

AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders of Siam Future Development Public Company Limited

I have reviewed the accompanying consolidated and company statements of financial position as at 30 June 2013, the related consolidated and company statements of income, comprehensive income for the three-month and six-month period then ended, the related consolidated and company statements of changes in shareholders' equity and cash flows for the six-month period then ended, and condensed notes to interim financial information of Siam Future Development Public Company Limited and its subsidiaries, and of Siam Future Development Public Company Limited, respectively. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

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

Conclusion

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

Sakuna Yamsakul
Certified Public Accountant (Thailand) No. 4906
PricewaterhouseCoopers ABAS Ltd.

Bangkok
7 August 2013

SIAM FUTURE DEVELOPMENT PUBLIC COMPANY LIMITED

**INTERIM CONSOLIDATED AND COMPANY
FINANCIAL INFORMATION
(UNAUDITED)**

30 JUNE 2013

Siam Future Development Public Company Limited

Statements of Financial Position

As at 30 June 2013

	Notes	Consolidated		Company	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		30 June	31 December	30 June	31 December
		2013	2012	2013	2012
		Baht'000	Baht'000	Baht'000	Baht'000
Assets					
Current assets					
Cash and cash equivalents		35,755	60,567	21,758	10,095
Short-term investments	5	151,657	24,500	151,657	24,500
Trade accounts receivable	6, 18	63,241	66,223	32,707	35,757
Finance lease receivables due					
within one year	7	22,019	20,898	15,510	14,470
Amounts due from related parties	18	115,667	99,385	330,047	296,852
Short-term loans to related parties	18	25,000	-	380,395	249,145
Other current assets		85,658	116,590	47,799	45,581
Total current assets		498,997	388,163	979,873	676,400
Non-current assets					
Restricted cash		568	555	-	-
Finance lease receivables	7	678,033	687,981	450,409	457,941
Investments in subsidiaries	8	-	-	257,925	257,925
Interest in joint venture	8	2,660,269	2,568,604	1,470,000	1,470,000
Prepaid rent, net		1,199	1,232	-	-
Investment property	9	7,617,627	7,607,225	4,071,767	4,089,150
Building and equipment, net	10	28,419	30,390	12,062	13,212
Intangible assets, net	10	22,109	23,128	17,672	18,691
Deposits for leasehold land		57,525	57,637	57,525	57,637
Other non-current assets		67,003	65,163	59,542	63,679
Total non-current assets		11,132,752	11,041,915	6,396,902	6,428,235
Total assets		11,631,749	11,430,078	7,376,775	7,104,635

Director Director

The notes to the consolidated and company financial information on pages 13 to 24 form an integral part of these interim financial information.

Siam Future Development Public Company Limited
Statements of Financial Position (Cont'd)
As at 30 June 2013

	Consolidated		Company	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	30 June	31 December	30 June	31 December
	2013	2012	2013	2012
Notes	Baht'000	Baht'000	Baht'000	Baht'000
Liabilities and equity				
Current liabilities				
Bank overdrafts and short-term loans				
from banks	-	90,855	-	90,855
Trade accounts payable	10,419	9,199	6,458	4,880
Amounts due to related parties	18 9,948	9,270	9,242	6,229
Short-term loans from subsidiaries	18 -	-	55,000	6,200
Current portion of unearned rental and service income	49,334	57,232	28,294	36,038
Current portion of long-term borrowings	11 707,500	1,290,104	707,500	1,221,354
Finance lease liabilities on land leases				
current portion	117,627	102,100	118,822	103,834
Corporate income tax payable	7,752	11,792	-	-
Other current liabilities	268,685	291,661	189,092	189,198
Total current liabilities	1,171,265	1,862,213	1,114,408	1,658,588
Non-current liabilities				
Unearned rental and service income	489,838	512,082	93,596	105,975
Long-term borrowings	11 1,247,474	572,500	1,247,474	500,000
Deposits received from customers	453,462	470,833	257,657	267,507
Deferred tax liabilities	626,519	609,419	340,659	327,989
Finance lease liabilities on land leases	1,438,456	1,475,916	895,485	930,619
Employee benefit obligations	26,108	23,884	26,108	23,884
Total non-current liabilities	4,281,857	3,664,634	2,860,979	2,155,974
Total liabilities	5,453,122	5,526,847	3,975,387	3,814,562

The notes to the consolidated and company financial information on pages 13 to 24 form an integral part of these interim financial information.

Siam Future Development Public Company Limited

Statements of Financial Position (Cont'd)

As at 30 June 2013

		Consolidated		Company	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
	Note	30 June	31 December	30 June	31 December
		2013	2012	2013	2012
		Baht'000	Baht'000	Baht'000	Baht'000
Liabilities and equity (Cont'd)					
Equity					
Share capital					
Authorised share capital	13	1,316,105	1,169,875	1,316,105	1,169,875
Issued and paid-up share capital	13	1,316,020	1,169,863	1,316,020	1,169,863
Share premium	13	634,029	634,029	634,029	634,029
Retained earnings					
Appropriated - legal reserve		117,026	104,926	117,026	104,926
Unappropriated		3,739,330	3,640,505	1,334,313	1,381,255
Equity attributable to owners of the parent					
		5,806,405	5,549,323	3,401,388	3,290,073
Non-controlling interests		372,222	353,908	-	-
Total equity		6,178,627	5,903,231	3,401,388	3,290,073
Total liabilities and equity		11,631,749	11,430,078	7,376,775	7,104,635

The notes to the consolidated and company financial information on pages 13 to 24 form an integral part of these interim financial information.

