,772	138,706
BTS Sansiri Holding Five Ltd.	7,720	6,269
BTS Sansiri Holding Six Ltd.	128,868	-
BTS Sansiri Holding Eight Ltd.	19,135	118,887
Total	649,602	594,064

The Company presented the negative investment value based on equity method as “Provision for transaction under equity method of investments in joint ventures” in the consolidated statement of financial position. The negative investment value was resulted from elimination of gain on related party transactions in proportion to the Company's shareholding in joint ventures.

(Unit: Thousand Baht)

Joint ventures	Nature of business	Separate financial statements			
		Shareholding percentage		Carrying amounts based on cost method - net	
		31 March	31 December	31 March	31 December
		2016	2015	2016	2015
		(%)	(%)		
BTS Sansiri Holding One Ltd.	Property development	50	50	50,000	50,000
BTS Sansiri Holding Two Ltd.	Property development	50	50	50,000	50,000
BTS Sansiri Holding Three Ltd.	Property development	50	50	50,000	50,000
BTS Sansiri Holding Four Ltd.	Property development	50	50	50,000	50,000
BTS Sansiri Holding Five Ltd.	Property development	50	50	50,000	50,000
BTS Sansiri Holding Six Ltd.	Property development	50	50	50,000	50,000
BTS Sansiri Holding Seven Ltd.	Property development	50	50	50,000	50,000
BTS Sansiri Holding Eight Ltd.	Property development	50	50	50,000	50,000
BTS Sansiri Holding Nine Ltd.	Property development	50	50	50,000	50,000
Nuvo Line Agency Co., Ltd.	Property development	50	50	214,382	769,019
BTS Sansiri Holding Eleven Ltd.	Property development	50	50	50,000	50,000
BTS Sansiri Holding Twelve Ltd.	Property development	50	50	50,000	50,000
BTS Sansiri Holding Fourteen Ltd.	Property development	50	-	50,000	-
Total				814,382	1,319,019

On 8 February 2016, the Extraordinary General Meeting of Nuvo Line Agency Co., Ltd. (joint venture)'s shareholders No. 1/2016 passed a resolution to approve the decrease in its registered capital by Baht 1,125 million, from the existing registered capital of Baht 1,500 million to the new registered capital of Baht 375 million (3,750,000 shares with a par value of Baht 100). The joint venture registered the decrease in the registered share capital with the Ministry of Commerce on 16 March 2016. The Company has received such decrease in registered capital of the joint venture on 21 March 2016.

On 13 November 2015, a meeting of the Executive Committee of the Company passed a resolution approving the establishment of 50:50 joint venture company with BTS for the residential projects for sale namely, BTS Sansiri Holding Fourteen Ltd., with a registered share capital of Baht 100 million each (1,000,000 ordinary shares with a par value of Baht 100 each). This company registered its incorporation on 8 February 2016.

7.2 Share of loss

During the periods, the Company recognised its share of loss from investments in the joint ventures in the consolidated financial statements as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	Share of loss from investments in joint ventures during the three-month periods ended 31 March	
Joint ventures	2016	2015
BTS Sansiri Holding One Ltd.	(2,380)	(7)
BTS Sansiri Holding Two Ltd.	(3,517)	(326)
BTS Sansiri Holding Three Ltd.	(1,245)	-
BTS Sansiri Holding Four Ltd.	(66)	-
BTS Sansiri Holding Five Ltd.	(1,451)	-
BTS Sansiri Holding Six Ltd.	(567)	-
BTS Sansiri Holding Seven Ltd.	(63)	-

(Unaudited but reviewed)

(Unit: Thousand Baht)

Consolidated

financial statements

Share of loss from
investments in joint ventures
during the three-month
periods ended 31 March

Joint ventures	2016	2015
BTS Sansiri Holding Eight Ltd.	(11,734)	-
BTS Sansiri Holding Nine Ltd.	(129)	-
Nuvo Line Agency Co., Ltd.	(3,022)	-
BTS Sansiri Holding Eleven Ltd.	(59)	-
BTS Sansiri Holding Twelve Ltd.	(36)	-
BTS Sansiri Holding Fourteen Ltd.	(132)	-
Total	<u>(24,401)</u>	<u>(333)</u>

8. Investment properties

Movements of the investment properties account during the three-month period ended 31 March 2016 are summarised below.

