

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 September 2014, the related consolidated and company statements of income, comprehensive income for the three-month and nine-month periods then ended, the related consolidated and company statements of changes in shareholders' equity and cash flows for the nine-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
6 November 2014

SIAM FUTURE DEVELOPMENT PUBLIC COMPANY LIMITED

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

30 SEPTEMBER 2014

Siam Future Development Public Company Limited
Statement of Financial Position
As at 30 September 2014

	Notes	Consolidated		Company	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		30 September	31 December	30 September	31 December
		2014	2013	2014	2013
		Baht'000	Baht'000	Baht'000	Baht'000
Assets					
Current assets					
Cash and cash equivalents		24,521	23,366	10,831	5,941
Short-term investments	4	152,418	49,066	152,418	49,066
Trade accounts receivable	5, 16	66,557	73,133	32,986	34,389
Finance lease receivables due					
within one year	6	24,087	22,314	17,512	15,747
Amounts due from related parties	16	128,438	127,859	400,804	359,203
Short-term loans to related parties	16	25,000	25,000	278,146	352,896
Other current assets		62,565	68,879	42,578	37,151
Total current assets		483,586	389,617	935,275	854,393
Non-current assets					
Restricted cash		580	580	-	-
Finance lease receivables	6	673,075	667,884	453,022	442,677
Investments in subsidiaries	7	-	-	257,925	257,925
Interest in joint venture	7	3,357,243	3,159,078	1,839,950	1,813,000
Prepaid rent, net		1,117	1,166	-	-
Investment property	8	7,559,937	7,610,586	3,948,196	4,036,128
Building and equipment, net	9	50,451	28,489	26,077	11,917
Intangible assets, net	9	20,947	22,371	16,510	17,934
Deposits for leasehold land		56,086	57,241	56,086	57,241
Other non-current assets		63,732	65,844	56,670	58,537
Total non-current assets		11,783,168	11,613,239	6,654,436	6,695,359
Total assets		12,266,754	12,002,856	7,589,711	7,549,752

Director Director

The notes to the consolidated and company financial information are an integral part of these interim financial information.

Siam Future Development Public Company Limited
Statement of Financial Position (Cont'd)
As at 30 September 2014

	Notes	Consolidated		Company	
		(Unaudited) 30 September 2014 Baht'000	(Audited) 31 December 2013 Baht'000	(Unaudited) 30 September 2014 Baht'000	(Audited) 31 December 2013 Baht'000
Liabilities and equity					
Current liabilities					
Bank overdrafts and short-term loans from financial institutions	10	494,420	200,000	494,420	200,000
Trade accounts payable		12,007	9,838	6,957	5,284
Amounts due to related parties	16	38,273	41,505	17,610	28,166
Short-term loan from a subsidiary	16	-	-	145,100	93,700
Current portion of unearned rental and service income		47,399	52,101	23,698	30,916
Current portion of long-term borrowings	10	-	498,439	-	498,439
Finance lease liabilities on land leases current portion		55,707	88,180	49,731	80,100
Corporate income tax payable		5,591	13,146	-	-
Other current liabilities		291,641	266,091	180,138	162,476
Total current liabilities		945,038	1,169,300	917,654	1,099,081
Non-current liabilities					
Unearned rental and service income		440,229	469,447	67,955	83,051
Long-term borrowings	10	1,447,340	1,447,676	1,447,340	1,447,676
Deposits received from customers		462,488	444,389	266,702	246,976
Deferred tax liabilities		652,862	631,495	360,572	343,533
Finance lease liabilities on land leases		1,363,982	1,381,860	833,350	850,136
Provision for employee benefit		31,211	28,332	31,211	28,332
Total non-current liabilities		4,398,112	4,403,199	3,007,130	2,999,704
Total liabilities		5,343,150	5,572,499	3,924,784	4,098,785

The notes to the consolidated and company financial information are an integral part of these interim financial information.

Siam Future Development Public Company Limited
Statement of Financial Position (Cont'd)
As at 30 September 2014

		Consolidated		Company	
		(Unaudited) 30 September 2014 Baht'000	(Audited) 31 December 2013 Baht'000	(Unaudited) 30 September 2014 Baht'000	(Audited) 31 December 2013 Baht'000
	Note				
Liabilities and equity (Cont'd)					
Equity					
Share capital					
Authorised share capital	12	1,480,523	1,316,105	1,480,523	1,316,105
Issued and paid-up share capital	12	1,480,515	1,316,020	1,480,515	1,316,020
Share premium	12	634,029	634,029	634,029	634,029
Retained earnings					
Appropriated - legal reserve		131,626	117,026	131,626	117,026
Unappropriated		4,266,737	3,977,868	1,418,117	1,383,892
Other components of equity		640	-	640	-
Equity attributable to owners of the parent					
		6,513,547	6,044,943	3,664,927	3,450,967
Non-controlling interests		410,057	385,414	-	-
Total equity		6,923,604	6,430,357	3,664,927	3,450,967
Total liabilities and equity		12,266,754	12,002,856	7,589,711	7,549,752

The notes to the consolidated and company financial information are an integral part of these interim financial information.

