

(Translation)

Significant events in the third quarter of the year 2019

The progress of the MRT Blue Line Extension Project

At the end of September 2019, the progress of the installation of the M&E Systems of the MRT Blue Line Extension Project (Hua Lamphong - Lak Song and Bang Sue -Tha Phra) was at 92 percent slightly earlier than the plan. However, the Company has operated trial run service from Wat Mangkon Station to Tha Phra Station in MRT Blue Line Extension on July 29, 2019, Bang Phai Station and Bang Wa Station on August 24, 2019 and Phetkasem 48 Station to Lak Song Station on September 21, 2019 without farebox charge until September 28, 2019. The Company operated full commercial service of Section 2 in MRT Blue Line Extension (Hua Lamphong Station - Lak Song Station) which connected with the Initial Blue Line at Hua Lamphong Station on September 29, 2019.

Overview Operational Results Between the third quarter of the year 2019 and 2018

(Unit: Million Baht)

Description	3 rd Quarter		Changes	
	2019	2018	Amount	%
Revenue from expressway business	2,608	2,561	47	1.8
Revenue from rail business	1,266	1,218	48	3.9
Revenue from commercial development business	199	167	32	19.2
Total revenue from main business	4,073	3,946	127	3.2
<i>Interest income from the MRT Purple Line Project</i>	94	108	(14)	-13.0
Other income	240	16	224	1,400.0
Gains on sale of investments	24	211	(187)	-88.6
Gain on reclassification of investment	-	2,496	(2,496)	-100.0
Total revenues	4,431	6,777	(2,346)	-34.6
Cost of service	2,591	2,393	198	8.3
Selling and administrative expenses	303	276	27	9.8
Finance cost	328	312	16	5.1
<i>Interest expense from the MRT Purple Line Project</i>	94	108	(14)	-13.0
Total expenses	3,316	3,089	227	7.4
Profit before income tax expenses	1,115	3,688	(2,573)	-69.8
Income tax expenses	175	699	(524)	-75.0
Profit before share of profit from associates and NCI	940	2,989	(2,049)	-68.6
Share of profit from investments in associates, net	-	133	(133)	-100.0
Non-controlling interests of the subsidiaries	(3)	(3)	-	-
Profit attributable to Equity holders of the Company	937	3,119	(2,182)	-70.0
Basic earnings per share (Baht)	0.06	0.20	(0.14)	

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In the third quarter of the year 2019, the Company had the net profit attributable to equity holders of the Company in the amount of Baht 937 Million representing a decrease from the same quarter of the previous year by Baht 2,182 Million due to gain on sales of investment and gain on reclassification of investment in CK Power Public Company Limited (CKP) in the third quarter of the year 2018. However, when excluded such transaction, the net profit in the third quarter of the year 2019 was nearly to the net profit in the third quarter of the previous year.

The Company had revenue from main business Baht 4,073 Million representing an increase from the same quarter of the previous year by Baht 127 Million, revenue from expressway business increased by Baht 47 Million, revenue from rail business increased by 48 Million and revenue from commercial development business increased by Baht 32 Million. Other income amounted to Baht 240 Million increased by Baht 224 Million from the record of dividend income from TTW Public Company Limited (TTW) in the income statement instead of share of profit from investment in associate after the reclassification of investment in the second quarter of the year 2019.

Cost of service amounted to Baht 2,591 Million representing an increase from the same quarter of the previous year by Baht 198 Million or 8.3 percent mainly from the increase in operating expense, repair and maintenance expense and amortization. Selling and administrative expenses amounted to Baht 303 Million representing an increase by Baht 27 Million or 9.8 percent from the operation of the MRT Blue Line Extension Project. Finance cost amounted to Baht 328 Million representing an increase from the same quarter of the previous year by Baht 16 Million or 5.1 percent and income tax expenses amounted to Baht 175 Million representing a decrease from the same quarter of the previous year by Baht 524 Million or 75 percent mainly from tax related gain on reclassification of investment in the third quarter of the year 2018 which is non-cash transaction.

