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**Part 3: Financial Position and Operational Results****13. Financial Highlights****Summary of the Report of the Auditor**

EY Office Limited, as the auditor for the Company and its subsidiaries, has audited the consolidated statement of financial position of Bangkok Expressway and Metro Public Company Limited and its subsidiaries, which comprise the consolidated statement of financial position as at 31 December 2016, and the related consolidated statement of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information, and have also audited the separate financial statement of Bangkok Expressway and Metro Public Company Limited as at 31 December 2016. The auditor is of the opinion that the financial statements referred to above present fairly, in all material respects, the financial position of Bangkok Expressway and Metro Public Company Limited and its subsidiaries, and of Bangkok Expressway and Metro Public Company Limited, as at 31 December 2016, their operational results and cash flow for the year then ended in accordance with Thai Financial Reporting Standards.

(Unit : Baht)

Statement of financial position	2016		2015		2014	
	Amount	Percent	Amount	Percent	Amount	Percent
<b>Assets</b>						
<b>Current assets</b>						
Cash and cash equivalents	777,001,145	0.94	4,483,374,825	5.74	2,377,047,712	3.39
Current investments	5,941,349,949	7.18	497,356,702	0.64	2,347,869,300	3.35
Trade and other receivables	1,614,563,463	1.95	84,628,359	0.11	101,814,657	0.15
Current portion of receivable from sales of investment	756,834,379	0.91	564,014,862	0.72	-	-
Other current assets	129,541,368	0.16	239,884,440	0.31	198,265,173	0.29
<b>Total current assets</b>	9,219,290,304	11.14	5,869,259,188	7.52	5,024,996,842	7.18
<b>Non-current assets</b>						
Receivable from sales of investment, net of current portion	-	-	756,834,379	0.97	-	-
Investments in associates	9,667,680,300	11.68	9,836,588,559	12.60	8,893,834,811	12.70
Other long-term investment	1,237,849,790	1.50	913,087,490	1.17	699,337,490	1.00
Investment properties	120,357,493	0.15	120,357,493	0.15	120,357,493	0.17
Building and equipment	340,732,838	0.41	154,365,572	0.20	152,078,567	0.22
Project costs under construction	-	-	19,600,400,995	25.10	10,744,375,635	15.34
Rights to operate completed expressway sectors	41,551,825,215	50.19	20,327,463,226	26.03	23,146,990,149	33.05
Rights to use sites for expressway construction	1,020,623,701	1.23	1,320,193,685	1.69	1,611,877,302	2.30
Intangible asset under concession agreement of the MRTA Initial System Project - Chaloem Ratchamongkhon Line	16,959,960,538	20.49	16,987,640,143	21.75	17,245,678,953	24.63
Advance payment under expressway construction contract	-	-	398,250,000	0.51	1,235,250,000	1.76
Project cost of the MRT Chalong Ratchadham Line	627,255,954	0.76	271,396,970	0.35	136,820,680	0.20
Deferred of project remuneration	1,614,607,949	1.95	942,249,276	1.21	308,832,264	0.44
Other Intangible assets	68,228,569	0.08	36,236,800	0.05	34,591,734	0.05
Deferred tax assets	201,887,940	0.24	474,860,502	0.61	622,207,992	0.89
Other non-current assets	155,262,494	0.18	85,418,857	0.09	48,734,082	0.07
<b>Total non-current assets</b>	73,566,272,781	88.86	72,225,343,947	92.48	65,000,967,152	92.82
<b>Total assets</b>	82,785,563,085	100.00	78,094,603,135	100.00	70,025,963,994	100.00

(Unit: Baht)

Statement of financial position (continued)	2016		2015		2014	
	Amount	Percent	Amount	Percent	Amount	Percent
<b>Liabilities and shareholders' equity</b>						
<b>Current liabilities</b>						
Short-term loans from financial institutions	4,715,775,247	5.70	22,410,000,000	28.70	2,000,000,000	2.86
Trade and other payables	819,413,535	0.99	2,579,553,648	3.30	2,009,237,107	2.87
Payable from purchase of investment - due within 1 year	-	-	-	-	313,695,000	0.45
Current portion of long-term loans from financial institutions	2,066,750,000	2.50	118,500,000	0.15	40,500,000	0.06
Unearned fare box revenue	111,971,378	0.14	89,973,896	0.12	86,935,236	0.12
Deposits on stored value ticket	43,313,997	0.05	34,738,933	0.04	35,474,683	0.05
Current portion of debentures	-	-	-	-	3,000,000,000	4.28
Income tax payable	31,444,025	0.04	306,735,926	0.39	308,734,049	0.44
Current portion of provision for compensation for site acquisition cost	1,500,000,000	1.81	1,500,000,000	1.92	1,500,000,000	2.14
Other current liabilities						
Retention guarantees	70,983,137	0.09	161,068,581	0.21	208,666,119	0.30
Others	198,105,957	0.23	114,148,191	0.15	133,895,027	0.19
<b>Total current liabilities</b>	<b>9,557,757,276</b>	<b>11.55</b>	<b>27,314,719,175</b>	<b>34.98</b>	<b>9,637,137,221</b>	<b>13.76</b>
<b>Non-current liabilities</b>						
Long-term loans from financial institutions, net of current portion	16,952,402,523	20.48	17,329,066,575	22.19	12,089,017,683	17.26
Debentures, net of current portion	23,167,912,861	27.99	-	-	16,384,594,851	23.40
Derivative financial liabilities	18,608,408	0.02	-	-	-	-
Provision for compensation for site acquisition cost, net of current portion	2,817,151,698	3.40	4,066,671,698	5.21	5,262,381,698	7.51
Provision for long-term employee benefits	471,043,876	0.57	237,842,102	0.30	211,263,100	0.30
Other non-current liabilities	17,982,160	0.02	16,269,432	0.02	232,982,188	0.34
<b>Total non-current liabilities</b>	<b>43,445,101,526</b>	<b>52.48</b>	<b>21,649,849,807</b>	<b>27.72</b>	<b>34,180,239,520</b>	<b>48.81</b>
<b>Total liabilities</b>	<b>53,002,858,802</b>	<b>64.03</b>	<b>48,964,568,982</b>	<b>62.70</b>	<b>43,817,376,741</b>	<b>62.57</b>