(Unit: Million Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2016	87.79	18.42
Transfer from building and equipment	239.79	239.79
Transfer to property development for sale	(2.84)	(2.17)
Depreciation for period	(3.17)	(2.38)
Net book value as at 31 March 2016	<u>321.57</u>	<u>253.66</u>

9. Land held for development

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2016	31 December 2015	31 March 2016	31 December 2015
Land held for development	4,032.73	4,032.58	1,901.86	1,901.86
Less: Allowance for diminution in value of project	(52.49)	-	-	-
Net	<u>3,980.24</u>	<u>4,032.58</u>	<u>1,901.86</u>	<u>1,901.86</u>

(Unaudited but reviewed)

As at 31 March 2016 and 31 December 2015, land held for development of the Company and its subsidiaries amounting Baht 2,718 million and Baht 2,834 million, were pledged as collateral for loans obtained from banks (Separate financial statements: Baht 1,089 million and Baht 1,205 million).

10. Land, building and equipment

Movements of the land, building and equipment account during the three-month period ended 31 March 2016 are summarised below.

	(Unit: Million Baht)	
	Consolidated <u>financial statements</u>	Separate <u>financial statements</u>
Net book value as at 1 January 2016	2,439.80	1,233.86
Acquisitions during period	40.30	35.95
Disposals during period - net book value	(0.01)	-
Transfer to investment properties		
- net book value	(239.79)	(239.79)
Depreciation for period	(49.59)	(29.10)
Net book value as at 31 March 2016	<u>2,190.71</u>	<u>1,000.92</u>

As at 31 March 2016 and 31 December 2015, the Company and subsidiaries' land and construction thereon of which the net book value amounted Baht 1,037 million and Baht 1,047 million, respectively, were mortgaged to secure loans from banks (Separate financial statements: Baht 689 million and Baht 697 million, respectively).

During the three-month period ended 31 March 2015, the subsidiary recognised loss on diminution in value of land held for development amounting to Baht 4.27 million (2016: Nil).

11. Other intangible assets

Movements of intangible assets account during the three-month period ended 31 March 2016 are summarised below.

	(Unit: Million Baht)	
	Consolidated <u>financial statements</u>	Separate <u>financial statements</u>
Net book value as at 1 January 2016	120.10	105.21
Acquisitions during period	2.46	2.46
Amortisation for period	(5.13)	(3.96)
Net book value as at 31 March 2016	<u>117.43</u>	<u>103.71</u>

12. Leasehold rights

Movements of leasehold rights account during the three-month period ended 31 March 2016 are summarised below.

(Unit: Million Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2016	311.02	36.99
Amortisation for period	(7.15)	(0.52)
Net book value as at 31 March 2016	<u>303.87</u>	<u>36.47</u>

13. Short-term loans from banks/bills of exchange

(Unit: Million Baht)

	Consolidated / Separate financial statements	
	31 March 2016	31 December 2015
<u>Short-term loans from banks</u>		
Promissory notes	<u>3,776.00</u>	<u>1,966.00</u>
<u>Bills of exchange</u>		
Face value	4,500.00	4,500.00
Less: Prepaid interest expense	(25.94)	(26.20)
Net	<u>4,474.06</u>	<u>4,473.80</u>

As at 31 March 2016, short-term loans from banks carried interest at rates of 2.70 - 2.85 percent per annum (31 December 2015: 2.70 - 4.25 percent per annum) and were secured by land and constructions of projects of the Company and its subsidiaries. Bills of exchange carry interest at rates of 2.50 - 3.15 percent per annum (31 December 2015: 2.60 - 2.80 percent per annum).

14. Long-term loans

As at 31 March 2016 and 31 December 2015, long-term loans are presented below: -

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	31 March 2016	31 December 2015	31 March 2016	31 December 2015
Loans from banks	11,329.14	12,962.99	7,859.38	8,347.71
Less: Current portion of long-term loans	(3,045.77)	(4,285.29)	(2,000.21)	(2,294.38)
Net	8,283.37	8,677.70	5,859.17	6,053.33

Long-term loans of the Company and its subsidiaries carry interest at the rates of MLR - 2.625 percent per annum to MLR - 1.25 percent per annum and are due for repayment at a percentage of the value of property transferred to customers.

