

**SIAM FUTURE DEVELOPMENT PUBLIC COMPANY LIMITED**

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

**30 JUNE 2017**

## **AUDITOR'S REPORT ON THE REVIEW OF THE INTERIM FINANCIAL INFORMATION**

To the Shareholders of Siam Future Development Public Company Limited

I have reviewed the interim consolidated financial information of Siam Future Development Public Company Limited and its subsidiaries, and the separate financial information of Siam Future Development Public Company Limited. These comprise the consolidated and separate statements of financial position as at 30 June 2017, the consolidated and separate statements of income, the consolidated and separate statements of comprehensive income for the three-month and six-month periods then ended, and the related consolidated and separate statements of changes in equity and cash flows for the six-month period then ended, and the condensed notes to the interim financial information. Management is responsible for the preparation and presentation of this interim consolidated and separate financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim consolidated and separate financial information based on my review.

### **Scope of review**

I conducted my review in accordance with the Thai Standard on Review Engagements 2410, "Review of interim financial information performed by the independent auditor of the entity". A review of interim financial information 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 accompanying interim consolidated and separate financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

PricewaterhouseCoopers ABAS Ltd.

**Kajornkiet Aroonpirodkul**  
Certified Public Accountant (Thailand) No. 3445  
Bangkok  
8 August 2017

**Siam Future Development Public Company Limited**  
**Statements of Financial Position**  
**As at 30 June 2017**

	Notes	Consolidated financial information		Separate financial information	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		30 June	31 December	30 June	31 December
		2017	2016	2017	2016
		Baht'000	Baht'000	Baht'000	Baht'000
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		54,908	25,198	33,239	9,943
Short-term investments	3, 4	237,613	171,241	237,613	171,241
Trade and other receivables	5	160,182	126,410	106,349	81,490
Finance lease receivables due within one year	6	25,145	29,480	18,010	22,613
Amounts due from related parties	16 c)	5,419	6,474	601,639	548,295
Short-term loans to related parties	16 d)	18,150	18,150	139,100	206,000
Other current assets		16,916	13,679	2,858	-
<b>Total current assets</b>		<b>518,333</b>	<b>390,632</b>	<b>1,138,808</b>	<b>1,039,582</b>
<b>Non-current assets</b>					
Restricted cash		605	605	-	-
Finance lease receivables	6	543,589	605,180	345,674	401,865
Investments in subsidiaries	7	-	-	257,925	257,925
Interests in joint ventures	7	4,873,922	4,649,303	1,978,581	1,978,581
Prepaid rent, net		934	967	-	-
Investment property	3, 8	9,498,272	9,102,952	4,527,030	4,177,371
Building and equipment, net	9	65,085	58,198	32,564	27,737
Intangible assets, net	9	23,613	13,847	18,859	9,410
Deposits for leasehold land		49,387	49,387	49,387	49,387
Other non-current assets		47,246	49,253	41,217	42,630
<b>Total non-current assets</b>		<b>15,102,653</b>	<b>14,529,692</b>	<b>7,251,237</b>	<b>6,944,906</b>
<b>Total assets</b>		<b>15,620,986</b>	<b>14,920,324</b>	<b>8,390,045</b>	<b>7,984,488</b>

Director ..... Director .....

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

**Siam Future Development Public Company Limited**  
**Statements of Financial Position (Cont'd)**  
**As at 30 June 2017**

	<b>Notes</b>	<b>Consolidated financial information</b>		<b>Separate financial information</b>	
		<b>(Unaudited)</b>	<b>(Audited)</b>	<b>(Unaudited)</b>	<b>(Audited)</b>
		<b>30 June</b>	<b>31 December</b>	<b>30 June</b>	<b>31 December</b>
		<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
		<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>
<b>Liabilities and equity</b>					
<b>Current liabilities</b>					
Short-term borrowings					
from financial institution		647,481	349,583	647,481	349,583
Trade and other payables	10	187,695	140,301	130,627	93,321
Amounts due to related parties	16 e)	5,100	18,808	12,665	13,999
Short-term loans from subsidiaries	16 f)	-	-	278,050	272,650
Current portion of unearned rental and service income		52,629	39,196	22,233	13,491
Current portion of long-term borrowings	11	699,670	699,389	699,670	699,389
Finance lease liabilities on land leases - current portion		159,210	124,330	154,511	101,260
Corporate income tax payable		4,001	10,469	-	2,025
Other current liabilities		225,910	238,681	137,033	136,990
<b>Total current liabilities</b>		<b>1,981,696</b>	<b>1,620,757</b>	<b>2,082,270</b>	<b>1,682,708</b>
<b>Non-current liabilities</b>					
Unearned rental and service income		364,064	358,893	53,642	39,065
Long-term borrowings	11	578,548	499,406	578,548	499,406
Deposits received from customers		470,945	488,689	277,930	290,578
Deferred tax liabilities		982,980	957,134	420,544	404,448
Finance lease liabilities on land leases		1,414,180	1,326,235	906,413	838,815
Employee benefit obligations		39,655	37,508	39,655	37,508
<b>Total non-current liabilities</b>		<b>3,850,372</b>	<b>3,667,865</b>	<b>2,276,732</b>	<b>2,109,820</b>
<b>Total liabilities</b>		<b>5,832,068</b>	<b>5,288,622</b>	<b>4,359,002</b>	<b>3,792,528</b>

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

**Siam Future Development Public Company Limited**  
**Statements of Financial Position (Cont'd)**  
**As at 30 June 2017**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial information</b>		<b>financial information</b>	
	<b>(Unaudited)</b>	<b>(Audited)</b>	<b>(Unaudited)</b>	<b>(Audited)</b>
	<b>30 June</b>	<b>31 December</b>	<b>30 June</b>	<b>31 December</b>
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>
<b>Liabilities and equity (Cont'd)</b>				
<b>Equity</b>				
Share capital				
Authorised share capital	1,776,618	1,776,618	1,776,618	1,776,618
Issued and paid-up share capital	1,776,608	1,776,608	1,776,608	1,776,608
Share premium	634,029	634,029	634,029	634,029
Retained earnings				
Appropriated - legal reserve	177,666	177,666	177,666	177,666
Unappropriated	6,359,095	6,213,232	1,443,186	1,604,103
Other components of equity	(446)	(446)	(446)	(446)
<b>Equity attributable to owners of the parent</b>	<b>8,946,952</b>	<b>8,801,089</b>	<b>4,031,043</b>	<b>4,191,960</b>
Non-controlling interests	841,966	830,613	-	-
<b>Total equity</b>	<b>9,788,918</b>	<b>9,631,702</b>	<b>4,031,043</b>	<b>4,191,960</b>
<b>Total liabilities and equity</b>	<b>15,620,986</b>	<b>14,920,324</b>	<b>8,390,045</b>	<b>7,984,488</b>