Siam Future Development Public Company Limited
Income Statements (Unaudited)
For the three-month period ended 30 September 2014

	Notes	Consolidated		Company	
		2014 Baht'000	2013 Baht'000	2014 Baht'000	2013 Baht'000
Revenues					
Rental and service income		329,865	318,455	188,739	184,754
Revenue from finance lease contracts		21,669	-	21,669	-
Finance and interest income		6,756	6,425	9,489	10,436
Dividend income	7	-	-	49,000	-
Other income		5,850	9,808	29,123	33,260
Share profit from joint venture		125,567	72,369	-	-
Total revenues		489,707	407,057	298,020	228,450
Expenses					
Cost of rental and service		139,645	139,118	80,900	79,983
Cost of finance lease contracts		13,190	-	13,190	-
Fair value adjustment on investment property, net		78,648	44,843	69,407	66,258
Selling expenses		6,682	7,425	5,215	6,847
Administrative expenses		40,946	37,938	36,489	32,615
Management's remuneration		5,183	4,340	5,183	4,340
Total expenses		284,294	233,664	210,384	190,043
Profit before financial costs and tax		205,413	173,393	87,636	38,407
Financial costs		(23,153)	(26,899)	(23,980)	(27,534)
Profit before tax		182,260	146,494	63,656	10,873
Income tax expenses		(14,839)	(15,456)	(6,193)	(2,538)
Profit for the period		167,421	131,038	57,463	8,335
Profit Attributable to:					
Owners of the parent		159,374	123,786	57,463	8,335
Non-controlling interests		8,047	7,252	-	-
		167,421	131,038	57,463	8,335
Earnings per share					
	14				
Basic earnings per share (Baht)		0.11	0.08	0.04	0.01
Diluted earnings per share (Baht)		0.11	0.08	0.04	0.01

The notes to the consolidated and company financial information are 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 September 2014

	Consolidated		Company	
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
Profit for the period	167,421	131,038	57,463	8,335
Other comprehensive income for the period, net of income tax	640	-	640	-
Total comprehensive income for the period	168,061	131,038	58,103	8,335
Total comprehensive income attributable to:				
Owners of the parent	160,014	123,786	58,103	8,335
Non-controlling interests	8,047	7,252	-	-
	168,061	131,038	58,103	8,335

The notes to the consolidated and company financial information are an integral part of these interim financial information.

Siam Future Development Public Company Limited
Income Statements (Unaudited)
For the nine-month period ended 30 September 2014

	Notes	Consolidated		Company	
		2014 Baht'000	2013 Baht'000	2014 Baht'000	2013 Baht'000
Revenues					
Rental and service income		985,586	973,168	580,458	570,625
Revenue from finance lease contracts		21,669	7,414	21,669	7,414
Finance and interest income		19,914	19,236	28,906	29,174
Dividend income	7	-	-	160,720	44,100
Other income		19,007	23,988	85,215	93,653
Share profit from joint venture	7	331,935	208,134	-	-
Total revenues		1,378,111	1,231,940	876,968	744,966
Expenses					
Cost of rental and service		412,059	420,007	241,240	249,220
Cost of finance lease contracts		13,190	4,543	13,190	4,543
Fair value adjustment on investment property, net	8	140,238	93,728	136,688	116,139
Selling expenses		22,583	17,758	19,004	16,228
Administrative expenses		128,092	123,226	111,016	105,963
Managements' remuneration		15,460	13,018	15,460	13,018
Total expenses		731,622	672,280	536,598	505,111
Profit before financial costs and tax		646,489	559,660	340,370	239,855
Financial costs		(72,373)	(77,045)	(74,548)	(75,744)
Profit before tax		574,116	482,615	265,822	164,111
Income tax expenses		(63,228)	(59,939)	(34,221)	(28,219)
Profit for the period		510,888	422,676	231,601	135,892
Profit attributable to:					
Owners of the parent		486,245	397,110	231,601	135,892
Non-controlling interests		24,643	25,566	-	-
		510,888	422,676	231,601	135,892
Earnings per share					
	14				
Basic earnings per share (Baht)		0.33	0.27	0.16	0.09
Diluted earnings per share (Baht)		0.33	0.27	0.16	0.09

The notes to the consolidated and company financial information are an integral part of these interim financial information.

Siam Future Development Public Company Limited
Statements of Comprehensive Income (Unaudited)
For the nine-month period ended 30 September 2014

	Consolidated		Company	
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
Profit for the period	510,888	422,676	231,601	135,892
Other comprehensive income for the period, net of income tax	640	-	640	-
Total comprehensive income for the period	511,528	422,676	232,241	135,892
Total comprehensive income attributable to:				
Owners of the parent	486,885	397,110	232,241	135,892
Non-controlling interests	24,643	25,566	-	-
	511,528	422,676	232,241	135,892

The notes to the consolidated and company financial information are an integral part of these interim financial information.