Segmental performance

1. Expressway business

The Company had revenue from Expressway business of Baht 2,608 Million, representing an increase from the same quarter of the previous year by Baht 47 Million or 1.8 percent, mainly from the increase in toll revenue from the Si Rat-Outer Ring Road Expressway Project (SOE). In the third quarter of the year 2019, SOE average traffic volume was at 66,500 trips/day representing an increase by 18.1 percent when compared to the same quarter of the previous year in accordance to expressway users learning behavior, together with the opening of the Connection between the Si Rat-Outer Ring Road Expressway and the Northbound Si Rat Expressway (heading to Chaeng Watthana). For the First Stage Expressway (FES), the Second Stage Expressway (SES) and the Bang Pa-in - Pak Kret Expressway (Sector C+), toll revenue was closely 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 third quarter of the year 2019, the cost was at Baht 1,530 Million,

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representing an increase from the same quarter of the previous year by Baht 111 Million or 7.8 percent mainly from the repair and maintenance expense and the amortization of rights to operate completed expressway sectors.

2. Rail business

The Company had revenue from Rail business of Baht 1,266 Million, representing an increase from the same quarter of the previous year by Baht 48 Million or 3.9 percent, mainly from farebox revenue of the MRT Blue Line as the ridership which continued to increase consecutively. The average ridership of the MRT Blue Line Project in the third quarter of the year 2019 was at 335,400 trips/day and the average ridership per working days was at 386,800 trips/day representing an increase from the same quarter of the previous year by 5.1 percent and 4.5 percent, respectively. The Company operated full commercial service of Section 2 in MRT Blue Line Extension, Hua Lamphong Station - Lak Song Station on September 29, 2019 which slightly affected to farebox revenue in the third quarter of the year 2019.

Cost of Rail business consisted of costs of farebox, O&M cost, maintenance cost and amortization of intangible asset under the MRT Blue Line Project. For the third quarter of the year 2019, the cost was at Baht 994 Million, representing an increase from the same quarter of the previous year by Baht 75 Million or 8.2 percent from repair and maintenance expense and expenses related to the operation of the MRT Blue Line Extension, Hua Lamphong Station - Lak Song Station.

3. Commercial Development Business

In the third quarter of the year 2019, total commercial development revenue was Baht 199 Million, representing an increase from the same quarter of the previous year by Baht 32 Million or 19.2 percent, mainly from the increase in retail revenue in Metro Mall which the subsidiary (Bangkok Metro Networks Limited) has gradually improved the commercial area in the station of the Chaloem Ratchamongkhon Line in modern trend which attracted more customers. Advertising and telecommunication revenue slightly increased from the operation of Section 2 in MRT Blue Line Extension, Hua Lamphong Station - Lak Song Station which was not recorded in full quarter.

Cost of Commercial Development business for the third quarter of the year 2019 was at Baht 67 Million, representing an increase from the same quarter of the previous year by 12 Million or 21.8 percent.

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Overview Operational Results Between the nine-month period of the year 2019 and 2018

(Unit: Million Baht)

Description	For the nine months		Changes	
	2019	2018	Amount	%
Revenue from expressway business	7,711	7,576	135	1.8
Revenue from rail business	3,639	3,562	77	2.2
Revenue from commercial development business	555	493	62	12.6
Total revenue from main business	11,905	11,631	274	2.4
<i>Interest income from the MRT Purple Line Project</i>	290	330	(40)	-12.1
Other income	318	44	274	622.7
Gains on sale of investments	177	498	(321)	-64.5
Gain on reclassification of investment	3,409	2,496	913	36.6
Total revenues	16,099	14,999	1,100	7.3
Cost of service	7,522	7,077	445	6.3
Selling and administrative expenses	947	883	64	7.3
Finance cost	956	1,114	(158)	-14.2
<i>Interest expense from the MRT Purple Line Project</i>	290	330	(40)	-12.1
Total expenses	9,715	9,404	311	3.3
Profit before income tax expenses	6,384	5,595	789	14.1
Income tax expenses	1,629	1,091	538	49.3
Profit before share of profit from associates and NCI	4,755	4,504	251	5.6
Share of profit from investments in associates, net	173	339	(166)	-49.0
Non-controlling interests of the subsidiaries	(15)	(9)	(6)	-66.7
Profit attributable to Equity holders of the Company	4,913	4,834	79	1.6
Basic earnings per share (Baht)	0.32	0.32	-	

For the nine-month period of the year 2019, the Company had the net profit attributable to equity holders of the Company in the amount of Baht 4,913 Million representing an increase from the same period of the previous year by Baht 79 Million or 1.6 percent. However, when excluded transactions related to sales of investment and gain on reclassification of investments, the Company had the net profit for the nine-month period of the year 2019 in the amount of Baht 2,460 Million which was slightly increased from the previous year.