Siam Future Development Public Company Limited
Statements of Income (Unaudited)
For the three-month period ended 30 June 2013

	Notes	Consolidated		Company	
		2013 Baht'000	2012 Baht'000	2013 Baht'000	2012 Baht'000
Revenues					
Rental and service income		331,224	327,466	194,916	192,675
Finance and interest income		6,537	9,774	10,600	7,840
Dividend income	8	-	-	44,100	-
Other income		6,616	5,760	29,521	32,482
Share profit from joint venture		72,785	56,479	-	-
Total revenues		417,162	399,479	279,137	232,997
Expenses					
Cost of rental and service		144,479	132,355	85,776	76,574
Loss from fair value adjustment on investment property, net		27,225	28,802	21,906	19,740
Selling expenses		5,114	5,194	4,602	4,866
Administrative expenses		41,519	34,234	35,613	30,464
Management's remuneration		4,339	4,456	4,339	4,456
Total expenses		222,676	205,041	152,236	136,100
Profit before financial costs and tax		194,486	194,438	126,901	96,897
Financial costs		(23,597)	(24,933)	(23,909)	(21,783)
Profit before tax		170,889	169,505	102,992	75,114
Income tax expenses		(21,107)	(24,746)	(12,943)	(16,498)
Profit for the period		149,782	144,759	90,049	58,616
Profit Attributable to:					
Owners of the parent		142,925	137,175	90,049	58,616
Non-controlling interests		6,857	7,584	-	-
		149,782	144,759	90,049	58,616
Earnings per share					
	16				
Basic earnings per share (Baht)		0.11	0.10	0.07	0.04
Diluted earnings per share (Baht)		0.11	0.10	0.07	0.04

The notes to the consolidated and company financial information on pages 13 to 24 form an integral part of these interim financial information.

Siam Future Development Public Company Limited
Statements of Comprehensive Income (Unaudited)
For the three-month period ended 30 June 2013

	Consolidated		Company	
	2013	2012	2013	2012
	Baht'000	Baht'000	Baht'000	Baht'000
Profit for the period	149,782	144,759	90,049	58,616
Other comprehensive income for the period, net of income tax	-	-	-	-
Total comprehensive income for the period	<u>149,782</u>	<u>144,759</u>	<u>90,049</u>	<u>58,616</u>
Total comprehensive income attributable to:				
Owners of the parent	142,925	137,175	90,049	58,616
Non-controlling interests	<u>6,857</u>	<u>7,584</u>	-	-
	<u>149,782</u>	<u>144,759</u>	<u>90,049</u>	<u>58,616</u>

The notes to the consolidated and company financial information on pages 13 to 24 form an integral part of these interim financial information.

Siam Future Development Public Company Limited
Statements of Income (Unaudited)
For the six-month period ended 30 June 2013

	Notes	Consolidated		Company	
		2013 Baht'000	2012 Baht'000	2013 Baht'000	2012 Baht'000
Revenues					
Rental and service income		654,713	645,486	385,871	375,455
Revenue from finance lease contracts		7,414	-	7,414	-
Finance and interest income		12,811	22,580	18,738	15,776
Dividend income	8	-	-	44,100	-
Other income		14,180	10,733	60,393	64,914
Share profit from joint venture	8	135,765	1,048,004	-	-
Total revenues		824,883	1,726,803	516,516	456,145
Expenses					
Cost of rental and service		280,889	248,168	169,237	142,675
Cost of finance lease contracts		4,543	-	4,543	-
Loss on fair value adjustment on investment property, net	9	48,885	38,237	49,881	35,964
Selling expenses		10,333	10,974	9,381	10,000
Administrative expenses		85,288	67,193	73,348	60,235
Management's remuneration		8,678	9,571	8,678	9,571
Total expenses		438,616	374,143	315,068	258,445
Profit before financial costs and tax		386,267	1,352,660	201,448	197,700
Financial costs		(50,146)	(51,740)	(48,210)	(45,171)
Profit before tax		336,121	1,300,920	153,238	152,529
Income tax expenses		(44,483)	(54,335)	(25,681)	(33,397)
Profit for the period		291,638	1,246,585	127,557	119,132
Profit Attributable to:					
Owners of the parent		273,324	1,230,747	127,557	119,132
Non-controlling interests		18,314	15,838	-	-
		291,638	1,246,585	127,557	119,132
Earnings per share					
	16				
Basic earnings per share (Baht)		0.21	0.94	0.10	0.09
Diluted earnings per share (Baht)		0.21	0.94	0.10	0.09

The notes to the consolidated and company financial information on pages 13 to 24 form an integral part of these interim financial information.