Siam Future Development Public Company Limited
Statements of Changes in Shareholders' Equity (Unaudited)
For the nine-month period ended 30 September 2014

Consolidated (Baht'000)							
Attributable to owners of the parent							
Notes	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated retained earnings	Other component of equity	Non-controlling interests	Total equity
Opening balance 1 January 2014	1,316,020	634,029	117,026	3,977,868	-	385,414	6,430,357
Issuance of ordinary shares	12 164,495	-	-	-	-	-	164,495
Legal reserve appropriation	-	-	14,600	(14,600)	-	-	-
Dividends	13 -	-	-	(182,776)	-	-	(182,776)
Total comprehensive income for the period	-	-	-	486,245	640	24,643	511,528
Closing balance 30 September 2014	<u>1,480,515</u>	<u>634,029</u>	<u>131,626</u>	<u>4,266,737</u>	<u>640</u>	<u>410,057</u>	<u>6,923,604</u>
Opening balance 1 January 2013	1,169,863	634,029	104,926	3,640,505	-	353,908	5,903,231
Issuance of ordinary shares	12 146,157	-	-	-	-	-	146,157
Legal reserve appropriation	-	-	12,100	(12,100)	-	-	-
Dividends	13 -	-	-	(162,399)	-	-	(162,399)
Total comprehensive income for the period	-	-	-	397,110	-	25,566	422,676
Closing balance 30 September 2013	<u>1,316,020</u>	<u>634,029</u>	<u>117,026</u>	<u>3,863,116</u>	<u>-</u>	<u>379,474</u>	<u>6,309,665</u>

The notes to the consolidated and company financial information are an integral part of these interim financial information.

Siam Future Development Public Company Limited
Statements of Changes in Shareholders' Equity (Unaudited) (Cont'd)
For the nine-month period ended 30 September 2014

Company (Baht'000)						
Notes	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated retained earnings	Other component of equity	Total equity
Opening balance 1 January 2014	1,316,020	634,029	117,026	1,383,892	-	3,450,967
Issuance of ordinary shares	12 164,495	-	-	-	-	164,495
Legal reserve appropriation	-	-	14,600	(14,600)	-	-
Dividends	13 -	-	-	(182,776)	-	(182,776)
Total comprehensive income for the period	-	-	-	231,601	640	232,241
Closing balance 30 September 2014	1,480,515	634,029	131,626	1,418,117	640	3,664,927
Opening balance 1 January 2013	1,169,863	634,029	104,926	1,381,255	-	3,290,073
Issuance of ordinary shares	12 146,157	-	-	-	-	146,157
Legal reserve appropriation	-	-	12,100	(12,100)	-	-
Dividends	13 -	-	-	(162,399)	-	(162,399)
Total comprehensive income for the period	-	-	-	135,892	-	135,892
Closing balance 30 September 2013	1,316,020	634,029	117,026	1,342,648	-	3,409,723

The notes to the consolidated and company financial information are an integral part of these interim financial information.

Siam Future Development Public Company Limited
Statements of Cash Flows (Unaudited)
For the nine-month period ended 30 September 2014

	Notes	Consolidated		Company	
		2014	2013	2014	2013
		Baht'000	Baht'000	Baht'000	Baht'000
Cash flows from operating activities					
Cash generated from (used in) operating activities	15	283,488	97,145	96,811	(14,108)
Interest paid		(73,534)	(77,450)	(74,054)	(75,480)
Income tax paid		(55,677)	(52,841)	(22,376)	(19,943)
Income tax received		5,316	36,294	1,510	-
Net cash generated from (used in) operating activities		159,593	3,148	1,891	(109,531)
Cash flows from investing activities					
Purchases of intangible assets	9	(977)	(470)	(977)	(470)
Purchases of property, equipment and investment property		(65,292)	(36,943)	(44,248)	(19,677)
Short-term loans made to related parties	16	-	(25,000)	(1,100)	(150,450)
Short-term loans repayments received from subsidiary	16	-	-	75,850	39,700
Cash paid for investment in joint venture	7	(26,950)	(49)	(26,950)	(49)
Dividend received	7	160,720	44,100	160,720	44,100
Interest received		933	952	15,176	17,307
Net cash generated from (used in) investing activities		68,434	(17,410)	178,471	(69,539)
Cash flows from financing activities					
Proceeds from short-term loans from subsidiaries	16	-	-	61,400	73,500
Proceeds from long-term borrowings	10	-	1,445,508	-	1,445,508
Proceeds from short-term loans from financial institutions		491,409	-	491,409	-
Repayments of short-term loans from financial institutions		(200,000)	(90,855)	(200,000)	(90,855)
Repayments of short-term loans from a subsidiary	16	-	-	(10,000)	(16,700)
Repayments of long-term borrowings	10	(500,000)	(1,363,750)	(500,000)	(1,222,500)
Dividends paid	13	(18,281)	(16,242)	(18,281)	(16,242)
Net cash (used in) received from financing activities		(226,872)	(25,339)	(175,472)	172,711
Net increase (decrease) in cash and cash equivalents		1,155	(39,601)	4,890	(6,359)
Cash and cash equivalents, beginning balance		23,366	60,567	5,941	10,095
Cash and cash equivalents, ending balance		24,521	20,966	10,831	3,736

The notes to the consolidated and company financial information are an integral part of these interim financial information.

