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**SHANGRI-LA ASIA LIMITED**

**香格里拉(亞洲)有限公司**

(Incorporated in Bermuda with limited liability)

website: [www.ir.shangri-la.com](http://www.ir.shangri-la.com)

(Stock code: 00069)

**OVERSEAS REGULATORY ANNOUNCEMENT**

Shangri-La Hotel Public Company Limited (“**SHPCL**”) is a company listed on the Stock Exchange of Thailand (“**SET**”) and a 73.61% owned subsidiary of Shangri-La Asia Limited. SHPCL released to SET an announcement (“**Announcement**”) today. The following is a reproduction of the Announcement as required by the Note to Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

*As at the date hereof, the directors of Shangri-La Asia Limited are:*

*Executive directors*

*Mr KUOK Khoon Chen (Chairman)*

*Mr LUI Man Shing*

*Mr Madhu Rama Chandra RAO*

*Mr Gregory Allan DOGAN*

*Independent non-executive directors*

*Mr Alexander Reid HAMILTON*

*Mr Timothy David DATTELS*

*Professor LI Kwok Cheung Arthur*

*Non-executive directors*

*Mr HO Kian Guan*

*Ms KUOK Hui Kwong*

*Mr HO Kian Hock (alternate to Mr HO Kian Guan)*

Hong Kong, 9 November 2015

Shangri-La Hotel Public Company Limited  
and its subsidiaries  
Report and consolidated interim financial statements  
For the three-month and nine-month periods ended  
30 September 2015

## **Independent Auditor's Report on Review of Interim Financial Information**

To the Shareholders of Shangri-La Hotel Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Shangri-La Hotel Public Company Limited and its subsidiaries as at 30 September 2015, the related consolidated statements of comprehensive income for the three-month and nine-month periods ended 30 September 2015, and the consolidated statements of changes in shareholders' equity and cash flows for the nine-month period then ended, as well as the condensed notes to the consolidated financial statements. I have also reviewed the separate financial information of Shangri-La Hotel Public Company Limited for the same period. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

### **Scope of Review**

I conducted my review in accordance with Thai Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review 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 34 *Interim Financial Reporting*.

Siraporn Ouaanunkun  
Certified Public Accountant (Thailand) No. 3844

EY Office Limited  
Bangkok: 9 November 2015

Shangri-La Hotel Public Company Limited and its subsidiaries

Statement of financial position

As at 30 September 2015

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>		
	<u>Note</u>	<u>30 September 2015</u>	<u>31 December 2014</u>	<u>30 September 2015</u>	<u>31 December 2014</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		1,864,038	1,929,883	398,156	499,812
Current investments - fixed deposits					
with financial institutions		1,468,500	763,110	1,450,000	740,000
Trade and other receivables	4	125,708	180,937	125,356	180,130
Inventories		33,639	34,307	33,639	34,307
Other current assets		9,385	5,787	9,371	5,767
<b>Total current assets</b>		<u>3,501,270</u>	<u>2,914,024</u>	<u>2,016,522</u>	<u>1,460,016</u>
<b>Non-current assets</b>					
Investments in subsidiaries	5	-	-	1,303,000	1,303,000
Investments in associates	6	767	695	-	-
Other long-term investments					
Investment in available-for-sale securities	7	-	70,803	-	70,803
Investments in related party	8	330,341	476,822	-	-
Investment in other company	9	131,151	131,151	-	-
Long-term loans to and interest receivables					
from related parties	3	1,888,753	1,643,656	-	-
Property, plant and equipment	10	2,199,797	2,386,139	2,197,943	2,384,285
Intangible assets		3,476	3,146	3,476	3,146
Deferred tax assets		39,327	56,728	22,925	40,326
Other non-current assets		10,224	4,646	10,224	4,646
<b>Total non-current assets</b>		<u>4,603,836</u>	<u>4,773,786</u>	<u>3,537,568</u>	<u>3,806,206</u>
<b>Total assets</b>		<u>8,105,106</u>	<u>7,687,810</u>	<u>5,554,090</u>	<u>5,266,222</u>

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

Shangri-La Hotel Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 September 2015