Siam Future Development Public Company Limited
Statements of Comprehensive Income (Unaudited)
For the six-month period ended 30 June 2013

	Consolidated		Company	
	2013	2012	2013	2012
	Baht'000	Baht'000	Baht'000	Baht'000
Profit for the period	291,638	1,246,585	127,557	119,132
Other comprehensive income for the period, net of income tax	-	-	-	-
Total comprehensive income for the period	<u>291,638</u>	<u>1,246,585</u>	<u>127,557</u>	<u>119,132</u>
Total comprehensive income attributable to:				
Owners of the parent	273,324	1,230,747	127,557	119,132
Non-controlling interests	18,314	15,838	-	-
	<u>291,638</u>	<u>1,246,585</u>	<u>127,557</u>	<u>119,132</u>

The notes to the consolidated and company financial information on pages 13 to 24 form an integral part of these interim financial information.

Siam Future Development Public Company Limited
Statement of Changes in Shareholders' Equity (Unaudited)
For the six-month period ended 30 June 2013

Consolidated (Baht'000)							
Attributable to owners of the parent							
Notes	Issued and paid-up share capital	Share premium	Share subscription	Legal reserve	Unappropriated retained earnings	Non-controlling interests	Total equity
Opening balance 1 January 2012	1,036,226	620,590	2,423	73,926	2,415,020	349,898	4,498,083
Issuance of ordinary shares	133,637	13,439	(2,423)	-	-	-	144,653
Legal reserve appropriation	-	-	-	31,000	(31,000)	-	-
Dividends	-	-	-	-	(144,427)	-	(144,427)
Total comprehensive income for the period	-	-	-	-	1,230,747	15,838	1,246,585
Closing balance 30 June 2012	1,169,863	634,029	-	104,926	3,470,340	365,736	5,744,894
Opening balance 1 January 2013	1,169,863	634,029	-	104,926	3,640,505	353,908	5,903,231
Issuance of ordinary shares	146,157	-	-	-	-	-	146,157
Legal reserve appropriation	-	-	-	12,100	(12,100)	-	-
Dividends	-	-	-	-	(162,399)	-	(162,399)
Total comprehensive income for the period	-	-	-	-	273,324	18,314	291,638
Closing balance 30 June 2013	1,316,020	634,029	-	117,026	3,739,330	372,222	6,178,627

The notes to the consolidated and company financial information on pages 13 to 24 form an integral part of these interim financial information.

Siam Future Development Public Company Limited
Statement of Changes in Shareholders' Equity (Unaudited) (Cont'd)
For the six-month period ended 30 June 2013

Company (Baht'000)						
Notes	Issued and paid-up share capital	Share premium	Share subscription	Legal reserve	Unappropriated retained earnings	Total equity
Opening balance 1 January 2012	1,036,226	620,590	2,423	73,926	1,283,586	3,016,751
Issuance of ordinary shares	133,637	13,439	(2,423)	-	-	144,653
Legal reserve appropriation	-	-	-	31,000	(31,000)	-
Dividends	-	-	-	-	(144,427)	(144,427)
Total comprehensive income for the period	-	-	-	-	119,132	119,132
Closing balance 30 June 2012	1,169,863	634,029	-	104,926	1,227,291	3,136,109
Opening balance 1 January 2013	1,169,863	634,029	-	104,926	1,381,255	3,290,073
Issuance of ordinary shares	13 146,157	-	-	-	-	146,157
Legal reserve appropriation	-	-	-	12,100	(12,100)	-
Dividends	15 -	-	-	-	(162,399)	(162,399)
Total comprehensive income for the period	-	-	-	-	127,557	127,557
Closing balance 30 June 2013	1,316,020	634,029	-	117,026	1,334,313	3,401,388

The notes to the consolidated and company financial information on pages 13 to 24 form an integral part of these interim financial information.

Siam Future Development Public Company Limited
Statements of Cash Flows (Unaudited)
For the six-month period ended 30 June 2013