Siam Future Development Public Company Limited
Statements of Cash Flows (Unaudited) (Cont'd)
For the nine-month period ended 30 September 2014

Supplementary information for cash flows:

Non-cash transactions

Significant non-cash transactions for the nine-month periods ended 30 September 2014 and 2013 are as follows:

	Consolidated		Company	
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
Accounts payable arisen as a result of purchases of property, equipment and investment property	46,974	28,842	24,291	13,200
Accounts payable arisen as a result of purchases of intangible assets	1,699	260	1,699	260
Investment property increased due to reversal of finance lease contracts	815	-	-	-
Investment property decreased due to recognition as cost of finance lease contracts	13,190	4,543	13,190	4,543
Stock dividends	164,495	146,157	164,495	146,157

The notes to the consolidated and company financial information are 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 listed on the Stock Exchange of Thailand and 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.

For reporting purposes, the Company and its subsidiaries are referred to as 'the Group'.

These interim consolidated and company financial information have been approved for issue by the Board of Directors on 6 November 2014.

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

2 Accounting policies

2.1 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 2013.

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.

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 2013.

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.

Siam Future Development Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For the interim period ended 30 September 2014

2 Accounting policies (Cont'd)

2.2 Revised accounting standards, revised financial reporting standards, and related interpretations

The following amendments and related interpretations are effective for the periods beginning on or after 1 January 2014 and are relevant to the Group.

TAS 1 (revised 2012)	Presentation of financial statements
TAS 7 (revised 2012)	Statement of cash flows
TAS 12 (revised 2012)	Income taxes
TAS 17 (revised 2012)	Leases
TAS 18 (revised 2012)	Revenue
TAS 19 (revised 2012)	Employee benefits
TAS 21 (revised 2012)	The effects of charges in foreign exchange rates
TAS 24 (revised 2012)	Related party disclosures
TAS 28 (revised 2012)	Investments in associates
TAS 31 (revised 2012)	Interest in joint ventures
TAS 34 (revised 2012)	Interim financial reporting
TAS 36 (revised 2012)	Impairment of assets
TAS 38 (revised 2012)	Intangible assets
TFRS 8 (revised 2012)	Operating segments
TFRIC 1	Changes in existing decommissioning, restoration and similar liabilities
TFRIC 4	Determining whether an arrangement contains a lease
TFRIC 10	Interim financial reporting and impairment
TSIC 15	Operating leases - incentives
TSIC 27	Evaluating the substance of transactions in the legal form of a lease
TSIC 32	Intangible assets - Web site costs

Management of the Company and the Group has determined that the revised accounting standards, revised financial reporting standards, and related interpretations will not significantly impact the interim financial statements being presented.

2.3 Estimations

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim financial information, the significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2013.

3 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.

4 Short-term investments

As of 30 September 2014 and 31 December 2013, information relating to Short-term investments are as follows:

	Consolidated			
	30 September 2014		31 December 2013	
	Cost	Fair Value	Cost	Fair Value
	Baht'000	Baht'000	Baht'000	Baht'000
Short-term investments				
Trading securities	152,100	152,418	49,000	49,066

Siam Future Development Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For the interim period ended 30 September 2014

4 Short-term investments (Cont'd)

As of 30 September 2014 and 31 December 2013, information relating to Short-term investments are as follows:
(Cont'd)

	Company			
	30 September 2014		31 December 2013	
	Cost	Fair Value	Cost	Fair Value
	Baht'000	Baht'000	Baht'000	Baht'000
Short-term investments				
Trading securities	152,100	152,418	49,000	49,066

5 Trade accounts receivable

Outstanding trade accounts receivable can be analysed as follows:

	Consolidated		Company	
	30 September	31 December	30 September	31 December
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
Current	60,691	64,250	32,986	31,263
Overdue 1 to 6 months	5,850	8,422	-	3,126
Overdue 7 to 12 months	16	461	-	-
	66,557	73,133	32,986	34,389
<u>Less</u> Allowance for doubtful accounts	-	-	-	-
	66,557	73,133	32,986	34,389