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

**Siam Future Development Public Company Limited**  
**Statement of Income (Unaudited)**  
**For the three-month period ended 30 June 2017**

	Consolidated		Separate	
	financial information		financial information	
	2017	2016	2017	2016
Note	Baht'000	Baht'000	Baht'000	Baht'000
<b>Revenues</b>				
Rental and service income	338,524	353,133	192,970	199,817
Finance and interest income	5,559	6,647	5,756	8,530
Dividends income	-	-	4,182	3,468
Other income	8,473	5,425	32,243	31,593
Share of profit from joint ventures	123,572	153,229	-	-
<b>Total revenues</b>	<b>476,128</b>	<b>518,434</b>	<b>235,151</b>	<b>243,408</b>
<b>Expenses</b>				
Cost of rental and service	135,725	139,810	78,279	79,704
Fair value adjustment on investment property, net	(33,590)	57,261	(49,305)	52,413
Selling expenses	6,576	10,409	5,465	8,380
Administrative expenses	51,674	45,625	46,643	40,945
Management's remuneration	3,597	5,085	3,597	5,085
<b>Total expenses</b>	<b>163,982</b>	<b>258,190</b>	<b>84,679</b>	<b>186,527</b>
<b>Profit before finance costs and income tax</b>	<b>312,146</b>	<b>260,244</b>	<b>150,472</b>	<b>56,881</b>
Finance costs	(18,950)	(16,924)	(20,069)	(18,214)
<b>Profit before income tax</b>	<b>293,196</b>	<b>243,320</b>	<b>130,403</b>	<b>38,667</b>
Income tax	(30,399)	(15,555)	(25,174)	(6,844)
<b>Profit for the period</b>	<b>262,797</b>	<b>227,765</b>	<b>105,229</b>	<b>31,823</b>
<b>Profit attributable to:</b>				
Owners of the parent	252,922	218,617	105,229	31,823
Non-controlling interests	9,875	9,148	-	-
	<b>262,797</b>	<b>227,765</b>	<b>105,229</b>	<b>31,823</b>
<b>Earnings per share</b>				
	14			
Basic earnings per share (Baht)	0.14	0.12	0.06	0.02

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

**Siam Future Development Public Company Limited**  
**Statement of Comprehensive Income (Unaudited)**  
**For the three-month period ended 30 June 2017**

---

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial information</b>		<b>financial information</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>
<b>Profit for the period</b>	262,797	227,765	105,229	31,823
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive income for the period</b>	<u>262,797</u>	<u>227,765</u>	<u>105,229</u>	<u>31,823</u>
<b>Total comprehensive income attributable to:</b>				
Owners of the parent	252,922	218,617	105,229	31,823
Non-controlling interests	9,875	9,148	-	-
	<u>262,797</u>	<u>227,765</u>	<u>105,229</u>	<u>31,823</u>

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

---

**Siam Future Development Public Company Limited**  
**Statement of Income (Unaudited)**  
**For the six-month period ended 30 June 2017**

	Notes	Consolidated		Separate	
		financial information		financial information	
		2017	2016	2017	2016
		Baht'000	Baht'000	Baht'000	Baht'000
<b>Revenues</b>					
Rental and services income		671,993	691,806	380,838	391,469
Finance and interest income		11,648	13,207	12,328	14,578
Dividends income		-	-	54,162	53,448
Other income		15,020	25,870	62,893	64,966
Share of profit from joint ventures	7	274,599	297,000	-	-
<b>Total revenues</b>		<b>973,260</b>	<b>1,027,883</b>	<b>510,221</b>	<b>524,461</b>
<b>Expenses</b>					
Costs of rental and services		273,090	267,246	154,144	151,796
Fair value adjustment on investment property, net	8	(20,789)	(344)	(11,904)	(31,507)
Selling expenses		14,175	14,686	12,008	11,888
Administrative expenses		100,574	91,057	90,384	81,478
Management's remuneration	16 h)	7,518	10,694	7,518	10,694
<b>Total expenses</b>		<b>374,568</b>	<b>383,339</b>	<b>252,150</b>	<b>224,349</b>
<b>Profit before finance costs and income tax</b>		<b>598,692</b>	<b>644,544</b>	<b>258,071</b>	<b>300,112</b>
Finance costs		(36,380)	(39,226)	(38,600)	(41,584)
<b>Profit before income tax</b>		<b>562,312</b>	<b>605,318</b>	<b>219,471</b>	<b>258,528</b>
Income tax		(45,763)	(62,683)	(25,073)	(40,949)
<b>Profit for the period</b>		<b>516,549</b>	<b>542,635</b>	<b>194,398</b>	<b>217,579</b>
<b>Profit attributable to:</b>					
Owners of the parent		501,178	529,615	194,398	217,579
Non-controlling interests		15,371	13,020	-	-
		<b>516,549</b>	<b>542,635</b>	<b>194,398</b>	<b>217,579</b>
<b>Earnings per share</b>					
	14				
Basic earnings per share (Baht)		0.28	0.30	0.11	0.12

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



**Siam Future Development Public Company Limited**  
**Statement of Comprehensive Income (Unaudited)**  
**For the six-month period ended 30 June 2017**

---

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial information</b>		<b>financial information</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>
<b>Profit for the period</b>	516,549	542,635	194,398	217,579
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive income for the period</b>	<u>516,549</u>	<u>542,635</u>	<u>194,398</u>	<u>217,579</u>
<b>Total comprehensive income attributable to:</b>				
Owners of the parent	501,178	529,615	194,398	217,579
Non-controlling interests	15,371	13,020	-	-
	<u>516,549</u>	<u>542,635</u>	<u>194,398</u>	<u>217,579</u>