(Unit: Baht)

Statement of financial position (continued)	2016		2015		2014	
	Amount	Percent	Amount	Percent	Amount	Percent
<b>Shareholders' equity</b>						
Share capital						
Registered						
15,285,000,000 ordinary shares of Baht 1 each	15,285,000,000	18.46	15,285,000,000	19.57	28,500,000,000	40.70
Issued and paid-up						
15,285,000,000 ordinary shares of Baht 1 each	15,285,000,000	18.46	15,285,000,000	19.57	28,200,000,000	40.27
Premium on ordinary shares	5,816,938,084	7.03	5,816,938,084	7.45	5,816,938,084	8.31
Investment before amalgamation	-	-	-	-	(2,340,328,827)	-3.34
Retained earnings						
Appropriated - statutory reserve	928,690,000	1.12	800,490,000	1.02	800,000,000	1.14
Unappropriated	7,763,596,451	9.38	7,254,261,049	9.29	(6,390,591,344)	-9.13
Other components of shareholders' equity	(104,972,966)	-0.13	(113,097,160)	-0.14	(34,442,517)	-0.05
Equity attributable to shareholders of the Company	29,689,251,569	35.86	29,043,591,973	37.19	26,051,575,396	37.20
Non-controlling interests of the subsidiaries	93,452,714	0.11	86,442,180	0.11	157,011,857	0.23
<b>Total shareholders' equity</b>	29,782,704,283	35.97	29,130,034,153	37.30	26,208,587,253	37.43
<b>Total liabilities and shareholders' equity</b>	82,785,563,085	100.00	78,094,603,135	100.00	70,025,963,994	100.00

(Unit: Baht)

Income statement	2016		2015		2014	
	Amount	Percent	Amount	Percent	Amount	Percent
<b>Revenues</b>						
Revenue from expressway business	9,300,724,132	70.28	8,814,588,007	67.26	8,485,017,698	71.40
Revenue from rail business	3,230,064,080	24.41	2,373,562,621	18.11	2,247,826,551	18.92
Revenue from commercial development business	573,349,010	4.33	549,431,372	4.19	501,051,472	4.22
Other income						
Interest income	68,199,690	0.52	57,843,948	0.44	43,267,448	0.36
Gain from sales of investment before amalgamation	-	-	1,235,526,377	9.43	-	-
Gain from sales of investment	31,090,443	0.23	62,222,728	0.47	536,651,350	4.52
Others	29,967,268	0.23	11,636,374	0.10	69,584,458	0.58
<b>Total revenues</b>	<b>13,233,394,623</b>	<b>100.00</b>	<b>13,104,811,427</b>	<b>100.00</b>	<b>11,883,398,977</b>	<b>100.00</b>
<b>Expenses</b>						
Cost of expressway business	1,345,932,621	10.17	1,239,604,475	9.46	1,101,541,468	9.27
Cost of rail business	1,959,861,340	14.81	1,444,542,770	11.02	1,369,850,563	11.53
Cost of commercial development business	199,943,914	1.51	210,151,434	1.60	185,867,601	1.56
Amortisation of rights to operate completed expressway sectors and compensation for site acquisition cost	3,470,883,807	26.23	3,422,566,022	26.12	3,326,864,677	28.00
Amortisation on intangible asset under concession agreement of the MRTA Initial System Project - Chaloem Ratchamongkhon Line and remuneration fee to the grantor	851,636,080	6.44	777,584,371	5.93	572,317,474	4.82
Selling expenses	92,540,321	0.70	79,252,582	0.60	54,459,803	0.46
Administrative expenses	1,038,036,681	7.84	1,035,883,873	7.92	868,993,631	7.30
<b>Total expenses</b>	<b>8,958,834,764</b>	<b>67.70</b>	<b>8,209,585,527</b>	<b>62.65</b>	<b>7,479,895,217</b>	<b>62.94</b>

(Unit: Baht)

Income statement	2016		2015		2014	
	Amount	Percent	Amount	Percent	Amount	Percent
<b>Profit before share of profit from investments in associates, finance cost and income tax expenses</b>	4,274,559,859	32.30	4,895,225,900	37.35	4,403,503,760	37.06
Share of profit from investments in associates	347,349,465	2.63	461,212,789	3.52	546,426,651	4.59
<b>Profit before finance cost and income tax expenses</b>	4,621,909,324	34.93	5,356,438,689	40.87	4,949,930,411	41.65
Finance cost	(1,446,116,624)	-10.93	(1,934,186,129)	-14.76	(1,437,191,010)	-12.09
<b>Profit before income tax expenses</b>	3,175,792,700	24.00	3,422,252,560	26.11	3,512,739,401	29.56
Income tax expenses	(562,927,698)	-4.26	(721,234,596)	-5.50	(702,302,531)	-5.91
<b>Profit for the period</b>	2,612,865,002	19.74	2,701,017,964	20.61	2,810,436,870	23.65
<b>Profit attributable to:</b>						
Equity holders of the Company	2,605,854,468	19.69	2,649,736,343	20.22	2,744,542,901	23.10
Non-controlling interests of the subsidiaries	7,010,534	0.05	51,281,621	0.39	65,893,969	0.55
	2,612,865,002	19.74	2,701,017,964	20.61	2,810,436,870	23.65
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the Company	0.170		0.173		0.180	

(Unit: Baht)