	Notes	Consolidated		Company	
		2013 Baht'000	2012 Baht'000	2013 Baht'000	2012 Baht'000
Cash flows from operating activities					
Cash generated from operating activities	17	48,799	281,341	(7,499)	187,370
Interest paid		(54,066)	(51,942)	(51,892)	(45,274)
Income tax paid		(33,721)	(49,840)	(14,275)	(18,456)
Income tax received		36,294	-	-	-
Net cash (used in) generated from operating activities		(2,694)	179,559	(73,666)	123,640
Cash flows from investing activities					
Increase in restricted cash		-	(5)	-	-
Purchases of intangible assets	10	(470)	(325)	(470)	(325)
Purchases of property, equipment and investment property		(25,854)	(40,066)	(12,801)	(24,613)
Short-term loan made to related parties	18	(25,000)	-	(150,250)	(12,500)
Short-term loans repayments received from subsidiaries	18	-	-	19,000	14,014
Dividend received	8	44,100	-	44,100	-
Interest received		691	1,174	11,285	8,608
Net cash used in investing activities		(6,533)	(39,222)	(89,136)	(14,816)
Cash flows from financing activities					
Proceeds from short-term loans from subsidiaries		-	-	55,000	-
Proceeds from long-term borrowings	11	747,762	-	747,762	-
Proceeds from issue of ordinary shares		-	14,670	-	14,670
Repayments of short-term loans from bank		(90,855)	(104,968)	(90,855)	(104,968)
Repayments of short-term loans from a subsidiary	18	-	-	(6,200)	(300)
Repayments of long-term borrowings	11	(656,250)	(45,000)	(515,000)	(15,000)
Dividends paid	15	(16,242)	(14,444)	(16,242)	(14,444)
Net cash (used in) received from financing activities		(15,585)	(149,742)	174,465	(120,042)
Net (decrease) increase in cash and cash equivalents		(24,812)	(9,405)	11,663	(11,218)
Cash and cash equivalents, beginning balance		60,567	87,302	10,095	20,036
Cash and cash equivalents, ending balance		35,755	77,897	21,758	8,818

The notes to the consolidated and company financial information on pages 13 to 24 form an integral part of these interim financial information.

Siam Future Development Public Company Limited
Statements of Cash Flows (Unaudited) (Cont'd)
For the six-month period ended 30 June 2013

Supplementary information for cash flows:

Non-cash transactions

Significant non-cash transactions for the six-month periods ended 30 June 2013 and 2012 are as follows:

	Consolidated		Company	
	2013	2012	2013	2012
	Baht'000	Baht'000	Baht'000	Baht'000
Accounts payable arisen as a result of purchases of property, equipment and investment property	282	2,410	-	-
Accounts payable arisen as a result of purchases of intangible assets	-	260	-	260
Transfer plant and equipment to investment property	-	2,734	-	-
Investment property increase due to reversal of finance lease contracts	-	13,122	-	13,122
Investment property decreased due to recognition as cost of finance lease contracts	4,543	-	4,543	-
Stock dividends	146,157	129,983	146,157	129,983

The notes to the consolidated and company financial information on pages 13 to 24 form an integral part of these interim financial information.

1 General information

Siam Future Development Public Company Limited (“the Company”) is a public limited company, which is incorporated and domiciled in Thailand. The address of the Company’s registered office is as follows:

99 Ratchdapisek Road, Khwaeng Din Daeng, Khet Din Daeng, Bangkok 10400.

The Company is listed on the Stock Exchange of Thailand. For reporting purposes, the Company and its subsidiaries are referred to as the Group.

These interim consolidated and company financial information have been reviewed, not audited.

These interim consolidated and company financial information have been approved for issue by the Board of Directors on 7 August 2013.

2 Basis of preparation

These interim consolidated and company financial information are prepared in accordance with Thai Generally Accepted Accounting Principles under the Accounting Act B.E. 2543, being those Thai Accounting Standards issued under the Accounting Profession Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission. The primary financial information (i.e. statement of financial position, statement of income, statement of comprehensive income, statement of changes in shareholders’ equity and statement of cash flows) are prepared in the full format as required by the Securities and Exchange Commission. The notes to the financial information are prepared in a condensed format according to Thai Accounting Standard 34, “Interim Financial Reporting” and additional notes are presented as required by the Securities and Exchange Commission under the Securities and Exchange Act.

The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2012.

An English version of the consolidated and company interim financial information have been prepared from the interim financial information that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim financial information shall prevail.

3 Accounting policies

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2012.

New/revised accounting standards and related interpretations which are effective on 1 January 2013 are:

TAS 12	Income taxes
TAS 20	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (Revised 2009)	The Effects of Changes in Foreign Exchange Rates
TFRS 8	Operating Segments
TSIC 10	Government Assistance - No Specific Relation to Operating Activities
TSIC 21	Income Taxes - Recovery of Revalued Non-Depreciable Assets
TSIC 25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders

3 Accounting policies (Cont'd)

There are no material impacts to the Group as a result of initial adoption except TAS 12 Income taxes which the Group already adopted since 2006.

New interpretations which are effective on 1 January 2014 are:

TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4	Determining whether an Arrangement contains a Lease
TFRIC 5	Right to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economics
TFRIC 10	Interim Financial Reporting and Impairment
TFRIC 12	Service Concession Arrangements
TFRIC 13	Customer Loyalty Programmes
TSIC 29	Service Concession Arrangements: Disclosure

New accounting standard which is effective on 1 January 2016 is:

TFRS 4	Insurance Contracts
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The Group's management has determined that the new interpretations to financial reporting standards and accounting standard, and the new accounting standard will not significantly impact the interim financial information being presented.

Costs that are incurred unevenly during the financial year are anticipated or deferred in the interim report only if it would also be appropriate to anticipate or defer such costs at the end of the financial year.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

4 Segment information

The Group operates in only one business segment which is the development of the shopping centers and lease out space in the centers. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources, assessing performance of the operating segments and making strategic decisions, has been identified as executive committee.