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2015 (Unaudited but reviewed)	31 December 2014 (Audited)	30 September 2015 (Unaudited but reviewed)	31 December 2014 (Audited)
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Trade and other payables	11	271,624	298,477	232,126	255,318
Short-term loans from related party	3	-	-	547,500	495,600
Income tax payable		18,587	1,962	16,371	-
Other current liabilities	12	114,933	121,541	114,933	121,541
<b>Total current liabilities</b>		<b>405,144</b>	<b>421,980</b>	<b>910,930</b>	<b>872,459</b>
<b>Non-current liabilities</b>					
Provision for long-term employee benefits	13	59,249	56,399	59,249	56,399
Rental deposits		15,110	15,640	15,110	15,640
<b>Total non-current liabilities</b>		<b>74,359</b>	<b>72,039</b>	<b>74,359</b>	<b>72,039</b>
<b>Total liabilities</b>		<b>479,503</b>	<b>494,019</b>	<b>985,289</b>	<b>944,498</b>
<b>Shareholders' equity</b>					
Share capital					
Registered, issued and fully paid up					
130,000,000 ordinary shares of Baht 10 each		1,300,000	1,300,000	1,300,000	1,300,000
Share premium		1,590,400	1,590,400	1,590,400	1,590,400
Retained earnings					
Appropriated - statutory reserve		130,000	130,000	130,000	130,000
Unappropriated		3,595,841	3,187,933	1,553,131	1,289,497
Other components of shareholders' equity		991,137	971,314	(4,730)	11,827
Equity attributable to owners of the Company		7,607,378	7,179,647	4,568,801	4,321,724
Non-controlling interests of the subsidiary		18,225	14,144	-	-
<b>Total shareholders' equity</b>		<b>7,625,603</b>	<b>7,193,791</b>	<b>4,568,801</b>	<b>4,321,724</b>
<b>Total liabilities and shareholders' equity</b>		<b>8,105,106</b>	<b>7,687,810</b>	<b>5,554,090</b>	<b>5,266,222</b>
		-	-	-	-

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

Directors

(Unaudited but reviewed)

## Shangri-La Hotel Public Company Limited and its subsidiaries

## Statement of comprehensive income

For the three-month period ended 30 September 2015

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

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
<b>Profit or loss:</b>					
<b>Revenues</b>					
Revenues from hotel operations		549,264	404,525	549,264	404,525
Other income					
Interest income		19,835	13,259	9,515	5,407
Exchange gains		49,529	28,991	-	-
Others		4,047	8,611	3,644	4,313
<b>Total revenues</b>		<b>622,675</b>	<b>455,386</b>	<b>562,423</b>	<b>414,245</b>
<b>Expenses</b>					
Cost of hotel operations		192,351	153,971	192,351	153,971
Selling expenses		40,227	29,792	40,227	29,792
Administrative expenses		136,111	109,846	135,751	106,190
Depreciation and amortisation expenses		82,152	123,083	82,152	123,083
<b>Total expenses</b>		<b>450,841</b>	<b>416,692</b>	<b>450,481</b>	<b>413,036</b>
<b>Profit before share of loss from investments in associates, finance cost and income tax expenses</b>					
Share of loss from investments in associates	6	-	(1)	-	-
<b>Profit before finance cost and income tax expenses</b>		<b>171,834</b>	<b>38,693</b>	<b>111,942</b>	<b>1,209</b>
Finance cost	14	-	-	(39,300)	1,200
<b>Profit before income tax expenses</b>		<b>171,834</b>	<b>38,693</b>	<b>72,642</b>	<b>2,409</b>
Income tax expenses	15	(15,632)	(2,585)	(14,236)	(1,603)
<b>Profit for the period</b>		<b>156,202</b>	<b>36,108</b>	<b>58,406</b>	<b>806</b>
<b>Other comprehensive income:</b>					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Exchange differences on translation of financial statements in foreign currency		165,005	(57,078)	-	-
Loss on changes in value of available-for-sale investments		(192,090)	(39,106)	-	(10,348)
Less: Income tax effect	15	-	2,070	-	2,070
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		(27,085)	(94,114)	-	(8,278)
<b>Other comprehensive income for the period</b>		<b>(27,085)</b>	<b>(94,114)</b>	<b>-</b>	<b>(8,278)</b>
<b>Total comprehensive income for the period</b>		<b>129,117</b>	<b>(58,006)</b>	<b>58,406</b>	<b>(7,472)</b>

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

(Unaudited but reviewed)

**Shangri-La Hotel Public Company Limited and its subsidiaries**

**Statement of comprehensive income (continued)**

**For the three-month period ended 30 September 2015**

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

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
<u>Note</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
<b>Profit attributable to:</b>				
Equity holders of the Company	156,204	33,656	<u>58,406</u>	<u>806</u>
Non-controlling interests of the subsidiary	<u>(2)</u>	<u>2,452</u>		
	<u>156,202</u>	<u>36,108</u>		
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	129,119	(60,458)	<u>58,406</u>	<u>(7,472)</u>
Non-controlling interests of the subsidiary	<u>(2)</u>	<u>2,452</u>		
	<u>129,117</u>	<u>(58,006)</u>		
<b>Earnings per share</b>				
Basic earnings per share	16			
Profit attributable to equity holders of the Company	<u>1.20</u>	<u>0.26</u>	<u>0.45</u>	<u>0.01</u>

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

(Unaudited but reviewed)