6 Finance lease receivables

	Consolidated		Company	
	30 September	31 December	30 September	31 December
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
The gross receivable in the lease contracts				
Due within 1 year	50,018	47,058	36,795	34,199
Due within 2 to 5 years	211,962	201,669	156,556	147,533
Due later than 5 years	756,804	779,802	490,971	501,671
	1,018,784	1,028,529	684,322	683,403
The present value of minimum lease payments receivable				
Due within 1 year	24,087	22,314	17,512	15,747
Due within 2 to 5 years	113,223	102,611	85,537	75,958
Due later than 5 years	559,852	565,273	367,485	366,719
	697,162	690,198	470,534	458,424
<u>Less</u> Allowance for doubtful accounts	-	-	-	-
	697,162	690,198	470,534	458,424
The unearned finance income	321,622	338,331	213,788	224,979

Siam Future Development Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For the interim period ended 30 September 2014

7 Investments 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 nine-month period ended 30 September 2014	
Opening book value	257,925
Additional (disposal)	-
Closing book value	<u>257,925</u>
	Consolidated Baht'000
Interest in joint venture	Company Baht'000
For the nine-month period ended 30 September 2014	
Opening book value	3,159,078
Additions	26,950
Dividend income	(160,720)
Share profit from joint venture	331,935
Closing book value	<u>3,357,243</u>

As of 25 September 2014 and 25 March 2014, the Company received dividend income from joint venture amounting to THB 49 Million and THB 112 Million, respectively.

The details of investments in subsidiaries and interest in joint venture as at 30 September 2014 and 31 December 2013 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 ventures		
SF Development Company Limited	Shareholder	49
North Bangkok Development Company Limited	Shareholder	49

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

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8 Investment property

	Consolidated Baht'000	Company Baht'000
For the nine-month period ended 30 September 2014		
Investment property at 1 January 2014	7,610,586	4,036,128
Additions of investment property during the period	52,274	35,540
Disposal investment property according to finance lease agreement	(13,190)	(13,190)
Loss from fair value adjustment	(89,733)	(110,282)
Investment property at 30 September 2014	<u>7,559,937</u>	<u>3,948,196</u>
	Consolidated Baht'000	Company Baht'000
Income statement for the nine-month period ended 30 September 2014		
Loss from fair value adjustment	(89,733)	(110,282)
Financial cost from recording investment property	(50,505)	(26,406)
Loss from fair value adjustment on investment property, net	<u>(140,238)</u>	<u>(136,688)</u>

9 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 nine-month period ended 30 September 2014				
Opening net book amount	28,489	22,371	11,917	17,934
Additions	29,400	977	18,875	977
Write-off	(220)	-	(220)	-
Depreciation and amortisation	(7,218)	(2,401)	(4,495)	(2,401)
Closing net book amount	<u>50,451</u>	<u>20,947</u>	<u>26,077</u>	<u>16,510</u>

10 Borrowings

Short-term borrowings

As at 29 July 2014, the Company issued discounted bills of exchange totaling Baht 491 million which has face value totaling Baht 500 million. It bears interest at the rate of 3.55% per annum and will be matured in the first quarter of 2015. The Company has to maintain financial ratios and other criteria as stipulated in the offering documents.

Long-term borrowings

	Consolidated		Company	
	30 September 2014 Baht'000	31 December 2013 Baht'000	30 September 2014 Baht'000	31 December 2013 Baht'000
Current portion of long-term borrowings				
Debentures	-	498,439	-	498,439
	-	498,439	-	498,439
Long-term borrowings				
Debentures	1,447,340	1,447,676	1,447,340	1,447,676
	1,447,340	1,447,676	1,447,340	1,447,676
Total borrowings	<u>1,447,340</u>	<u>1,946,115</u>	<u>1,447,340</u>	<u>1,946,115</u>

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10 Borrowings (Cont'd)

The movements in the borrowings can be analysed as follows:

For the nine-month periods ended 30 September	Consolidated		Company	
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
Opening amount	1,946,115	1,862,604	1,946,115	1,721,354
Additional - Debenture	-	1,450,000	-	1,450,000
Debenture issuance cost	-	(4,492)	-	(4,492)
Repayment of borrowings	(500,000)	(1,363,750)	(500,000)	(1,222,500)
Amortisation of debenture issuance cost	1,225	1,320	1,225	1,320
Closing amount	1,447,340	1,945,682	1,447,340	1,945,682

As at 22 February 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.

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.

11 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 2014. The estimated average annual tax rate used are 15% to 20% for the Group and 20% for the Company.

12 Share capital

	Consolidated and Company			
	Number of share Share'000	Ordinary share Baht'000	Share premium Baht'000	Total Baht'000
At 1 January 2014	1,316,020	1,316,020	634,029	1,950,049
Issue of shares	164,495	164,495	-	164,495
At 30 September 2014	1,480,515	1,480,515	634,029	2,114,544

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

12 Share capital (Cont'd)

As at 30 September 2014, total authorised number of the ordinary shares is 1,480,522,641 shares with a par value of Baht 1 per share (31 December 2013: 1,316,105,475 shares with a par value of Baht 1 per share). Total issued and paid-up share capital is 1,480,515,030 shares with the paid-up of Baht 1 per share (31 December 2013: 1,316,020,126 shares with a paid-up of Baht 1 per share).

