

Bangkok Dusit Medical Services Public Company Limited
and its subsidiaries
Review report and consolidated interim financial statements
For the three-month and nine-month periods ended
30 September 2017

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Bangkok Dusit Medical Services Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Bangkok Dusit Medical Services Public Company Limited and its subsidiaries as at 30 September 2017, the related consolidated statements of income and comprehensive income for the three-month and nine-month periods ended 30 September 2017 and the related consolidated statements of changes in shareholders' equity and cash flows for the nine-month period ended 30 September 2017, as well as the condensed notes to the consolidated financial statements, and have also reviewed the separate financial information of Bangkok Dusit Medical Services Public Company Limited for the same periods. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 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 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 financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting.

Emphasis of Matter

I draw attention to Note 10 to the interim financial statements, the Company and a subsidiary had the medical care programs with a small amount of charges to members who paid membership fees in advance for a lifelong membership. The programs were discontinued due to legal reasons by the Company and its subsidiary on 20 January 2017 and 2 February 2017, respectively. The Company and its subsidiary have recorded the liabilities in the financial statements as at 31 December 2016, based on the total amounts payable to the members and the compensation expected to be paid to the members in 2017 due to the discontinuation of the programs amounting to approximately Baht 964 million (approximately Baht 820 million in the separate financial statements). During the nine-month period ended 30 September 2017, 181 of 334 members whose compensation was recorded in the consolidated financial statements and 150 of 282 members in the separate financial statements have accepted the offers and already received the payment from the Company and its subsidiary (as at 30 September 2017, the liabilities from discontinuation of the lifelong membership for medical care program, based on the total amounts payable to the members and the compensation expected to be paid to the former members who have not accepted the offers in the consolidated and separate financial statements amounting to approximately Baht 444 million and Baht 384 million, respectively). However, some members have not accepted the offers and have filed lawsuits with the courts to force the Company and its subsidiary to continue the programs, while others have made claims for indemnity from the Company and its subsidiary. Later in June and August 2017, the court issued orders for a temporary injunction to some former members who have filed complaints against the Company. The temporary injunction was for the Company to provide medical services to the former members at a normal rate and without any discount (with exception to 2 former members who may still utilize their former rights under the program), the Company shall not collect for such medical bills unless the court rules or orders otherwise. Furthermore, the court has ordered the former members who are under the temporary injunction to enter a contract with the court to assure that they shall pay for the aforementioned bills to the Company, should the court rule that the Company is entitled to cease such program. Currently, the cases are being litigated and the legal consequences cannot be concluded at this time.

My conclusion is not qualified in respect of the above matter.

Kamontip Lertwitworatep
Certified Public Accountant (Thailand) No. 4377

EY Office Limited
Bangkok: 10 November 2017

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries

Statement of financial position

As at 30 September 2017

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
		As at	As at	As at	As at
	Note	30 September 2017	31 December 2016	30 September 2017	31 December 2016
		(Unaudited	(Audited)	(Unaudited	(Audited)
		but reviewed)		but reviewed)	
Assets					
Current assets					
Cash and cash equivalents		4,967,118	4,216,831	2,560,943	2,762,362
Short-term investments		549,708	548,063	391	387
Trade and other receivables	2, 3	6,550,817	6,032,711	1,235,971	985,999
Short-term loans to subsidiaries	3	-	-	2,828,827	2,143,393
Inventories		1,512,067	1,515,748	100,789	108,904
Other current assets		299,938	281,982	59,146	53,467
Total current assets		13,879,648	12,595,335	6,786,067	6,054,512
Non-current assets					
Restricted financial institution deposits		27,364	45,862	-	-
Investments in associates	4	15,520,875	16,401,010	7,948,498	9,028,589
Investments in subsidiaries	5	-	-	47,535,080	40,431,044
Other long-term investments	6	676,744	835,985	350,874	427,403
Long-term loans to subsidiaries	3	-	-	9,347,574	5,130,375
Investment properties		308,358	306,744	705,229	704,499
Property, premises and equipment	7	68,465,450	56,461,044	10,341,013	10,046,123
Goodwill	5	17,545,160	16,932,250	-	-
Intangible assets		1,172,624	1,188,303	479,739	482,171
Deferred tax assets		-	-	-	28,948
Other non-current assets					
Leasehold rights	3	675,699	697,715	337,983	350,168
Deposits in land and premises	7.1	-	1,080,000	-	1,080,000
Others	3	444,095	395,163	51,542	56,368
Total non-current assets		104,836,369	94,344,076	77,097,532	67,765,688
Total assets		118,716,017	106,939,411	83,883,599	73,820,200

The accompanying notes are an integral part of the financial statements.

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 September 2017

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
		As at	As at	As at	As at
	Note	30 September 2017	31 December 2016	30 September 2017	31 December 2016
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from					
financial institutions	8	2,971,571	1,578,644	2,900,000	1,500,000
Trade and other payables	3, 9	4,838,576	4,546,003	1,088,061	1,004,282
Accrued expenses		4,925,197	4,766,058	1,025,732	1,114,743
Liabilities for discontinued lifelong medical care program	10	443,953	963,798	383,708	820,312
Current portion of long-term liabilities					
- Long-term loans from financial institutions	11	1,563,121	4,252,098	1,563,121	4,239,342
- Liabilities under finance lease agreements	12	24,936	43,861	5,950	11,214
Short-term loans from non-related parties		75,600	89,000	-	-
Short-term loans from subsidiaries	3	-	-	8,729,906	8,343,358
Income tax payable		438,175	699,777	70,883	75,348
Current provisions for employee benefits		3,795	317,891	3,795	239,691
Deferred income - membership due amortization within one year		219,099	216,445	99,513	105,401
Other current liabilities	3	578,026	403,865	270,555	98,463
Total current liabilities		16,082,049	17,877,440	16,141,224	17,552,154
Non-current liabilities					
Long-term loans from financial insitutions	11	7,736,229	3,453,331	7,736,229	3,453,331
Liabilities under finance lease agreements	12	14,411	17,657	519	3,399
Debentures	13	19,583,735	12,588,900	19,583,735	12,588,900
Convertible debentures - liability component	14	8,695,165	9,873,567	8,695,165	9,873,567
Non-current provisions for employee benefits		2,013,620	1,928,148	585,710	632,830
Deferred income - membership		652,363	647,060	133,062	120,706
Deferred tax liabilities		2,230,440	2,111,758	60,516	-
Other non-current liabilities	3	145,263	136,696	44,348	44,721
Total non-current liabilities		41,071,226	30,757,117	36,839,284	26,717,454
Total liabilities		57,153,275	48,634,557	52,980,508	44,269,608

The accompanying notes are an integral part of the financial statements.

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 September 2017

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		As at	As at	As at	As at
		30 September 2017	31 December 2016	30 September 2017	31 December 2016
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity (continued)					
Shareholders' equity					
Share capital					
Registered					
17,582,235,672 ordinary shares of Baht 0.1 each					
(31 December 2016: 16,497,868,714 ordinary shares					
of Baht 0.1 each)					
	15.1	<u>1,758,224</u>	<u>1,649,787</u>	<u>1,758,224</u>	<u>1,649,787</u>
Issued and fully paid-up					
15,490,956,540 ordinary shares of Baht 0.1 each					
		1,549,096	1,549,096	1,549,096	1,549,096
Premium on ordinary shares	14	20,572,873	20,481,531	20,509,949	20,418,607
Difference from shareholding restructure		305,000	305,000	-	-
Retained earnings					
Appropriated - statutory reserve					
	15.2	175,822	170,000	175,822	170,000
Unappropriated					
		32,288,332	29,069,149	7,260,787	5,852,887
Other components of shareholders' equity		<u>3,970,911</u>	<u>4,143,786</u>	<u>1,407,437</u>	<u>1,560,002</u>
Equity attributable to owners of the Company		58,862,034	55,718,562	30,903,091	29,550,592
Non - controlling interests of the subsidiaries		<u>2,700,708</u>	<u>2,586,292</u>	-	-
Total shareholders' equity		<u>61,562,742</u>	<u>58,304,854</u>	<u>30,903,091</u>	<u>29,550,592</u>
Total liabilities and shareholders' equity		<u>118,716,017</u>	<u>106,939,411</u>	<u>83,883,599</u>	<u>73,820,200</u>
		-	-	-	-

The accompanying notes are an integral part of the financial statements.

Directors

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries**Statements of income****For the three-month period ended 30 September 2017**

(Unit: Thousand Baht except earnings per share expressed in Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2017	2016	2017	2016
Revenues					
Revenues from hospital operations	3	18,576,656	17,298,553	3,471,150	3,400,777
Revenue from sales of goods	3	709,075	686,471	-	-
Other income					
Interest income and gain on disposal of short-term investments		11,421	12,341	118,445	79,055
Dividend income	4, 6	-	4,476	149,661	207,292
Gain on disposal of other long-term investment	6	-	147,001	-	143,801
Others		212,696	217,769	303,472	303,017
Total other income		224,117	381,587	571,578	733,165
Total revenues		19,509,848	18,366,611	4,042,728	4,133,942
Expenses					
Cost of hospital operations and goods sold	3	12,584,176	11,926,160	2,180,300	2,179,551
Administrative expenses	3	3,800,146	3,592,290	960,343	994,188
Total expenses		16,384,322	15,518,450	3,140,643	3,173,739
Profit before profit sharing from investments in associates, finance cost and income tax expense		3,125,526	2,848,161	902,085	960,203
Profit sharing from investments in associates	4.3	416,183	396,229	-	-
Profit before finance cost and income tax expense		3,541,709	3,244,390	902,085	960,203
Finance cost	3	(433,380)	(241,376)	(453,908)	(258,750)
Profit before income tax expense		3,108,329	3,003,014	448,177	701,453
Income tax expense	17	(563,866)	(562,540)	(65,738)	(107,681)
Profit for the periods		2,544,463	2,440,474	382,439	593,772
Profit attributable to:					
Equity holders of the Company		2,416,502	2,333,778	382,439	593,772
Non-controlling interests of the subsidiaries		127,961	106,696		
		2,544,463	2,440,474		
Basic earnings per share					
Profit attributable to equity holders of the Company (Baht)	18	0.16	0.15	0.02	0.04
Weighted average number of ordinary shares (shares)		15,490,956,540	15,490,956,540	15,490,956,540	15,490,956,540

The accompanying notes are an integral part of the financial statements.

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries**Statement of comprehensive income****For the three-month period ended 30 September 2017**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Profit for the periods	<u>2,544,463</u>	<u>2,440,474</u>	<u>382,439</u>	<u>593,772</u>
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>				
Gain (loss) and reversal of surplus on change in value of available-for-sale investments - net of income tax	(1,815)	(94,917)	1,439	(86,025)
Exchange differences on translation of financial statements in foreign currencies	(10,427)	(12,622)	-	-
Share of other comprehensive income from associates	<u>16,895</u>	<u>127,771</u>	<u>-</u>	<u>-</u>
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax	<u>4,653</u>	<u>20,232</u>	<u>1,439</u>	<u>(86,025)</u>
Total comprehensive income for the periods	<u><u>2,549,116</u></u>	<u><u>2,460,706</u></u>	<u><u>383,878</u></u>	<u><u>507,747</u></u>
Total comprehensive income attributable to:				
Equity holders of the Company	2,423,346	2,354,511	<u>383,878</u>	<u>507,747</u>
Non-controlling interests of the subsidiaries	<u>125,770</u>	<u>106,195</u>		
	<u><u>2,549,116</u></u>	<u><u>2,460,706</u></u>		

The accompanying notes are an integral part of the financial statements.