## Shangri-La Hotel Public Company Limited and its subsidiaries

## Statement of comprehensive income

For the nine-month period ended 30 September 2015

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

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
<b>Profit or loss:</b>					
<b>Revenues</b>					
Revenues from hotel operations		1,708,641	1,291,339	1,708,641	1,291,339
Other income					
Gains on sales of investment in available-for-sale securities	7	26,143	-	26,143	-
Interest income		55,969	46,823	27,107	17,182
Exchange gains		65,381	16,886	-	-
Others		26,458	25,729	15,065	12,147
<b>Total revenues</b>		<b>1,882,592</b>	<b>1,380,777</b>	<b>1,776,956</b>	<b>1,320,668</b>
<b>Expenses</b>					
Cost of hotel operations		542,818	453,875	542,818	453,875
Selling expenses		101,299	87,307	101,299	87,307
Administrative expenses		388,414	357,966	381,912	349,608
Depreciation and amortisation expenses		248,260	353,960	248,260	353,960
<b>Total expenses</b>		<b>1,280,791</b>	<b>1,253,108</b>	<b>1,274,289</b>	<b>1,244,750</b>
<b>Profit before share of loss from investments in associates, finance cost and income tax expenses</b>					
Share of loss from investments in associates	6	-	(794)	-	-
<b>Profit before finance cost and income tax expenses</b>		<b>601,801</b>	<b>126,875</b>	<b>502,667</b>	<b>75,918</b>
Finance cost	14	-	-	(51,900)	6,741
<b>Profit before income tax expenses</b>		<b>601,801</b>	<b>126,875</b>	<b>450,767</b>	<b>82,659</b>
Income tax expenses	15	(92,312)	(20,046)	(89,633)	(17,539)
<b>Profit for the period</b>		<b>509,489</b>	<b>106,829</b>	<b>361,134</b>	<b>65,120</b>
<b>Other comprehensive income:</b>					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Exchange differences on translation of financial statements in foreign currency		219,989	(55,948)	-	-
Gain (loss) on changes in value of available-for-sale investments		(178,162)	(167,104)	5,447	(4,902)
Reversal of gains on changes in value of available-for-sale investments	7	(26,143)	-	(26,143)	-
Less: Income tax effect	15	4,139	981	4,139	981
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		19,823	(222,071)	(16,557)	(3,921)
<b>Other comprehensive income for the period</b>		<b>19,823</b>	<b>(222,071)</b>	<b>(16,557)</b>	<b>(3,921)</b>
<b>Total comprehensive income for the period</b>		<b>529,312</b>	<b>(115,242)</b>	<b>344,577</b>	<b>61,199</b>

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



(Unaudited but reviewed)

**Shangri-La Hotel Public Company Limited and its subsidiaries**

**Statement of comprehensive income (continued)**

**For the nine-month period ended 30 September 2015**

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

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
<u>Note</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
<b>Profit attributable to:</b>				
Equity holders of the Company	505,408	101,114	<u>361,134</u>	<u>65,120</u>
Non-controlling interests of the subsidiary	<u>4,081</u>	<u>5,715</u>		
	<u>509,489</u>	<u>106,829</u>		
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	525,231	(120,957)	<u>344,577</u>	<u>61,199</u>
Non-controlling interests of the subsidiary	<u>4,081</u>	<u>5,715</u>		
	<u>529,312</u>	<u>(115,242)</u>		
<b>Earnings per share</b>				
Basic earnings per share	16			
Profit attributable to equity holders of the Company	<u>3.89</u>	<u>0.78</u>	<u>2.78</u>	<u>0.50</u>

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

(Unaudited but reviewed)

**Shangri-La Hotel Public Company Limited and its subsidiaries****Cash flow statement**

For the nine-month period ended 30 September 2015

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>		
	<u>Note</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
<b>Cash flows from operating activities</b>					
Profit before tax		601,801	126,875	450,767	82,659
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:					
Depreciation and amortisation		248,260	353,960	248,260	353,960
Allowance for doubtful accounts (reversal)		393	(12)	393	(12)
Reduce cost of inventories to net realisable value (reversal)		(12)	37	(12)	37
Reversal of allowance for interest receivables		-	-	(5,446)	(7,338)
Gain on sales of plant and equipments		(688)	(413)	(688)	(413)
Gains on sales of investment in available-for-sale securities	7	(26,143)	-	(26,143)	-
Share of loss from investments in associates	6	-	794	-	-
Provision for long-term employee benefits		5,135	4,876	5,135	4,876
Unrealised exchange losses (gains)		(210,239)	24,402	51,900	(4,602)
Dividend income		(13,399)	(18,202)	-	(1,525)
Interest income		(55,969)	(46,823)	(27,107)	(17,182)
Profit from operating activities before changes in operating assets and liabilities		549,139	445,494	697,059	410,460
Operating assets (increase) decrease					
Trade and other receivables		61,596	60,415	61,596	60,412
Inventories		680	5	680	5
Other current assets		(1,252)	2,231	(1,252)	2,231
Other non-current assets		(5,577)	818	(5,578)	818
Operating liabilities increase (decrease)					
Trade and other payables		(24,339)	(127,281)	(20,668)	(121,751)
Other current liabilities		(6,609)	(15,906)	(6,609)	(16,377)
Provision for long-term employee benefits		(2,284)	(819)	(2,284)	(819)
Other non-current liabilities		(531)	(2,090)	(531)	(2,090)
Cash flows from operating activities		570,823	362,867	722,413	332,889
Cash paid for corporate income tax		(56,492)	(4,337)	(54,072)	(2,053)
<b>Net cash flows from operating activities</b>		<b>514,331</b>	<b>358,530</b>	<b>668,341</b>	<b>330,836</b>