Statement of comprehensive income	2016		2015		2014	
	Amount	Percent	Amount	Percent	Amount	Percent
<b>Profit for the period</b>	2,612,865,002	19.74	2,701,017,964	20.61	2,810,436,870	23.65
<b>Other comprehensive income</b>						
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>						
Unrealised loss from cash flow hedges of the Company, net of income tax	(14,886,726)	-0.11	-	-	-	-
Unrealised gain (loss) from cash flow hedges of associate, net of income tax	19,198,381	0.15	(46,505,941)	-0.35	(1,754,805)	-0.01
Unrealised gain from revaluation of available for sale investment	3,812,539	0.02	-	-	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods, net of income tax	8,124,194	0.06	(46,505,941)	-0.35	(1,754,805)	-0.01
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>						
Actuarial gain (loss) of the Company, net of income tax	(134,132,646)	-1.01	5,606,050	0.04	(4,689,568)	-0.04
Actuarial gain (loss) of associates	13,580	-	-	-	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods, net of income tax	(134,119,066)	-1.01	5,606,050	0.04	(4,689,568)	-0.04
<b>Other comprehensive income for the period</b>	(125,994,872)	-0.95	(40,899,891)	-0.31	(6,444,373)	-0.05
<b>Total comprehensive income for the period</b>	2,486,870,130	18.79	2,660,118,073	20.30	2,803,992,497	23.59
<b>Total comprehensive income attributable to:</b>						
Equity holders of the Company	2,479,859,596	18.74	2,608,836,452	19.91	2,738,098,528	23.04
Non-controlling interests of the subsidiaries	7,010,534	0.05	51,281,621	0.39	65,893,969	0.55
	2,486,870,130	18.79	2,660,118,073	20.30	2,803,992,497	23.59

(Unit: Baht)

Cash flow statement	2016	2015	2014
<b>Cash flows from operating activities</b>			
Profit before tax	3,175,792,70	3,422,252,560	3,512,739,401
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:			
Amortisation and depreciation	3,422,513,41	3,270,656,984	3,144,375,105
Allowance for doubtful debt	471,546	-	-
Amortisation of financial fees	17,883,479	39,449,343	21,491,782
Gain from sales of investment before amalgamation	-	(1,235,526,377)	-
Withholding tax deducted at source written off	-	-	37,895
Loss (gain) on disposal/write off of equipment and intangible asset under concession agreement of the MRTA Initial System Project - Chaloem Ratchamongkhon Line	1,197,724	(3,481,422)	(4,397,582)
Compensation for site acquisition cost	550,049,984	595,973,617	625,658,983
Provision for long-term employee benefits	63,285,807	36,803,472	38,572,363
Share of profit from investments in associates	(347,349,465)	(461,212,789)	(546,426,651)
Unrealised loss (gain) on exchange rate	509,200	552,419	(5,710,436)
Interest income	(67,646,250)	(57,085,937)	(41,230,197)
Interest expenses	1,173,937,46	1,330,203,885	1,363,648,694
Profit from operating activities before changes in operating assets and liabilities	7,959,555,15	6,876,363,027	7,572,070,112
Operating assets (increase) decrease			
Trade and other receivables	(1,530,393,8	21,466,299	(6,252,094)
Other current assets	100,361,854	(41,775,407)	(72,219,772)
Deferred of project remuneration	(672,358,673	(633,417,011)	(227,082,264)
Other non-current assets	(59,034,205)	(27,667,427)	(575,606)
Operating liabilities increase (decrease)			
Trade payables and other payables	35,153,974	133,650,482	(233,224,883)
Unearned fare box revenue	21,997,482	3,038,660	9,468,703
Deposits on stored value ticket	8,575,064	(735,750)	3,114,102
Other current liabilities	(14,279,907)	(75,632,327)	110,347,238
Other non-current liabilities	(2,731,699)	(12,808,430)	(12,856,850)
Cash paid for compensation for site acquisition cost	(1,500,000,0	(1,500,000,000)	(1,200,000,00
Net cash flows from operating activities	4,346,845,16	4,742,482,116	5,942,788,596
Cash received from interest income	14,076,604	4,537,910	20,704,737
Cash paid for income tax	(515,595,620)	(585,484,131)	(505,029,424)
<b>Net cash flows from operating activities</b>	<b>3,845,326,15</b>	<b>4,161,535,895</b>	<b>5,458,463,909</b>



(Unit: Baht)

Cash flow statement (continued)	2016	2015	2014
<b>Cash flows from investing activities</b>			
Decrease (increase) in current investments	(5,419,545,593)	1,901,788,886	(1,543,142,652)
Increase of investments in subsidiary	-	(154,000,000)	-
Cash paid for purchases of investments in associates	-	(1,402,165,044)	(400,000,000)
Cash received from sales of investments in associates	46,971,310	42,514,120	1,097,300,894
Cash received from sales of investment before amalgamation	600,000,000	2,300,000,000	-
Increase in other long-term investments	(324,762,300)	(213,750,000)	(265,106,250)
Cash received from sales of equipment and intangible asset under concession agreement of the MRTA Initial System Project - Chaloom Ratchamongkhon Line	8,074,075	3,514,566	4,650,462
Purchase of equipment	(233,560,594)	(39,352,287)	(49,625,222)
Cash received from interest income	12,907,263	9,339,041	21,897,342
Cash received from dividend income	498,953,704	528,855,465	524,972,500
Cash paid for the MRT Chalong Ratchadham Line	(362,076,317)	(134,104,815)	181,837,781
Increase in intangible asset under concession agreement of the MRTA Initial System Project - Chaloom Ratchamongkhon Line	(412,493,534)	(141,867,979)	(81,439,260)
Cash paid for expressway construction	(5,732,648,468)	(7,038,885,967)	(6,361,914,211)
Interest expenses capitalised as cost of expressway projects	(301,989,908)	(385,316,949)	(249,509,380)
Increase in intangible assets	(43,075,180)	(8,680,720)	(7,462,181)
<b>Net cash flows used in investing activities</b>	<b>(11,663,245,54)</b>		<b>(7,127,540,177)</b>
<b>Cash flows from financing activities</b>			
Cash received for in short-term loans from financial institutions	10,400,000,00	20,410,000,000	2,000,000,000
Cash paid for short-term loans from financial institutions	(28,090,000,00)	-	-
Repayment of construction payable to related party	-	-	(60,185,781)
Cash received from long-term loans from financial institutions	12,344,000,00	5,356,000,000	2,460,185,781
Repayment of long-term loans from financial institutions	(10,759,185,78)	(40,500,000)	(2,259,064,970)
Cash received from debentures	23,500,000,00	-	4,000,000,000
Cash paid for redemption of debentures	(300,000,000)	(19,400,000,00)	(2,700,000,000)
Cash paid for financial fees	(67,423,644)	(21,495,301)	(14,143,028)
Interest paid	(1,081,644,863)	(1,702,101,798)	(1,104,272,809)
Dividend paid	(1,834,200,000)	(1,925,000,000)	(1,309,000,000)
<b>Net cash flows from (used in) financing activities</b>	<b>4,111,545,712</b>	<b>2,676,902,901</b>	<b>1,013,519,193</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(3,706,373,680)</b>	<b>2,106,327,113</b>	<b>(655,557,075)</b>
Cash and cash equivalents at beginning of period	4,483,374,825	2,377,047,712	3,032,604,787
<b>Cash and cash equivalents at end of period</b>	<b>777,001,145</b>	<b>4,483,374,825</b>	<b>2,377,047,712</b>