The Company had revenue from main business amounted to Baht 11,905 Million representing an increase from the same period of the previous year by Baht 274 Million or 2.4 percent from the increasing in revenue from expressway business, revenue from rail business and revenue from commercial development business.

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Cost of service amounted to Baht 7,522 Million representing an increase from the same period of the previous year by Baht 445 Million or 6.3 percent mainly from the increase in operating expense and amortization. Selling and administrative expenses amounted to Baht 947 Million representing an increase by Baht 64 Million or 7.3 percent. Finance cost amounted to Baht 956 Million representing a decrease from the same period of the previous year by Baht 158 Million or 14.2 percent due to in the year 2018 the Company had refinancing expense of SOE long term loan amounting to Baht 140 Million but no such transaction in this year.

Financial Position

(Unit: Million Baht)

Description	30 Sep 19	31 Dec 18	Changes	
			Amount	%
Total assets	112,377	103,831	8,546	8.2
Total liabilities	73,024	68,219	4,805	7.0
Total shareholders' equity	39,353	35,612	3,741	10.5

As at September 30, 2019, the Company and its subsidiaries had total assets amounted to Baht 112,377 Million, representing an increase by Baht 8,546 Million or 8.2 percent when compared with total assets as at December 31, 2018 mainly from fair value adjustment of investments in available-for-sale securities and the increase in construction in process of the Blue Line Extension Project. Total liabilities amounted to Baht 73,024 Million, representing an increase from the previous year by Baht 4,805 Million or 7 percent from the withdrawal of loan for the Blue Line Extension Project which is still under construction. Total shareholders' equity amounted to Baht 39,353 Million, representing an increase from the previous year by Baht 3,741 Million or 10.5 percent when compared to the end of the year 2018 resulted from the net profit from operation and unrealized gain on fair value adjustment of investments in available-for-sale securities which presented under other components of shareholders' equity.

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Cash Flows

As at September 30, 2019, the Company and its subsidiaries had cash and cash equivalents amounting to Baht 692 Million, representing an increase from the end of the previous year by Baht 166 Million.

(Unit: Million Baht)

Description	For the nine months of the year 2019
Net cash flows operating activities	5,934
Net cash flows investing activities	(6,142)
Net cash flows financing activities	374
Net increase in cash and cash equivalents	166
Cash and cash equivalents at beginning of period	526
Cash and cash equivalents at end of period	692

Cash used in investing activities mainly resulted from payment for the M&E equipment of the MRT Blue Line Project in the amount of Baht 5,865 Million.

Cash from financing activities resulted from the withdrawal of long term loan in the net amount of Baht 3,994 Million, dividend payment in the amount of Baht 2,293 Million and payment of interest and finance cost in the amount of Baht 919 Million.

Significant Financial Ratios*

Description	Unit	3 rd Quarter	
		2019	2018
Net Profit Margin ratio	%	21.60	26.12
Return on Equity ratio	%	8.24	10.85
Return on Total Assets ratio	%	3.21	4.04
Debt to Equity ratio	Time	1.59	1.58
Net Interest Bearing Debt to Equity ratio	Time	1.33	1.30

Financial ratio related to the profit decreased due to gains on sale of investments in the third quarter of the year 2018.