Land and constructions of projects of the Company and its subsidiaries are mortgaged as collaterals for loans obtained from banks.

Most of loans agreements contain certain covenants and restrictions, such as dividend payment, capital increase and decrease, loans guarantees, change in directors and maintenance of certain financial ratios.

Movements in the long-term loans account during the three-month period ended 31 March 2016 are summarised below.

	(Unit: Million Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2016	12,962.99	8,347.71
Add: Additional borrowings	119.90	76.00
Less: Repayment	(1,753.75)	(564.33)
Balance as at 31 March 2016	<u>11,329.14</u>	<u>7,859.38</u>

During the three-month period ended 31 March 2016, Arnawat Ltd. (a subsidiary) entered into agreement with local commercial bank granting new loans amounting to Baht 100 million, on which interest is charged at rates of MLR - 2 percent per annum. Payments of principal are to be made at a percentage of the value of property transferred to customers and full payment is to be made within 2019. The loans are secured by land and construction of the projects.

15. Long-term promissory notes - purchase of land

Promissory notes - purchase of land are notes which the Company issued to a land seller. The notes mature in September 2017, are interest free, and are avaled by a bank.

16. Unsecured debentures

The Company has issued unsecured, unsubordinated, registered debentures, as detailed below:

(Unit: Million Baht)					
				Consolidated / Separate financial statements	
Debentures	Interest rate	Terms	Due date	31 March 2016	31 December 2015
Debentures # 2/2010	5.60% p.a.	7 years	24 May 2017	2,000.00	2,000.00
Debentures # 1/2011	5.40% p.a. for 1st - 3rd year 6.00% p.a. for 4th - 5th year	5 years	21 July 2016	1,000.00	1,000.00
Debentures # 2/2011	5.40% p.a. for 1st - 3rd year 6.00% p.a. for 4th - 5th year	5 years	3 October 2016	1,000.00	1,000.00
Debentures # 1/2013	4.99% p.a.	5 years	24 January 2018	3,000.00	3,000.00
Debentures # 2/2013	4.75% p.a. for 1st - 2nd year 5.00% p.a. for 3rd - 4th year 5.30% p.a. for 5th year	5 years	30 May 2018	1,000.00	1,000.00
Debentures # 3/2013	4.95% p.a.	5 years	23 August 2018	2,000.00	2,000.00
Debentures # 4/2013	5.20% p.a.	5 years 6 months	4 April 2019	1,000.00	1,000.00
Debentures # 1/2015	4.75% p.a.	5 years	22 June 2020	2,000.00	2,000.00
Debentures # 2/2015	3.90% p.a.	3 years 6 months	19 April 2019	1,000.00	1,000.00
Total debentures, at face value				14,000.00	14,000.00
Less: Unamortised portion of deferred transaction costs				(29.90)	(33.54)
Total debentures				13,970.10	13,966.46
Less: Debentures - due within one year				(1,998.96)	(1,998.32)
Debentures - due over one year				11,971.14	11,968.14

Under rights and responsibilities of debenture issuer, the Company has to comply with certain covenants and restrictions included maintenance of a debt to equity ratio of consolidated financial statements with no excess of 2.5:1 along with debentures' periods (debts mean interest bearing loans).

17. Provision for long-term employee benefits

Movements in the provision for long-term employee benefits for the three-month period ended 31 March 2016 are summarized below:

(Unit: Million Baht)

	Consolidated financial statements	Separate financial statements
Beginning balance	114.92	79.26
Increase during the period	3.93	4.94
Paid during the period	(0.28)	-
Ending balance	118.57	84.20

18. Provisions

Provisions for liabilities on law suit, home care warranty and compensation for Housing Estate Juristic Persons for the three-month period ended 31 March 2016 had the following movements: -

Short-term provisions

(Unit: Million Baht)