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries**Statements of income****For the nine-month period ended 30 September 2017**

(Unit: Thousand Baht except earnings per share expressed in Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2017	2016	2017	2016
Revenues					
Revenues from hospital operations	3	51,328,356	48,567,684	9,947,938	10,065,009
Revenue from sales of goods	3	2,074,877	2,006,993	-	-
Other income					
Interest income and gain on sale of short-term investments		37,741	39,717	302,635	239,468
Dividend income	4, 5, 6	15,588	21,376	3,058,344	3,778,579
Gain on disposal of investment in an associate and an other long-term investment	4.1, 6	2,880,064	208,664	3,424,969	205,464
Others		634,504	602,816	834,679	813,591
Total other income		3,567,897	872,573	7,620,627	5,037,102
Total revenues		56,971,130	51,447,250	17,568,565	15,102,111
Expenses					
Cost of hospital operations and goods sold	3	35,518,513	33,591,142	6,204,245	6,380,793
Administrative expenses	3	10,785,428	10,073,390	2,844,514	2,812,602
Total expenses		46,303,941	43,664,532	9,048,759	9,193,395
Profit before profit sharing from investments in associates, finance cost and income tax expense		10,667,189	7,782,718	8,519,806	5,908,716
Profit sharing from investments in associates	4.3	1,108,533	1,063,444	-	-
Profit before finance cost and income tax expense		11,775,722	8,846,162	8,519,806	5,908,716
Finance cost	3	(1,205,179)	(634,756)	(1,264,905)	(695,002)
Profit before income tax expense		10,570,543	8,211,406	7,254,901	5,213,714
Income tax expense	17	(2,116,424)	(1,518,993)	(886,486)	(284,262)
Profit for the periods		8,454,119	6,692,413	6,368,415	4,929,452
Profit attributable to:					
Equity holders of the Company		8,180,738	6,409,443	6,368,415	4,929,452
Non-controlling interests of the subsidiaries		273,381	282,970	-	-
		8,454,119	6,692,413		
Basic earnings per share					
Profit attributable to equity holders of the Company (Baht)	18	0.53	0.41	0.41	0.32
Weighted average number of ordinary shares (shares)		15,490,956,540	15,490,956,540	15,490,956,540	15,490,956,540

The accompanying notes are an integral part of the financial statements.

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries**Statement of comprehensive income****For the nine-month period ended 30 September 2017**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Profit for the periods	8,454,119	6,692,413	6,368,415	4,929,452
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>				
Gain (loss) and reversal of surplus on change in value of available-for-sale investments - net of income tax	(127,374)	30,483	(61,223)	(30,824)
Exchange differences on translation of financial statements in foreign currencies	(49,118)	(38,313)	-	-
Share of other comprehensive income from associates	99,993	338,277	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax	(76,499)	330,447	(61,223)	(30,824)
Total comprehensive income for the periods	8,377,620	7,022,860	6,307,192	4,898,628
Total comprehensive income attributable to:				
Equity holders of the Company	8,106,566	6,741,497	6,307,192	4,898,628
Non-controlling interests of the subsidiaries	271,054	281,363	-	-
	8,377,620	7,022,860		

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the nine-month period ended 30 September 2017

(Unit: Thousand Baht)

Consolidated financial statements															
Equity attributable to owners of the Company															
Other components of shareholders' equity															
Other comprehensive income															
Note	Issued and paid-up share capital	Premium on ordinary shares	Difference from shareholding restructure	Retained earnings		Surplus on changes in value of available-for-sale investments	Land revaluation surplus	Exchange differences on translation of financial statements in foreign currency	Share of other components of shareholders' equity from associates	Convertible debentures - equity component	Surplus investment over book value of subsidiaries	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interest of the subsidiaries	Total shareholders' equity
				Appropriated-statutory reserve	Unappropriated										
Balance as at 31 December 2015															
- As previously reported	1,549,096	20,481,531	305,000	170,000	27,375,018	337,256	5,110,102	37,429	328,121	585,527	(2,603,132)	3,795,303	53,675,948	2,499,079	56,175,027
Cumulative effects of restatement the financial statements related to liabilities for discontinued lifelong medical care program	1.5	-	-	-	(725,835)	-	-	-	-	-	-	-	(725,835)	(937)	(726,772)
Cumulative effects of adjustment of prior years' financial statements related to provisions for other employee benefits	1.5	-	-	-	(451,195)	-	-	-	-	-	-	-	(451,195)	-	(451,195)
Balance as at 31 December 2015															
- As restated	1,549,096	20,481,531	305,000	170,000	26,197,988	337,256	5,110,102	37,429	328,121	585,527	(2,603,132)	3,795,303	52,498,918	2,498,142	54,997,060
Profit for the period	-	-	-	-	6,409,443	-	-	-	-	-	-	-	6,409,443	282,970	6,692,413
Other comprehensive income for the period	-	-	-	-	-	30,483	-	(36,706)	338,277	-	-	332,054	332,054	(1,607)	330,447
Total comprehensive income for the period	-	-	-	-	6,409,443	30,483	-	(36,706)	338,277	-	-	332,054	6,741,497	281,363	7,022,860
Dividend paid	16	-	-	-	(5,575,114)	-	-	-	-	-	-	-	(5,575,114)	-	(5,575,114)
Share of Interest paid for convertible bonds treated as equity securities from an associate	-	-	-	-	-	-	-	-	(5,822)	-	-	(5,822)	(5,822)	-	(5,822)
Change in non-controlling interests of subsidiaries from purchase investments in subsidiaries	-	-	-	-	-	-	-	-	-	-	(76,536)	(76,536)	(76,536)	(88,889)	(165,425)
Decrease in non-controlling interests of subsidiaries from dividend of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	(147,225)	(147,225)
Balance as at 30 September 2016 - As restated	<u>1,549,096</u>	<u>20,481,531</u>	<u>305,000</u>	<u>170,000</u>	<u>27,032,317</u>	<u>367,739</u>	<u>5,110,102</u>	<u>723</u>	<u>660,576</u>	<u>585,527</u>	<u>(2,679,668)</u>	<u>4,044,999</u>	<u>53,582,943</u>	<u>2,543,391</u>	<u>56,126,334</u>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the nine-month period ended 30 September 2017

(Unit: Thousand Baht)

Consolidated financial statements															
Equity attributable to owners of the Company															
Other components of shareholders' equity															
Other comprehensive income															
Note	Issued and paid-up share capital	Premium on ordinary shares	Difference from shareholding restructure	Retained earnings		Surplus on changes in value of available-for-sale investments	Land revaluation surplus	Exchange differences on translation of financial statements in foreign currency	Share of other components of shareholders' equity from associates	Convertible debentures - equity component	Surplus of investment over book value of subsidiaries	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interest of the subsidiaries	Total shareholders' equity
				Appropriated-statutory reserve	Unappropriated										
Balance as at 31 December 2016	1,549,096	20,481,531	305,000	170,000	29,069,149	370,577	5,136,306	30,734	700,932	585,527	(2,680,290)	4,143,786	55,718,562	2,586,292	58,304,854
Profit for the period	-	-	-	-	8,180,738	-	-	-	-	-	-	-	8,180,738	273,381	8,454,119
Other comprehensive income for the period	-	-	-	-	(1,040)	(127,375)	-	(46,790)	101,033	-	-	(73,132)	(74,172)	(2,327)	(76,499)
Total comprehensive income for the period	-	-	-	-	8,179,698	(127,375)	-	(46,790)	101,033	-	-	(73,132)	8,106,566	271,054	8,377,620
Redemption of convertible debentures	14	-	91,342	-	-	-	-	-	-	(91,342)	-	(91,342)	-	-	-
Statutory reserve	15.2	-	-	5,822	(5,822)	-	-	-	-	-	-	-	-	-	-
Dividend paid	16	-	-	-	(4,954,693)	-	-	-	-	-	-	-	(4,954,693)	-	(4,954,693)
Share of interest paid for convertible bonds treated as equity securities from an associate	-	-	-	-	-	-	-	-	(5,260)	-	-	(5,260)	(5,260)	-	(5,260)
Change in non-controlling interests of subsidiaries from purchase investments in subsidiaries	-	-	-	-	-	-	-	-	-	-	(3,141)	(3,141)	(3,141)	(18,136)	(21,277)
Decrease in non-controlling interests of subsidiaries from dividend of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	(138,502)	(138,502)
Balance as at 30 September 2017	1,549,096	20,572,873	305,000	175,822	32,288,332	243,202	5,136,306	(16,056)	796,705	494,185	(2,683,431)	3,970,911	58,862,034	2,700,708	61,562,742

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the nine-month period ended 30 September 2017

(Unit: Thousand Baht)

Separate financial statements									
Note	Other components of shareholders' equity								
	Other comprehensive income								
	Surplus on changes								
	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings Appropriated-statutory reserve	Unappropriated	in value of available-for-sale investments	Land revaluation surplus	Convertible debentures - equity component	Total other components of shareholders' equity	Total shareholders' equity
Balance as at 31 December 2015 - As previously reported	1,549,096	20,418,607	170,000	5,524,811	360,388	673,862	585,527	1,619,777	29,282,291
Cumulative effects of restatement the financial statements related to liabilities for discontinued lifelong medical care program	1.5	-	-	-	(643,612)	-	-	-	(643,612)
Cumulative effects of adjustment of prior years' financial statements related to provisions for other employee benefits	1.5	-	-	-	(388,635)	-	-	-	(388,635)
Balance as at 31 December 2015 - As restated	1,549,096	20,418,607	170,000	4,492,564	360,388	673,862	585,527	1,619,777	28,250,044
Profit for the period	-	-	-	4,929,452	-	-	-	-	4,929,452
Other comprehensive income for the period	-	-	-	-	(30,824)	-	-	(30,824)	(30,824)
Total comprehensive income for the period	-	-	-	4,929,452	(30,824)	-	-	(30,824)	4,898,628
Dividend paid	16	-	-	(5,575,114)	-	-	-	-	(5,575,114)
Balance as at 30 September 2016 - As restated	1,549,096	20,418,607	170,000	3,846,902	329,564	673,862	585,527	1,588,953	27,573,558
Balance as at 31 December 2016	1,549,096	20,418,607	170,000	5,852,887	300,613	673,862	585,527	1,560,002	29,550,592
Profit for the period	-	-	-	6,368,415	-	-	-	-	6,368,415
Other comprehensive income for the period	-	-	-	-	(61,223)	-	-	(61,223)	(61,223)
Total comprehensive income for the period	-	-	-	6,368,415	(61,223)	-	-	(61,223)	6,307,192
Redemption of convertible debentures	14	-	91,342	-	-	-	(91,342)	(91,342)	-
Statutory reserve	15.2	-	-	5,822	(5,822)	-	-	-	-
Dividend paid	16	-	-	(4,954,693)	-	-	-	-	(4,954,693)
Balance as at 30 September 2017	1,549,096	20,509,949	175,822	7,260,787	239,390	673,862	494,185	1,407,437	30,903,091

The accompanying notes are an integral part of the financial statements.

