

Part 3 : Financial Position and Operational Results

13. Financial Highlights

Summary of the Report of the Auditor

EY Office Limited, as the auditor for the Company and its subsidiaries, has audited the consolidated statement of financial position of Bangkok Expressway and Metro Public Company Limited and its subsidiaries, which comprise the consolidated statement of financial position as at 31 December 2017, and the related consolidated statement of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended and a summary of significant accounting policies and other explanatory information, and have also audited the separate financial statement of Bangkok Expressway and Metro Public Company Limited as at 31 December 2017. The auditor is of the opinion that the financial statements referred to above present fairly, in all material respects, the financial position of Bangkok Expressway and Metro Public Company Limited and its subsidiaries, and of Bangkok Expressway and Metro Public Company Limited, as at 31 December 2017, their operational results and cash flow for the year then ended in accordance with Thai Financial Reporting Standards.

(Unit : Baht)

Statement of financial position	2017		2016		2015	
	Amount	Percent	Amount	Percent	Amount	Percent
Assets						
Current assets						
Cash and cash equivalents	2,627,062,725	2.66	777,001,145	0.94	4,483,374,825	5.74
Current investments	1,449,457,222	1.47	5,941,349,949	7.18	497,356,702	0.64
Trade and other receivables	426,286,028	0.43	1,614,563,463	1.95	84,628,359	0.11
Receivable from sales of investment	-	-	756,834,379	0.91	564,014,862	0.72
Current portion of receivable under the concession agreement	1,649,683,274	1.67	-	-	-	-
Other current assets	127,581,197	0.12	129,541,368	0.16	239,884,440	0.31
Total current assets	6,280,070,446	6.35	9,219,290,304	11.14	5,869,259,188	7.52
Non-current assets						
Receivable from sales of investment, net of current portion	-	-	-	-	756,834,379	0.97
Receivable under the concession agreement, net of current portion	12,510,098,163	12.65	-	-	-	-
Investments in associates	9,592,230,802	9.70	9,667,680,300	11.68	9,836,588,559	12.60
Other long-term investments	1,654,862,090	1.67	1,237,849,790	1.50	913,087,490	1.17
Investment properties	120,357,493	0.12	120,357,493	0.15	120,357,493	0.15
Building and equipment	361,168,428	0.37	340,732,838	0.41	154,365,572	0.20
Rights to operate expressway sectors	38,448,873,562	38.87	41,551,825,215	50.19	39,927,864,221	51.13
Rights to use sites for expressway construction	719,073,059	0.73	1,020,623,701	1.23	1,320,193,685	1.69
Intangible asset under concession agreement of the MRT Blue Line Project	25,954,096,373	26.24	17,048,090,154	20.59	17,016,713,315	21.79
Advance payment under expressway construction contract	-	-	-	-	398,250,000	0.51
Project cost of the MRT Chalong Ratchadham Line	666,742,626	0.67	627,255,954	0.76	271,396,970	0.35
Prepaid project remuneration	2,487,433,243	2.51	1,614,607,949	1.95	942,249,276	1.21
Other intangible assets	75,257,871	0.08	68,228,569	0.08	36,236,800	0.05
Deferred tax assets	4,997,667	0.01	201,887,940	0.24	474,860,502	0.61
Other non-current assets	44,103,679	0.03	67,132,878	0.08	56,345,685	0.05
Total non-current assets	92,639,295,056	93.65	73,566,272,781	88.86	72,225,343,947	92.48
Total assets	98,919,365,502	100.00	82,785,563,085	100.00	78,094,603,135	100.00

(Unit : Baht)