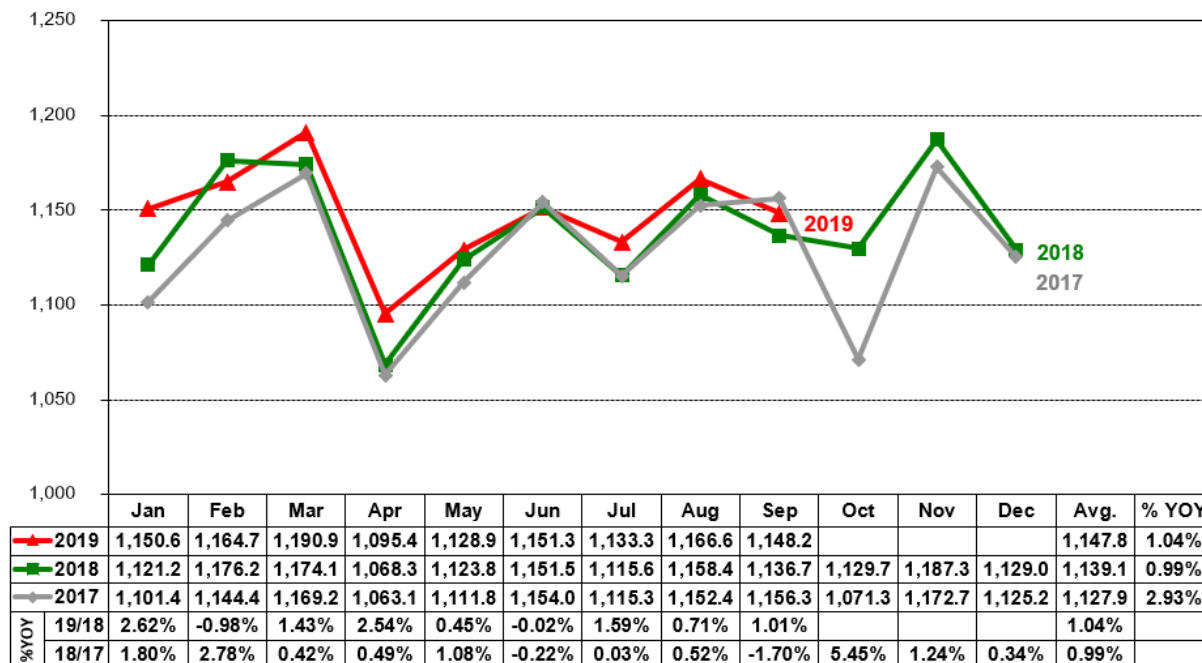
* The operational results were calculated based on the consolidated financial statements which consist of the Expressway Business, Rail Business, Commercial Development Business, the manufacture and distribution of treated water business and electricity production business. Therefore, there was no similar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

Not include transaction related to the novation of the M&E systems under the concession agreement of the MRT Chalong Ratchadham Line Project which the MRTA is fully responsible for both loan repayment and interest expense in accordance to the concession agreement and gain on fair value adjustment of investment.

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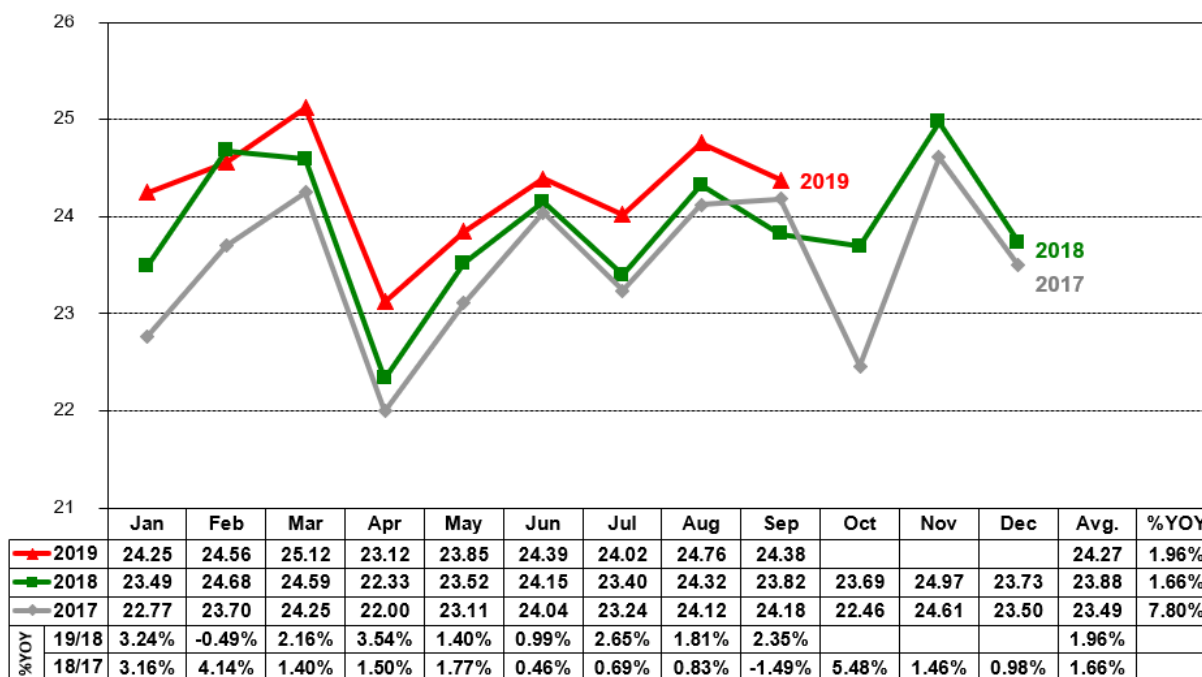
Average Daily Traffic Volume for the First Stage Expressway, the Second Stage Expressway and the Si Rat-Outer Ring Road Expressway