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

**Siam Future Development Public Company Limited**  
**Statement of Changes in Equity (Unaudited)**  
**For the six-month period ended 30 June 2017**

<b>Consolidated financial information (Baht'000)</b>							
<b>Attributable to owners of the parent</b>							
<b>Note</b>	<b>Issued and paid-up share capital</b>	<b>Share premium</b>	<b>Legal reserve</b>	<b>Unappropriated retained earnings</b>	<b>Other components of equity</b>	<b>Non- controlling interests</b>	<b>Total equity</b>
<b>Opening balance 1 January 2016</b>	1,776,608	634,029	148,056	5,545,348	(446)	802,408	8,906,003
Legal reserve appropriation	-	-	29,610	(29,610)	-	-	-
Dividends	-	-	-	(266,483)	-	-	(266,483)
Dividend paid from a subsidiary to non-controlling interests	-	-	-	-	-	(3,332)	(3,332)
Total comprehensive income for the period	-	-	-	529,615	-	13,020	542,635
<b>Closing balance 30 June 2016</b>	<b>1,776,608</b>	<b>634,029</b>	<b>177,666</b>	<b>5,778,870</b>	<b>(446)</b>	<b>812,096</b>	<b>9,178,823</b>
<b>Opening balance 1 January 2017</b>	1,776,608	634,029	177,666	6,213,232	(446)	830,613	9,631,702
Dividends	-	-	-	(355,315)	-	-	(355,315)
Dividend paid from a subsidiary to non-controlling interests	-	-	-	-	-	(4,018)	(4,018)
Total comprehensive income for the period	-	-	-	501,178	-	15,371	516,549
<b>Closing balance 30 June 2017</b>	<b>1,776,608</b>	<b>634,029</b>	<b>177,666</b>	<b>6,359,095</b>	<b>(446)</b>	<b>841,966</b>	<b>9,788,918</b>

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

**Siam Future Development Public Company Limited**  
**Statement of Changes in Equity (Unaudited) (Cont'd)**  
**For the six-month period ended 30 June 2017**

<b>Separate financial information (Baht'000)</b>						
	<b>Issued and paid-up share capital</b>	<b>Share premium</b>	<b>Legal reserve</b>	<b>Unappropriated retained earnings</b>	<b>Other components of equity</b>	<b>Total equity</b>
<b>Note</b>						
<b>Opening balance 1 January 2016</b>	1,776,608	634,029	148,056	1,609,514	(446)	4,167,761
Legal reserve appropriation	-	-	29,610	(29,610)	-	-
Dividends	-	-	-	(266,483)	-	(266,483)
Total comprehensive income for the period	-	-	-	217,579	-	217,579
<b>Closing balance 30 June 2016</b>	<u>1,776,608</u>	<u>634,029</u>	<u>177,666</u>	<u>1,531,000</u>	<u>(446)</u>	<u>4,118,857</u>
<b>Opening balance 1 January 2017</b>	1,776,608	634,029	177,666	1,604,103	(446)	4,191,960
Dividends	-	-	-	(355,315)	-	(355,315)
Total comprehensive income for the period	-	-	-	194,398	-	194,398
<b>Closing balance 30 June 2017</b>	<u>1,776,608</u>	<u>634,029</u>	<u>177,666</u>	<u>1,443,186</u>	<u>(446)</u>	<u>4,031,043</u>

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

**Siam Future Development Public Company Limited**  
**Statement of Cash Flows (Unaudited)**  
**For the six-month period ended 30 June 2017**

	Notes	Consolidated		Separate	
		financial information		financial information	
		2017	2016	2017	2016
		Baht'000	Baht'000	Baht'000	Baht'000
<b>Cash flows from operating activities</b>					
Cash generated from operating activities	15	194,431	794,334	55,067	611,100
Interest paid		(36,567)	(42,958)	(39,621)	(49,109)
Income tax paid		(31,386)	(35,168)	(13,860)	(11,367)
Net cash generated from operating activities		126,478	716,208	1,586	550,624
<b>Cash flows from investing activities</b>					
Purchases of building, equipment and investment property		(153,114)	(188,761)	(115,360)	(109,871)
Purchases of intangible assets		(11,424)	-	(11,093)	-
Short-term loans made to related parties	16 d)	-	-	(600)	(294,500)
Short-term loans repayments received from related parties	16 d)	-	1,650	67,500	90,556
Dividends received	7	49,980	49,980	54,162	338,445
Interest received		225	824	118	89
Net cash (used in) generated from investing activities		(114,333)	(136,307)	(5,273)	24,719
<b>Cash flows from financing activities</b>					
Proceeds from short-term borrowings from financial institution		747,898	448,174	747,898	448,174
Proceeds from short-term loans from subsidiaries	16 f)	-	-	36,000	116,900
Proceeds from long-term borrowings from financial institution		79,000	-	79,000	-
Repayments to short-term loans from financial institution		(450,000)	-	(450,000)	-
Repayments to short-term loans from subsidiaries	16 f)	-	-	(30,600)	(110,350)
Redemption of debentures	11	-	(750,000)	-	(750,000)
Dividends paid from a subsidiary to non-controlling interests		(4,018)	(3,332)	-	-
Dividends paid	13	(355,315)	(266,483)	(355,315)	(266,483)
Net cash received (used in) from financing activities		17,565	(571,641)	26,983	(561,759)
<b>Net increase in cash and cash equivalents</b>		29,710	8,260	23,296	13,584
Cash and cash equivalents, beginning balance		25,198	33,499	9,943	2,439
<b>Cash and cash equivalents, ending balance</b>		54,908	41,759	33,239	16,023

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 Cash Flows (Unaudited) (Cont'd)**  
**For the six-month period ended 30 June 2017**

---

**Supplementary information for cash flows:**

**Non-cash transactions**

Significant non-cash transactions for the six-month periods ended 30 June 2017 and 2016 are as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial information</b>		<b>financial information</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>
Accounts payable arisen as a result of purchases of property, equipment and investment property	22,114	25,938	20,931	10,790
Accounts payable arisen as a result of purchases of intangible assets	260	1,699	260	1,699
Investment property increases due to termination of finance lease contracts	51,308	735	49,849	-
Increase in finance lease liabilities on land leases	140,848	231,526	140,848	231,526

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'.