## 13.2 Financial Ratios of Financial Statements

	Unit	2016	2015	2014
<b>LIQUIDITY RATIO</b>				
1. Liquidity Ratio	Time	0.96	0.21	0.52
2. Quick Ratio	Time	0.87	0.19	0.50
3. Cash Flow Ratio	Time	0.21	0.23	0.65
4. Accounts Receivable Turnover *	Time	N/A	N/A	N/A
5. Average Collection Period *	Day	N/A	N/A	N/A
6. Accounts Payable Turnover *	Time	N/A	N/A	N/A
7. Average Debt Servicing Period *	Day	N/A	N/A	N/A
8. Cash Cycle*	Day	N/A	N/A	N/A
<b>PROFITABILITY RATIO</b>				
9. Gross Profit Margin	%	40.26	39.56	41.64
10. Cash to Profitability Ratio	%	92.07	86.24	127.22
11. Net Profit Margin	%	19.69	20.22	23.10
12. Return on Equity	%	8.87	9.76	11.04
<b>EFFICIENCY RATIO</b>				
13. Return on Total Assets	%	3.25	3.65	4.15
14. Return on Fixed Assets	%	12.53	15.31	14.21
15. Assets Turnover	Time	0.16	0.18	0.18
<b>FINANCIAL POLICY RATIO</b>				
16. Debt to Equity Ratio	Time	1.78	1.68	1.67
17. Interest Coverage Ratio	Time	6.62	6.03	5.88
18. Obligation Serviceability Ratio (Cash Basis)	Time	3.32	1.67	1.32
19. Net Debt to EBITDA	Time	5.96	5.48	4.87
<b>Per Share DATA</b>				
20. Book Value per Share	Baht	1.94	1.90	1.70
21. Net Earnings per Share	Baht	0.17	0.17	0.18
22. Dividend per Share	Baht	0.11	0.07	-

Note \* These ratios are not appropriated for consideration of the Company's operation according to the amount of accounts receivable and accounts payable which are not significant for the Company's nature of operation

## Report on Responsibilities of the Board of Directors towards the Financial Report

The Company's Board of Directors realizes the significance of its duties and responsibilities in supervising the Company's business to ensure good management in accordance with laws, detailed objectives and the Company's Articles of Association, as well as resolutions of the shareholders' meetings with integrity and prudence. The Board of Directors protects the benefits of the Company, shareholders and general investors by ensuring that the Company's financial report contains accurate and full accounting records that reflect the Company's actual financial status and operational results.

The Company's Board of Directors establishes the Audit Committee comprising independent directors fully qualified in accordance with the requirements of the Stock Exchange of Thailand to review and ensure accuracy and sufficiency of the financial report, including accurate and complete disclosure of connected transactions or transactions with possible conflict of interest, in compliance with the requirements of the Stock Exchange of Thailand and relevant rules and regulations. In this regard, the Audit Committee has already reported its performance to the Company's Board of Directors.

The Company's Board of Directors is of the opinion that the financial statements for 2016 of the Company and the Subsidiaries, which have been reviewed by the Audit Committee in conjunction with the management, and audited by the Company's auditor, reflect accurate financial status and operational results as appropriate in material aspects in accordance with generally accepted accounting principles.

(Dr. Virabongsa Ramangkura)  
Chairman of the Board of Directors  
22 February 2017

(Mrs. Payao Marittanaporn)  
Managing Director  
22 February 2017

## 14. Management Discussion and Analysis

### Significant events in this year

Bangkok Expressway and Metro Public Company and its subsidiaries (“the Company”), the operator of Expressway and Rail business has operated significant projects in the year 2016 as following order;

On August 6, 2016, the Company has operated the service for the MRT Purple Line project Bang Yai- Rat Burana, Bangyai-Bang Sue section (Klong Bang Pai station - Tao Poon station), which was awarded as PPP Gross Cost concession by the Mass Rapid Transit Authority of Thailand (MRTA). MRTA invests in all civil works and the Company invests in the M&E Systems and the rolling stocks, as well as provides the operation and maintenance services in accordance with the specified service standards. MRTA is entitled to all fare box revenue and commercial development revenue from the utilization of the civil infrastructure and the railway systems and MRTA shall make repayment to the Company in the form of service fee for the O&M Services and the M&E Systems. The MRT Purple Line project’s total route is 23 kilometers with 16 stations, starting from Klong Bang Pai station and ends at Tao Poon station, where the passengers can access to the central of Bangkok via the MRT Blue Line at Bang Sue station.

On August 22, 2016, the Company has operated the Si Rat-Outer Ring Road Expressway (SOE). The Company was awarded the SOE concession by the Expressway Authority of Thailand (EXAT), which the Company was responsible for investment, design, construction, operation, service and maintenance in return for the rights in toll revenue and other revenue (if any). The SOE project’s total route is 16.7 kilometers, which starts from the Bangkok Outer Ring Road (Kanjapisek Road near Mahasawat water treatment plant) connects to the Si Rat Expressway System (SES) at the northern section of the Bus Terminal (Mo Chit 2) which can access to the central of Bangkok via at Bang Sue 2 toll plaza.