As at 30 September 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).

13 Dividends

At the Annual General Shareholders Meeting held on 25 March 2014, 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 2013 operating results totalling 164,494,904 shares and Baht 18.28 million, respectively. The dividends were paid to the shareholders on 21 April 2014.

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.

14 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 and stock dividend declaration during the period. The weighted average number of ordinary shares in issue during the three-month and nine-month period ended 30 September 2014 are 1,480,515,030 shares and 1,480,515,030 shares, respectively (2013: 1,316,020,126 shares and 1,316,020,126 shares).

During the nine-month period ended 30 September 2014, the Company issued a stock dividend totalling 164,494,904 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 2013 has been changed as follows:

	2013	2013
	Number of share	Number of share
	As restated	As previously reported
Basic earnings per share		
Weighted average number of ordinary shares		
- for the three-month period ended 30 September	1,480,515,030	1,316,020,126
- for the nine-month period ended 30 September	1,480,515,030	1,316,020,126
Diluted earnings per share		
Weighted average number of ordinary shares		
- for the three-month period ended 30 September	1,480,515,030	1,316,020,126
- for the nine-month period ended 30 September	1,480,515,030	1,316,020,126

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15 Cash flows from operating activities

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

	Notes	Consolidated		Company	
		30 September 2014 Baht'000	30 September 2013 Baht'000	30 September 2014 Baht'000	30 September 2013 Baht'000
Profit before income tax		574,116	482,615	265,822	164,111
Adjustments for:					
Depreciation and amortisation	9	9,619	8,653	6,896	6,215
Loss on write-off of building and equipment	9	220	-	220	-
Amortisation of prepaid rent		50	(19,236)	-	-
Interest income		(19,914)	77,045	(28,906)	(29,174)
Interest expense		72,373	77,045	74,548	75,744
Dividend income	7	-	-	(160,720)	(44,100)
Amortisation of debenture issuance cost	10	1,225	1,320	1,225	1,320
Realised unearned rental and service income		(35,566)	(35,402)	(19,539)	(20,634)
Investment property recognised as cost of finance lease		13,190	4,543	13,190	4,543
Provision for employee benefit		3,519	3,336	3,519	3,336
Loss from fair value adjustment on investment property	8	140,238	93,728	136,688	116,139
Share profit from joint venture	7	(331,935)	(208,134)	-	-
Changes in operating assets and liabilities:					
- short-term investment		(103,352)	11,686	(103,352)	11,686
- trade accounts receivable		6,576	63	1,403	2,552
- finance lease receivable		11,200	31,943	1,620	23,242
- amounts due from related parties		(579)	(146,578)	(41,601)	(174,758)
- other current assets		7,259	11,997	(1,743)	5,081
- deposits for leasehold land		1,155	116	1,155	116
- other non-current assets		2,112	(1,122)	1,867	4,778
- trade accounts payable		2,169	(825)	1,673	(735)
- amounts due to related parties		(2,160)	(28)	(10,556)	3,860
- other current liabilities		13,084	(27,006)	10,012	(6,437)
- unearned rental and service income		1,646	(3,524)	(2,775)	(3,861)
- deposit received from customers		18,099	(18,174)	19,726	(11,844)
- finance lease liabilities on land leases		(100,856)	(169,921)	(73,561)	(145,288)
Cash flows received from (used in) operating activities		283,488	97,145	96,811	(14,108)

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16 Related party transactions

Siam Future Development Public Company Limited is an associate of Major Cineplex Group Public Company Limited which owns 23.08% of the Company's shares (31 December 2013: 23.72%). 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 nine-month periods ended 30 September 2014 and 2013 are summarised as follows:

a) Revenues and expenses

	Consolidated		Company	
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
For the nine-month periods ended 30 September				
Rental and services income				
Group of Major Cineplex Group Public Company Limited	54,131	51,121	21,049	22,200
Related parties	22,349	20,795	16,091	15,833
	<u>76,480</u>	<u>71,916</u>	<u>37,140</u>	<u>38,032</u>
Management fee income				
Subsidiaries	-	-	39,152	41,901
Joint venture	5,778	4,468	5,778	4,468
	<u>5,778</u>	<u>4,468</u>	<u>44,930</u>	<u>46,369</u>
Interest income				
Subsidiaries	-	-	14,997	15,894
Major Cineplex Group Public Company Limited	579	282	-	-
	<u>579</u>	<u>282</u>	<u>14,997</u>	<u>15,894</u>
Management fee expense				
Major Cineplex Group Public Company Limited	7,588	7,725	7,345	7,523
Interest expenses				
Subsidiaries	-	-	2,175	988

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16 Related party transactions (Cont'd)

a) Revenues and expenses (Cont'd)