This interim consolidated and separate financial information was authorised for issue by the Board of Directors on 8 August 2017.

This interim consolidated and separate financial information has been reviewed, not audited.

## **2 Accounting policies**

### **2.1 Basis of preparation**

The interim financial information has been prepared in accordance with Thai Accounting Standard 34 Interim Financial Reporting. The primary financial information (statement of financial position, statement of income, statement of comprehensive income, statement of changes in equity and statement of cash flows) is presented in a format consistent with the annual financial statements complying with Thai Accounting Standard 1 Presentation of Financial Statements. The notes to the financial information are prepared in a condensed format. 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 2016.

An English version of the interim consolidated and separate financial information has been prepared from the interim financial information that is 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 2016.

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.

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

Revised financial reporting standards are effective for annual periods beginning on or after 1 January 2017.

a) Financial reporting standards, which have significant changes and are relevant to the Group:

TAS 1 (revised 2016)	Presentation of financial statements
TAS 16 (revised 2016)	Property, plant and equipment
TAS 19 (revised 2016)	Employee benefits
TAS 27 (revised 2016)	Separate financial statements
TAS 28 (revised 2016)	Investments in associates and joint ventures
TAS 34 (revised 2016)	Interim financial reporting
TAS 38 (revised 2016)	Intangible assets
TFRS 10 (revised 2016)	Consolidated financial statements
TFRS 11 (revised 2016)	Joint arrangements

## **2 Accounting policies (Cont'd)**

### **2.2 Revised accounting standards, revised financial reporting standards, and related interpretations (Cont'd)**

Revised financial reporting standards are effective for annual periods beginning on or after 1 January 2017. (Cont'd)

a) Financial reporting standards, which have significant changes and are relevant to the Group: (Cont'd)

TAS 1 (revised 2016), the amendments provide clarifications on a number of issues, including:

- Materiality - an entity should not aggregate or disaggregate information in a manner that obscures useful information. Where items are material, sufficient information must be provided to explain the impact on the financial position or performance.
- Disaggregation and subtotals - line items specified in TAS 1 may need to be disaggregated where this is relevant to an understanding of the entity's financial position or performance. There is also new guidance on the use of subtotals.
- Notes - confirmation that the notes do not need to be presented in a particular order.
- OCI arising from investments accounted for under the equity method - the share of OCI arising from equity-accounted investments is grouped based on whether the items will or will not subsequently be reclassified to profit or loss. Each group should then be presented as a single line item in the statement of other comprehensive income.

TAS 16 (revised 2016), key amendments are 1) The amendments clarify that depreciation of an item of property, plant and equipment based on revenue generated by using the asset is not appropriate and 2) The amendments include bearer plants in scope of TAS 16.

TAS 19 (revised 2016), the amendments clarify that when determining the discount rate for post-employment benefit obligations, it is the currency that the liabilities are denominated in that is important and not the country where they arise.

TAS 27 (revised 2016), the amendments allow an entity a policy choice to account for investments in subsidiaries, joint ventures and associates in its separate financial statements using the equity method as described in TAS 28. While current TAS 27 allows entities to measure their investments in subsidiaries, joint ventures and associates either at cost or at fair value (when announced). The election can be made independently for each category of investment (subsidiaries, joint ventures and associates). Entities wishing to change to the equity method must do so retrospectively.

TAS 28 (revised 2016), the amendments allow an entity which is not an investment entity, but has an interest in an associate or joint venture which is an investment entity, a policy choice when applying the equity method of accounting. The entity may choose to retain the fair value measurement applied by the investment entity associate or joint venture, or to unwind the fair value measurement and instead perform a consolidation at the level of the investment entity associate or joint venture.

TAS 34 (revised 2016), the amendments clarify that what is meant by the reference in the standard to 'information disclosed elsewhere in the interim financial report'; entities taking advantage of the relief must provide a cross-reference from the interim financial statements to the location of that information and make the information available to users on the same terms and at the same time as the interim financial statements.

TAS 38 (revised 2016), the amendments include a rebuttable presumption that the amortisation of intangible assets based on revenue is inappropriate. This presumption can be overcome if either the intangible asset is expressed as a measure of revenue (i.e. where a measure of revenue is the limiting factor on the value that can be derived from the asset), or it can be shown that revenue and the consumption of economic benefits generated by the asset are highly correlated.

TFRS 10 (revised 2016), the amendments clarify that: 1) the exception from preparing consolidated financial statements is also available to intermediate parent entities which are subsidiaries of investment entities and 2) an investment entity should consolidate a subsidiary which is not an investment entity and whose main purpose and activity is to provide services in support of the investment entity's investment activities.

TFRS 11 (revised 2016), the amendments clarify that 1) the accounting for the acquisition of an interest in a joint operation where the activities of the operation constitute a business. They require an investor to apply the principles of business combination accounting and 2) existing interests in the joint operation are not remeasured on acquisition of an additional interest, provided joint control is maintained.

Management has assessed and considered that the above revised standards do not have significantly impact to the Group.

**2 Accounting policies (Cont'd)**

**2.2 Revised accounting standards, revised financial reporting standards, and related interpretations (Cont'd)**

Revised financial reporting standards are effective for annual periods beginning on or after 1 January 2017. (Cont'd)

- b) Revised financial reporting standards and interpretations with minor changes and do not have impact to the Group:

There are 47 financial reporting standards with minor changes. Management assesses that they do not have an impact on the Group interim financial information.

**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 2016.

**3 Fair value**

**3.1 Fair value estimation**

The table below analyses assets carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 : Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) .
- Level 3 : Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) .

The following table presents financial assets that are measured and recognised at fair value at 30 June 2017.

	<b>Consolidated financial information</b>		
	<b>Level 2 Baht'000</b>	<b>Level 3 Baht'000</b>	<b>Total Baht'000</b>
<b>Assets</b>			
Short-term investments - trading securities	237,613	-	237,613
Investment property	-	9,498,272	9,498,272
	<b>Separate financial information</b>		
	<b>Level 2 Baht'000</b>	<b>Level 3 Baht'000</b>	<b>Total Baht'000</b>
<b>Assets</b>			
Short-term investments - trading securities	237,613	-	237,613
Investment property	-	4,527,030	4,527,030



**3 Fair value (Cont'd)**

**3.1 Fair value estimation (Cont'd)**

The following table presents financial assets that are measured and recognised at fair value at 31 December 2016.