Statement of financial position (continued)	2017		2016		2015	
	Amount	Percent	Amount	Percent	Amount	Percent
Liabilities and shareholders' equity						
Current liabilities						
Short-term loans from financial institutions	3,629,184,736	3.67	4,715,775,247	5.70	22,410,000,000	28.70
Trade and other payables	2,107,884,865	2.13	898,075,149	1.08	2,627,335,133	3.36
Current portion of long-term loans from financial institutions	3,808,760,069	3.85	2,066,750,000	2.50	118,500,000	0.15
Unearned fare box revenue	138,261,714	0.14	111,971,378	0.14	89,973,896	0.12
Deposits on stored value ticket	54,367,547	0.05	43,313,997	0.05	34,738,933	0.04
Income tax payable	62,132,371	0.06	31,444,025	0.04	306,735,926	0.39
Current portion of provision for compensation for site acquisition cost	1,600,000,000	1.62	1,500,000,000	1.81	1,500,000,000	1.92
Other current liabilities						
Retention guarantees	19,917,415	0.02	70,983,137	0.09	161,068,581	0.21
Others	162,315,927	0.17	119,444,343	0.14	66,366,706	0.09
Total current liabilities	11,582,824,644	11.71	9,557,757,276	11.55	27,314,719,175	34.98
Non-current liabilities						
Long-term loans from financial institutions, net of current portion	25,801,112,363	26.08	16,952,402,523	20.48	17,329,066,575	22.19
Debentures	28,170,623,095	28.48	23,167,912,861	27.99	-	-
Derivative financial liabilities	52,954,374	0.05	18,608,408	0.02	-	-
Provision for compensation for site acquisition cost, net of current portion	1,411,401,698	1.43	2,817,151,698	3.40	4,066,671,698	5.21
Provision for long-term employee benefits	483,787,045	0.49	471,043,876	0.57	237,842,102	0.30
Deferred tax liabilities	217,152,225	0.22	-	-	-	-
Other non-current liabilities	20,211,885	0.02	17,982,160	0.02	16,269,432	0.02
Total non-current liabilities	56,157,242,685	56.77	43,445,101,526	52.48	21,649,849,807	27.72
Total liabilities	67,740,067,329	68.48	53,002,858,802	64.03	48,964,568,982	62.70

(Unit : Baht)

Statement of financial position (continued)	2017		2016		2015	
	Percent	Amount	Percent	Percent	Amount	Percent
Shareholders' equity						
Share capital						
Registered						
15,285,000,000 ordinary shares of Baht 1 each	15,285,000,000	15.45	15,285,000,000	18.46	15,285,000,000	19.57
Issued and paid-up						
15,285,000,000 ordinary shares of Baht 1 each	15,285,000,000	15.45	15,285,000,000	18.46	15,285,000,000	19.57
Premium on ordinary shares	5,816,938,084	5.88	5,816,938,084	7.03	5,816,938,084	7.45
Retained earnings						
Appropriated - statutory reserve	1,077,490,000	1.09	928,690,000	1.12	800,490,000	1.03
Unappropriated	8,948,481,343	9.05	7,763,596,451	9.38	7,254,261,049	9.29
Other components of shareholders' equity	(59,724,462)	-0.06	(104,972,966)	-0.13	(113,097,160)	-0.14
Equity attributable to shareholders of the Company	31,068,184,965	31.41	29,689,251,569	35.86	29,043,591,973	37.20
Non-controlling interests of the subsidiaries	111,113,208	0.11	93,452,714	0.11	86,442,180	0.10
Total shareholders' equity	31,179,298,173	31.52	29,782,704,283	35.97	29,130,034,153	37.30
Total liabilities and shareholders' equity	98,919,365,502	100.00	82,785,563,085	100.00	78,094,603,135	100.00

(Unit : Baht)