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries**Statement of cash flows****For the nine-month period ended 30 September 2017**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Cash flows from operating activities				
Profit before income tax expense	10,570,543	8,211,406	7,254,901	5,213,714
Adjustments to reconcile profit before income tax expenses to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	3,844,907	3,548,079	720,378	678,329
Written-off assets	31,242	10,166	1,225	5,141
Bad debts and doubtful debts	97,798	76,217	11,700	28,249
Reversal of allowance on impairment of assets	-	(5,154)	-	(2,700)
Loss on deteriorated inventories	7,460	2,970	1,319	541
Amortisation of deferred income - membership	(257,394)	(206,105)	(96,748)	(104,816)
Profit sharing from investments in associates	(1,108,533)	(1,063,444)	-	-
Amortisation of expense for debentures and convertible debentures	35,613	23,600	35,613	23,600
Gain on disposal of investment in an associate and other long-term investment	(2,880,064)	(208,664)	(3,424,969)	(205,464)
Gain on disposal of property, premises and equipment	(2,975)	(11,866)	(1,983)	(4,964)
Loss on liquidation of an associated company and other long-term investments	-	389	-	-
Unrealised loss on foreign exchange	31,502	10,041	31,502	10,041
Provisions (reversal) for employee benefit expense	96,765	142,039	(18,768)	26,249
Annual leave expense	30,907	43,649	1,038	10,253
Interest income	(37,741)	(39,717)	(302,635)	(239,468)
Dividend income	(15,588)	(21,376)	(3,058,344)	(3,778,579)
Interest expense	1,205,179	634,756	1,264,905	695,002
Profit from operating activities before changes in operating assets and liabilities	11,649,621	11,146,986	2,419,134	2,355,128

The accompanying notes are an integral part of the financial statements.

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries**Statement of cash flows (continued)****For the nine-month period ended 30 September 2017**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Cash flows from operating activities (continued)				
Decrease (increase) in operating assets				
Trade and other receivables	(581,637)	374,515	(244,586)	483,954
Inventories	3,894	(80,689)	6,795	5,313
Other current assets	(17,886)	(51,392)	(5,679)	(32,543)
Other non-current assets	(6,902)	(215,972)	1,081,593	(212,972)
Increase (decrease) in operating liabilities				
Trade and other payables	(443,163)	309,219	(446,504)	35,488
Accrued expenses	112,502	(703,202)	(90,048)	(228,508)
Deferred income - membership	265,351	121,655	103,216	95,095
Other current liabilities	171,742	135,193	172,093	101,927
Provisions for employee benefits	(359,171)	(17,847)	(264,248)	(3,880)
Other non-current liabilities	8,536	97,552	(371)	96,039
Net cash flow from operating activities	10,802,887	11,116,018	2,731,395	2,695,041
Cash received from interest income	32,476	31,760	285,550	232,789
Cash paid for interest expense	(758,582)	(529,172)	(820,508)	(594,851)
Cash received from tax refund	11,896	9,796	-	-
Cash paid for income tax expense	(2,417,003)	(1,915,993)	(784,133)	(353,262)
Net cash flow provided by operating activities	7,671,674	8,712,409	1,412,304	1,979,717

The accompanying notes are an integral part of the financial statements.

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries**Statement of cash flows (continued)****For the nine-month period ended 30 September 2017**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Cash flows from investing activities				
Decrease (increase) in short-term investments	(1,645)	(540,579)	(4)	968
Decrease in restricted financial institution deposits	18,498	57,347	-	14,000
Cash received from dividend income	477,072	469,913	3,058,344	3,741,871
Cash paid for purchase of investments in subsidiaries and associates	(1,343,541)	(7,843)	(7,104,036)	(559,981)
Cash received for capital repayment of a liquidated associate and an other long-term investment	-	31,339	-	-
Cash received from disposal of investment in an associate and other long-term investment	4,505,060	484,943	4,505,060	475,293
Increase in short-term loans to subsidiaries	-	-	(685,549)	(762,539)
Cash paid for long-term loans to subsidiaries	-	-	(4,849,575)	(321,458)
Cash received from long-term loans to subsidiaries	-	-	555,540	919,228
Cash paid for investment property	(1,490)	(1,577)	(606)	(1,577)
Cash received from disposal of property, premises and equipment	20,240	45,656	3,489	8,030
Cash paid for purchase of property, premises and equipment	(13,619,364)	(5,676,040)	(837,075)	(1,635,593)
Cash paid for deposits in land and premises	-	(1,080,000)	-	(1,080,000)
Cash paid for leasehold rights	(8,026)	(77,964)	-	-
Cash paid for purchase of intangible assets	(176,505)	(226,165)	(71,452)	(115,722)
Net cash flow provided by (used in) investing activities	(10,129,701)	(6,520,970)	(5,425,864)	682,520

The accompanying notes are an integral part of the financial statements.

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries**Statement of cash flows (continued)****For the nine-month period ended 30 September 2017**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Cash flows from financing activities				
Cash paid for purchase of investments in subsidiaries				
from non - controlling interests	(21,203)	(165,305)	-	-
Cash received from bank overdraft and short-term loans				
from financial institutions	17,107,130	1,900,000	17,100,000	1,900,000
Repayment of bank overdraft and short-term loans				
from financial institutions	(15,712,362)	(25,209)	(15,700,000)	-
Cash received from long-term loans from				
financial institutions	5,400,000	-	5,400,000	-
Repayment of long-term loans from				
financial institutions	(3,760,075)	(1,208,304)	(3,747,876)	(1,182,773)
Repayments of liabilities under				
finance lease agreements	(35,061)	(44,428)	(8,318)	(7,838)
Decrease in short-term loans from non-related parties	(13,400)	(8,700)	-	-
Increase (decrease) in short-term loans from subsidiaries	-	-	386,548	(776,643)
Cash received from issued of debentures	6,992,451	2,996,318	6,992,451	2,996,318
Cash paid for redemption of debentures	-	(1,000,000)	-	(1,000,000)
Cash paid for redemption of convertible debentures	(1,655,971)	-	(1,655,971)	-
Dividend paid	(4,954,693)	(5,575,114)	(4,954,693)	(5,575,114)
Dividend paid by subsidiaries to				
non-controlling interests	(138,502)	(147,225)	-	-
Net cash flow provided by (used in) financing activities	3,208,314	(3,277,967)	3,812,141	(3,646,050)
Net increase (decrease) in cash and cash equivalents	750,287	(1,086,528)	(201,419)	(983,813)
Cash and cash equivalents at beginning of periods	4,216,831	5,528,543	2,762,362	3,617,144
Cash and cash equivalents at end of periods	4,967,118	4,442,015	2,560,943	2,633,331
	-	-	-	-

Supplemental cash flows information:

Non-cash items:

Assets acquired under finance lease agreements	11,792	5,073	-	3,328
Increase (decrease) in accounts payable				
- property, premises and equipment	122,686	(459,329)	84,704	(310,721)
Increase (decrease) in payable to construction - retention	65,278	(172,700)	9,090	21,916
Dividend receivable	-	36,707	-	36,707

The accompanying notes are an integral part of the financial statements.

Bangkok Dusit Medical Services Public Company Limited and its subsidiaries
Notes to consolidated interim financial statements
For the three-month and nine-month period ended 30 September 2017

1. General information

1.1 Corporate information

Bangkok Dusit Medical Services Public Company Limited ("the Company") is a public company under Thai laws and domiciled in Thailand. The Company is principally engaged in the hospital business. The Company operates under 6 hospital groups, namely, Bangkok Hospital Group, Samitivej Hospital Group, BNH Hospital, Phyathai Hospital Group, Paolo Hospital Group and Royal Hospital Group. In addition, the Company's network also covers businesses that support medical care such as medical laboratories, pharmaceutical production and saline production and drug and pharmaceutical stores. The registered office of the Company is at 2, Soi Soonvijai 7, New Petchburi Road, Bang Kapi, Huaykwang, Bangkok.

1.2 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard 34 (revised 2016) "Interim Financial Reporting", with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, income, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements and disclosure of condensed notes to interim financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language interim financial statements.

1.3 Basis of consolidation

These interim consolidated financial statements include the financial statements of Bangkok Dusit Medical Services Public Company Limited and its subsidiaries ("the Group") and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2016. There have been changes in the structure of the subsidiaries during the period as discussed in Note 5 to the financial statements.

1.4 New financial reporting standards

(a) Financial reporting standards that became effective in the current period

During the period, the Group has adopted the revised financial reporting standards and interpretations (revised 2016) and new accounting treatment guidance which are effective for fiscal years beginning on or after 1 January 2017. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements. However, one standard involves changes to key principles, which is summarised below.

TAS 27 (revised 2016) Separate Financial Statements

This revised standard stipulates an additional option to account for investments in subsidiaries, joint ventures and associates in separate financial statements under the equity method, as described in TAS 28 (revised 2016) Investments in Associates and Joint Ventures. However, the entity is to apply the same accounting treatment for each category of investment. If an entity elects to account for such investments using the equity method in the separate financial statements, it has to adjust the transaction retrospectively.

This standard does not have any significant impact on the Group's financial statements because the management has decided to continue accounting for such investments under the cost method in the separate financial statements.

(b) Financial reporting standards that will become effective in the future

During the period, the Federation of Accounting Professions issued a number of the revised financial reporting standards and interpretations (revised 2017) which is effective for fiscal years beginning on or after 1 January 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards.

The management of the Group believes that the revised financial reporting standards and interpretations will not have any significant impact on the financial statements when they are initially applied.

1.5 Restatement the financial statements related to liabilities for discontinued lifelong medical care program in order to be complied with Thai Financial Reporting Standard No. 4 and adjustment of prior years' financial statements relating to provisions for other employee benefits (These events were incurred in 2016)

Restatement the financial statements related to liabilities for discontinued lifelong medical care program in order to be complied with Thai Financial Reporting Standard No. 4

The Company and its subsidiary have established the medical care programs providing lifelong medical services with small amount of charges to their members who prepaid the membership fees for life. The Company and its subsidiary discontinued these aforementioned programs on 20 January 2017 and 2 February 2017, respectively, due to the legal reasons as described in Note 10 to the financial statements.

The Company and its subsidiary have retroactively adjusted the consolidated and separate financial statements in the past related to debts arising out of contracts providing aforementioned lifelong medical care programs in order to be complied with Thai Financial Reporting Standard No. 4 issued by the Federation of Accounting Professions which became effective for fiscal years beginning on or after 1 January 2016, as these contracts issued under the aforementioned programs are deemed to be insurance contracts. The adjustments to the financial statements have been made based on the total amounts payable to the members and the compensation expected to be paid to the members in 2017 due to the discontinuation of the program by considering that they were past events that caused the present commitment and they were subsequent events that should be adjusted as complied with Thai Accounting Standard No. 10 Events after reporting period. The cumulative effect of the aforementioned adjustment has been separately presented in the statements of changes in shareholders' equity.

Adjustment of prior years' financial statements relating to provisions for other employee benefits

During the year 2016, the management considered the provisions for other employee benefits for medical care after post-employment and found that the Company and a subsidiary under recorded these expenses in prior years. As a result, the Company and a subsidiary restated the consolidated and separate financial statements in the past. The cumulative effect of the change has been separately presented in the statements of changes in shareholders' equity.

The Company and its subsidiaries did not adjust these two effects to statement of income and comprehensive income for the three-month and nine-month periods ended 30 September 2016 and statement of cash flows for the nine-month period ended 30 September 2016 as presented herein for comparative information because there have been no significant impact on these financial statements of the Company and its subsidiaries.

1.6 Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2016.

2. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2017	31 December 2016	30 September 2017	31 December 2016
Trade receivables - related parties	8,126	25,016	25,832	23,875
Trade receivables - non-related parties-net	6,243,575	5,728,644	1,048,620	820,638
Other receivables - related parties	954	445	119,123	96,299
Other receivables - non-related parties	298,162	278,606	42,396	45,187
Total trade and other receivables - net	<u>6,550,817</u>	<u>6,032,711</u>	<u>1,235,971</u>	<u>985,999</u>

As at 30 September 2017 and 31 December 2016, the aging analysis of the outstanding trade accounts receivable is as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2017	31 December 2016	30 September 2017	31 December 2016
<u>Related parties</u>				
Less than 3 months	7,713	18,792	23,395	22,051
3 - 6 months	185	5,350	1,901	1,796
6 - 12 months	183	865	524	28
over 12 months	45	9	12	-
Total trade accounts receivable - related parties	<u>8,126</u>	<u>25,016</u>	<u>25,832</u>	<u>23,875</u>
<u>Non-related parties</u>				
Less than 3 months	5,590,357	5,055,039	935,912	765,548
3 - 6 months	421,245	431,061	93,219	29,588
6 - 12 months	266,606	291,439	26,266	51,247
over 12 months	392,563	332,595	153,394	128,271
Total trade accounts receivable - non-related parties	<u>6,670,771</u>	<u>6,110,134</u>	<u>1,208,791</u>	<u>974,654</u>
Less: Allowance for doubtful accounts	<u>(427,196)</u>	<u>(381,490)</u>	<u>(160,171)</u>	<u>(154,016)</u>
Total trade accounts receivable - non-related parties - net	<u>6,243,575</u>	<u>5,728,644</u>	<u>1,048,620</u>	<u>820,638</u>
Total trade accounts receivable -net	<u><u>6,251,701</u></u>	<u><u>5,753,660</u></u>	<u><u>1,074,452</u></u>	<u><u>844,513</u></u>

3. Related party transactions

The Group had significant business transactions with individuals or related parties, which have been concluded on commercial terms and bases agreed upon between the Group and those related parties. Below is a summary of those transactions.

<u>Transaction</u>	<u>Pricing and lending policy</u>
Revenues from hospital operations and lab services	Based on the price charged to normal customers
Revenues and expenses from consulting and management service, accounting service, information technology service and maintenance service	Certain percentage of net revenue or rates as stipulated in agreements
Revenues and costs of sales and purchases of goods and services	Based on the price charged to normal customers
Rental income and rental expenses	Rates as stipulated in agreements
Interest charge of inter-company loans	Interest rates close to that charged by commercial banks Loans between subsidiaries in Cambodia, interest rate charged as stipulated in the agreements
Purchases and sales of assets	Prices are dependent on the condition of assets
Purchases of investments	Prices that calculated from adjusted book value.

The significant intercompany transactions are as follows:

	(Unit: Million Baht)			
	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
<u>Subsidiaries</u>				
Revenues from hospital operations and lab services	-	-	38.2	24.0
Consulting and management fee income	-	-	227.1	203.8
Interest income	-	-	111.4	68.2
Other income	-	-	19.6	16.1
Costs of goods and services	-	-	227.5	208.4
Consulting and management fee expenses	-	-	61.9	57.9
Other expenses	-	-	15.5	10.0
Interest expense	-	-	22.4	20.6

(Unit: Million Baht)

For the three-month periods ended 30 September

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
<u>Associates</u>				
Revenues from hospital operations and lab services	5.0	7.8	3.0	3.1
Dividend income (Note 4)	-	-	149.7	202.8
Other income	2.6	8.4	0.7	-
Costs of goods and services	3.4	3.5	0.4	0.3
Other expenses	-	0.9	-	-

Individuals or related parties

Revenues from hospital operations and lab services	1.6	0.5	0.7	0.5
Dividend income (Note 6)	-	4.4	-	4.4
Other income	3.5	2.3	2.9	2.0
Costs of goods and services	42.9	37.0	30.0	28.9
Consulting and management fee expenses	0.7	0.7	-	-
Other expenses	26.6	52.0	17.4	46.4

(Unit: Million Baht)

For the nine-month periods ended 30 September

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
<u>Subsidiaries</u>				
Revenues from hospital operations and lab services	-	-	91.8	76.4
Consulting and management fee income	-	-	622.9	575.9
Interest income	-	-	278.2	209.3
Dividend income (Note 5)	-	-	2,590.4	3,278.6
Other income	-	-	58.9	57.7
Costs of goods and services	-	-	601.5	575.2
Consulting and management fee expenses	-	-	182.9	172.9
Other expenses	-	-	32.7	23.1
Interest expense	-	-	65.5	69.8

(Unit: Million Baht)

For the nine-month periods ended 30 September

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
<u>Associates</u>				
Revenues from hospital operations and lab services	14.5	19.5	6.3	8.5
Dividend income (Note 4)	-	-	457.4	483.9
Other income	5.8	11.3	0.8	-
Costs of goods and services	9.5	11.5	0.6	0.6
Other expenses	0.1	1.0	-	-

Individuals or related parties

Revenues from hospital operations and lab services	4.2	2.0	2.9	1.3
Dividend income (Note 6)	9.0	12.5	9.0	12.5
Other income	8.5	7.0	7.6	6.4
Costs of goods and services	104.5	53.8	76.8	33.8
Consulting and management fee expenses	2.3	2.3	-	-
Other expenses	95.2	83.4	71.6	64.3
Purchases of investments	-	42.8	-	-

The outstanding balances of the above transactions as at 30 September 2017 and 31 December 2016 have been separately shown in the statement of financial position as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2017	31 December 2016	30 September 2017	31 December 2016
<u>Trade receivables - related parties (Note 2)</u>				
Subsidiaries	-	-	22,447	17,691
Associates	6,914	19,964	3,100	2,966
Related companies	1,212	5,052	284	3,218
Total trade receivables - related parties	8,126	25,016	25,832	23,875

Other receivables - Subsidiaries (Note2)**Consulting and management fee receivable**

Subsidiaries	-	-	81,853	72,500
Total	-	-	81,853	72,500

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2017	2016	2017	2016
<u>Others</u>				
Subsidiaries	-	-	36,418	23,569
An associate	-	53	-	-
Related companies	954	392	852	230
Total	954	445	37,270	23,799
Total other receivables - related parties	954	445	119,123	96,299
<u>Leasehold rights - a related party</u>				
(included in other non-current assets)				
A related party	36,046	40,615	-	-
Total leasehold rights - a related party	36,046	40,615	-	-
<u>Deposits and long-term prepaid expense - related parties</u>				
(included in other non-current assets)				
Subsidiaries	-	-	561	1,103
Related companies	176	12,926	-	12,840
Total deposits and long-term prepaid expense	176	12,926	561	13,943
<u>Trade payables - related parties (Note 9)</u>				
Subsidiaries	-	-	142,150	115,667
Associates	3,785	4,499	114	202
Related companies	17,204	26,878	12,149	22,614
Total trade payables - related parties	20,989	31,377	154,413	138,483
<u>Other payables - related parties (Note 9)</u>				
Subsidiaries	-	-	58,178	78,783
An associate	37	-	-	-
Related companies	8,023	13,319	5,458	8,973
Total other payables - related parties	8,060	13,319	63,636	87,756
<u>Deposits - related parties</u>				
(included in other non-current liabilities)				
Subsidiaries	-	-	9,472	8,626
Related companies	715	775	715	775
Total deposits - related parties	715	775	10,187	9,401

Movement of loans to and loans from related parties during the period were summarised as follows:

(Unit: Thousand Baht)

	Separate financial statements		
	31 December 2016	Increase Decrease	30 September 2017
<u>Short-term loans to subsidiaries</u>			
Subsidiaries	2,143,393	1,198,294 (512,860)	2,828,827
Total short-term loans to subsidiaries	2,143,393	1,198,294 (512,860)	2,828,827
<u>Long-term loans to subsidiaries</u>			
Subsidiaries	5,130,375	4,849,575 (632,376)	9,347,574
Total long-term loans to subsidiaries	5,130,375	4,849,575 (632,376)	9,347,574
<u>Short-term loans from subsidiaries</u>			
Subsidiaries	8,343,358	1,285,119 (898,571)	8,729,906
Total short-term loans from subsidiaries	8,343,358	1,285,119 (898,571)	8,729,906

Short-term and long-term loans to subsidiaries and short-term loans from subsidiaries

The Company has entered into agreements to provide short-term loans and long-term loans with terms of 3 - 8 years with its subsidiaries and also obtained short-term loans from its subsidiaries. The loans to related parties bear interest at MLR minus fixed rate per annum and LIBOR plus fixed rate per annum stipulated in the agreement. The loans from related parties bear interest at Fixed Deposit Rate. The interest is payable on a monthly basis while principal is repayable on the basis stipulated in the agreements.

Air ambulance service agreement

On 1 September 2007, a subsidiary entered into an air ambulance service agreement with the Company. The agreement is for a period of 3 years from the date the service commenced and is renewable. The agreement stipulates the monthly minimum service fee that the subsidiary is to earn from the Company. The Company has extended the agreement for 3 years ended on 30 September 2018.

Guarantee obligations with related parties

The Company has guaranteed overdraft facility amounting to USD 2.0 million (31 December 2016: USD 2.0 million) for the overseas subsidiaries.

Directors and management's benefits

During the periods, the Group had benefits for their directors and management as below.

(Unit: Million Baht)

	For the three-month period ended 30 September			
	Consolidated financial		Separate financial	
	statements		statements	
	2017	2016	2017	2016
Short-term employee benefits	26.8	30.0	26.8	30.0
Post-employment benefits	0.3	0.2	0.3	0.2
Total	27.1	30.2	27.1	30.2

(Unit: Million Baht)

	For the nine-month period ended 30 September			
	Consolidated financial		Separate financial	
	statements		statements	
	2017	2016	2017	2016
Short-term employee benefits	153.3	147.9	153.3	147.9
Post-employment benefits	0.8	0.7	0.8	0.7
Total	154.1	148.6	154.1	148.6

4. Investments in associates

(Unit: Thousand Baht)								
Company's name	Natures of business	Paid-up Capital	% Shareholding		Consolidated financial		Separate financial	
					statements		statements	
					Equity Method		Cost Method	
			30 September	31 December	30 September	31 December	30 September	31 December
			2017	2016	2017	2016	2017	2016
<u>Associates held by the Company</u>								
Cool & Joy Co., Ltd.	Ceased operation	Baht 5 million	30.00	30.00	1,069	1,069	1,500	1,500
Ramkhamhaeng Hospital Public Co., Ltd.	Hospital	Baht 120 million	38.24	38.24	5,244,504	4,766,264	1,459,801	1,459,801
Udon Pattana (1994) Co., Ltd. (held by the Company at 15.26% and indirectly held by a subsidiary at 9.85%)	Hospital	Baht 300 million	25.11	25.11	187,895	192,431	69,952	69,952
Bumrungrad Hospital Public Co., Ltd.	Hospital	Baht 730 million	20.50	23.95	9,623,415	11,024,522	6,417,245	7,497,336
Total investments in associates held by the Company							7,948,498	9,028,589
Total investments in associates held by the Group					15,056,883	15,984,286		
<u>Associates held by the subsidiaries</u>								
Al Ghaith Bangkok Dusit Management Services LLC.	In process of liquidation	UAE DIRHAM 0.15 million	30.00	30.00	-	-		
General Hospital Products Public Co., Ltd.	Manufacturer and distributor of medical supplies	Baht 120 million	45.49	45.49	463,992	416,724		
Total investments in associates held by subsidiaries					463,992	416,724		
Total investments in associates in the consolidated financial statements					15,520,875	16,401,010		

4.1 Partial Disposition of Investment in an associate

On 28 April 2017, the extraordinary meeting of the Company's Board of Directors No. 2/2017 had approved the Company to dispose the equity investment in Bumrungrad Hospital Public Company Limited totaling 25,189,494 shares, or 3.45% of issued and paid-up shares of Bumrungrad Hospital Public Company Limited, to an institutional investor who is not related to the Company, at the price of Baht 179 per share, totaling amount of approximately Baht 4,509 million. Bumrungrad Hospital Public Company Limited will remain the Company's associate after this transaction on 28 April 2017. After the transaction, the percentage of ownership was deducted from 23.95% to 20.50% of issued and paid-up shares of Bumrungrad Hospital Public Company Limited. The Company recognised gain from selling these investments under equity method in the consolidated financial statements amounting to Baht 2,195 million (net of income tax expenses) and under cost method in the separate financial statements amounting to Baht 2,740 million (net of income tax expense) in the second quarter of 2017.