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

(Unaudited but reviewed)

## Shangri-La Hotel Public Company Limited and its subsidiaries

## Cash flow statement (continued)

For the nine-month period ended 30 September 2015

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>		
	<u>Note</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
<b>Cash flows from investing activities</b>					
Cash paid for current investments		(705,390)	(457,903)	(710,000)	(435,000)
Proceeds from sales of investment in available-for-sale securities	7	76,249	-	76,249	-
Net cash received from purchases of investment in subsidiary		10	-	-	-
Loans to related parties		(214,324)	(269,324)	-	(2,674)
Cash received from loans to related parties		161,728	-	5,446	10,982
Cash received from interest income		29,746	25,427	19,891	17,389
Dividend income		13,399	18,202	-	1,525
Acquisitions of plant and equipment		(64,777)	(57,379)	(64,777)	(57,379)
Proceeds from sales of plant and equipment		694	482	694	482
<b>Net cash flows used in investing activities</b>		<u>(702,665)</u>	<u>(740,495)</u>	<u>(672,497)</u>	<u>(464,675)</u>
<b>Cash flows from financing activities</b>					
Dividend paid		(97,500)	(195,000)	(97,500)	(195,000)
<b>Net cash flows used in financing activities</b>		<u>(97,500)</u>	<u>(195,000)</u>	<u>(97,500)</u>	<u>(195,000)</u>
<b>Increase (decrease) in translation adjustments</b>		<u>219,989</u>	<u>(55,948)</u>	<u>-</u>	<u>-</u>
<b>Net decrease in cash and cash equivalents</b>		<u>(65,845)</u>	<u>(632,913)</u>	<u>(101,656)</u>	<u>(328,839)</u>
Unrealised exchange losses for cash and cash equivalents		-	(198)	-	-
Cash and cash equivalents at beginning of period		<u>1,929,883</u>	<u>2,009,454</u>	<u>499,812</u>	<u>700,452</u>
<b>Cash and cash equivalents at end of period</b>		<u><u>1,864,038</u></u>	<u><u>1,376,343</u></u>	<u><u>398,156</u></u>	<u><u>371,613</u></u>
		-		-	
<b>Supplemental cash flow information</b>					
Non-cash transactions					
Payable from purchases of plant and equipment		2,274	2,306	2,274	2,306

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

(Unaudited but reviewed)

## Shangri-La Hotel Public Company Limited and its subsidiaries

## Statement of changes in shareholders' equity

For the nine-month period ended 30 September 2015

(Unit: Thousand Baht)

Consolidated financial statements												
Equity attributable to owners of the Company												
		Retained earnings		Exchange differences on translation of financial statements in foreign currency		Surplus on changes in value of available-for-sale investments		Actuarial loss on defined employee benefit plans	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiary	Total shareholders' equity
Issued and fully paid-up share capital	Share premium	Appropriated	Unappropriated			Other company	Related company					
<b>Balance as at 1 January 2014</b>	1,300,000	1,590,400	130,000	2,501,544	920,877	18,735	315,049	(4,730)	1,249,931	6,771,875	8,429	6,780,304
Profit for the period	-	-	-	101,114	-	-	-	-	-	101,114	5,715	106,829
Other comprehensive income for the period	-	-	-	-	(55,948)	(3,921)	(162,202)	-	(222,071)	(222,071)	-	(222,071)
Total comprehensive income for the period	-	-	-	101,114	(55,948)	(3,921)	(162,202)	-	(222,071)	(120,957)	5,715	(115,242)
Dividend paid (Note 18)	-	-	-	(195,000)	-	-	-	-	-	(195,000)	-	(195,000)
<b>Balance as at 30 September 2014</b>	<b>1,300,000</b>	<b>1,590,400</b>	<b>130,000</b>	<b>2,407,658</b>	<b>864,929</b>	<b>14,814</b>	<b>152,847</b>	<b>(4,730)</b>	<b>1,027,860</b>	<b>6,455,918</b>	<b>14,144</b>	<b>6,470,062</b>
<b>Balance as at 1 January 2015</b>	1,300,000	1,590,400	130,000	3,187,933	838,496	16,557	120,991	(4,730)	971,314	7,179,647	14,144	7,193,791
Profit for the period	-	-	-	505,408	-	-	-	-	-	505,408	4,081	509,489
Other comprehensive income for the period	-	-	-	-	219,989	(16,557)	(183,609)	-	19,823	19,823	-	19,823
Total comprehensive income for the period	-	-	-	505,408	219,989	(16,557)	(183,609)	-	19,823	525,231	4,081	529,312
Dividend paid (Note 18)	-	-	-	(97,500)	-	-	-	-	-	(97,500)	-	(97,500)
<b>Balance as at 30 September 2015</b>	<b>1,300,000</b>	<b>1,590,400</b>	<b>130,000</b>	<b>3,595,841</b>	<b>1,058,485</b>	<b>-</b>	<b>(62,618)</b>	<b>(4,730)</b>	<b>991,137</b>	<b>7,607,378</b>	<b>18,225</b>	<b>7,625,603</b>