Income statement	2017		2016		2015	
	Percent	Amount	Percent	Percent	Amount	Percent
Revenues						
Revenue from expressway business	9,956,687,741	64.68	9,300,724,132	70.28	8,814,588,007	67.26
Revenue from rail business	4,520,903,061	29.37	3,230,064,080	24.41	2,373,562,621	18.11
Revenue from commercial development business	675,836,158	4.39	573,349,010	4.33	549,431,372	4.19
Other income						
Interest income	175,173,105	1.14	68,199,690	0.52	57,843,948	0.44
Gain from sales of investment before amalgamation	-	-	-	-	1,235,526,377	9.43
Others	64,631,074	0.42	61,057,711	0.46	73,859,102	0.57
Total revenues	15,393,231,139	100.00	13,233,394,623	100.00	13,104,811,427	100.00
Expenses						
Cost of expressway business	1,735,419,841	11.27	1,511,964,604	11.43	1,383,129,584	10.55
Cost of rail business	3,352,428,083	21.78	2,371,420,998	17.92	1,444,542,770	11.02
Cost of commercial development business	177,151,157	1.15	199,943,914	1.51	210,151,434	1.60
Amortisation of rights to operate expressway sectors and compensation for site acquisition cost	3,694,893,202	24.00	3,470,883,807	26.23	3,422,566,022	26.12
Amortisation on intangible asset under concession agreement of the MRT Blue Line Project	246,289,965	1.60	440,076,422	3.33	777,584,371	5.93
Selling expenses	95,250,353	0.62	92,540,321	0.70	79,252,582	0.60
Administrative expenses	1,048,996,443	6.82	892,093,625	6.73	893,992,437	6.84
Total expenses	10,350,429,044	67.24	8,978,923,691	67.85	8,211,219,200	62.66
Profit before share of profit from investments in associates, finance cost and income tax expenses	5,042,802,095	32.76	4,254,470,932	32.15	4,893,592,227	37.34
Share of profit from investments in associates	405,916,311	2.64	347,349,465	2.62	461,212,789	3.52
Profit before finance cost and income tax expenses	5,448,718,406	35.40	4,601,820,397	34.77	5,354,805,016	40.86
Finance cost	(1,610,765,279)	-10.47	(1,426,027,697)	-10.77	(1,932,552,456)	-14.75
Profit before income tax expenses	3,837,953,127	24.93	3,175,792,700	24.00	3,422,252,560	26.11
Income tax expenses	(695,602,106)	-4.52	(562,927,698)	-4.26	(721,234,596)	-5.50
Profit for the year	3,142,351,021	20.41	2,612,865,002	19.74	2,701,017,964	20.61

(Unit : Baht)

Income statement (continued)	2017		2016		2015	
	Amount	Percent	Amount	Percent	Amount	Percent
Profit attributable to:						
Equity holders of the Company	3,123,129,324	20.29	2,605,854,468	19.69	2,649,736,343	20.22
Non-controlling interests of the subsidiaries	19,221,697	0.12	7,010,534	0.05	51,281,621	0.39
	3,142,351,021	20.41	2,612,865,002	19.74	2,701,017,964	20.61
Basic earnings per share						
Profit attributable to equity holders of the Company	0.20		0.17		0.17	

(Unit : Baht)

Statement of comprehensive income	2017		2016		2015	
	Amount	Percent	Amount	Percent	Amount	Percent
Profit for the year	3,142,351,021	20.41	2,612,865,002	19.74	2,701,017,964	20.61
Profit for the year						
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>						
Unrealised loss from cash flow hedges of the Company, net of income tax	(27,476,773)	-0.18	(14,886,726)	-0.11	-	-
Share of other comprehensive income from associates, net of income tax	72,725,277	0.47	23,010,920	0.17	(46,505,941)	-0.35
Other comprehensive income to be reclassified to profit or loss in subsequent periods, net of income tax	45,248,504	0.29	8,124,194	0.06	(46,505,941)	-0.35
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>						
Actuarial gain (loss) of the Company, net of income tax	45,830,261	0.30	(134,132,646)	-1.01	5,606,050	0.04
Actuarial gain (loss) of associates, net of income tax	(2,635,896)	-0.01	13,580	0.00	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods, net of income tax	43,194,365	0.29	(134,119,066)	-1.01	5,606,050	0.04
Other comprehensive income for the year	88,442,869	0.58	(125,994,872)	-0.95	(40,899,891)	-0.31
Total comprehensive income for the year	3,230,793,890	20.99	2,486,870,130	18.79	2,660,118,073	20.30
Total comprehensive income attributable to:						
Equity holders of the Company	3,213,133,396	20.87	2,479,859,596	18.74	2,608,836,452	19.91
Non-controlling interests of the subsidiaries	17,660,494	0.12	7,010,534	0.05	51,281,621	0.39
	3,230,793,890	20.99	2,486,870,130	18.79	2,660,118,073	20.30