	<b>Consolidated financial statements</b>		
	<b>Level 2 Baht'000</b>	<b>Level 3 Baht'000</b>	<b>Total Baht'000</b>
<b>Assets</b>			
Short-term investments - trading securities	171,241	-	171,241
Investment property	-	9,102,952	9,102,952
<b>Separate financial statements</b>			
	<b>Level 2 Baht'000</b>	<b>Level 3 Baht'000</b>	<b>Total Baht'000</b>
<b>Assets</b>			
Short-term investments - trading securities	171,241	-	171,241
Investment property	-	4,177,371	4,177,371

There was no change in valuation techniques during the period.

**3.2 Valuation techniques used to derive Level 2 fair values**

Level 2 trading securities - investment units are fair valued based on net assets value published by mutual fund management companies as the fund managers at the statements of financial position date, if there was no net assets value at the statements of financial position date the Group will determine net assets value at the last business day before the statements of financial position date.

**3.3 Fair value measurements using significant unobservable inputs (Level 3)**

The Group disclosed the movement of investment property which is classified as level 3 in note to interim financial information No. 8.

There was no changes in fair valuation techniques during the period.

**3.4 Group's valuation processes**

The Group's finance department includes an independent valuer performs the valuations of assets required for financial reporting purposes, including Level 3 fair values. This team reports directly to the finance committee. Discussions of valuation processes and results are held between the finance committee and finance department at least once every quarter, in line with the Group's quarterly reporting dates.

The main Level 3 input used by the Group pertains to the discount rate for investment property. It is estimated based on discounted cash flow projections which reflects rental income from current leases and assumptions about rental income from future leases in the light of current market conditions. The fair value also reflects any cash outflows that could be expected in respect of the property. The discount rate is estimated based on the average yield rate of property fund of public companies that are, in the opinion of the Group, in a comparable financial position including the appropriate risk premium and reflects current market assessments of the time value of money and risk adjusted which mainly are at the rates of 12% per annum. The discount rate of finance lease liabilities on land leases is at the rates between 4.15% to 8% per annum. The Group has hired an independent valuer to estimate such information for this valuation.

#### 4 Short-term investments

As at 30 June 2017 and 31 December 2016, the Group had short-term investments as follows:

	Consolidated and separate financial information			
	30 June 2017		31 December 2016	
	Cost Baht'000	Fair Value Baht'000	Cost Baht'000	Fair Value Baht'000
<b>Short-term investments</b>				
Trading securities - investment units	237,045	237,613	170,628	171,241

During the quarter ended 30 June 2017, the movements of trading securities are as follows:

	Trading securities	
	For three-month period	For six-month period
	Consolidated and separate Baht'000	Consolidated and separate Baht'000
Book value - beginning balance	169,166	171,241
Addition	188,000	366,500
Disposal	(119,925)	(300,345)
Change in fair value of trading securities	372	217
Book value - ending balance	237,613	237,613

#### 5 Trade and other receivables

	Consolidated financial information		Separate financial information	
	30 June 2017 Baht'000	31 December 2016 Baht'000	30 June 2017 Baht'000	31 December 2016 Baht'000
	Trade receivables	67,655	84,551	37,850
<u>Less</u> Allowance for doubtful accounts	-	-	-	-
Trade receivables, net	67,655	84,551	37,850	52,831
Prepayment	25,681	5,008	17,823	2,755
Deposit receivable	16,371	2,381	15,681	2,006
Property tax receivable	22,382	20,758	10,847	12,421
Other receivables	28,093	13,712	24,148	11,477
	<u>160,182</u>	<u>126,410</u>	<u>106,349</u>	<u>81,490</u>

Outstanding trade accounts receivable can be analysed as follows:

	Consolidated financial information		Separate financial information	
	30 June 2017 Baht'000	31 December 2016 Baht'000	30 June 2017 Baht'000	31 December 2016 Baht'000
	Current	55,202	55,101	29,428
Overdue 1 to 6 months	9,996	10,548	8,422	5,757
Overdue 7 to 12 months	2,456	3,380	-	3,189
Overdue over 12 months	1	15,522	-	15,440
	67,655	84,551	37,850	52,831
<u>Less</u> Allowance for doubtful accounts	-	-	-	-
	<u>67,655</u>	<u>84,551</u>	<u>37,850</u>	<u>52,831</u>

**Siam Future Development Public Company Limited**  
**Condensed Notes to Interim Financial Information (Unaudited)**  
**For the interim period ended 30 June 2017**

**6 Finance lease receivables**

	Consolidated financial information		Separate financial information	
	30 June 2017 Baht'000	31 December 2016 Baht'000	30 June 2017 Baht'000	31 December 2016 Baht'000
The gross receivable in the lease contracts				
Due within 1 year	46,020	54,279	31,900	40,473
Due within 2 to 5 years	169,608	207,306	110,434	148,934
Due later than 5 years	584,444	633,475	365,167	404,125
	<u>800,072</u>	<u>895,060</u>	<u>507,501</u>	<u>593,532</u>
The present value of minimum lease receivable				
Due within 1 year	25,145	29,480	18,010	22,613
Due within 2 to 5 years	90,665	116,336	59,425	85,815
Due later than 5 years	452,924	488,844	286,249	316,050
	<u>543,589</u>	<u>605,180</u>	<u>345,674</u>	<u>401,865</u>
	568,734	634,660	363,684	424,478
<u>Less</u> Allowance for doubtful accounts	-	-	-	-
	<u>568,734</u>	<u>634,660</u>	<u>363,684</u>	<u>424,478</u>
The unearned finance income	<u>231,338</u>	<u>260,400</u>	<u>143,817</u>	<u>169,054</u>

**7 Investments in subsidiaries and interests in joint ventures**

Movements in investments in subsidiaries and interests in joint ventures are as follows:

	Consolidated financial information Baht'000	Separate financial information Baht'000
<b>Investments in subsidiaries</b>		
<b>For the six-month period ended 30 June 2017</b>		
Opening book value		257,925
Additional (disposal)		-
Closing book value		<u>257,925</u>
	<b>Consolidated financial information Baht'000</b>	<b>Separate financial information Baht'000</b>
<b>Interests in joint ventures</b>		
<b>For the six-month period ended 30 June 2017</b>		
Opening book value	4,649,303	1,978,581
Dividends received	(49,980)	-
Share of profit from joint ventures	274,599	-
Closing book value	<u>4,873,922</u>	<u>1,978,581</u>

During 2017, the shareholders of the joint venture approved a dividends payment at Baht 0.34 per share, (2016: Baht 0.34 per share). The dividends were paid to the Company on 31 March 2017, amounting to Baht 49.98 million (2016: Baht 49.98 million).