4.2 Investments in an associate which subsidiaries previously held

General Hospital Products Public Co., Ltd.

In the second quarter of 2017, Royal Bangkok Healthcare Co., Ltd., a subsidiary in which the Company has a 100% shareholding, purchased additional shares in General Hospital Products Public Co., Ltd. totaling of Baht 3.1 million. The total investments in General Hospital Products Public Company Limited, including of the shareholding by another subsidiary, totally representing 45.76% of the paid up capital of such company which is indirectly held by the Group.

4.3 Details of profit sharing and dividend from the associates are set out below.

Company's name	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	Share of income (loss) from investments in associates received during the nine-month periods ended		Dividend received during the nine-month periods ended	
	30 September 2017	30 September 2016	30 September 2017	30 September 2016
<u>Associates held by the Company</u>				
Ramkhamhaeng Hospital Public Co., Ltd.	410,829	344,232	36,707	64,238
Udon Patana (1994) Co., Ltd.	(4,536)	(9,837)	-	-
Bumrungrad Hospital Public Co., Ltd.	653,952	670,954	420,679	419,641
<u>Associates held by the subsidiaries</u>				
General Hospital Products Public Co., Ltd.	48,288	58,095	-	-
Total	1,108,533	1,063,444	457,386	483,879

Profit sharing from investments in two associates which are listed companies on the Stock Exchange of Thailand for the nine-month period ended 30 September 2017 of Baht 1,064.8 million (30 September 2016: two associates of Baht 1,015.2 million) representing 96 percent (30 September 2016: 95 percent) of total share of income. Profit sharing from an associate was calculated based on interim financial statements which were reviewed by the auditor of the associate and profit sharing of another associate was calculated based on interim financial statements which were prepared by management.

5. Investments in subsidiaries

(Unit: Thousand Baht)

Company's name	Nature of business	Paid-up Capital	Separate financial statements					
			% Shareholding		Investments - cost method		Dividend received during the nine-month periods ended	
			30 September 2017	31 December 2016	30 September 2017	31 December 2016	30 September 2017	30 September 2016
Samitivej Public Co., Ltd.	Hospital	Baht 1,000 million	95.76	95.76	1,639,071	1,639,071	574,582	478,818
Bangkok Hospital Hatyai Co., Ltd.	Hospital	Baht 500 million	98.82	98.81	574,697	574,612	49,405	123,512
Bangkok Phuket Hospital Co., Ltd.	Hospital	Baht 500 million	99.70	99.69	610,317	610,246	-	149,537
BNH Medical Center Co., Ltd.	Hospital	Baht 586 million	91.48	91.48	602,657	602,657	107,238	268,095
Bangkok Phrapradaeng Hospital Co., Ltd.	Hospital	Baht 105 million	84.00	84.00	101,868	101,868	-	-
Bangkok Pattaya Hospital Co., Ltd.	Hospital	Baht 280 million	97.27	97.27	708,993	708,993	-	626,401
Bangkok Rayong Hospital Co., Ltd.	Hospital	Baht 400 million	100.00	100.00	415,020	415,020	60,000	60,000
Bangkok Samui Hospital Co., Ltd.	Hospital	Baht 150 million	100.00	100.00	150,000	150,000	120,000	75,000
Bangkok Trat Hospital Co., Ltd.	Hospital	Baht 250 million	99.76	99.76	245,889	245,889	39,902	29,927
Wattanavej Co., Ltd.	Hospital	Baht 180 million	99.69	99.69	450,643	450,643	17,945	143,560
Bangkok Ratchasima Hospital Co., Ltd.	Hospital	Baht 300 million	91.42	91.42	935,005	935,005	41,139	41,125
National Healthcare Systems Co., Ltd. (held by the Company at 74.02% and indirectly held by subsidiaries at 24.66%.	Central Lab	Baht 75 million	74.02	74.02	56,768	56,768	66,622	66,622
Bio Molecular Laboratories (Thailand) Co., Ltd.	Central Lab	Baht 10 million	95.00	95.00	9,502	9,502	38,000	28,500
Angkor Pisith Co., Ltd.	Hospital	USD 10 million	80.00	80.00	287,840	287,840	-	-
Phnom Penh Medical Services Co., Ltd.	Hospital	USD 25 million	100.00	100.00	813,220	813,220	-	-
Royal Rattanak Medical Services Co., Ltd.	Ceased operation	Riel 26,000 million	70.00	70.00	154,063	154,063	-	-

(Unit: Thousand Baht)

Company's name	Nature of business	Paid-up Capital	Separate financial statements					
			% Shareholding		Investments - cost method		Dividend received during the nine-month periods ended	
			30 September 2017	31 December 2016	30 September 2017	31 December 2016	30 September 2017	30 September 2016
B.D.M.S. International Medical Services Co., Ltd.	Not yet operate	Riel 9,200 million	100.00	100.00	94,208	94,208	-	-
BDMS Accounting Co., Ltd.	Accounting service	Baht 30 million	100.00	100.00	30,000	30,000	-	-
Bangkok Health Insurance Public Co., Ltd.	Health insurance	Baht 250 million	99.99	99.97	192,027	142,027	-	-
Royal Bangkok Healthcare Co., Ltd.	Investment	Baht 1,086 million	100.00	100.00	1,086,000	1,086,000	-	-
Greenline Synergy Co., Ltd.	Information and Technology service	Baht 200 million	100.00	100.00	200,000	200,000	-	-
Bangkok Hospital Kao Yai Co., Ltd.	Not yet operate	Baht 70 million	100.00	100.00	70,000	70,000	-	-
BDMS Training Co., Ltd.	Training business	Baht 1 million	100.00	100.00	1,000	1,000	-	-
Prasit Patana Public Co., Ltd.	Investment	Baht 1,108 million	98.59	98.56	9,263,225	9,260,719	983,054	873,787
Paolo Medic Co., Ltd.	Hospital	Baht 1,000 million	100.00	100.00	3,622,872	3,222,872	-	-
Paolo Samutprakarn Co., Ltd.	Hospital	Baht 42 million	93.65	93.64	1,737,668	1,737,638	137,661	137,658
Siam Medical Co., Ltd.	Hospital	Baht 100 million	85.71	85.71	939,775	939,775	85,714	68,571
Thai Medical Center Public Co., Ltd.	Hospital	Baht 201 million	99.76	99.76	887,131	887,131	100,024	100,024
Bangkok Premier Life Insurance Broker Co., Ltd.	Life insurance broker	Baht 20 million	100.00	100.00	20,000	20,000	-	-
Bangkok Hospital Chiangmai Co., Ltd.	Hospital	Baht 1,000 million	100.00	100.00	1,000,000	1,000,000	-	-
Bangkok Hospital Udon Co., Ltd.	Hospital	Baht 800 million	100.00	100.00	799,930	799,930	-	-
Bangkok Khon Kaen Hospital Co., Ltd.	Hospital	Baht 800 million	100.00	100.00	800,000	800,000	-	-
The Medicpharma Co., Ltd.	Production and distribution of medicines	Baht 42.86 million	87.05	87.05	551,318	551,318	7,462	7,462

(Unit: Thousand Baht)

Company's name	Nature of business	Paid-up Capital	Separate financial statements					
			% Shareholding		Investments - cost method		Dividend received during the nine-month periods ended	
			30 September 2017	31 December 2016	30 September 2017	31 December 2016	30 September 2017	30 September 2016
Thonburi Medical Center Public Co., Ltd. (held by the Company at 34.43% and indirectly held by subsidiary at 29.02%)	Hospital	Baht 193.8 million	34.43	34.43	442,252	442,252	-	-
Bangkok Hospital Surat Co., Ltd.	Hospital	Baht 300 million	100.00	100.00	300,000	300,000	-	-
BDMS Inter Pte. Ltd.	Investment	USD 100,000	100.00	100.00	3,381	3,381	-	-
N Health Asia Pte. Ltd.	Investment	USD 3.5 million	100.00	100.00	116,654	65,310	-	-
Samitivej Chonburi Co., Ltd.	Hospital	Baht 800 million	100.00	100.00	800,000	600,000	-	-
Bangkok Hospital Phitsanulok Co., Ltd.	Hospital	Baht 600 million	100.00	100.00	600,000	600,000	-	-
Bangkok Hospital Sanamchan Co., Ltd.	Hospital	Baht 3,655 million	100.00	100.00	3,655,000	3,655,000	109,650	-
Bangkok Phuket International Hospital Co., Ltd.	Hospital	Baht 3,610 million	100.00	100.00	3,610,000	3,610,000	-	-
Bangkok Save Drug Co., Ltd.	Investment	Baht 450 million	100.00	100.00	450,000	450,000	-	-
S.R. Property Investment Co., Ltd.	Real estate	Riel 20 million	49.00	49.00	101	101	-	-
Siem Reap Land Investment Co., Ltd.	Real estate	Riel 20 million	49.00	49.00	101	101	-	-
Phnom Penh First Property Co., Ltd.	Real estate	Riel 20 million	49.00	49.00	88	88	-	-
Bangkok Helicopter Services Co., Ltd. (held by the company at 87.25% and indirectly held by subsidiary at 12.75%)	Air transportation services	Baht 400 million	87.25	87.25	350,858	350,858	-	-

(Unit: Thousand Baht)

Company's name	Nature of business	Paid-up Capital	Separate financial statements					
			% Shareholding		Investments -		Dividend received during the	
					cost method		nine-month periods ended	
			30 September 2017	31 December 2016	30 September 2017	31 December 2016	30 September 2017	30 September 2016
Bangkok Hospital Chiangrai Co., Ltd.	Not yet operate	Baht 600 million	100.00	100.00	600,000	600,000	-	-
Bangkok Hospital Muangraj Co., Ltd.	Hospital	Baht 1,300 million	100.00	100.00	1,300,000	1,300,000	52,000	-
BDMS Property Management Co., Ltd.	Non-hospital assets managements	Baht 10 million	100.00	100.00	10,000	10,000	-	-
BDMS Wellness Clinic Co., Ltd.	Holistic Clinical Wellness (Preventative and Regenerative Medicine)	Baht 6,400 million	100.00	-	6,400,000	-	-	-
Total investments in subsidiaries					47,689,142	40,585,106	2,590,398	3,278,599
Less: Allowance for impairment of investments					(154,062)	(154,062)		
Total investments in subsidiaries – net					<u>47,535,080</u>	<u>40,431,044</u>		

5.1 Investments in subsidiaries which the Group previously held

N Health Asia Pte. Ltd.

On 12 June 2017, the Board of Directors of N Health Asia Pte. Ltd approved to increase the share capital from USD 2.0 million to USD 3.5 million. In the second quarter of 2017, the Company acquired all of the new ordinary shares.

N Health Asia Pte. Ltd. and N Health Myanmar Co., Ltd.

Investment in N Health Myanmar Co., Ltd., which established in Republic of the Union of Myanmar with a registered share capital of Kyat 500 million, was an indirect investment of the Company through N Health Asia Pte. Ltd., a subsidiary. The Company indirectly holds 60 percent interest in this subsidiary.

On 10 March 2017, the 2017 Annual General Meeting of the shareholders of N Health Myanmar Co., Ltd. approved to increase the share capital from Kyat 500 million to Kyat 3,770 million. In the second quarter of 2017, N Health Asia Ptd. Ltd. acquired all of the new ordinary shares in order to maintain its shareholding portion.

Bangkok Health Insurance Public Co., Ltd.

On 11 July 2017, the extraordinary General Meeting No.1/2017 of shareholders of Bangkok Health Insurance Public Co., Ltd. approved to increase the share capital from Baht 200 million to Baht 250 million. In the third quarter of 2017, the Company acquired all of the new ordinary shares.