### Overview Operational Results

In the year 2016, the Company had the net profit attributable to equity holders of the Company in the amount of Baht 2,606 Million, representing an increase by Baht 925 Million or 55 percent, when compared with the net profit from normal operation of the year 2015 which excluded extraordinary transaction from a gain on sales of investment in Bangkok Metro Public Company Limited before an amalgamation, net of tax, in the amount of Baht 969 Million. The Company had the revenue from main business increased by Baht 1,366 Million. The toll revenue from Expressway business increased by Baht 486 Million or 5.5 percent due to an increase in the traffic volume in all routes and a positive impact from the opening of the Si Rat-Outer Ring Road Expressway on August 22, 2016. In addition, the revenue from Rail business also increased by Baht 856 Million or 36.1 percent, resulted from the increasing of passenger volume and the revenue of O&M service of the MRT Purple Line which operated on August 6, 2016. Cost of service increased in relevant to the opening of the projects. Moreover, financial cost decreased by Baht 488 Million or 25.2 percent from debt restructuring. Nevertheless, the interest cost from construction loans, which were formerly recorded as cost of construction, were recorded as interest expense in the income statement after the opening of the SOE project.

When compared the net profit of the year 2016 amounted to Baht 2,606 Million with the net profit of the year 2015 amounted to Baht 2,650 Million which included extraordinary transaction from a gain on sales of investment, net of tax, in the amount of Baht 969 Million, the net profit decreased from the previous year by Baht 44 Million or 1.7 percent due to there is no transaction in this year.

**Segmental performance****1. Expressway business**

The Company had toll revenue of Baht 9,301 Million, representing an increase from the previous year by Baht 486 Million or 5.5 percent due to an increase from the traffic volume in all routes. The traffic volume of the First Stage Expressway (FES) and the Second Stage Expressway (SES) had increased from the previous year on the average of 15,000 trips/day or 1.4 percent. The SOE had traffic volume on the average since an opening on August 22 to December 31, 2016 at 39,400 trips/day. As a result, overall toll revenue from FES and SES included SOE increased by Baht 371 Million or 4.9 percent, when compared to the previous year. For the Bang Pa-in - Pak Kret Expressway, the traffic volume increased from the previous year on the average of 7,000 trips/day or 9.4 percent from the expansion of suburban area, which resulted in toll revenue increased by Baht 115 Million or 9.5 percent, when compared to the previous year.

Cost of service for operation of Expressway business consisted of costs of toll, amortization of rights to operate completed expressway sectors and compensation for site acquisition cost, for the year 2016, amounted to Baht 4,817 Million, representing an increase from the previous year by Baht 154 Million or 3.3 percent. This was mainly from the increase in traffic volume and the opening of the SOE.

**2. Rail business**

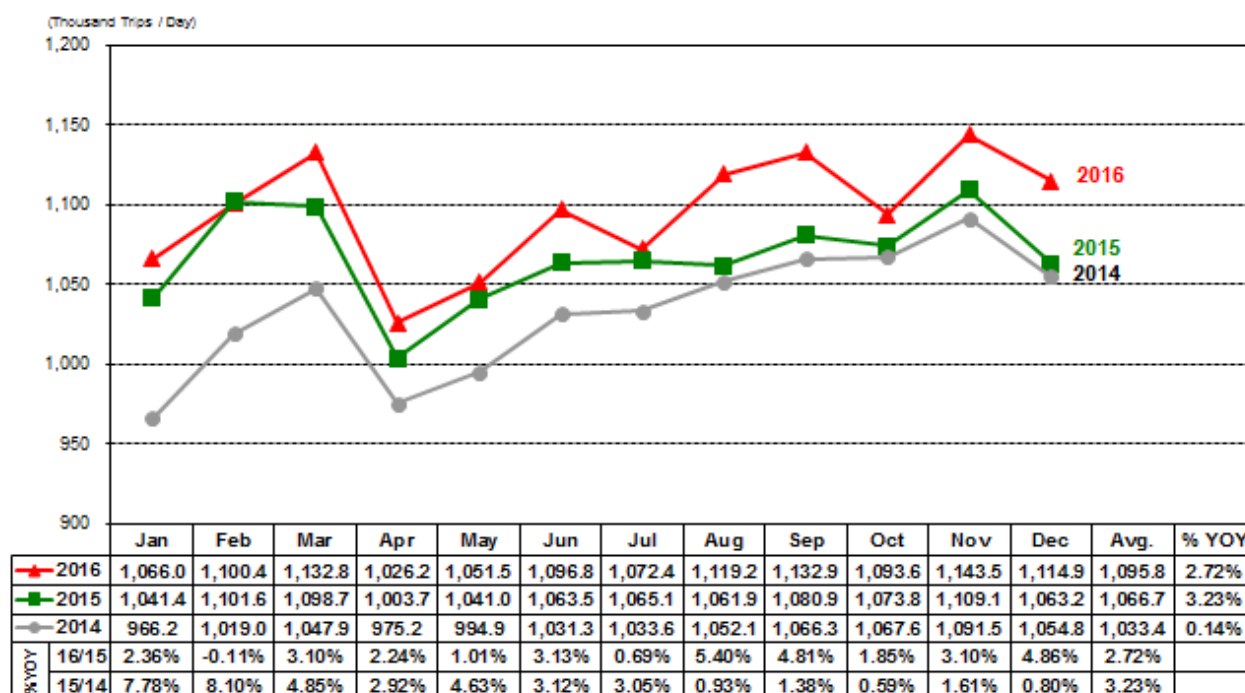
The Company had farebox revenue of Baht 3,230 Million, representing an increase from the previous year by Baht 856 Million or 36.1 percent. Farebox revenue had increased from the rising of the average ridership from the MRT Blue Line are at 13,400 trips/day or 5.1 percent and from the increasing of service revenue from the MRT Purple Line (O&M contract) which operated on August 6, 2016.