**7 Investments in subsidiaries and interests in joint ventures (Cont'd)**

The details of investments in subsidiaries and interests in joint ventures as at 30 June 2017 and 31 December 2016 are as follow:

	<b>Nature of relationship</b>	<b>% Ownership interest</b>
<b>Subsidiaries</b>		
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
<b>Joint ventures</b>		
SF Development Company Limited	Shareholder	49
North Bangkok Development Company Limited	Shareholder	49
West 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.

**8 Investment property**

	<b>Consolidated financial information Baht'000</b>	<b>Separate financial information Baht'000</b>
<b>For the six-month period ended 30 June 2017</b>		
Investment property as at 1 January 2017	9,102,952	4,177,371
Additions	328,596	307,457
Fair value adjustment	66,724	42,202
Investment property as at 30 June 2017	<u>9,498,272</u>	<u>4,527,030</u>
	<b>Consolidated financial information Baht'000</b>	<b>Separate financial information Baht'000</b>
<b>Income statement for the six-month period ended 30 June 2017</b>		
Increase in fair value adjustment	66,724	42,202
Finance costs from recording investment property	(45,935)	(30,298)
Fair value adjustment on investment property, net	<u>20,789</u>	<u>11,904</u>

9 Building and equipment and intangible assets, net

	Consolidated financial information		Separate financial information	
	Building and equipment Baht'000	Intangible assets Baht'000	Building and equipment Baht'000	Intangible assets Baht'000
<b>For the six-month period ended 30 June 2017</b>				
Opening net book amount	58,198	13,847	27,737	9,410
Additions	17,692	11,424	11,151	11,093
Write-off / Disposal	(519)	-	(519)	-
Depreciation and amortisation	(10,286)	(1,658)	(5,805)	(1,644)
Closing net book amount	65,085	23,613	32,564	18,859

10 Trade and other payables

	Consolidated financial information		Separate financial information	
	30 June 2017 Baht'000	31 December 2016 Baht'000	30 June 2017 Baht'000	31 December 2016 Baht'000
Trade payables	3,767	10,889	1,687	5,533
Accrued expenses	120,724	75,734	77,235	44,143
Retention payable	13,361	10,028	11,316	8,209
Accrued interest expense	11,246	11,434	11,246	11,434
Others	38,597	32,216	29,143	24,002
	187,695	140,301	130,627	93,321

11 Borrowings

	Consolidated and separate financial information	
	30 June 2017 Baht'000	31 December 2016 Baht'000
Current		
Current portion of debentures	699,670	699,389
Non-current		
Non-current portion of long-term borrowings	79,000	-
Non-current portion of debentures	499,548	499,406
Total	1,278,218	1,198,795

Movements in borrowings are analysed as follows:

	Consolidated and separate financial information	
	2017 Baht'000	2016 Baht'000
<b>For the six-month periods ended 30 June</b>		
Opening amount	1,198,795	1,947,810
Addition of long-term borrowings during the period	79,000	-
Redemption of debentures	-	(750,000)
Amortisation of debentures issuance cost	423	561
Closing amount	1,278,218	1,198,371

## **11 Borrowings (Cont'd)**

As at 30 June 2017, outstanding debentures comprise:

- 700,000 units with face value of Baht 1,000 per unit, unsubordinated and unsecured, totalling Baht 700 million, bearing interest of 4.85% per annum and mature on 19 July 2017.
- 500,000 units with face value of Baht 1,000 per unit, unsubordinated and unsecured, totalling Baht 500 million, bearing interest of 5.00% per annum and mature on 27 January 2020.

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 2017. The estimated average annual tax rate used are 15% to 20% for the Group and 20% for the Company.

## **13 Dividends**

### **2017**

At the Annual General Shareholders Meeting held on 21 March 2017, the shareholders approved cash dividend payment amounting to Baht 0.20 per share in respect of 2016 operating results totalling Baht 355.32 million. The dividends were paid to the shareholders on 18 April 2017.

### **2016**

At the Annual General Shareholders Meeting held on 24 March 2016, the shareholders approved cash dividend payment amounting to Baht 0.15 per share in respect of 2015 operating results totalling Baht 266.49 million. The dividends were paid to the shareholders on 25 April 2016.

## **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 during the period. The weighted average number of ordinary shares in issue during the three-month and six-month ended 30 June 2017 is 1,776,607,541 shares (during the three-month and six-month ended 30 June 2016: 1,776,607,541 shares).

**15 Cash flows from operating activities**

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

	Notes	Consolidated financial information		Separate financial information	
		30 June 2017 Baht'000	30 June 2016 Baht'000	30 June 2017 Baht'000	30 June 2016 Baht'000
Profit before tax		562,312	605,318	219,471	258,528
Adjustments for:					
Depreciation and amortisation	9	11,944	8,366	7,449	5,262
Amortisation of prepaid rent		33	33	-	-
Interest income		(11,648)	(13,207)	(12,328)	(14,578)
Interest expense		36,380	39,226	38,600	41,584
Dividends income		-	-	(54,162)	(53,448)
Amortisation of debenture issuance cost	11	423	561	423	561
Realised unearned rental and service income		(15,968)	(17,420)	(6,561)	(8,597)
Employee benefit obligations		2,147	2,191	2,147	2,191
Fair value adjustment on investment property	8	(20,789)	(344)	(11,904)	(31,507)
Share of profit from joint ventures	7	(274,599)	(297,000)	-	-
Unrealised gain on fair value adjustment on short-term investments	4	(217)	(991)	(217)	(991)
Write-off withholding tax		56	54	-	-
Write-off equipment		519	-	519	-
Changes in operating assets and liabilities:					
- short-term investments		(66,155)	370,617	(66,155)	370,617
- trade and other receivables		(33,527)	79,482	(20,343)	92,261
- finance lease receivables		25,795	25,511	18,638	18,789
- amounts due from related parties		1,055	(4,667)	(53,344)	(70,089)
- other current assets		1,706	(2,612)	-	1,200
- deposits for leasehold land		-	33,297	-	33,297
- other non-current assets		2,007	854	1,414	1,280
- trade and other payables		34,383	16,617	23,679	10,854
- amounts due to related parties		(1,527)	(7,062)	763	(2,321)
- other current liabilities		(12,771)	21,090	43	3,437
- unearned rental and service income		34,573	6,602	29,880	(8,567)
- deposits received from customers		(17,744)	(8,748)	(12,648)	4,231
- finance lease liabilities on land leases		(63,957)	(63,434)	(50,297)	(42,894)
Cash flows generated from operating activities		194,431	794,334	55,067	611,100