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

(Unaudited but reviewed)

Shangri-La Hotel Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the nine-month period ended 30 September 2015

(Unit: Thousand Baht)

	Separate financial statements								
					Other components of equity				
					Other comprehensive income				
					Surplus		Total other		Total
	Issued and fully paid-up share capital	Share premium	Retained earnings		on changes in value of available-for-sale investments	Actuarials loss on defined employee benefit plans	components of shareholders' equity	shareholders' equity	
		Appropriated	Unappropriated						
<b>Balance as at 1 January 2014</b>	1,300,000	1,590,400	130,000	1,316,992	18,735	(4,730)	14,005	4,351,397	
Profit for the period	-	-	-	65,120	-	-	-	65,120	
Other comprehensive income for the period	-	-	-	-	(3,921)	-	(3,921)	(3,921)	
Total comprehensive income for the period	-	-	-	65,120	(3,921)	-	(3,921)	61,199	
Dividend paid (Note 18)	-	-	-	(195,000)	-	-	-	(195,000)	
<b>Balance as at 30 September 2014</b>	<u>1,300,000</u>	<u>1,590,400</u>	<u>130,000</u>	<u>1,187,112</u>	<u>14,814</u>	<u>(4,730)</u>	<u>10,084</u>	<u>4,217,596</u>	
<b>Balance as at 1 January 2015</b>	1,300,000	1,590,400	130,000	1,289,497	16,557	(4,730)	11,827	4,321,724	
Profit for the period	-	-	-	361,134	-	-	-	361,134	
Other comprehensive income for the period	-	-	-	-	(16,557)	-	(16,557)	(16,557)	
Total comprehensive income for the period	-	-	-	361,134	(16,557)	-	(16,557)	344,577	
Dividend paid (Note 18)	-	-	-	(97,500)	-	-	-	(97,500)	
<b>Balance as at 30 September 2015</b>	<u>1,300,000</u>	<u>1,590,400</u>	<u>130,000</u>	<u>1,553,131</u>	<u>-</u>	<u>(4,730)</u>	<u>(4,730)</u>	<u>4,568,801</u>	

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

**Shangri-La Hotel Public Company Limited and its subsidiaries****Notes to consolidated interim financial statements****For the three-month and nine-month periods ended 30 September 2015****1. General information****1.1 Basis for the preparation of interim financial statements**

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (revised 2014) "Interim Financial Reporting", with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual 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 financial statements.

**1.2 Basis of consolidation**

These consolidated financial statements include the financial statements of Shangri-La Hotel Public Company Limited ("the Company") and its subsidiaries ("the subsidiaries") and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2014. However, there are changes in the shareholding structure during the period. Details of additional subsidiary during the current period are presented below.

Company's name	Nature of business	Country of incorporation	Investment	Percentage
			amounts	of shareholding
			30 September	30 September
			2015	2015
				Percent
<b><u>Subsidiaries held through Town Development Company Limited</u></b>				
Traders Hotel and Resort Limited	Not yet operated	Thailand	Baht 0.06 million	100

### **1.3 New financial reporting standards**

#### **(a) Financial reporting standard that became effective in the current period**

The Company and its subsidiaries have adopted the revised (revised 2014) and new financial reporting standards issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after 1 January 2015. 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 Company and its subsidiaries' financial statements. However, some of these standards involve changes to key principles, which are summarised below:

#### **TAS 19 (revised 2014) Employee Benefits**

This revised standard requires that the entity recognise actuarial gains and losses immediately in other comprehensive income while the former standard allowed the entity to recognise such gains and losses immediately in either profit or loss or other comprehensive income, or to recognise them gradually in profit or loss.