5 Short-term investments

As at 30 June 2013, short-term investments represent investment in unit trusts of open fund amounting to Baht 151.7 million (31 December 2012: 24.5 million).

Siam Future Development Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For the interim period ended 30 June 2013

6 Trade accounts receivable

Outstanding trade accounts receivable can be analysed as follows:

	Consolidated		Company	
	30 June 2013 Baht'000	31 December 2012 Baht'000	30 June 2013 Baht'000	31 December 2012 Baht'000
Current	52,340	53,202	26,861	27,478
Overdue 1 to 6 months	9,928	8,931	5,846	5,387
Overdue 7 to 12 months	127	185	-	-
Overdue over 12 months	846	3,905	-	2,892
	63,241	66,223	32,707	35,757
<u>Less</u> provision for impairment of trade receivables	-	-	-	-
	<u>63,241</u>	<u>66,223</u>	<u>32,707</u>	<u>35,757</u>

7 Finance lease receivables

	Consolidated		Company	
	30 June 2013 Baht'000	31 December 2012 Baht'000	30 June 2013 Baht'000	31 December 2012 Baht'000
The gross receivable in the lease contracts				
Due within 1 year	45,943	44,412	33,524	32,088
Due within 2 to 5 years	198,553	194,974	145,333	143,068
Due later than 5 years	806,337	832,596	521,010	540,076
	<u>1,050,833</u>	<u>1,071,982</u>	<u>699,867</u>	<u>715,232</u>
The present value of minimum lease payments receivable				
Due within 1 year	22,019	20,898	15,510	14,470
Due within 2 to 5 years	98,734	95,163	72,816	69,976
Due later than 5 years	579,299	592,818	377,593	387,965
	<u>678,033</u>	<u>687,981</u>	<u>450,409</u>	<u>457,941</u>
	700,052	708,879	465,919	472,411
<u>Less</u> provision for impairment of Finance lease receivables	-	-	-	-
	<u>700,052</u>	<u>708,879</u>	<u>465,919</u>	<u>472,411</u>
The unearned finance income	<u>350,781</u>	<u>363,103</u>	<u>233,948</u>	<u>242,821</u>

Siam Future Development Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For the interim period ended 30 June 2013

8 Investment in subsidiaries and interest in joint venture

Movements in investments in subsidiaries and interest in joint venture are as follows:

	Company Baht'000	
Investment in subsidiaries		
For the six-month period ended 30 June 2013		
Opening book value	257,925	
Additional (disposal)	-	
Closing book value	<u>257,925</u>	
	Consolidated Baht'000	
	Company Baht'000	
Interest in joint venture		
For the six-month period ended 30 June 2013		
Opening book value	2,568,604	1,470,000
Dividend income	(44,100)	-
Share profit from joint venture	135,765	-
Closing book value	<u>2,660,269</u>	<u>1,470,000</u>

The details of investments in subsidiaries and interest in joint venture as at 30 June 2013 and 31 December 2012 are as follow:

	Nature of relationship	% Ownership interest
Subsidiaries		
Petchkasem Power Center Company Limited	Shareholder	74
Ekkamai Lifestyle Center Company Limited	Shareholder	51
Siam Future Property Company Limited	Shareholder	100
Ratchayothin Avenue Company Limited	Shareholder	50
Ratchayothin Avenue Management Company Limited	Subsidiary of Ratchayothin Avenue Company Limited	50
Siam Future Management Company Limited	Shareholder	100
Joint venture		
SF Development Company Limited	Shareholder	49

All subsidiaries and joint venture are incorporated in Thailand and engage in the business of building rental and providing utilities services.

Siam Future Development Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For the interim period ended 30 June 2013

9 Investment property

	Consolidated Baht'000	Company Baht'000
For the six-month period ended 30 June 2013		
Investment property at 1 January 2013	7,607,225	4,089,150
Additions of investment property during the period	21,968	11,202
Disposal investment property according to finance lease agreement	(4,543)	(4,543)
Loss from fair value adjustment	(7,023)	(24,042)
Investment property at 30 June 2013	<u>7,617,627</u>	<u>4,071,767</u>
	Consolidated Baht'000	Company Baht'000
Income statement for the six-month period ended 30 June 2013		
Loss from fair value adjustment	(7,023)	(24,042)
Financial cost from recording investment property	(41,862)	(25,839)
Loss from fair value adjustment on investment property, net	<u>(48,885)</u>	<u>(49,881)</u>

10 Building and equipment and intangible assets, net

	Consolidated		Company	
	Building and equipment Baht'000	Intangible assets Baht'000	Building and equipment Baht'000	Intangible assets Baht'000
For the six-month period ended 30 June 2013				
Opening net book amount	30,039	23,128	13,212	18,691
Additions	2,467	470	1,599	470
Depreciation and amortisation	(4,438)	(1,489)	(2,749)	(1,489)
Closing net book amount	<u>28,419</u>	<u>22,109</u>	<u>12,062</u>	<u>17,672</u>