(Thousand Trips / Day)



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

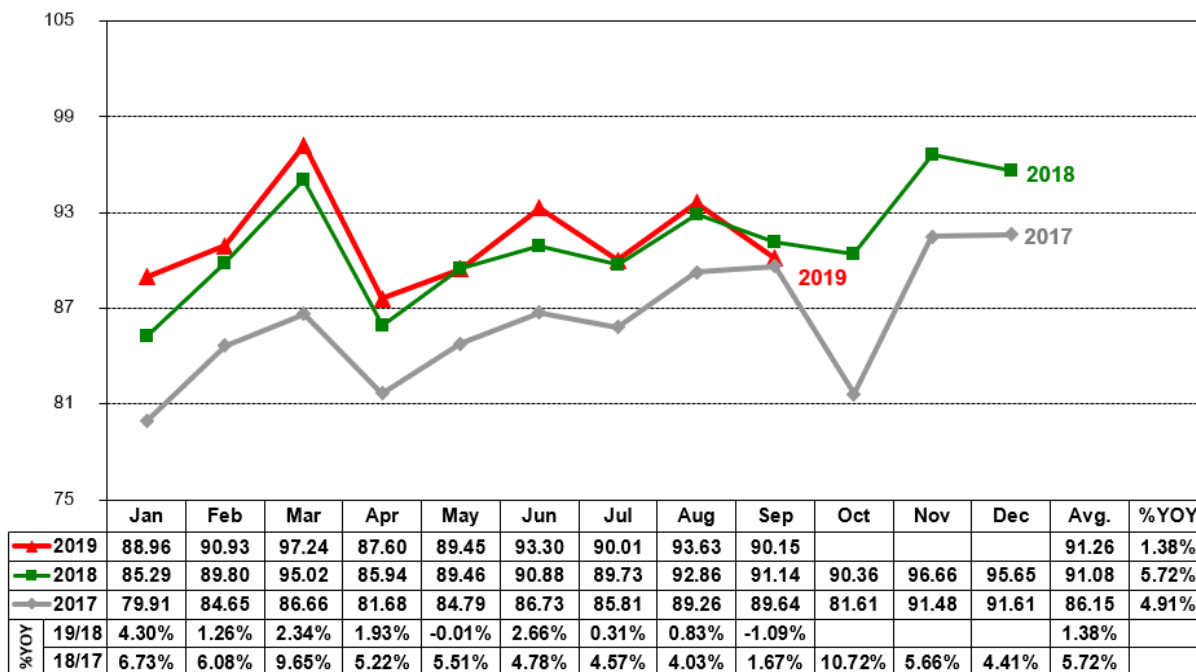
(Million Baht / Day)