This revised standard does not have any impact on the financial statements as the Company and its subsidiaries already recognise actuarial gains and losses immediately in other comprehensive income.

#### **TFRS 10 Consolidated Financial Statements**

TFRS 10 prescribes requirements for the preparation of consolidated financial statements and replaces the content of *TAS 27 Consolidated and Separate Financial Statements* dealing with consolidated financial statements. This standard changes the principles used in considering whether control exists. Under this standard, an investor is deemed to have control over an investee if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns, even if it holds less than half of the shares or voting rights. This important change requires the management to exercise a lot of judgement when reviewing whether the Company and its subsidiaries have control over investees and determining which entities have to be included in preparation of the consolidated financial statements.

This standard does not have any impact on the Company's and its subsidiaries' financial statements.

### **TFRS 11 Joint Arrangements**

TFRS 11 supersedes TAS 31 *Interests in Joint Ventures*. This standard requires an entity investing in any other entity to determine whether the entity and other investors have joint control in the investment. When joint control exists, there is deemed to be a joint arrangement and the entity then needs to apply judgement to assess whether the joint arrangement is a joint operation or a joint venture and to account for the interest in the investment in a manner appropriate to the type of joint arrangement. If it is a joint operation, the entity is to recognise its shares of assets, liabilities, revenue and expenses of the joint operation, in proportion to its interest, in its separate financial statements. If it is a joint venture, the entity is to account for its investment in the joint venture using the equity method in the financial statements in which the equity method is applied or the consolidated financial statements (if any), and at cost in the separate financial statements.

The management of the Company and its subsidiaries believe that the standards will not have any significant impact on the Company and its subsidiaries' financial statements.

### **TFRS 12 Disclosure of Interests in Other Entities**

This standard stipulates disclosures relating to an entity's interests in subsidiaries, joint arrangements and associates, including structured entities. This standard therefore has no financial impact on the financial statements of the Company and its subsidiaries.

### **TFRS 13 Fair Value Measurement**

This standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurement. Entities are to apply the guidance under this standard if they are required by other financial reporting standards to measure their assets or liabilities at fair value. The effects of the adoption of this standard are to be recognised prospectively.

This standard does not have any significant impact on the Company's and its subsidiaries' financial statements.

### **(b) Financial reporting standard issued during the period and not yet effective**

During the period, the Federation of Accounting Professions issued a number of the revised financial reporting standards (revised 2015) which is effective for fiscal years beginning on or after 1 January 2016. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards. The management of the Company and its subsidiaries believe that the revised financial reporting standards will not have any significant impact on the financial statements when it is initially applied.



## 2. 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 2014, except for the changes in accounting policies as a result of the adoption of new and revised standards, as discussed in note 1.3 to the financial statements.

## 3. Related party transactions

During the periods, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarised below, were concluded on terms and bases agreed upon between the Company and those related parties.

(Unit: Million Baht)

	For the three-month periods ended 30 September				Transfer Pricing Policy
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Interest income	-	-	-	1	At a rate of LIBOR 1 month plus 2.05 percent per annum
<u>Transactions with associated companies</u>					
Interest income	6	5	-	-	At rates of 0.56 to 2.05 percent per annum
<u>Transactions with related companies</u>					
Revenue from hotel operations	4	4	4	4	Normal business price
Management fees	18	14	18	14	Contract price
Marketing and promotion fees	5	4	5	4	Contract price
Advertising and reservation fees	4	1	4	1	Contract price

(Unaudited but reviewed)

(Unit: Million Baht)

	For the nine-month periods ended 30 September				Transfer Pricing Policy
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	2015	2014	2015	2014	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Interest income	-	-	-	3	At a rate of LIBOR 1 month plus 2.05 percent per annum
<u>Transactions with associated companies</u>					
Interest income	19	22	-	-	At rates of 0.56 to 2.05 percent per annum
<u>Transactions with related companies</u>					
Revenue from hotel operations	11	11	11	11	Normal business price
Dividend income	3	2	-	-	As announcement
Management fees	55	43	55	43	Contract price
Marketing and promotion fees	17	13	17	13	Contract price
Advertising and reservation fees	13	9	13	9	Contract price

The balances of the accounts between the Company and these related companies as at 30 September 2015 and 31 December 2014 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2015	31 December 2014	30 September 2015	31 December 2014
		(Audited)		(Audited)
<b><u>Other receivables - related parties (Note 4)</u></b>				
<b>Associated company</b>				
Traders Yangon Company Limited	1,811	2,867	1,811	2,867
<b>Related companies</b>				
Others	1,069	1,640	1,069	1,640
Total other receivables - related parties	2,880	4,507	2,880	4,507
<b><u>Interest receivables from related party</u></b>				
<b>Subsidiary</b>				
TRR-Kerry Development Company Limited	-	-	51,150	56,596
Total	-	-	51,150	56,596
Less: Allowance for doubtful interest receivables	-	-	(51,150)	(56,596)
Total interest receivables from related party - net	-	-	-	-