11 Borrowings

	Consolidated		Company	
	30 June 2013 Baht'000	31 December 2012 Baht'000	30 June 2013 Baht'000	31 December 2012 Baht'000
Current portion of long-term borrowings				
Bank borrowings	7,500	91,250	7,500	22,500
Debentures	700,000	1,198,854	700,000	1,198,854
	<u>707,500</u>	<u>1,290,104</u>	<u>707,500</u>	<u>1,221,354</u>
Long-term borrowings				
Bank borrowings	-	72,500	-	-
Debentures	1,274,474	500,000	1,274,474	500,000
	<u>1,274,474</u>	<u>572,500</u>	<u>1,274,474</u>	<u>500,000</u>
Total borrowings	<u>1,954,974</u>	<u>1,862,604</u>	<u>1,954,974</u>	<u>1,721,354</u>

Siam Future Development Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For the interim period ended 30 June 2013

11 Borrowings (Cont'd)

The movements in the borrowings can be analysed as follows:

For the six-month periods ended 30 June	Consolidated		Company	
	2013 Baht'000	2012 Baht'000	2013 Baht'000	2012 Baht'000
Opening amount	1,862,604	1,953,571	1,721,354	1,749,821
Additional - Debenture	750,000	-	750,000	-
Debenture issuance cost	(2,238)	-	(2,238)	-
Repayment of borrowings	(656,250)	(45,000)	(515,000)	(15,000)
Amortisation of debenture issuance cost	858	762	858	762
Closing amount	1,954,974	1,909,333	1,954,974	1,735,583

During the period 2013, the Company issued debentures 750,000 units of Baht 1,000 per unit, unsubordinated and unsecured, totaling Baht 750 million. The debentures bear interest of 4.70% per annum and will be mature on 22 February 2016. The Company has to maintain financial ratios and other criteria as stipulated in the offering documents.

12 Income taxes

The interim income tax expense is accrued based on management's estimate using the tax rate that would be applicable to expected total annual earnings of the year 2013. The estimated average annual tax rate used are 15% to 20% for the Group and 20% for the Company.

13 Share capital

	Consolidated and Company			
	Number of share Share'000	Ordinary share Baht'000	Share premium Baht'000	Total Baht'000
At 31 December 2012	1,169,863	1,169,863	634,029	1,803,892
Issue of shares	146,157	146,157	-	146,157
At 30 June 2013	1,316,020	1,316,020	634,029	1,950,049

As at 30 June 2013, total authorised number of the ordinary shares is 1,316,105,475 shares with a par value of Baht 1 per share (31 December 2012: 1,169,875,095 shares with a par value of Baht 1 per share). Total issued and paid-up share capital is 1,316,020,126 shares with the paid-up of Baht 1 per share (31 December 2012: 1,169,862,645 shares with a paid-up of Baht 1 per share).

14 Warrants

The shareholders approved the issuance of warrants to employees and directors of the Group on 17 January 2007 and 13 June 2007, totalling 15,000,000 units with the exercise period of 5 years. The conversion right is 1 warrant unit per 1 ordinary share at the exercise price of Baht 6.94.

At the Board of Directors meeting held on 7 May 2009, the Board of Directors approved to change the conversion right from 1 warrant unit per 1 ordinary share to 1 warrant unit per 1.48344 ordinary shares and adjust the exercise price from Baht 6.94 to Baht 4.678.

During the six-month period ended 30 June 2012, the warrants of 2,113,941 units were exercised. As at 30 June 2012, the expired warrants and unexercised warrants are 1,635,960 units and 253 units respectively.

15 Dividends

At the Annual General Shareholders Meeting held on 27 March 2013, the shareholders approved a stock dividend to shareholders at the ratio of 8 existing shares to 1 new share and cash dividend payment amounting to Baht 0.01389 per share in respect of 2012 operating results totalling 146,157,481 shares and Baht 16.24 million, respectively. The dividends were paid to the shareholders on 23 April 2013.

At the Annual General Shareholders Meeting held on 22 March 2012, the shareholders approved a stock dividend to shareholders at the ratio of 8 existing shares to 1 new share and cash dividend payment amounting to Baht 0.01389 per share in respect of 2011 operating results totalling 129,982,560 shares and Baht 14.44 million, respectively. The dividends were paid to the shareholders on 20 April 2012.

16 Earnings per share

Earnings per share is calculated by dividing the profit for the period attributable to shareholders of the parent by the weighted average number of ordinary shares in issue during the period. The weighted average number of ordinary shares in issue during the three-month and six-month period ended 30 June 2013 are 1,316,020,126 and 1,316,020,126 shares respectively (2012: 1,316,020,126 and 1,315,232,793 shares).

During the three-month and six-month period ended 30 June 2012, the calculation of the diluted earnings per share based on the weighted average number of shares, assuming conversion of all dilutive potential ordinary shares, of 1,316,020,126 and 1,315,232,793 shares respectively.