**16 Related party transactions**

Siam Future Development Public Company Limited is an associate of Major Cineplex Group Public Company Limited which owns 25.19% of the Company's shares (31 December 2016: 24.89%). 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 three-month and six-month periods ended 30 June 2017 and 2016 are summarised as follows:

**a) Revenues and expenses**

	<b>Consolidated financial information</b>		<b>Separate financial information</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>
<b>For the three-month period ended 30 June</b>				
<b>Rental and services income</b>				
Subsidiaries				
Group of Major Cineplex Group	-	-	240	240
Public Company Limited	20,307	21,907	8,041	8,548
Related parties	7,280	7,672	5,466	5,582
	<u>27,587</u>	<u>29,579</u>	<u>13,747</u>	<u>14,370</u>
<b>Management fee income</b>				
Subsidiaries				
Joint venture	1,350	1,350	13,316	14,113
	<u>1,350</u>	<u>1,350</u>	<u>14,666</u>	<u>15,463</u>
<b>Interest income</b>				
Subsidiaries				
Major Cineplex Group	-	-	2,144	3,856
Public Company Limited	123	155	-	-
	<u>123</u>	<u>155</u>	<u>2,144</u>	<u>3,856</u>
<b>Dividends income</b>				
Subsidiaries				
	<u>-</u>	<u>-</u>	<u>4,182</u>	<u>3,468</u>
<b>Costs of rental and services</b>				
Subsidiaries				
	<u>-</u>	<u>-</u>	<u>642</u>	<u>653</u>
<b>Management fee expense</b>				
Group of Major Cineplex Group				
Public Company Limited	1,168	1,396	1,074	1,306
	<u>1,168</u>	<u>1,396</u>	<u>1,074</u>	<u>1,306</u>
<b>Interest expenses</b>				
Subsidiaries				
	<u>-</u>	<u>-</u>	<u>1,120</u>	<u>1,290</u>



16 Related party transactions (Cont'd)

a) Revenues and expenses (Cont'd)

	Consolidated financial information		Separate financial information	
	2017 Baht'000	2016 Baht'000	2017 Baht'000	2016 Baht'000
<b>For the six-month periods ended 30 June</b>				
<b>Rental and service income</b>				
Subsidiaries	-	-	480	480
Group of Major Cineplex Group				
Public Company Limited	38,607	40,803	14,770	15,610
Related parties	14,558	15,256	10,917	11,144
	<u>53,165</u>	<u>56,059</u>	<u>26,167</u>	<u>27,234</u>
<b>Management fee income</b>				
Subsidiaries	-	-	26,690	28,539
Joint venture	2,700	1,950	2,700	1,950
	<u>2,700</u>	<u>1,950</u>	<u>29,390</u>	<u>30,489</u>
<b>Interest income</b>				
Subsidiaries	-	-	4,517	5,252
Major Cineplex Group				
Public Company Limited	245	311	-	-
	<u>245</u>	<u>311</u>	<u>4,517</u>	<u>5,252</u>
<b>Dividends income</b>				
Subsidiaries	-	-	4,182	3,468
Joint venture	-	-	49,980	49,980
	<u>-</u>	<u>-</u>	<u>54,162</u>	<u>53,448</u>
<b>Costs of rental and services</b>				
Subsidiaries	-	-	1,283	1,306
<b>Management fee expense</b>				
Group of Major Cineplex Group				
Public Company Limited	2,392	3,405	2,204	3,226
<b>Interest expenses</b>				
Subsidiaries	-	-	2,221	2,358

16 Related party transactions (Cont'd)

b) Trade and other receivables

	Consolidated financial information		Separate financial information	
	30 June 2017 Baht'000	31 December 2016 Baht'000	30 June 2017 Baht'000	31 December 2016 Baht'000
Group Major Cineplex Group Public Company Limited	1,888	33	1,879	-
Related parties	8	8	8	8
	<u>1,896</u>	<u>41</u>	<u>1,887</u>	<u>8</u>

c) Amounts due from related parties

	Consolidated financial information		Separate financial information	
	30 June 2017 Baht'000	31 December 2016 Baht'000	30 June 2017 Baht'000	31 December 2016 Baht'000
Subsidiaries	-	-	596,639	541,995
Joint venture	5,000	6,300	5,000	6,300
Major Cineplex Group Public Company Limited	419	174	-	-
	<u>5,419</u>	<u>6,474</u>	<u>601,639</u>	<u>548,295</u>

d) Short-term loans to related parties

	Consolidated financial information		Separate financial information	
	30 June 2017 Baht'000	31 December 2016 Baht'000	30 June 2017 Baht'000	31 December 2016 Baht'000
Subsidiaries	-	-	139,100	206,000
Major Cineplex Group Public Company Limited	18,150	18,150	-	-
	<u>18,150</u>	<u>18,150</u>	<u>139,100</u>	<u>206,000</u>

Movement of short-term loans to related parties during the periods are as follows:

	Consolidated financial information Baht'000	Separate financial information Baht'000
<b>For the six-month period ended 30 June 2017</b>		
Beginning balance	18,150	206,000
Loans made during the period	-	600
Repayments received during the period	-	(67,500)
Ending balance	<u>18,150</u>	<u>139,100</u>

Short-term loans to subsidiaries are repayable on demand, bearing interest at the rate of 5.00% per annum (31 December 2016: 5.00% per annum).