	Consolidated financial statements			Separate financial statements		
	Law suits	Home care warranty	Total	Law suits	Home care warranty	Total
Beginning balance	3.15	121.98	125.13	3.15	52.16	55.31
Increase during the period	-	30.55	30.55	-	15.01	15.01
Paid during the period	-	(18.76)	(18.76)	-	(12.05)	(12.05)
Reverse	-	(9.42)	(9.42)	-	-	-
Ending balance	3.15	124.35	127.50	3.15	55.12	58.27

(Unaudited but reviewed)

Long-term provisions

(Unit: Million Baht)

	Consolidated financial statements	Separate financial statements
	Compensation for Housing Estate Juristic Persons	Compensation for Housing Estate Juristic Persons
Beginning balance	149.49	103.49
Increase during the period	7.01	4.31
Reverse	(1.47)	(0.75)
Ending balance	155.03	107.05

19. Warrants/Earnings per share

19.1 Warrants

The Company's warrants are as follows: -

Type of warrant	Exercise price per share	Exercise ratio per 1 warrant	Number of warrants outstanding as at 1 January 2016	Number of warrants exercised during the period	Number of warrants outstanding as at 31 March 2016
SIRI-W2	2.500	1:1.000	3,406,219,088	-	3,406,219,088
ESOP#7	2.500	1:1.000	300,000,000	-	300,000,000

During the three-month period ended 31 March 2016, the Company recorded expenses of the ESOP#7 amounting to Baht 6.2 million as employee related expenses, together with a corresponding increase in capital reserve for share-based payment transactions in shareholders' equity.

19.2 Earnings per share

Basic earnings per share is determined by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

Diluted earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period, plus the weighted average number of ordinary shares which might need to be issued for the conversion of all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the period or on the date the potential ordinary shares were issued.

(Unaudited but reviewed)

The following table sets forth the computation of basic earnings per share and diluted earnings per share:

Consolidated financial statements						
For the three-month periods ended 31 March						
Profit for the periods		Weighted average number of ordinary shares		Earnings per share		
		2016	2015	2016	2015	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
Basic earnings per share						
Profit attributable to equity holders of the Company	556,093	540,633	14,285,501	14,166,786	0.039	0.038
Effect of dilutive potential ordinary shares						
ESOP#6	-	-	-	20,688		
SIRI-W1	-	-	-	38,465		
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of warrant to ordinary shares	556,093	540,633	14,285,501	14,225,939	0.039	0.038
Separate financial statements						
For the three-month periods ended 31 March						
Profit for the periods		Weighted average number of ordinary shares		Earnings per share		
		2016	2015	2016	2015	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
Basic earnings per share						
Profit attributable to equity holders of the Company	237,070	596,301	14,285,501	14,166,786	0.017	0.042
Effect of dilutive potential ordinary shares						
ESOP#6	-	-	-	20,688		
SIRI-W1	-	-	-	38,465		
Diluted earnings per share						
Profit of ordinary shareholders assuming the conversion of warrant to ordinary shares	237,070	596,301	14,285,501	14,225,939	0.017	0.042

There is no disclosure of diluted earnings per share from effect of SIRI-W2 and ESOP#7 warrants in the financial statements for the three-month period ended 31 March 2016 since the exercise aggregated amounts of price and fair value of warrants exceeded the fair value of the Company's ordinary shares.

(Unaudited but reviewed)

20. Revenues from other services/Cost of other services

(Unit: Million Baht)

	For the three-month periods ended 31 March			
	Consolidated financial		Separate financial	
	statements		statements	
	2016	2015	2016	2015
<u>Revenues from other services</u>				
Revenues from hotel business	25.15	21.15	10.41	10.06
Revenues from education business	67.42	58.18	-	-
Total	92.57	79.33	10.41	10.06
<u>Cost of other services</u>				
Cost of hotel business	25.32	15.99	9.31	6.93
Cost of education business	67.09	65.21	-	-
Total	92.41	81.20	9.31	6.93

21. Income tax

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses for the three-month periods ended 31 March 2016 and 2015 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
Current income tax:				
Interim corporate income tax charge	212,335	235,253	90,970	55,828
Deferred tax:				
Relating to origination and reversal				
of temporary differences	(53,291)	(73,281)	(23,518)	(28,935)
Income tax expense reported in the				
statements of comprehensive				
income	159,044	161,972	67,452	26,893