Cost of Rail business consisted of costs of farebox, cost for supplying O&M services, amortization of intangible asset under the MRT Blue Line Project, operation and remuneration to the grantor which for the year 2016, amounted to Baht 2,769 Million, representing an increase by Baht 576 Million or 26.3 percent from the previous year. This is caused by the increase in ridership and the initial cost of O&M services by the MRT Purple Line which is in line with revenue growth.

**3. Commercial Development Business**

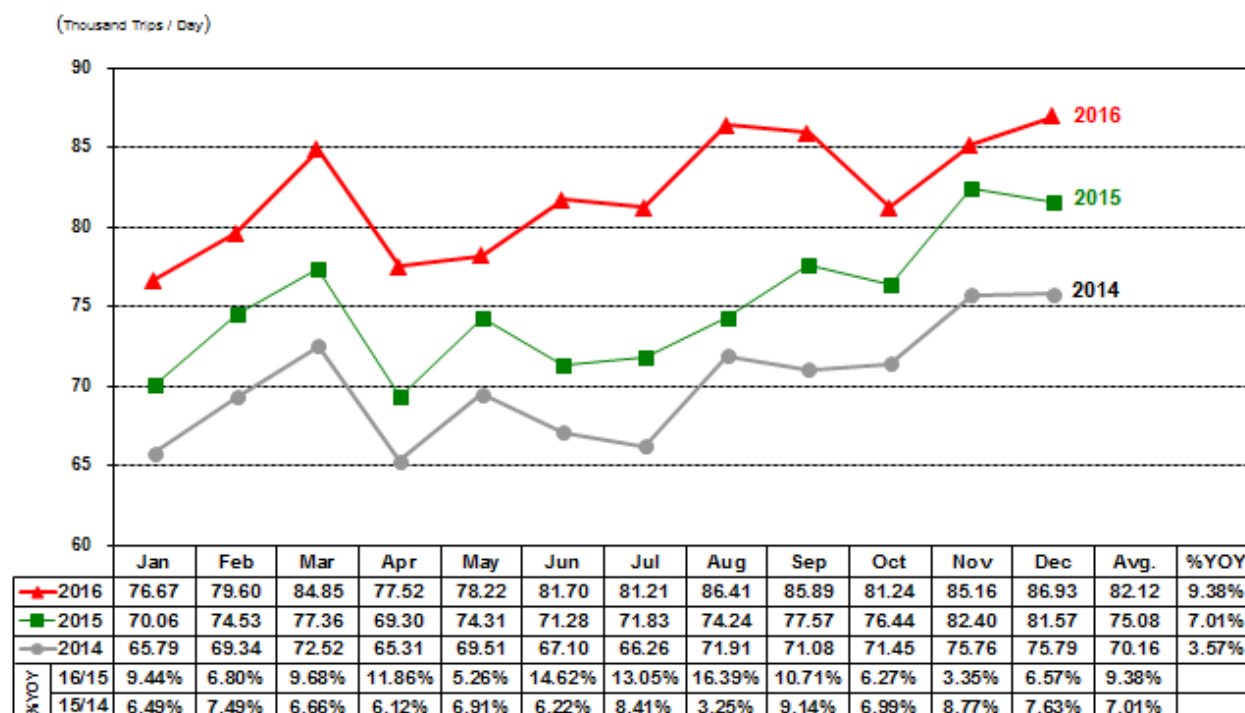
In the year 2016, total commercial development revenue was Baht 573 Million, representing an increase from the previous year by Baht 24 Million or 4.4 percent, which was mainly from the commercial development revenue related to rail business.

### Average Daily Traffic Volume for the First Stage Expressway, the Second Stage Expressway and the Si Rat-Outer Ring Road Expressway



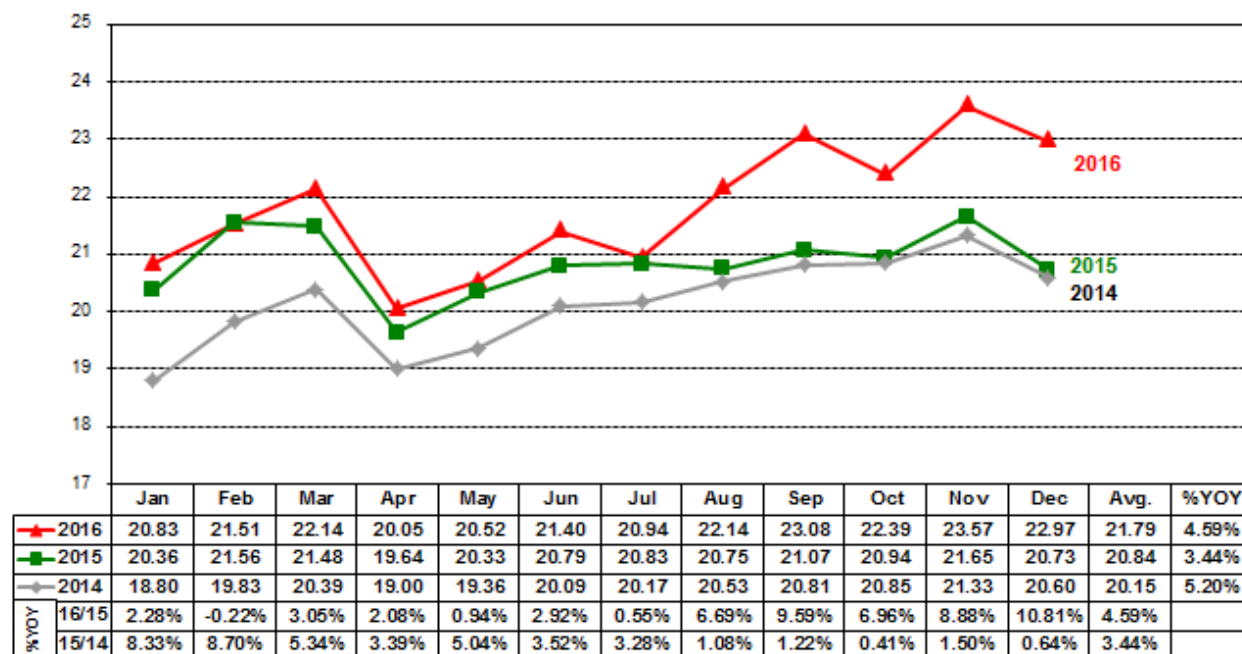
Note : The Si Rat Outer Ring Road Expressway was opened on August 22, 2016