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2015	2014	2015	2014
		(Audited)		(Audited)
<b><u>Long-term loans to and interest receivables</u></b>				
<b><u>from related parties</u></b>				
<b>Associated companies</b>				
<b>Non-interest bearing</b>				
Traders Square Company Limited	49,324	44,664	-	-
Shangri-La Yangon Company Limited	-	20,949	-	-
	<u>49,324</u>	<u>65,613</u>	<u>-</u>	<u>-</u>
<b>Interest bearing</b>				
Shangri-La Yangon Company Limited	792,294	833,144	-	-
Traders Yangon Company Limited	549,359	493,295	-	-
Traders Square Company Limited	497,776	251,604	-	-
	<u>1,839,429</u>	<u>1,578,043</u>	<u>-</u>	<u>-</u>
Total long-term loans to and interest receivables from related parties	<u>1,888,753</u>	<u>1,643,656</u>	<u>-</u>	<u>-</u>

The above interest bearing loans carry interest at the rates of 0.56 to 2.05 percent per annum.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2015	2014	2015	2014
		(Audited)		(Audited)
<b><u>Other payables - related parties (Note 11)</u></b>				
<b>Related companies</b>				
Shangri-La International Hotel Management Limited	11,715	11,149	11,715	11,149
Shangri-La International Hotel Management BV	9,704	10,701	9,704	10,701
Total other payables - related parties	<u>21,419</u>	<u>21,850</u>	<u>21,419</u>	<u>21,850</u>
<b><u>Short-term loan from related party</u></b>				
<b>Subsidiary</b>				
Hasfield Holdings Pte., Ltd.	-	-	547,500	495,600
	<u>-</u>	<u>-</u>	<u>547,500</u>	<u>495,600</u>

The above loans are repayable on demand and no interest bearing.

(Unaudited but reviewed)

During the current period, movements of loans to and interest receivables from related parties and loans from related parties were as follows:

(Unit: Thousand Baht)

	Separate financial statements				
	Balance	Increase	Decrease		Balance
	as at	during	during	Gain on	as at
	1 January 2015	the period	the period	exchange	30 September 2015
<b><u>Interest receivables from related party</u></b>					
<b>Subsidiary</b>					
TRR-Kerry Development Company Limited	56,596	-	(5,446)	-	51,150
Total interest receivables from related party	56,596	-	(5,446)	-	51,150

(Unit: Thousand Baht)

	Consolidated financial statements				
	Balance	Increase	Decrease		Balance
	as at	during	during	Gain on	as at
	1 January 2015	the period	the period	exchange	30 September 2015
<b><u>Long-term loans to and interest receivables</u></b>					
<b><u>from related parties</u></b>					
<b>Associated companies</b>					
<b>Non-interest bearing</b>					
Traders Square Company Limited	44,664	-	-	4,660	49,324
Shangri-La Yangon Company Limited	20,949	-	(23,134)	2,185	-
<b>Interest bearing</b>					
Shangri-La Yangon Company Limited	833,144	10,020	(138,594)	87,724	792,294
Traders Yangon Company Limited	493,295	4,256	-	51,808	549,359
Traders Square Company Limited	251,604	219,508	-	26,664	497,776
Total long-term loans to and interest receivables					
from related parties	1,643,656	233,784	(161,728)	173,041	1,888,753

(Unit: Thousand Baht)

	Separate financial statements				
	Balance	Increase	Decrease		Balance
	as at	during	during	Loss on	as at
	1 January 2015	the period	the period	exchange	30 September 2015
<b><u>Short-term loans from related party</u></b>					
<b>Subsidiary</b>					
Hasfield Holdings Pte.,Ltd.	495,600	-	-	51,900	547,500
Total short-term loans from related party	495,600	-	-	51,900	547,500

Directors and management's benefits

During the three-month and nine-month periods ended 30 September 2015 and 2014, the Company and its subsidiaries had employee benefit expenses to their directors and management as detailed below.

(Unit: Thousand Baht)

	For the three-month periods ended 30 September	
	Consolidated financial statements/ Separate financial statements	
	<u>2015</u>	<u>2014</u>
Short-term employee benefits	12,503	9,653
Post-employment benefits	1,074	818
<b>Total</b>	<b>13,577</b>	<b>10,471</b>

(Unit: Thousand Baht)

	For the nine-month periods ended 30 September	
	Consolidated financial statements/ Separate financial statements	
	<u>2015</u>	<u>2014</u>
Short-term employee benefits	36,651	34,457
Post-employment benefits	2,688	2,800
<b>Total</b>	<b>39,339</b>	<b>37,257</b>

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties, as described in Note 19.2 to the financial statements.