During the six-month period ended 30 June 2013, the Company issued a stock dividend totalling 146,157,481 shares. The Company adjusted the number of ordinary shares outstanding before the event for the proportionate change in the number of ordinary shares outstanding as if the event had accrued at the beginning of the earliest period presented. The weighted average number of ordinary shares used in computing earnings per share for fiscal year 2012 has been changed as follows:

	2012 Number of share As restated	2012 Number of share As previously reported
Basic earnings per share		
Weighted average number of ordinary shares		
- for the three-month period ended 30 June	1,316,020,126	1,169,862,645
- for the six-month period ended 30 June	1,315,232,793	1,169,075,312
Diluted earnings per share		
Weighted average number of ordinary shares		
- for the three-month period ended 30 June	1,316,020,126	1,169,862,645
- for the six-month period ended 30 June	1,315,232,793	1,169,075,312

Siam Future Development Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For the interim period ended 30 June 2013

17 Cash flows from operating activities

Reconciliation of profit before income tax to cash flows from operating activities:

	Consolidated		Company	
	30 June 2013 Baht'000	30 June 2012 Baht'000	30 June 2013 Baht'000	30 June 2012 Baht'000
Profit before income tax	336,121	1,300,920	153,238	152,529
Adjustments for:				
Depreciation and amortisation (Note 10)	5,927	7,707	4,238	5,474
Amortisation of prepaid rent	33	33	-	-
Interest income	(12,811)	(22,580)	(18,738)	(15,776)
Interest expense	50,146	51,740	48,210	45,171
Dividend income (Note 8)	-	-	(44,100)	-
Amortisation of debenture issuance cost (Note 11)	858	762	858	762
Realised unearned rental and service income	(23,614)	(26,922)	(13,768)	(16,751)
Investment property recognised as cost of finance lease (Note 9)	4,543	-	4,543	-
Provision for employee benefit	2,224	1,518	2,224	1,518
Loss from fair value adjustment on investment property (Note 9)	48,885	38,237	49,881	35,964
Share profit from joint venture (Note 8)	(135,765)	(1,048,004)	-	-
Changes in operating assets and liabilities:				
- short-term investment	(127,157)	55,004	(127,157)	55,004
- trade accounts receivable	2,982	(1,592)	3,050	(7,443)
- finance lease receivable	20,934	58,459	15,151	44,118
- amounts due from related parties	(16,282)	(63,029)	(33,195)	(54,813)
- other current assets	(3,064)	(11,848)	(2,159)	(21,185)
- deposits for leasehold land	112	(110)	112	(110)
- other non-current assets	(1,840)	(5,907)	4,137	(5,907)
- trade accounts payable	1,220	(98)	1,578	576
- amounts due to related parties	678	395	3,013	4,126
- other current liabilities	(17,637)	12,890	3,576	15,176
- unearned rental and service income	(6,528)	-	(6,355)	-
- deposit received from customers	(17,371)	17,156	(9,850)	13,966
- finance lease liabilities on land leases	(63,795)	(83,390)	(45,986)	(65,029)
Cash flows received from (used in) operating activities	<u>48,799</u>	<u>281,341</u>	<u>(7,499)</u>	<u>187,370</u>

Siam Future Development Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For the interim period ended 30 June 2013

18 Related party transactions

Siam Future Development Public Company Limited is an associate of Major Cineplex Group Public Company Limited which owns 21.43% of the Company's shares (31 December 2012: 20.49%). Therefore, all subsidiaries and associates of Major Cineplex Group Public Company Limited are related parties.

The Group enters into transactions with related parties in the normal course of business. Significant transactions for the six-month periods ended 30 June 2013 and 2012 are summarised as follows:

a) Revenues and expenses

	Consolidated		Company	
	2013	2012	2013	2012
	Baht'000	Baht'000	Baht'000	Baht'000
For the six-month period ended 30 June				
Rental and services income				
Group of Major Cineplex Group				
Public Company Limited	35,279	31,619	15,539	14,299
Related parties	12,837	12,128	8,612	8,460
	<u>48,116</u>	<u>43,747</u>	<u>24,151</u>	<u>22,759</u>
Management fee income				
Subsidiaries	-	-	27,953	31,846
Joint venture	-	-	1,649	806
	<u>-</u>	<u>-</u>	<u>29,602</u>	<u>32,652</u>
Interest income				
Subsidiaries	-	-	9,908	7,226
Major Cineplex Group				
Public Company Limited	87	-	-	-
	<u>87</u>	<u>-</u>	<u>9,908</u>	<u>7,226</u>
Management fee expense				
Major Cineplex Group				
Public Company Limited	135	135	-	-
	<u>135</u>	<u>135</u>	<u>-</u>	<u>-</u>
Other expenses				
Major Cineplex Group				
Public Company Limited	5,150	-	5,150	-
	<u>5,150</u>	<u>-</u>	<u>5,150</u>	<u>-</u>
Interest expenses				
Subsidiaries	-	-	354	222
	<u>-</u>	<u>-</u>	<u>354</u>	<u>222</u>