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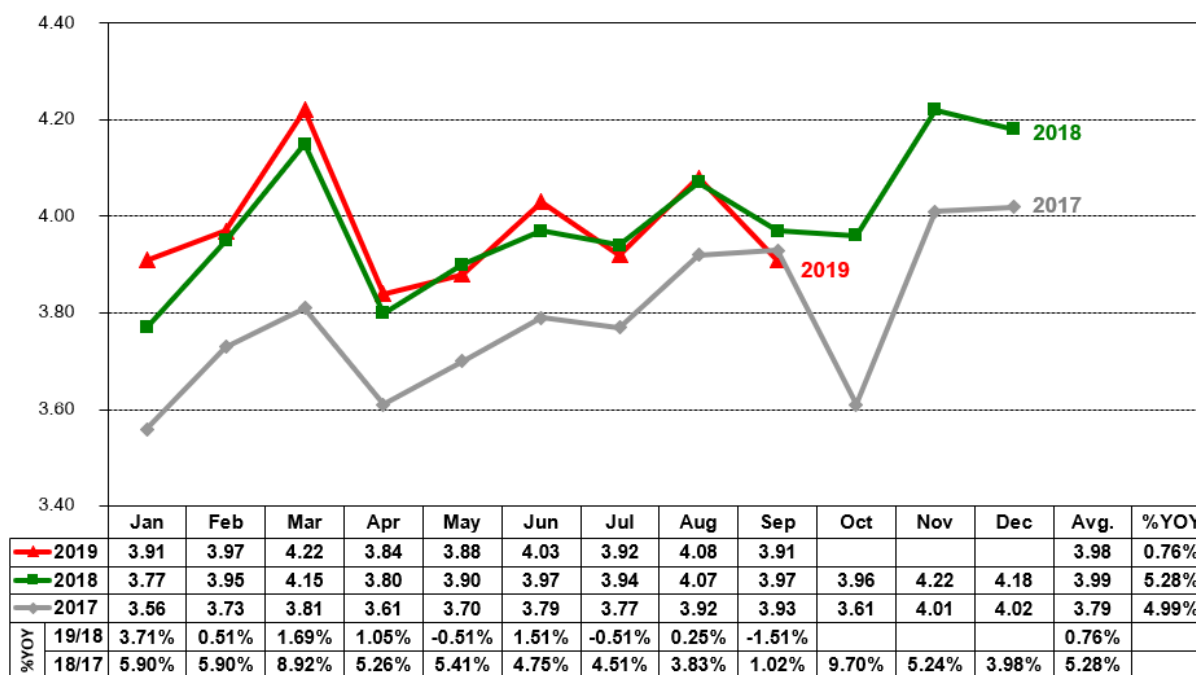
Average Daily Traffic Volume for the Bang Pa-in - Pak Kret Expressway

(Thousand Trips / Day)



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

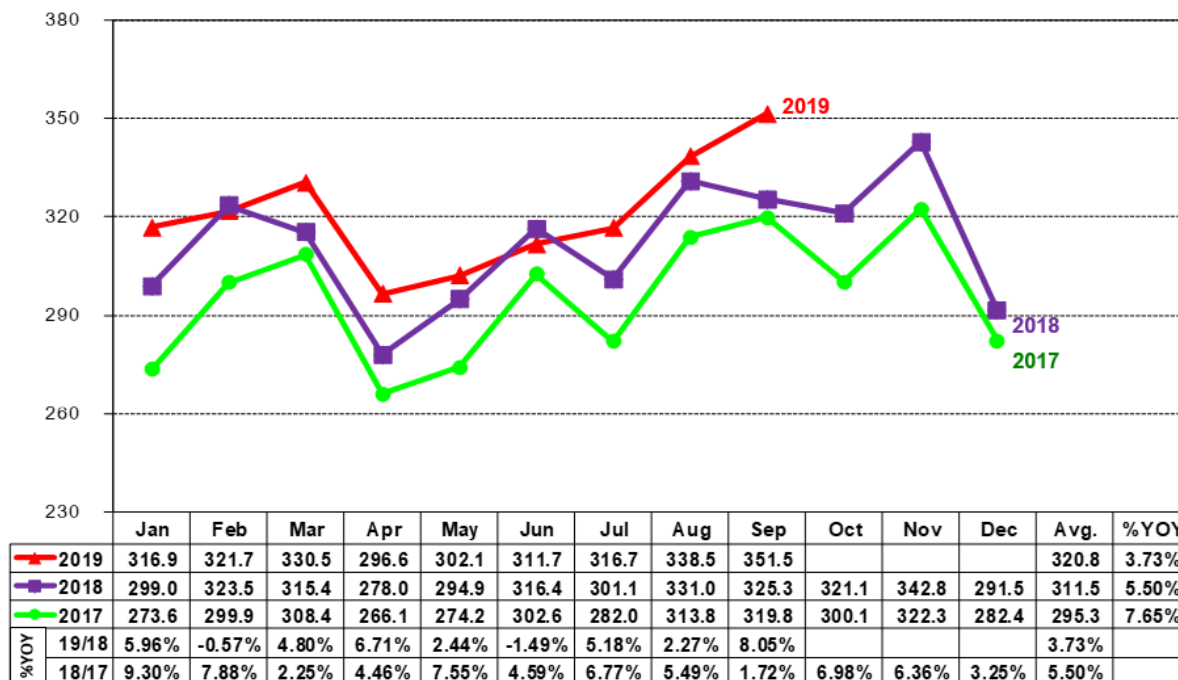
(Million Baht / Day)



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Average Daily Ridership for Blue Line

(Thousand Trips / Day)



Average Daily Farebox Revenue for Blue Line

(Million Baht / Day)