Samitivej Chonburi Co., Ltd.

On 25 September 2017, the extraordinary General Meeting No.1/2017 of shareholders of Samitivej Chonburi Co., Ltd. approved to increase the share capital from Baht 600 million to Baht 800 million. In the third quarter of 2017, the Company acquired all of the new ordinary shares.

5.2 Investments in new subsidiaries

BDMS Wellness Clinic Co., Ltd.

On 28 September 2016, a meeting of the Board of Directors of the Company approved the establishment of a new subsidiary, namely BDMS Wellness Clinic Co., Ltd., with a registered share capital of Baht 6,400 million to acquire and receive the transfer of the land and buildings to operate BDMS Wellness Clinic Project. The Company holds 100% shareholding in that subsidiary. In January 2017, BDMS Wellness Clinic Co., Ltd. completely registered its' establishment. The Company already paid for the shares capital of Baht 3,250 million and Baht 3,150 million in the first quarter of 2017 and second quarter of 2017 respectively. As a result, the subsidiary had an issued and paid up share capital of Baht 6,400 million.

Paolo Medic Co., Ltd. and acquisition of the entire business of Mayo Polyclinic Co., Ltd.

On 26 October 2016, a meeting of the Board of Directors of the Company approved the increase of registered capital of Paolo Medic Co., Ltd, 99.99% subsidiary, from Baht 600 million to Baht 1,000 million through the increase in capital of 40 million additional ordinary shares with a par value of Baht 10 each and approved Paolo Medic Co., Ltd. to acquire and receive the transfer of the entire business of Mayo Polyclinic Co., Ltd, operating private hospitals under the name of "Mayo Hospital".

In January 2017, the Company already paid for the additional shares of Paolo Medic Co., Ltd. totaling Baht 400 million and Mayo Polyclinic Co., Ltd had transferred the entire business to Paolo Medic Co., Ltd and Paolo Medic Co., Ltd made a full payment to Mayo Polyclinic Co., Ltd. by cash at Baht 1,390 million and received the transfer of all assets and liabilities.

(Unaudited but reviewed)

The fair values of assets and liabilities as at acquisition dates are as follows:

	(Unit: Thousand Baht)
Cash and cash equivalents	49,852
Trade and other receivables	29,002
Inventories	7,674
Other current assets	69
Property, premises and equipment	893,881
Intangible assets	904
Other non-current assets	147
Trade and other payables	(26,768)
Accrued expenses	(13,400)
Other current liabilities	(2,418)
Non-current provisions for employee benefits	(33,782)
Deferred tax liabilities	(127,725)
Other non-current liabilities	(31)
Fair value of net assets	777,405
Add: Goodwill	612,910
Consideration paid	1,390,315
Less: Cash and cash equivalents of the business acquired	(49,852)
Net cash paid for acquisition of the business	1,340,463

Goodwill

Movement in goodwill during the nine-month period ended 30 September 2017 was summarised below.

	(Unit: Thousand Baht)
	Consolidated financial statements
Balance as at 1 January 2017	16,932,250
Increase from acquisition	612,910
Balance as at 30 September 2017	17,545,160

(Unaudited but reviewed)

6. Other long-term investments

(Unit: Thousand Baht)							
				Consolidated and separate financial statements			
Company's name	Nature of business	Paid-up capital (Million Baht)	% share holding	Investment (cost)		Dividend income during the nine-month periods ended	
				30 September 2017	31 December 2016	30 September 2017	30 September 2016
<u>Investments held by the Company</u>							
<u>Available-for-sale investments</u>							
<u>Investments in listed securities</u>							
Thai Military Bank Public Co., Ltd.	Bank	41,648	-	1,770	1,770	5	5
Aikchol Hospital Public Co., Ltd.	Hospital	150	0.20	350	350	189	165
Bangkok Chain Hospital Public Co., Ltd.	Hospital			-	-	-	2,625
				2,120	2,120	194	2,795
Surplus on changes in value of available-for-sale investments				5,659	8,775	-	-
Investments in listed securities				7,779	10,895	194	2,795
<u>Investments in related companies</u>							
Bangkok Airways Public Co., Ltd.	Airline	2,100	0.85	39,466	39,466	8,953	12,533
Surplus on changes in value of available-for-sale investments				293,578	366,991	-	-
Investments in related companies				333,044	406,457	8,953	12,533

(Unaudited but reviewed)

(Unit: Thousand Baht)

Company's name	Nature of business	Paid-up capital (Million Baht)	% share holding	Consolidated and separate financial statements			
				Investment (cost)		Dividend income during	
						the nine-month periods ended	
				30 September 2017	31 December 2016	30 September 2017	30 September 2016
<u>Investments in non-related companies</u>							
Thai Longstay Management Co., Ltd.	Travel business	100	0.53	531	531	-	-
Superior Biotech Holding Co., Ltd.	Investment	113	3.55	5,000	5,000	800	160
X-Ray Computer Urupong Co., Ltd.	X-ray lab	100	4.09	4,520	4,520	613	613
Investments in non-related companies				10,051	10,051	1,413	773
Total other long-term investments in the separate financial statements				350,874	427,403	10,560	16,101

(Unaudited but reviewed)

(Unit: Thousand Baht)

Company's name	Nature of business	Paid-up capital (Million Baht)	% share holding	Consolidated and separate financial statements			
				Investment (cost)		Dividend income during	
						the nine-month periods ended	
				30 September 2017	31 December 2016	30 September 2017	30 September 2016
<u>Investment held by the subsidiaries</u>							
<u>Available-for-sale investments</u>							
Investments in investment unit				10,000	10,000	-	-
Surplus on changes in value of available-for-sale investments				1,456	1,356	-	-
Investments in investment unit				11,456	11,356	-	-
<u>Investment in listed securities</u>							
Mahachai Hospital Public Company Limited	Hospital	160	4.28	143,724	143,724	3,011	2,875
Kiatnakin Bank Public Company Limited	Bank			-	-	-	400
				143,724	143,724	3,011	3,275
Surplus on changes in value of available-for-sale investments				3,422	86,234	-	-
Investments in listed securities				147,146	229,958	3,011	3,275

(Unaudited but reviewed)

(Unit: Thousand Baht)

Company's name	Nature of business	Paid-up capital (Million Baht)	% share holding	Investment (cost)		Consolidated and separate financial statements	
				30 September 2017	31 December 2016	Dividend income during the nine-month periods ended	
						30 September 2017	30 September 2016
<u>Investments in unrelated companies</u>							
Thai Herbal Products Co., Ltd.	Sales of herbal products	80	0.60	290	290	17	-
Prasitthirat Co., Ltd.	Educational institution known as “Rangsit university”	150	33.33	107,192	107,192	2,000	2,000
Asia Laboratories Center Limited	Central lab	5	8.00	400	400	-	-
Kendall Gammatron Limited	Trading of medical supplies	120	5.10	8,000	8,000	-	-
Black Brain Health, LLC.	Manufacturer and distributor of complementary medicine	USD 1.38 million	8.31	17,975	17,975	-	-
Pracharat Raksamakkee Khonkaen (Enterprise for social) Co., Ltd.	Development of economic foundations	4	0.38	15	15	-	-
Investments in unrelated companies				133,872	133,872	2,017	2,000
<u>Investments in ordinary shares (ceased operations)</u>							
Phyathai 4 Hospital (Petchaburi Road) Co., Ltd.	Adjudged bankrupt	328	89.79	-	-	-	-
Klass - V Co., Ltd.	Adjudged bankrupt	250	89.66	-	-	-	-
Phuket Paradise Co., Ltd.	Adjudged bankrupt	409	72.26	-	-	-	-
Phyathai Herbs Co., Ltd.	In process of liquidation	196	63.64	42,889	42,889	-	-
Phuket Hospital Public Co., Ltd.	Hospital	358	19.08	-	-	-	-
				42,889	42,889	-	-
Less : Allowance for impairment of investments				(9,493)	(9,493)	-	-
Investments in ordinary shares (ceased operations) - net				33,396	33,396	-	-
Total other long-term investments - net in the consolidated financial statements				676,744	835,985	15,588	21,376

Prasitthirat Company Limited

A subsidiary has 33.33 percentage of shareholding in Prasitthirat Company Limited but has not classified it as investment in an associate because the subsidiary has no power to participate in the financial and operating policy decisions of that company and other shareholders are major shareholders of that company.

Investments in ordinary shares (ceased operations)

A subsidiary has investments in companies that have ceased their operations but has not classified them as investments in subsidiaries because the subsidiary has no power to control such companies.

Bangkok Chain Hospital Public Co., Ltd.

In the second quarter of 2016, the Company sold investment totaling 11.4 million shares in Bangkok Chain Hospital Public Co., Ltd. at the amount of Baht 144.0 million. The Company had recognised gain from selling these investments amounting to Baht 61.7 million in its' statements of income for the three-month and nine-month periods ended 30 September 2016. In July 2016, the Company sold the remaining investment totaling 26.1 million shares in such company at the amount of Baht 331.3 million. The Company recognised gain from selling these investments amounting to Baht 143.8 million in the third quarter of 2016.

7. Property, premises and equipment

Movement of the property, premises and equipment during the nine-month period ended 30 September 2017 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 31 December 2016	56,461,044	10,046,123
Receive the transfer of assets from acquisition of business		
- net book value as of acquisition date	893,881	-
Purchase - at cost	14,907,413	936,170
Disposals and write-off	(32,659)	(1,546)
Transfer in/(Transfer out)	14,169	37
Depreciation	(3,648,528)	(639,771)
Translation adjustments	(129,870)	-
Net book value as at 30 September 2017	68,465,450	10,341,013

7.1 Deposits in land and premises

On 28 September 2016, a meeting of the Board of Directors of the Company approved the Company and/or its subsidiaries entering into an agreement to buy land and premises at Park Nai Lert totaling to Baht 10,800 million. The Company paid a security deposit amounting to Baht 1,080 million on 28 September 2016. On 20 February 2017, BDMS Wellness Clinic Co., Ltd., a wholly-owned subsidiary of the Company, accepted the transfer of ownership in the land and premises from the sellers. For payment of the remaining purchase price in the aggregate amount of Baht 9,720 million, the sellers agreed for the Company to pay on the date of the ownership transfer acceptance in the amount of Baht 2,000 million, and the amount of Baht 7,720 million, which was paid on 27 May 2017.

8. Bank overdrafts and short-term loans from financial institutions

Movements in bank overdrafts and short-term loans from financial institutions during nine-month period ended 30 September 2017 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 31 December 2016	1,578,644	1,500,000
Additions	17,107,130	17,100,000
Less: Repayments	(15,712,362)	(15,700,000)
Translation adjustments	(1,841)	-
Balance as at 30 September 2017	<u>2,971,571</u>	<u>2,900,000</u>

Bank overdrafts and short-term loans from financial institutions bearing interest at the rate as stipulated in the agreements and there is no collateral.

9. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2017	31 December 2016	30 September 2017	31 December 2016
Trade payables - related parties	20,989	31,377	154,413	138,483
Trade payables - non-related parties	3,198,562	3,091,909	390,624	408,940
Other payables - related parties	8,060	13,319	63,636	87,756
Other payables - non-related parties	1,183,767	1,047,478	384,083	282,888
Accounts payable - construction and retention	427,198	361,920	95,305	86,215
Total trade and other payables	4,838,576	4,546,003	1,088,061	1,004,282

10. Liabilities for discontinued lifelong medical care program and contingent liabilities from litigation

At the meetings held on 19 January 2017 and 1 February 2017, the Board of Directors of the Company and its subsidiary passed resolutions to discontinue the lifelong membership programs to be effective on 20 January 2017 and 2 February 2017, respectively, due to legal reasons. These discontinued programs are the membership programs providing lifelong medical services with small amount of charges to their members who prepaid the membership fees for life. The reason for discontinuance is that these kinds of membership programs are defined as an insurance business under the law where the Company and its subsidiary are required to obtain permission of the relevant authorities. Hence, it is illegal if the Company and its subsidiary would continue providing medical services under these membership programs as they do not have permission from the relevant authorities to operate insurance business. Therefore, the contracts are prohibited by law and thus void. The Company and its subsidiary therefore discontinued the programs and offered members a refund of membership fees together with compensation. They also offered members benefit in the form of 50% discount on medical care for life. The adjustments to the financial statements have been made based on the total amounts payable to the members and the compensation expected to be paid to the members in 2017 due to the discontinuation of the program by considering that they were past events that caused the present commitment and they were subsequent events that should be adjusted as complied with Thai Accounting Standard No. 10 Events after reporting period. As at 31 December 2016, the liabilities for discontinued lifelong medical care program in consolidated and separate financial statements were Baht 964 million and Baht 820 million, respectively.

During the period in 2017, some members (181 of 334 members in the consolidated financial statements and 150 of 282 members in the separate financial statements) have accepted the offers while some of them have not accepted the offers yet. As at 30 September 2017, the liabilities from discontinuation of the lifelong membership for medical care program, based on the total amounts payable to the former members and the compensation expected to be paid to the former members who have not accepted the offers in the consolidated and separate financial statements amounting to approximately Baht 444 million and Baht 384 million, respectively.

As a result of discontinued the lifelong membership programs, subsequently, in the first quarter of 2017, some former members of the Company's program sued the Company through the courts to force the Company to continue the program and some former members made claims for indemnity. In the second quarter of 2017, some former members of the subsidiary's program sued the subsidiary through the courts to force the subsidiary to continue the program and some former members made claims for indemnity. The cases are currently under consideration by the courts and the Company and the subsidiary are not able to determine their outcomes at this time.

In June and August 2017, the court issued orders for a temporary injunction to some former members who have filed complaints against the Company. The essence of the temporary injunction is for the Company to provide medical services to the former members at a normal rate and without any discount (with notable exception to 2 former members who may still utilize their former rights under the program) but the Company shall keep record of the debt owed to the Company for medical services rendered and shall not collect for such medical bills unless the court rules or orders otherwise. Furthermore, the court has ordered for the former members who are under the temporary injunction to enter a contract with the court to assure that they shall pay for the aforementioned bills to the Company, should the court rule that the Company is entitled to cease such program.

11. Long-term loans from financial institutions

Movements of long-term loans from financial institutions during the nine-month period ended 30 September 2017 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 31 December 2016	7,705,429	7,692,673
Additions	5,400,000	5,400,000
Less: Repayments	(3,760,075)	(3,747,876)
Unrealised gain on exchange rate	(45,447)	(45,447)
Translation adjustment	(557)	-
Balance as at 30 September 2017	9,299,350	9,299,350
Less: Current portion of long-term loans from financial institutions	(1,563,121)	(1,563,121)
Long-term loans from financial institutions	<u>7,736,229</u>	<u>7,736,229</u>

(Unaudited but reviewed)

The outstanding balances of long-term loans from financial institutions of the Group as at 30 September 2017 and 31 December 2016 as follows:

The Company

Period of loan agreements		Credit facilities (Million USD./Baht)	Principal repayment	Interest rate per annum (%)	Outstanding balance (in million USD.)		Outstanding balance (in million Baht)	
Start	End				30 September 2017	31 December 2016	30 September 2017	31 December 2016
Feb. 2008	Feb. 2018	Baht 3,438 million	Monthly	Floating rate + Spread	-	-	143.3	401.1
Nov. 2011	Jun. 2019	Baht 3,000 million	Quarterly	Floating rate + Spread	-	-	819.0	1,119.0
Jan. 2012	Jul. 2020	Baht 586 million	Monthly	Floating rate + Spread	-	-	217.4	304.4
Jun. 2012	Dec. 2019	Baht 1,766 million	Quarterly	Floating rate + Spread	-	-	606.6	808.8
Jul. 2012	Jul. 2017	Baht 2,500 million	Bullet	Floating rate + Spread	-	-	-	2,500.0
Feb. 2014	Jul. 2021	USD 20 million	Semi-annually	Fixed rate	17.3	19.3	581.2	696.0
Apr. 2014	Jun. 2019	Baht 1,000 million	Monthly	Floating rate + Spread	-	-	395.8	583.3
May. 2013	May. 2021	Baht 2,000 million	Semi-annually	Floating rate + Spread	-	-	1,136.0	1,280.0
Apr. 2017	Apr. 2024	Baht 1,000 million	Bullet	Fixed rate	-	-	1,000.0	-
Sep. 2017	Sep. 2019	Baht 2,000 million	Bullet	Floating rate + Spread	-	-	1,000.0	-
Sep. 2017	Sep. 2019	Baht 2,000 million	Bullet	Fixed rate	-	-	1,000.0	-
Sep. 2017	Sep. 2021	Baht 3,000 million	Bullet	Floating rate + Spread	-	-	2,400.0	-
Sep. 2017	Sep. 2021	Baht 3,000 million	Bullet	Floating rate + Spread	-	-	-	-
Total long-term loans from financial institutions in separate financial statements					17.3	19.3	9,299.3	7,692.6

The Subsidiary

Period of loan agreements		Credit facilities (Million USD./Baht)	Principal and interest repayment	Interest rate per annum (%)	Amount (in million USD.)		Amount (in million Baht)	
Start	End				30 September 2017	31 December 2016	30 September 2017	31 December 2016
2007-2008	Apr. 2017	USD 4 million	Quarterly	Floating rate + Spread	-	0.4	-	12.8
Total long-term loans from financial institutions in consolidated financial statements					17.3	19.7	9,299.3	7,705.4

The Group's loan agreements contain certain covenants which the Group must comply such as financial ratios.

12. Liabilities under finance lease agreements

As at 30 September 2017 and 31 December 2016, liabilities under finance lease agreements are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2017	31 December 2016	30 September 2017	31 December 2016
Liabilities under finance lease agreements	40,511	63,055	6,477	14,795
Less: Deferred interest expense	(1,164)	(1,537)	(8)	(182)
Total	39,347	61,518	6,469	14,613
Less: Current portion of liabilities under finance lease agreements	(24,936)	(43,861)	(5,950)	(11,214)
Liabilities under finance lease agreements	14,411	17,657	519	3,399

As at 30 September 2017 and 31 December 2016, the Group has future minimum lease payments which required under the finance lease agreements as follows:

	(Unit: Thousand Baht)		
	As at 30 September 2017		
	Consolidated financial statements		
	Less than 1 year	1-5 years	Total
Future minimum finance lease payments	25,657	14,854	40,511
Deferred interest expense	(721)	(443)	(1,164)
Present value of future minimum finance lease payments	24,936	14,411	39,347

	(Unit: Thousand Baht)		
	As at 31 December 2016		
	Consolidated financial statements		
	Less than 1 year	1-5 years	Total
Future minimum finance lease payments	44,907	18,148	63,055
Deferred interest expense	(1,046)	(491)	(1,537)
Present value of future minimum finance lease payments	43,861	17,657	61,518

(Unaudited but reviewed)

(Unit: Thousand Baht)

As at 30 September 2017			
Separate financial statements			
Less than 1			
	year	1-5 years	Total
Future minimum finance lease payments	5,954	523	6,477
Deferred interest expenses	(4)	(4)	(8)
Present value of future minimum finance lease payments	5,950	519	6,469

(Unit: Thousand Baht)

As at 31 December 2016			
Separate financial statements			
Less than 1			
	year	1-5 years	Total
Future minimum finance lease payments	11,231	3,564	14,795
Deferred interest expenses	(17)	(165)	(182)
Present value of future minimum finance lease payments	11,214	3,399	14,613

The Group has finance lease agreements with various leasing companies to rent medical tools, equipment, and vehicles for use in their operations. Installments are due on a monthly basis over 32 - 60 months and at the end of the agreements.

13. Debentures

Movements of debentures net from debenture expenses and amortisation of expenses during the nine-month period ended 30 September 2017 are summarised below.

(Unit: Thousand Baht)

	Consolidated/ Separate financial statements
Balance as at 1 January 2017	12,588,900
Debentures issuance	6,992,451
Amortisation of debenture expenses	2,384
Balance as at 30 September 2017	19,583,735
Less: Current portion of debentures	-
Debentures	19,583,735

(Unaudited but reviewed)

The outstanding balances of Debentures of the Company as at 30 September 2017 and 31 December 2016 as follows:

						Outstanding balance	
						(million baht)	
Debentures period			Number of unit	Amount (million baht)	Coupon rate	30 September	31 December
No.	Issue Date	Maturity Date				2017	2016
BDMS228A	6 Aug. 2012	6 Aug. 2022	500,000	500.0	4.50%	500.0	500.0
BDMS228B	8 Aug. 2012	8 Aug. 2022	100,000	100.0	4.50%	100.0	100.0
BDMS233A	14 Mar. 2013	14 Mar. 2023	4,000,000	4,000.0	4.63%	4,000.0	4,000.0
BDMS205A	10 May 2013	10 May 2020	2,000,000	2,000.0	4.19%	2,000.0	2,000.0
BDMS235A	10 May 2013	10 May 2023	1,000,000	1,000.0	4.39%	1,000.0	1,000.0
BDMS256A*	25 Jun. 2015	25 Jun. 2025	2,000,000	2,000.0	3.95%	2,000.0	2,000.0
BDMS266A	24 Jun. 2016	24 Jun. 2026	3,000,000	3,000.0	2.99%	3,000.0	3,000.0
BDMS202A	8 Feb. 2017	8 Feb. 2020	3,000,000	3,000.0	2.41%	3,000.0	-
BDMS222A	8 Feb. 2017	8 Feb. 2022	2,500,000	2,500.0	2.97%	2,500.0	-
BDMS242A	8 Feb. 2017	8 Feb. 2024	1,500,000	1,500.0	3.46%	1,500.0	-

*The Company has entered into the Interest Rate Swap contract with a financial institution for BDMS256A by converting the fixed coupon rate per annum to the floating interest rate plus spread per annum.

Debenture agreement contains certain covenants which the Company must comply with such as financial ratios, payment of dividend, assets dispositions, etc.

14. Convertible debentures

On 5 August 2014, the Extraordinary General Meeting of Shareholders' No. 1/2014 of the Company has approved for the issue and offer of the convertible debentures in the amount not exceeding Baht 10,000 million or an equivalent in other currencies and the Meeting has approved to increase its registered capital to support the conversion of the convertible debentures.

On 18 September 2014, the Company has issued the convertible debentures to the foreign investors (except the investors in the United States of America). Key terms and conditions of the convertible debentures are as the following:

Type of Debentures	Unsecured and unsubordinated convertible debentures
Maturity	5 years, commencing from the issue date
Issue Size	Baht 10,000 million
Currency	THB-Denominated, USD-Settled
Maturity Date	18 September 2019
Put Option	At 18 September 2017 equal to 106.152% of the principal amount
Call Option	At any time after 18 March 2017, if the closing price of the Company's shares is at least 130% of the applicable Early Redemption Amount, divided by the effective Conversion Ratio
Coupon	Zero
Redemption Price	110.462% of principal amount
Conversion Price	Baht 21.045 per one newly issued ordinary share

Convertible debentures agreement contains obligations and certain limitations which the Company must comply with, as specified in the offering circular of the bonds. On 19 September 2014, the convertible debentures were listed on the Singapore Exchange Securities Trading Limited.