(Unit : Baht)

Cash flow statement	2017	2016	2015
Cash flows from operating activities			
Profit before tax	3,837,953,127	3,175,792,700	3,422,252,560
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:			
Amortisation and depreciation	3,544,655,128	3,422,513,416	3,270,656,984
Allowance for doubtful debt	272,590	471,546	-
Gain from sales of investment before amalgamation	-	-	(1,235,526,377)
Gain on investments	(41,608,290)	(31,090,443)	(62,222,728)
Loss on disposals/write-off of equipment, intangible asset under concession agreement of the MRT Blue Line Project and other intangible assets	6,028,232	1,197,724	(3,481,422)
Project remuneration expense	384,806,190	503,539,074	371,749,656
Compensation for site acquisition cost	495,800,643	550,049,984	595,973,617
Provision for long-term employee benefits	76,747,586	63,285,807	36,803,472
Share of profit from investments in associates	(405,916,311)	(347,349,465)	(461,212,789)
Unrealised loss (gain) on exchange rate	(105,460)	509,200	552,419
Interest income	(175,173,105)	(67,646,250)	(57,085,937)
Interest expenses	1,572,881,432	1,173,937,460	1,330,203,885
Profit from operating activities before changes in operating assets and liabilities	9,296,341,762	8,445,210,753	7,208,663,340
Operating assets (increase) decrease			
Trade and other receivables	155,095,799	(1,530,393,882)	21,466,299
Receivable under the concession agreement	412,420,819	-	-
Other current assets	101,986,629	118,245,333	(2,326,064)
Other non-current assets	13,393,495	(59,034,205)	(27,667,427)
Cash paid for project remuneration	(1,252,089,706)	(1,167,855,334)	(1,005,166,667)
Operating liabilities increase (decrease)			
Trade payables and other payables	8,049,920	27,111,561	133,650,482
Unearned fare box revenue	26,290,336	21,997,482	3,038,660
Deposits on stored value ticket	11,053,550	8,575,064	(735,750)
Other current liabilities	(8,194,092)	(14,279,907)	(75,632,327)
Other non-current liabilities	2,229,724	1,002,021	(12,808,430)
Cash paid for long-term employee benefits	(7,740,208)	(3,733,720)	-
Cash paid for compensation for site acquisition cost	(1,500,000,000)	(1,500,000,000)	(1,500,000,000)
Net cash flows from operating activities	7,258,838,028	4,346,845,166	4,742,482,116
Cash received from interest income	139,602,025	14,076,604	4,537,910
Cash paid for income tax	(248,930,830)	(515,595,620)	(585,484,131)
Net cash flows from operating activities	7,149,509,223	3,845,326,150	4,161,535,895

(Unit : Baht)