22. Commitments and contingent liabilities

22.1 Capital commitments

As at 31 March 2016 and 31 December 2015, the Company and its subsidiaries have the following capital commitments: -

- a) The Company and its subsidiaries had commitments of Baht 10,872 million and Baht 12,021 million, respectively, under project construction agreements, decoration agreements, advisory service agreements and system development agreements (Separate financial statements: Baht 7,950 million and Baht 8,653 million, respectively).
- b) The Company and its subsidiaries had commitments of Baht 7,710 million and Baht 8,210 million, respectively, under land and condominium purchase agreements (Separate financial statements: Baht 5,402 million and Baht 5,973 million, respectively).

22.2 Operating lease commitments and service agreements

- a) The Company and the subsidiaries have entered into several lease agreements in respect of the lease of office building space, motor vehicles and equipment. The terms of the agreements are generally between 3 and 4 years.

As at 31 March 2016 and 31 December 2015, future minimum lease payments required under non-cancellable operating lease contracts were as follows.

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	31 March 2016	31 December 2015	31 March 2016	31 December 2015
Payable:				
In up to 1 year	103	103	88	88
In over 1 and up to 4 years	209	212	203	204
Total	312	315	291	292

- b) As at 31 March 2016 and 31 December 2015, the Company and its subsidiaries had commitments of Baht 90 million and Baht 44 million in relation to advertising and public relations for the projects (Separate financial statements: Baht 67 million and Baht 26 million, respectively).
- c) As at 31 March 2016 and 31 December 2015, the Company and subsidiaries have servitude over land of approximately 32 rai, of which the cost is included in the cost of projects.

d) The significant long-term lease agreements are as follows: -

- Sansiri Public Company Limited entered into a 30-year land rental agreement at Sukhumvit 77 alley for construction of a community mall for the Habito Project, covering the period from 16 August 2013 to 15 August 2043. Total amounts to Baht 42 million are to be paid, divided into by 3 installments. In August 2013, the Company made an initial payment of Baht 21 million and the remainder is to be paid Baht 10.5 million each over the period of 10 and 20 years of rental agreement.
- Chanachai Limited entered into a 30-year land rental agreement with the Bureau of the Royal Household for construction of a condominium for the Baan Sansiri Project, covering the period from 1 November 1993 to 31 October 2023. Total amounts are Baht 118 million. On the agreement date, Chanachai Limited made an initial payment of Baht 30 million and the remainder is to be paid over the period of 30 years as stipulated in the agreement.
- S.U.N. Management Company Limited entered into a land rental agreement with the Crown Property Bureau in order to construct buildings and structures on such land. The agreement is for 30 years, from 16 September 2002, and the total rental payable is approximately Baht 88 million. The subsidiary paid this rental in full in July 2004.

22.3 Bank guarantees

As at 31 March 2016 and 31 December 2015, there were the outstanding bank guarantees for Baht 2,364 million and Baht 2,137 million, respectively, issued by the banks on behalf of the Company and subsidiaries in respect of certain performance bonds as required in the normal course of business. These included letters of guarantee to guarantee contractual performance regarding preparation and maintenance of public utilities, public services and land improvement and to guarantee electricity use (Separate financial statements: Baht 1,765 million and Baht 1,545 million, respectively).

22.4 Litigations

As at 31 March 2016 and 31 December 2015, the Company and its subsidiaries have various outstanding litigation cases, relating to allegations of breaches of agreements to purchase and to sell and torts. Total damages claimed amounted to Baht 120 million and Baht 90 million, respectively (Separate financial statements: Baht 47 million and Baht 38 million, respectively). However, the Company and its subsidiaries are defending the lawsuits, and since the Company's lawyers and management believe that the Company and its subsidiaries will not incur any losses from the litigation, no additional entries have been made in respect of these cases beyond provision already recorded (Note 18).

22.5 Other commitments

The Company has commitments regarding contribution to the United Nations International Emergency Children's Fund (UNICEF) at a minimum of USD 1 million per year for the three-year period between 2011 and 2013. This is in accordance with memorandum of understanding between the Company and UNICEF dated 28 December 2010. However, the board of director considered and approved extension of the Commitments for 3 years from 2014 to 2016.