### Average Daily Traffic Volume for the Bang Pa-in - Pak Kret Expressway



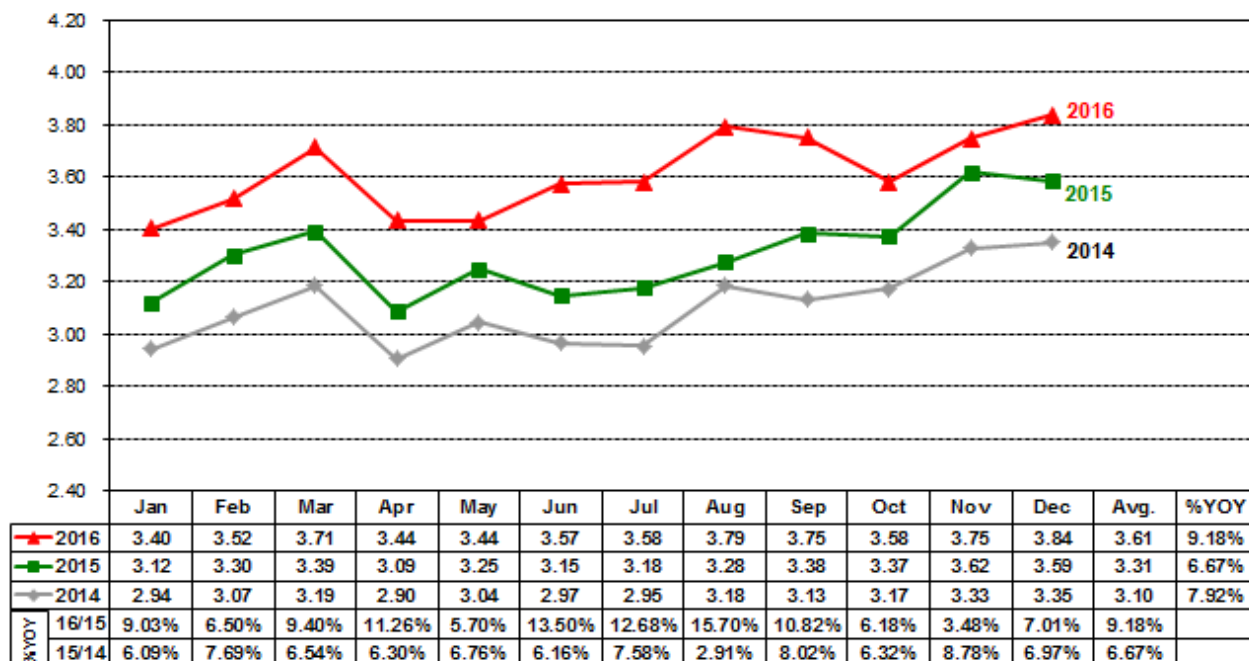
### Average Daily Toll Revenue for the First Stage Expressway, the Second Stage Expressway and the Si Rat-Outer Ring Road Expressway

(Million Baht / Day)



### Average Daily Toll Revenue for the Bang Pa-in - Pak Kret Expressway

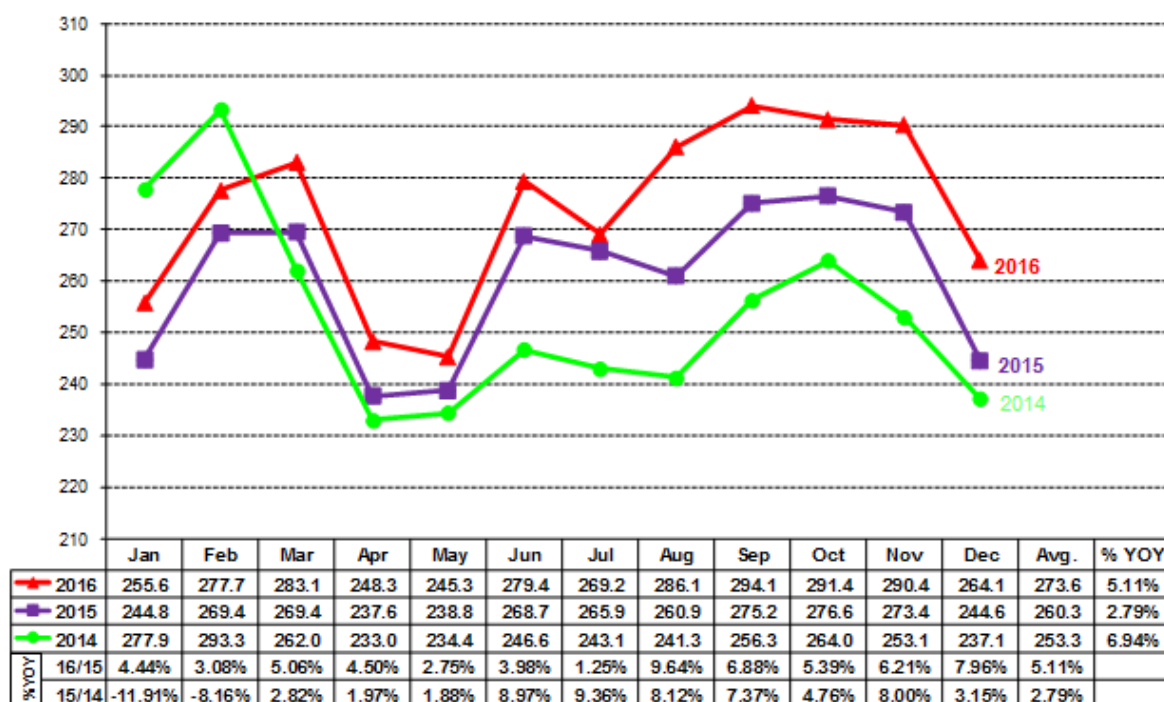
(Million Baht / Day)