Thai Accounting Standard No. 107 "Financial Instruments: Disclosure and Presentation", requires the issuer of convertible debentures to present the debentures' liability and equity components separately in the statement of financial position. Therefore, upon issuing the convertible debentures, the Company separated these components, determining the liability component by discounting the stream of future payments of principal and interest at the prevailing market rate. The carrying amount of the equity component was then determined by deducting the liability component from the total carrying value of the convertible debenture.

The liability component is presented at amortised cost until the conversion or maturity of the debentures. The value of the equity component determined upon the issue of the debentures does not change in subsequent periods.

On 18 September 2017, the convertible debentures holders had redeemed totalling of Baht 1,560 million at principal amount of the convertible debentures. The Company has made the payment at the Early Redemption Price totally Baht 1,656 million (106.152 percent of the principal Baht 1,560 million).

(Unaudited but reviewed)

Movements of convertible debentures net from convertible debenture expenses during the nine-month period ended 30 September 2017 are summarised below.

(Unit: Thousand Baht)

	Consolidated/ Separate financial statements			
	Convertible debenture – liability component	Convertible debenture expenses	Total	Convertible debenture – equity component
Balance as at 1 January 2017	9,960,993	(87,426)	9,873,567	585,527
Redemption of convertible debenture	(1,655,971)	10,192	(1,645,779)	(91,342)
Transactions for present value of convertible debentures	444,341	-	444,341	-
Amortisation of debenture expenses	-	23,036	467,377	-
Balance as at 30 September 2017	8,749,363	(54,198)	8,695,165	494,185

15. Share capital and statutory reserve

15.1 Share capital

On 12 April 2017, the 2017 Annual General Meeting of the Company's shareholders has approved the following resolutions;

1. Approved the reduction of the Company's registered capital in the amount of Baht 46,472,869.60 from the current registered capital of Baht 1,649,786,871.40 to the new registered capital of Baht 1,603,314,001.80 by cancelling its 464,728,696 unissued ordinary shares at par value of Baht 0.10 per share.
2. Approved the increase of the Company's registered capital under the General Mandate in the amount of Baht 154,909,565.40 from the current registered capital of Baht 1,603,314,001.80 to the new registered capital of Baht 1,758,223,567.20, by issuing 1,549,095,654 new ordinary shares at par value of Baht 0.10 per share.
3. Approved the allocation of newly issued ordinary shares under the General Mandate in the amount of not exceeding 1,549,095,654 shares at par value of Baht 0.10 per share.

The registration of the reduction and the increase of the Company's registered capital was completed in April 2017. As a result, the number of the Company's ordinary shares increased to 17,582,235,672 shares, at par value of Baht 0.10 per share, and the Company has registered capital of Baht 1,758,223,567.20.

15.2 Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. In the second quarter of 2017, the Company has set aside statutory reserve of Baht 5.82 million.

16. Dividend paid

2016 Dividend payment

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Final dividends for 2015	Annual General Meeting of the shareholders on 21 April 2016	4,027	0.26
Interim dividends for 2016	Board of Directors' meeting on 31 August 2016	1,548	0.10
Total dividend during the nine-month period ended 30 September 2016		5,575	0.36

The Company paid such final dividends and interim dividends in May 2016 and in September 2016, respectively.

2017 Dividend payment

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Final dividends for 2016	Annual General Meeting of the shareholders on 12 April 2017	2,942	0.19
Interim dividends for 2017	Board of Directors' meeting on 30 August 2017	2,013	0.13
Total dividend during the nine-month period ended 30 September 2017		4,955	0.32

The Company paid such final dividends and interim dividends in April 2017 and in September 2017, respectively.

17. Income tax

Interim corporate income tax was calculated on profit before income tax expense for the period, using the estimated effective tax rate for the year.

Income tax expense for the three-month and nine-month periods ended 30 September 2017 and 2016 were made up as follows:

	(Unit: Thousand Baht)			
	For the three-month periods ended 30 September			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Current income tax:				
Interim corporate income tax charge	586,325	570,516	5,929	109,810
Deferred tax:				
Relating to origination and reversal of temporary differences	(22,459)	(7,976)	59,809	(2,129)
Income tax expense reported in the statements of income	563,866	562,540	65,738	107,681

(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Current income tax:				
Interim corporate income tax charge	2,092,976	1,555,317	781,715	302,677
Deferred tax:				
Relating to origination and reversal of temporary differences	23,448	(36,324)	104,771	(18,415)
Income tax expense reported in the statements of income	<u>2,116,424</u>	<u>1,518,993</u>	<u>886,486</u>	<u>284,262</u>

18. Earnings per share

Basic earnings per share is determined by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

Diluted earnings per share

No disclosure of diluted earnings per share is required for the three-month and nine-month periods ended 30 September 2017 after the issue of convertible debentures (as mentioned in Note 14) since the calculated earnings per share assuming the conversion of all convertible debentures to ordinary shares is antidilutive.

19. Commitments and contingent liabilities

As at 30 September 2017 and 31 December 2016, commitments and contingent liabilities are as follows:

(Unit: Million Baht)

	As at 30 September 2017					
	Consolidated			Separate		
	financial statements			financial statements		
	Within 1 year	1 -5 years	Over 5 years	Within 1 year	1 -5 years	Over 5 years
Contractual commitments						
- the land and building rental contracts	230	374	635	22	41	93
- the office equipment rental and other services	470	267	9	256	2	-
- the medical equipment provision and maintenance contracts	202	121	-	117	2	-
- the building construction and decoration contracts	1,781	1	-	909	-	-
Total	<u>2,683</u>	<u>763</u>	<u>644</u>	<u>1,304</u>	<u>45</u>	<u>93</u>

(Unaudited but reviewed)

(Unit: Million Baht)

	As at 31 December 2016					
	Consolidated			Separate		
	financial statements			financial statements		
	Within 1 year	1 -5 years	Over 5 years	Within 1 year	1 -5 years	Over 5 years
Contractual commitments						
- the land and building rental contracts	234	373	848	24	44	101
- the office equipment rental and other services	322	91	-	194	1	-
- the medical equipment provision and maintenance contracts	248	122	-	112	-	-
- the building construction and decoration contracts	1,498	-	-	777	-	-
Total	2,302	586	848	1,107	45	101

The Company

The Company has entered into rental agreements with a company to operate medical clinic in a building since 28 September 2013. The contract period has been extended for a period of 4 years from 28 September 2016 to 27 September 2020. The Company has to pay fee at the fixed rate and the rate stipulated in the agreement, of monthly gross operating revenue before deducted any expenses or the minimum fee stipulated in agreement whichever is higher.

The Subsidiaries

The subsidiary has entered into a rental agreement with a company to operate medical clinic in a building for a period of 5 years enter 27 January 2019. The subsidiary has to pay fee at the rate stipulated in the agreement, of monthly gross operating revenue before deducted any expenses or the minimum fee, as stipulated in agreement, whichever higher.

The subsidiary has entered into a rental agreement with a company to operate medical clinic in a building for a period of 5 years enter 16 March 2017. The subsidiary has to pay fee at the rate stipulated in the agreement, of monthly gross operating revenue before deducted any expense or the minimum fee, as stipulated in agreement, whichever higher.

Contingent liabilities

As at 30 September 2017, the Group had outstanding bank guarantees of approximately Baht 313 million (31 December 2016: Baht 336 million) and the Company's was Baht 35 million (31 December 2016: Baht 35 million) issued by the bank on behalf of the Group in respect of certain performance bonds as required in the normal course of business, such as facility usage and contractual performance.

20. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as the executive committee.

The Group has two reportable segments that are hospital operations and other businesses that support hospital business including central lab, manufacturer and distributor of medicine and pharmaceutical products, assets management for healthcare business, restaurant and distribution of health food products and facility management, accounting services, technology and information service, training business, health insurance and life insurance broker.

In addition, the operations of the Group are carried on in the geographical areas of Thailand and overseas.

As hospital operation is the main business segment and the segment information that has been considered based on a quantitative basis is over 90 percent of the total population both operational and geographical areas. For this reason, the management considers to aggregate operating segments into one operating segment of hospital operation. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment and geographical areas.

For the three-month and nine-month periods ended 30 September 2017 and 2016, the Group has no major customer with revenue of 10 percent or more of its revenues.

21. Financial instruments measured at fair value

The Group uses the market approach to measure their financial assets and financial liabilities that are required to be measured at fair value by relevant financial reporting standards, except that the cost approach or income approach is used when there is no active market or when a quoted market price is not available.

Fair value hierarchy

In applying the above-mentioned valuation techniques, the Group endeavor to use relevant observable inputs as much as possible. TFRS 13 *Fair Value Measurement* establishes a fair value hierarchy categorising such inputs into three levels as follows:

(Unaudited but reviewed)

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

As of 30 September 2017, the Group had the following financial assets that were measured at fair value using different level of input as follow.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
	Level 1	Level 1
Financial assets measured at fair value		
Mutual funds	508,999	378
Investment in available-for-sale	499,425	340,823

During the current period, there were no transfers within the fair value hierarchy.

22. Interest rate swap contract and forward exchange contract that are not measured at fair value

22.1 Interest rate swap contract

Interest rate swap contract is entered into to manage exposure to fluctuations in interest rate.

On 4 April 2014, the Company entered into a nine-year interest rate swap contract with a financial institution by converting the interest rate of fixed rate per annum to fixed rate for the first 4 years and floating rate based on Fixed Deposit Rate plus fixed rate per annum for the last 5 years on the debentures as described in Note 13. Then, on 15 October 2014, the Company agreed with the financial institution to change interest rate whereby they agreed to reduce the interest rate in the first year and to change the interest rate from floating rate in the fifth and the sixth year to a fixed rate, with the interest rate of other years maintained as same as specified in the contract. On 24 June 2016, the Company agreed with the financial institution to restructure interest rate. As a result, the interest rate swap contract was terminated on 30 June 2016.

(Unaudited but reviewed)

On 17 June 2015, the Company entered into a ten-year interest rate swap contract with a financial institution by converting the interest rate of fixed rate per annum to floating rate based on 3-month BIBOR plus the fixed rate per annum on the debentures balance as described in Note 13.

Net fair value

The net fair value of interest rate swap contract at the statements of financial position date was:

	Consolidated		(Unit: Million Baht)	
	financial statements		Separate	
			financial statements	
	30 September	31 December	30 September	31 December
	2017	2016	2017	2016
Fair value of interest rate swap contract - asset	71.9	13.2	71.9	13.2

Fair value of interest rate swap contract has been calculated using rate quoted by the financial institution as if the contract was terminated at the statements of financial position date.

22.2 Forward exchange contract

As at 30 September 2017 and 31 December 2016, a subsidiary has outstanding balance of selling forward exchange contracts as follows:

Balance as at	Foreign currency	Amount sold	Contractual exchange rate for amount sold
			(Baht per foreign currency unit)
30 September 2017	US Dollar	486,406	33.22 – 33.98
31 December 2016	US Dollar	358,595	35.12 - 35.93

As at 30 September 2017, a subsidiary has the outstanding balance of buying forward exchange contracts as follows:

Balance as at	Foreign currency	Amount bought	Contractual exchange rate for amount bought
			(Baht per foreign currency unit)
30 September 2017	Euro	17,257	39.31

Net fair value**Selling forward exchange contract**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2017	31 December 2016	30 September 2017	31 December 2016
Fair value of selling forward exchange contract - assets (liabilities)	241.2	(147.0)	-	-

Buying forward exchange contract

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2017	31 December 2016	30 September 2017	31 December 2016
Fair value of buying forward exchange contract - assets (liabilities)	(4.9)	-	-	-

Fair value of forward exchange contract has been calculated using rate quoted by the financial institution as if the contracts were terminated at the statements of financial position date.

23. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's authorised directors on 10 November 2017.