Cash flow statement (continued)	2017	2016	2015
Cash flows from investing activities			
Decrease (increase) in current investments	4,533,501,017	(5,419,545,593)	1,901,788,886
Increase of investments in subsidiary	-	-	(154,000,000)
Cash paid for purchases of investments in associates	-	-	(1,402,165,044)
Cash received from sales of investments in associate	-	46,971,310	42,514,120
Cash received from sales of investment before amalgamation	769,741,462	600,000,000	2,300,000,000
Increase in other long-term investments	(417,012,300)	(324,762,300)	(213,750,000)
Cash received from sales of equipment and intangible asset under concession agreement of the MRT Blue Line Project	7,706,184	8,074,075	3,514,566
Purchase of equipment	(89,131,306)	(233,477,194)	(39,352,287)
Advance payment for purchase of equipment	(77,040)	(83,400)	-
Cash received from interest income	21,484,010	12,907,263	9,339,041
Cash received from dividend income	551,455,191	498,953,704	528,855,465
Cash paid for project cost of the MRT Chalong Ratchadham Line	(65,000,000)	(362,076,317)	(134,104,815)
Cash paid for intangible asset under concession agreement of the MRT Blue Line Project	(7,906,570,615)	(412,493,534)	(141,867,979)
Cash paid for expressway construction	(130,085,647)	(5,732,648,468)	(7,064,315,341)
Interest expenses capitalised as cost of projects	(48,805,714)	(301,989,908)	(385,316,949)
Increase in intangible assets	(25,644,761)	(43,075,180)	(8,680,720)
Net cash flows used in investing activities	(2,798,439,519)	(11,663,245,542)	(4,732,111,683)
Cash flows from financing activities			
Cash received for in short-term loans from financial institutions	-	10,400,000,000	20,410,000,000
Cash paid for short-term loans from financial institutions	(1,088,000,000)	(28,090,000,000)	-
Cash received from long-term loans from financial institutions	500,000,000	12,344,000,000	5,356,000,000
Repayment of long-term loans from financial institutions	(3,536,448,559)	(10,759,185,781)	(40,500,000)
Cash received from debentures	5,000,000,000	23,500,000,000	-
Cash paid for redemption of debentures	-	(300,000,000)	(19,400,000,000)
Cash paid for financial fees	(8,219,329)	(67,423,644)	(21,495,301)
Interest paid	(1,534,140,236)	(1,081,644,863)	(1,702,101,798)
Dividend paid	(1,834,200,000)	(1,834,200,000)	(1,925,000,000)
Net cash flows from (used in) financing activities	(2,501,008,124)	4,111,545,712	2,676,902,901
Net increase (decrease) in cash and cash equivalents	1,850,061,580	(3,706,373,680)	2,106,327,113
Cash and cash equivalents at beginning of year	777,001,145	4,483,374,825	2,377,047,712
Cash and cash equivalents at end of year	2,627,062,725	777,001,145	4,483,374,825

13.2 Financial Ratios of Financial Statements

	Unit	2017	2016	2015
LIQUIDITY RATIO				
1. Liquidity Ratio	Time	0.46	0.96	0.21
2. Quick Ratio	Time	0.45	0.87	0.19
3. Cash Flow Ratio	Time	0.72	0.21	0.23
PROFITABILITY RATIO				
4. Gross Profit Margin	%	39.25	38.99	38.34
5. Cash to Profitability Ratio	%	72.55	43.61	48.28
6. Net Profit Margin	%	20.45	19.69	20.22
7. Return on Equity	%	10.31	8.87	9.76
EFFICIENCY RATIO				
8. Return on Total Assets	%	3.75	3.25	3.65
9. Return on Fixed Assets	%	10.81	10.40	11.02
10. Assets Turnover	Time	0.18	0.16	0.18
FINANCIAL POLICY RATIO				
11. Interest Bearing Debt to Equity Ratio	Time	1.38	1.31	1.20
12. Interest Coverage Ratio	Time	6.66	7.51	6.48
13. Net Debt to EBITDA	Time	5.20	5.25	5.10
Per Share DATA				
14. Book Value per Share	Baht	2.03	1.94	1.90
15. Net Earnings per Share	Baht	0.20	0.17	0.17
16. Dividend per Share	Baht	0.13	0.11	0.11

Note The Company has not presented Accounts Receivable Turnover, Average Collection Period, Accounts Payable Turnover, Average Debt Servicing Period and Cash Cycle because these ratios are not appropriated for consideration of the Company's operation according to the amount of accounts receivable and accounts payable which are not significant for the Company's nature of operation.

The above financial ratios are not included transaction related to the novation of the M&E systems under the concession agreement of the MRT Chalong Ratchadham Line Project which the MRTA is fully responsible for both loan repayment and interest expense in accordance to the concession agreement.

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

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

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

The Company's Board of Directors is of the opinion that the financial statements for 2017 of the Company and the Subsidiaries, which have been reviewed by the Audit Committee in conjunction with the management, and audited by the Company's auditor, reflect accurate financial status and operational results as appropriate in material aspects in accordance with generally accepted accounting principles.



(Dr. Virabongsa Ramangkura)
Chairman of the Board of Directors
27 February 2018



(Mrs. Payao Marittanaporn)
Managing Director
27 February 2018