22.6 Cross Currency and Interest Rate Swap agreement

The details of the Cross Currency and Interest Rate Swap agreement outstanding as at 31 March 2016 are as follows:

	Currency and Interest Revenue Rate Swap agreement		Currency and Interest Expense Rate Swap agreement		Termination date
	Principal amount	Interest rate	Principal amount	Interest rate	
1	Baht 623 million	Fixed rate at 4.80% per annum	GBP 12.64 million	Floating rate 3-month LIBOR plus 3.25%	December 2019

23. Segment information

The Company and its subsidiaries are organised into business units based on its products and services. During the current period, the Company and its subsidiaries have not changed the organisation of their reportable segments.

The following tables present revenue and profit information regarding the Company and its subsidiaries' operating segments for the three-month periods ended 31 March 2016 and 2015, respectively.

(Unaudited but reviewed)

(Unit: Million Baht)

For the three-month period ended 31 March 2016

	Real estate	Building management and real estate brokerage	Other business	Total Segments	Eliminated	Consolidated
Revenues						
External customers	7,055.94	424.64	92.56	7,573.14	-	7,573.14
Inter-segment	2.25	288.17	10.24	300.66	(300.66)	-
Interest revenue	148.37	0.01	1.58	149.96	(133.84)	16.12
Interest expense	(211.73)	(0.18)	(12.63)	(224.54)	55.36	(169.18)
Depreciation and amortisation	(24.13)	(2.49)	(0.27)	(26.89)	-	(26.89)
Loss on diminution in value of property development for sale and land held for development	(52.49)	-	-	(52.49)	-	(52.49)
Segment profit	1,800.72	389.94	(0.93)	2,189.73	(379.14)	1,810.59
Other income						96.50
Share of loss from investments in joint ventures						(24.40)
Common expense						(1,167.38)
Profit before income tax expenses						715.31
Income tax expense						(159.04)
Profit for the period						556.27

(Unit: Million Baht)

For the three-month period ended 31 March 2015

	Real estate	Building management and real estate brokerage	Other business	Total Segments	Eliminated	Consolidated
Revenues						
External customers	6,241.30	166.96	79.32	6,487.58	-	6,487.58
Inter-segment	0.02	46.06	10.80	56.88	(56.88)	-
Interest revenue	159.86	4.47	1.46	165.79	(162.65)	3.14
Interest expense	(223.42)	(4.36)	(14.65)	(242.43)	54.66	(187.77)
Depreciation and amortisation	(25.36)	(2.95)	(3.78)	(32.09)	-	(32.09)
Loss on diminution in value of property development for sale and land held for development	(202.63)	-	-	(202.63)	-	(202.63)
Loss on diminution in value of land, building and equipment	(4.27)	-	-	(4.27)	-	(4.27)
Segment profit	889.01	89.73	(8.05)	970.69	(164.87)	805.82
Other income						480.11
Loss on exchange						(23.98)
Share of loss from investments in joint ventures						(0.33)
Common expense						(559.09)
Profit before income tax expenses						702.53
Income tax expense						(161.97)
Profit for the period						540.56

24. Events after reporting period

On 29 April 2016, the Annual General Meeting of the Company's shareholders passed resolutions as follows:

- 1) To approve the annual dividend payment for the year 2015 to the Company's shareholders of 14,285,425,672 shares (total paid-up shares of the Company as at the share register book closing date on which shareholders have the right to receive dividend) at the rate of Baht 0.12 per share, totaling Baht 1,714,251,081.
- 2) To approve the issuance and offering of not more than Baht 7,000 million of debentures, or the equivalent in other currencies. The debentures to be issued may be of any type and in any form (secured or unsecured debentures), depending on prevailing market conditions at the time the debentures are issued and offered, and they are to have a term of not over 10 years.
- 3) To approve the decrease of the registered capital of the Company, which was made from the existing registered capital of Baht 19,278,911,911.88 to be the new registered capital of Baht 19,251,140,783.06 by canceling its registered but un-issued shares in the number of 25,954,326 shares. The Company has registered its decrease in registered capital with the Ministry of Commerce on 29 April 2016.

25. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 13 May 2016.