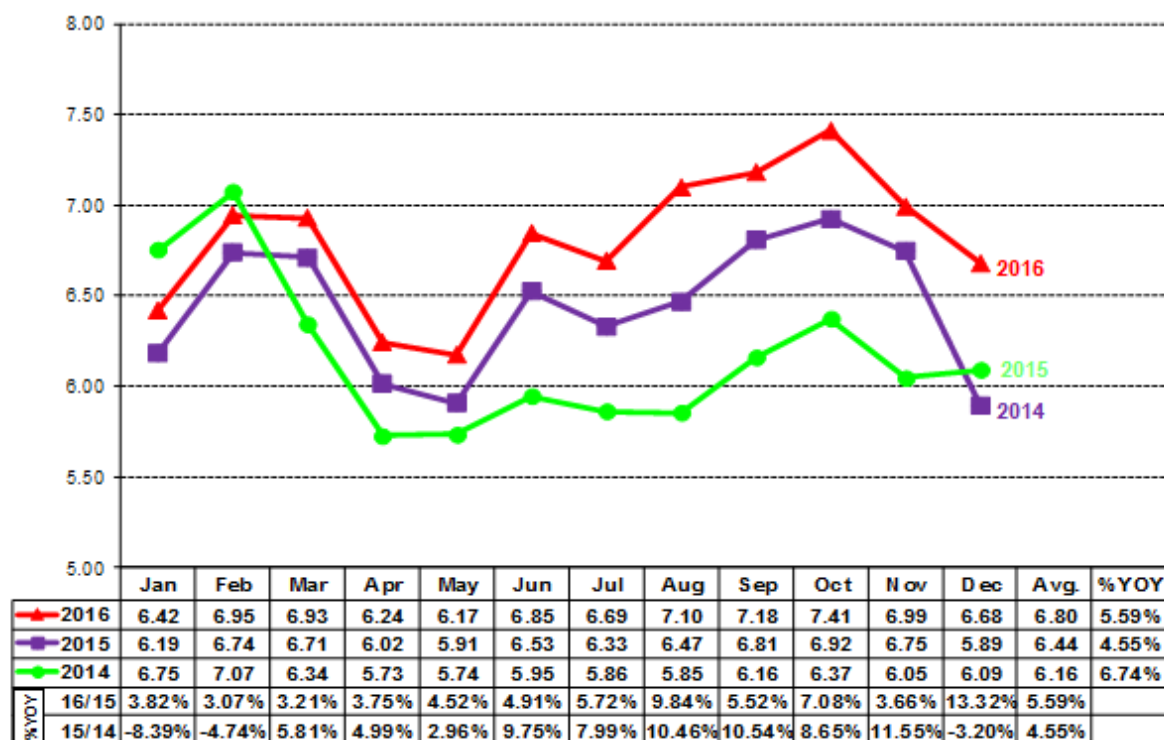


**Average Daily Ridership for Chaloem Ratchamongkhon Line**

(Thousand Trips / Day)


**Average Daily Farebox Revenue for Chaloem Ratchamongkhon Line**

(Million Baht / Day)



Note : Not include farebox revenue adjustment in June 2015



**Financial Position**

As at December 31, 2016, the Company and its subsidiaries had total assets amounted to Baht 82,786 Million, representing an increase by Baht 4,691 million, when compared with total assets as at December 31, 2015, mainly from the increase in the project cost of the Si Rat-Outer Ring Road Expressway which was opened on August 2016. Total liabilities amounted to Baht 53,003 Million, representing an increase by Baht 4,038 Million which is consistent to the increase in asset. Total shareholders' equity amounted to Baht 29,793 Million, representing an increase by Baht 653 Million from the net profit and dividend payment of Baht 1,834 Million.

**Cash Flows**

For the year 2016, the Company and its subsidiaries generated cash flows from operating activities amounting to Baht 3,845 Million. Cash utilized of Baht 11,663 Million from investing activities as follows (1) investment in the Si Rat-Outer Ring Road Expressway Project in the amount of Baht 6,035 Million, (2) investment in current investments and other investment in the amount of Baht 5,744 Million, (3) paid for the M&E equipment of the MRT Blue Line Project and investment in the MRT Purple Line Project in the net amount of Baht 766 Million, (4) acquisition of fixed assets and other assets in the net amount of Baht 277 Million, and (5) cash receipt from sales of investments and dividend from TTW and CKP in the amount of Baht 1,159 Million.

The Company and its subsidiaries had net cash of Baht 4,112 Million from financing activities due to (1) receipt from issuance of debentures in the net amount of Baht 23,200 Million, (2) draw down of long-term loans in the net amount of Baht 1,585 Million, (3) repayment of short-term loans in the net amount of Baht 17,690 Million, (4) dividend payment in the amount of Baht 1,834 Million, and (5) payment of interest and finance cost in the amount of Baht 1,149 Million.

As at December 31 2016, the Company and its subsidiaries had cash and cash equivalents amounting to Baht 777 Million, representing a decrease from the end of the previous year by Baht 3,706 Million.

**Significant Financial Ratios\***

For the year 2016, the Company had Net Profit Margin ratio at 19.69 percent, Return on Equity ratio at 8.87 percent, Return on Total Assets ratio at 3.25 percent, Debt to Equity ratio at 1.78 times and Interest Bearing Debt to Equity ratio at 1.33 times.

\* The operational results were calculated based on the consolidated financial statements which consist of the Expressway Business, Rail Business, Commercial Development Business, the manufacture and distribution of treated water business and electricity production business. Therefore, there was no similar type of business in the industry that can be used as a benchmark for comparison.