	Consolidated		Company	
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
For the three-month periods ended 30 September				
Rental and services income				
Group of Major Cineplex Group Public Company Limited	23,688	15,842	9,428	6,661
Related parties	7,620	5,948	5,536	5,211
	<u>31,308</u>	<u>21,790</u>	<u>14,964</u>	<u>11,872</u>
Management fee income				
Subsidiaries	-	-	13,151	13,948
Joint venture	1,926	2,819	1,926	2,819
	<u>1,926</u>	<u>2,819</u>	<u>15,077</u>	<u>16,767</u>
Interest income				
Subsidiaries	-	-	4,724	5,986
Major Cineplex Group Public Company Limited	195	195	-	-
	<u>195</u>	<u>195</u>	<u>4,724</u>	<u>5,986</u>
Management fee expense				
Major Cineplex Group Public Company Limited	1,063	961	981	894
Interest expense				
Subsidiaries	-	-	827	634

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 (2013: 6.00% to 7.75% per annum).

b) Trade accounts receivable

	Consolidated		Company	
	30 September 2014	31 December 2013	30 September 2014	31 December 2013
	Baht'000	Baht'000	Baht'000	Baht'000
Group of Major Cineplex Group Public Company Limited	2,236	5,854	-	5
Related parties	41	16	41	-
	<u>2,277</u>	<u>5,870</u>	<u>41</u>	<u>5</u>

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16 Related party transactions (Cont'd)

c) Amounts due from related parties

	Consolidated		Company	
	30 September 2014 Baht'000	31 December 2013 Baht'000	30 September 2014 Baht'000	31 December 2013 Baht'000
Major Cineplex Group Public Company Limited	2,057	1,478	-	-
Subsidiaries	-	-	274,423	232,822
Joint venture	126,381	126,381	126,381	126,381
	<u>128,438</u>	<u>127,859</u>	<u>400,804</u>	<u>359,203</u>

d) Short-term loans to related parties

	Consolidated Baht'000	Company Baht'000
For the nine-month period ended 30 September 2014		
Beginning balance	25,000	352,896
Loans made during the period	-	1,100
Loans repayments during the period	-	(75,850)
Ending balance	<u>25,000</u>	<u>278,146</u>

As at 30 September 2014, short-term loans to related parties represented loans repayable upon demand. The loans bear interest at the rates between 3.10% to 6.75% per annum.

e) Amounts due to related parties

	Consolidated		Company	
	30 September 2014 Baht'000	31 December 2013 Baht'000	30 September 2014 Baht'000	31 December 2013 Baht'000
Major Cineplex Group Public Company Limited	38,273	40,005	14,281	14,131
Subsidiaries	-	-	3,329	12,535
Joint venture	-	1,500	-	1,500
	<u>38,273</u>	<u>41,505</u>	<u>17,610</u>	<u>28,166</u>

f) Short-term loans from subsidiaries

	Company Baht'000
For the nine-month period ended 30 September 2014	
Beginning balance	93,700
Loans made during the period	61,400
Loan repayments during the period	(10,000)
Ending balance	<u>145,100</u>

As at 30 September 2014, 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 2.44% to 3.10% per annum.

16 Related party transactions (Cont'd)

g) Unearned rental and service income

As at 30 September 2014, the unearned rental and service income of a subsidiary includes unearned income received from Major Cineplex Group Public Company Limited amounting to Baht 101 million (31 December 2013: Baht 106 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.

17 Commitments and contingencies

Bank guarantees

As at 30 September 2014, the Group has outstanding letters of guarantee amounting to Baht 53 million (2013: Baht 53 million) issued by the Group's bankers in respect of normal business operations.

Rental commitment

Rental contracted for at the statement of financial position date but not recognized in the financial statements are as follows:

	Consolidated		Company	
	30 September 2014 Baht'000	31 December 2013 Baht'000	30 September 2014 Baht'000	31 December 2013 Baht'000
Less than 1 year	3,437	4,632	3,437	4,052
Over than 1 year but not later than 5 years	642	1,362	642	1,362
	4,079	5,994	4,079	5,414

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18 Segment information

The Group operates in only one business segment which is the development of shopping centers and lease out space in the centers. Currently, the business is only operated in Thailand. The internal reporting provided to the chief operating decision-maker presented investment property by using cost method whereas financial statements presented at fair value.

	Unit : Baht'000		
	Consolidated		
	Internal reporting	Investment properties adjustment to be fair value	Financial statement
For the three-month period ended 30 September 2014			
Revenues			
Rental and service income	329,865		
Revenue from finance lease contracts	21,669		
Finance and interest income	6,756		
Other income	5,850		
Share profit from joint venture	54,794		
Total revenues	418,934	70,773 ¹	489,707
Expenses			
Cost of rental and service	235,858		
Cost of finance lease contracts	18,687		
Selling and administrative expenses	53,493		
Total expenses	308,038	(23,744) ²	284,294
Profit before finance costs	110,896	94,517	205,413
Finance costs	(23,153)	-	(23,153)
Profit before income taxes	87,743	94,517	182,260
Income taxes	(7,957)	(6,882) ³	(14,839)
Profit for the period	79,786	87,635	167,421
Profit attributable to			
Owners of the parent	74,912	84,463	159,374
Non-controlling interests	4,874	3,172	8,047
	79,786	87,635	167,421
Fair value adjustment on investment property, net	87,635	(87,635)	-
Profit for the period after fair value adjustment on investment property	167,421	-	167,421