Short-term loans to Major Cineplex Group Public Company Limited are repayable on demand, bearing interest at the rate of 2.72% per annum (31 December 2016: 2.72% per annum).

16 Related party transactions (Cont'd)

e) Amounts due to related parties

	Consolidated financial information		Separate financial information	
	30 June 2017 Baht'000	31 December 2016 Baht'000	30 June 2017 Baht'000	31 December 2016 Baht'000
Subsidiaries	-	-	9,345	8,895
Major Cineplex Group Public Company Limited	5,100	18,808	3,320	5,104
	<u>5,100</u>	<u>18,808</u>	<u>12,665</u>	<u>13,999</u>

f) Short-term loans from subsidiaries

	Separate financial information	
	30 June 2017 Baht'000	31 December 2016 Baht'000
Subsidiaries	278,050	272,650

Movement of short-term loans from subsidiaries during the periods are as follows:

	Separate financial information Baht'000
<b>For the six-month period ended 30 June 2017</b>	
Beginning balance	272,650
Loans received during the period	36,000
Loans repaid during the period	(30,600)
Ending balance	<u>278,050</u>

Short-term loans from subsidiaries represent unsecured loans denominated in Thai Baht, and are repayable on demand. The loans bear interest at the rate of 1.24% to 2.72% per annum. (31 December 2016: 1.26% to 2.72% per annum).

g) Unearned rental and service income

As at 30 June 2017, the unearned rental and service income of a subsidiary includes unearned income received from Major Cineplex Group Public Company Limited amounting to Baht 85 million (31 December 2016: Baht 87 million).

**16 Related party transactions (Cont'd)**

**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 as follows;

	<b>Consolidated and separate financial information</b>	
	<b>30 June 2017</b>	<b>30 June 2016</b>
	<b>Baht'000</b>	<b>Baht'000</b>
Short-term benefits	6,920	9,730
Post-employment benefits	598	964
	<b>7,518</b>	<b>10,694</b>

**17 Commitments and contingencies**

**Bank guarantees**

As at 30 June 2017, the Group has outstanding letters of guarantee amounting to Baht 53 million (31 December 2016: Baht 52 million) issued by bankers in respect of normal business operations.

**Contingent liabilities - capital expenditure**

Capital expenditure contracted as at the statement of financial position date but not recognised in the financial information are as follows:

	<b>Consolidated financial information</b>		<b>Separate financial information</b>	
	<b>30 June 2017</b>	<b>31 December 2016</b>	<b>30 June 2017</b>	<b>31 December 2016</b>
	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>
Less than 1 year	6,878	12,479	6,603	11,379
Over than 1 year but not later than 5 years	1,408	2,451	1,408	2,451
	<b>8,286</b>	<b>14,930</b>	<b>8,011</b>	<b>13,830</b>

**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. Whereas the financial statement presents investment property using fair value method, the internal reporting provided to the chief operating decision-maker presents investment property using cost method.

Profit and loss of cost method for the three-month and six-month periods ended 30 June 2017 and 2016 are as follows:

	<b>Consolidated financial information</b>	
	<b>For the three-month period ended</b>	
	<b>30 June 2017 Baht'000</b>	<b>30 June 2016 Baht'000</b>
<b>Revenues</b>		
Rental and service income	338,524	353,133
Finance and interest income	5,559	6,647
Other income	8,473	5,425
Share of profit from joint ventures	74,344	69,121
Total revenues	<u>426,900</u>	<u>434,326</u>
<b>Expenses</b>		
Cost of rental and service	233,781	232,511
Selling and administrative expenses	62,596	61,872
Total expenses	<u>296,377</u>	<u>294,383</u>
<b>Profit before finance costs and income tax</b>	130,523	139,943
Finance costs	(18,950)	(16,924)
<b>Profit before income tax</b>	111,573	123,019
Income tax	(3,941)	(8,332)
<b>Profit for the period</b>	<u>107,632</u>	<u>114,687</u>
<b>Profit before fair value adjustment on investment property, net attributable to</b>		
Owners of the parent	102,329	109,208
Non-controlling interests	5,303	5,479
	<u>107,632</u>	<u>114,687</u>
Fair value adjustment on investment property, net	155,165	113,078
<b>Profit for the period after fair value adjustment on investment property</b>	<u>262,797</u>	<u>227,765</u>
<b>Profit after fair value adjustment on investment property, net attributable to</b>		
Owners of the parent	252,922	218,617
Non-controlling interests	9,875	9,148
	<u>262,797</u>	<u>227,765</u>

**18 Segment information (Cont'd)**

Profit and loss of cost method for the three-month and six-month periods ended 30 June 2017 and 2016 are as follows: (Cont'd)

	<b>Consolidated financial information</b>	
	<b>For the six-month period ended</b>	
	<b>30 June 2017 Baht'000</b>	<b>30 June 2016 Baht'000</b>
<b>Revenues</b>		
Rental and service income	671,993	691,806
Finance and interest income	11,648	13,207
Other income	15,020	25,870
Share of profit from joint ventures	154,680	132,409
Total revenues	<u>853,341</u>	<u>863,292</u>
<b>Expenses</b>		
Cost of rental and service	459,290	452,734
Selling and administrative expenses	123,764	117,960
Total expenses	<u>583,054</u>	<u>570,694</u>
<b>Profit before finance costs and income tax</b>	270,287	292,598
Finance costs	(36,380)	(39,226)
<b>Profit before income tax</b>	233,907	253,372
Income tax	(4,107)	(25,244)
<b>Profit for the period</b>	<u>229,800</u>	<u>228,128</u>
<b>Profit before fair value adjustment on investment property, net attributable to</b>		
Owners of the parent	220,191	216,666
Non-controlling interests	9,609	11,462
	<u>229,800</u>	<u>228,128</u>
Fair value adjustment on investment property, net	286,749	314,507
<b>Profit for the period after fair value adjustment on investment property</b>	<u>516,549</u>	<u>542,635</u>
<b>Profit after fair value adjustment on investment property, net attributable to</b>		
Owners of the parent	501,178	529,615
Non-controlling interests	15,371	13,020
	<u>516,549</u>	<u>542,635</u>