Siam Future Development Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For the interim period ended 30 June 2013

18 Related party transactions (Cont'd)

a) Revenues and expenses (Cont'd)

	Consolidated		Company	
	2013	2012	2013	2012
	Baht'000	Baht'000	Baht'000	Baht'000
For the three-month period ended 30 June				
Rental and services income				
Group of Major Cineplex Group				
Public Company Limited	20,029	16,021	9,090	7,281
Related parties	6,393	6,311	4,281	4,476
	<u>26,422</u>	<u>22,332</u>	<u>13,371</u>	<u>11,757</u>
Management fee income				
Subsidiaries	-	-	14,027	15,813
Joint venture	-	-	997	314
	<u>-</u>	<u>-</u>	<u>15,024</u>	<u>16,127</u>
Interest income				
Subsidiaries	-	-	6,143	3,532
Major Cineplex Group				
Public Company Limited	87	-	-	-
	<u>87</u>	<u>-</u>	<u>6,143</u>	<u>3,532</u>
Management fee expense				
Major Cineplex Group				
Public Company Limited	67	67	-	-
	<u>67</u>	<u>67</u>	<u>-</u>	<u>-</u>
Other expenses				
Major Cineplex Group				
Public Company Limited	377	-	377	-
	<u>377</u>	<u>-</u>	<u>377</u>	<u>-</u>
Interest expenses				
Subsidiaries	-	-	312	110
	<u>-</u>	<u>-</u>	<u>312</u>	<u>110</u>

Rental and service incomes were carried out on commercial terms and conditions and at market prices which are subject to location, lease space, lease terms, timing and type of lease. Management fee income and expense were charged at the rates specific on the agreements.

Interest income is charged at the rates between 3.10% to 7.00% per annum (2012: 6.00% per annum).

b) Trade accounts receivable

	Consolidated		Company	
	30 June	31 December	30 June	31 December
	2013	2012	2013	2012
	Baht'000	Baht'000	Baht'000	Baht'000
Group Major Cineplex Group				
Public Company Limited	4	-	3	-
	<u>4</u>	<u>-</u>	<u>3</u>	<u>-</u>

Siam Future Development Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For the interim period ended 30 June 2013

18 Related party transactions (Cont'd)

c) Amounts due from related parties

	Consolidated		Company	
	30 June 2013 Baht'000	31 December 2012 Baht'000	30 June 2013 Baht'000	31 December 2012 Baht'000
Major Cineplex Group Public Company Limited	1,087	1,000	-	-
Subsidiaries	-	-	215,467	198,467
Joint venture	114,580	98,385	114,580	98,385
	<u>115,667</u>	<u>99,385</u>	<u>330,047</u>	<u>296,852</u>

d) Short-term loans to related parties

	Consolidated Baht'000	Company Baht'000
For the six-month period ended 30 June 2013		
Beginning balance	-	249,145
Loans made during the period	25,000	150,250
Loans repayments during the period	-	(19,000)
Ending balance	<u>25,000</u>	<u>380,395</u>

As at 30 June 2013, short-term loans to related parties represented loans repayable upon demand. The loans bear interest at the rates between 3.10% to 7.00% per annum.

e) Amounts due to related parties

	Consolidated		Company	
	30 June 2013 Baht'000	31 December 2012 Baht'000	30 June 2013 Baht'000	31 December 2012 Baht'000
Major Cineplex Group Public Company Limited	9,948	9,040	753	-
Subsidiaries	-	-	8,489	161
Joint venture	-	230	-	6,068
	<u>9,948</u>	<u>9,270</u>	<u>9,242</u>	<u>6,229</u>

f) Short-term loans from subsidiaries

	Company Baht'000
For the six-month period ended 30 June 2013	
Beginning balance	6,200
Loans made during the period	55,000
Loan repayments during the period	(6,200)
Ending balance	<u>55,000</u>

As at 30 June 2013, short-term loans from subsidiaries represented unsecured loans, denominated in Thai Baht, and are repayable on demand. The loans bear interest at the rate of 7% per annum.

18 Related party transactions (Cont'd)

g) Unearned rental and service income

As at 30 June 2013, the unearned rental and service income of a subsidiary includes unearned income received from Major Cineplex Group Public Company Limited amounting to Baht 108.86 million (31 December 2012: Baht 112 million).

h) Directors and management remuneration

Directors and management remuneration comprises of the total salaries and other benefits, including directors' fee paid to directors and management which included as an expense in the income statements.

19 Commitments and contingencies

Bank guarantees

As at 30 June 2013, the Group has outstanding letters of guarantee amounting to Baht 257 million (31 December 2012: Baht 268 million) issued by the Group's bankers in respect of normal business operations.

20 Events occurring after the reporting date

As at 19 July 2013, the Company issued debentures 700,000 units of Baht 1,000 per unit, unsubordinated and unsecured, totaling Baht 700 million. The debentures bear interest of 4.85% per annum and will be mature on 19 July 2017. The Company has to maintain financial ratios and other criteria as stipulated in the offering documents.