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18 Segment information (Cont'd)

	Unit : Baht'000		
	Consolidated		
	Internal reporting	Investment properties adjustment to be fair value	Financial statement
For the three-month period ended 30 September 2013			
Revenues			
Rental and service income	318,455		
Revenue from finance lease contracts	-		
Finance and interest income	6,424		
Other income	9,808		
Share profit from joint venture	25,763		
Total revenues	360,450	46,607 ¹	407,057
Expenses			
Cost of rental and service	232,170		
Cost of finance lease contracts	-		
Selling and administrative expenses	50,592		
Total expenses	282,762	(49,098) ²	233,664
Profit before finance costs	77,688	95,705	173,393
Finance costs	(26,899)	-	(26,899)
Profit before income taxes	50,789	95,705	146,494
Income taxes	(5,636)	(9,820) ³	(15,456)
Profit for the period	45,153	85,885	131,038
Profit attributable to			
Owners of the parent	41,346	82,440	123,786
Non-controlling interests	3,807	3,445	7,252
	45,153	85,885	131,038
Fair value adjustment on investment property, net	85,885	(85,885)	-
Profit for the period after fair value adjustment on investment property	131,038	-	131,038

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18 Segment information (Cont'd)

	Unit : Baht'000		
	Consolidated		
	Internal reporting	Investment properties adjustment to be fair value	Financial statement
For the nine-month period ended 30 September 2014			
Revenues			
Rental and service income	985,586		
Revenue from finance lease contracts	21,669		
Finance and interest income	19,914		
Other income	19,006		
Share profit from joint venture	138,949		
Total revenues	<u>1,185,124</u>	<u>192,987¹</u>	<u>1,378,111</u>
Expenses			
Cost of rental and service	704,085		
Cost of finance lease contracts	18,687		
Selling and administrative expenses	168,459		
Total expenses	<u>891,231</u>	<u>(159,609)²</u>	<u>731,622</u>
Profit before finance costs	293,893	352,596	646,489
Finance costs	<u>(72,373)</u>	<u>-</u>	<u>(72,373)</u>
Profit before income taxes	221,520	352,596	574,116
Income taxes	<u>(24,906)</u>	<u>(38,322)³</u>	<u>(63,228)</u>
Profit for the period	<u>196,614</u>	<u>314,274</u>	<u>510,888</u>
Profit attributable to			
Owners of the parent	182,454	303,792	486,246
Non-controlling interests	<u>14,160</u>	<u>10,482</u>	<u>24,642</u>
	<u>196,614</u>	<u>314,274</u>	<u>510,888</u>
Fair value adjustment on investment property, net	<u>314,274</u>	<u>(314,274)</u>	<u>-</u>
Profit for the period after fair value adjustment on investment property	<u>510,888</u>	<u>-</u>	<u>510,888</u>
As at 30 September 2014			
Total assets	<u>8,542,402</u>	<u>3,724,352</u>	<u>12,266,754</u>

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18 Segment information (Cont'd)

	Unit : Baht'000		
	Consolidated		
	Internal reporting	Investment properties adjustment to be fair value	Financial statement
For the nine-month period ended 30 September 2013			
Revenues			
Rental and service income	973,168		
Revenue from finance lease contracts	7,414		
Finance and interest income	19,235		
Other income	23,988		
Share profit from joint venture	89,541		
Total revenues	1,113,346	118,594 ¹	1,231,940
Expenses			
Cost of rental and service	702,183		
Cost of finance lease contracts	3,534		
Selling and administrative expenses	156,666		
Total expenses	862,383	(190,103) ²	672,280
Profit before finance costs	250,963	308,697	559,660
Finance costs	(77,045)	-	(77,045)
Profit before income taxes	173,918	308,697	482,615
Income taxes	(21,918)	(38,021) ³	(59,939)
Profit for the period	152,000	270,676	422,676
Profit attributable to			
Owners of the parent	141,502	255,608	397,110
Non-controlling interests	10,498	15,068	25,566
	152,000	270,676	422,676
Fair value adjustment on investment property, net	270,676	(270,676)	-
Profit for the period after fair value adjustment on investment property	422,676	-	422,676
As at 30 September 2014			
Total assets	8,400,153	3,602,703	12,002,856

Additional explanation on adjustment

¹ Adjustment relates to share of profit of joint venture due to the measurement of investment property from cost method to fair value method.

² Adjustment relates to selling and administrative expenses which came from add back depreciation and adjustment of change in fair value of investment property.

³ Adjustment relates to income tax expense which came from deferred income tax expense of investment property at fair value.