**4. Trade and other receivables**

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2015	2014	2015	2014
	(Audited)		(Audited)	
<u>Trade receivables - unrelated parties</u>				
Age on the basis of invoice date				
Less than 120 days	92,671	150,543	92,671	150,543
120 - 180 days	152	481	152	481
Over 180 days	1,912	560	1,912	560
Total	94,735	151,584	94,735	151,584
Less: Allowance for doubtful debts	(1,123)	(730)	(1,123)	(730)
Total trade receivables - unrelated parties, net	93,612	150,854	93,612	150,854
<u>Other receivables</u>				
Other receivables - related parties	2,880	4,507	2,880	4,507
Other receivables - unrelated parties	16,595	13,993	16,243	13,186
Prepaid expenses	12,621	11,583	12,621	11,583
Total other receivables	32,096	30,083	31,744	29,276
Total trade and other receivables - net	125,708	180,937	125,356	180,130

**5. Investments in subsidiaries**

Details of investments in subsidiaries as presented in separate financial statements are as follows:

Company's name	Paid-up capital		Shareholding percentage		Cost	
	30 September	31 December	30 September	31 December	30 September	31 December
	2015	2014	2015	2014	2015	2014
			(Percent)	(Percent)	(Audited)	
Town Development Company Limited	Baht 1,303 million	Baht 1,303 million	100	100	1,303,000	1,303,000
Total investments in subsidiaries					1,303,000	1,303,000

The Company's subsidiaries held through its subsidiaries are summarised below.

Company's name	Nature of business	Country of incorporation	Paid-up capital		Percentage of shareholding	
			30 September 2015	31 December 2014	30 September 2015	31 December 2014
					Percent	Percent
<b><u>Subsidiaries held through Town Development Company Limited</u></b>						
TRR-Kerry Development Company Limited	Holding investment	Thailand	Baht 231 million	Baht 231 million	57.33	57.33
Apizaco Limited	Holding investment	Hong Kong	HKD 206 million	HKD 206 million	100.00	100.00
Hasfield Holdings Pte.,Ltd.	Holding investment	Singapore	SGD 34 million	SGD 34 million	100.00	100.00
Traders Hotel and Resort Limited	Not yet operated	Thailand	Baht 0.2 million	-	100.00	-
<b><u>Subsidiary held through Apizaco Limited</u></b>						
Zukerman Limited	Holding investment	British Virgin	USD 1	USD 1	100.00	100.00

#### Investment in Traders Hotel and Resort Limited

On 28 August 2015, the board of directors' meeting of Town Development Company Limited approved a resolution to acquire shares of Traders Hotel and Resort Limited from Kerry (Thailand) Company Limited, which is related company, for a total consideration of Baht 60,000 (2,000 ordinary shares at the par value of Baht 30 each), which is equivalent to the net book value as at 31 July 2015 (representing 100 percent of investment in that company). The shares were transferred to the subsidiary on 28 August 2015.

## 6. Investments in associates

### 6.1 Details of associates:

Company's name	Nature of business	Country of incorporation	(Unit: Thousand Baht)					
			Consolidated financial statements				Carrying amounts based on equity method	
			Shareholding percentage		Cost			
		30 September 2015	31 December 2014	30 September 2015	31 December 2014	30 September 2015	31 December 2014	
		(Percent)	(Percent)		(Audited)		(Audited)	
<b><u>Associated companies (owned by Zukerman Limited)</u></b>								
Traders Yangon Company Limited	Hotel	Myanmar	23.53	23.53	32,499	29,429	-	-
Shangri-La Yangon Company Limited	Serviced apartments	Myanmar	22.22	22.22	19,210	17,395	-	-
Traders Square Company Limited	Not yet operated	Myanmar	23.56	23.56	767	695	767	695
Total					52,476	47,519	767	695

## 6.2 Share of loss

During the period, the Company has recognised its share of loss from investments in associate companies and exchange differences on translation of financial statements in foreign currency in the consolidated financial statements as follows:

(Unit: Thousand Baht)

Company's name	For the three-month periods ended 30 September			
	Share of loss from investments in associates		Exchange differences on translation of financial statements in foreign currency	
	2015	2014	2015	2014
Traders Square Company Limited	-	1	55	-
<b>Total</b>	<b>-</b>	<b>1</b>	<b>55</b>	<b>-</b>

(Unit: Thousand Baht)

Company's name	For the nine-month periods ended 30 September			
	Share of loss from investments in associates		Exchange differences on translation of financial statements in foreign currency	
	2015	2014	2015	2014
Shangri-La Yangon Company Limited	-	785	-	-
Traders Square Company Limited	-	9	72	-
<b>Total</b>	<b>-</b>	<b>794</b>	<b>72</b>	<b>-</b>

## 6.3 Summarised financial information of associates

Financial information of the associated companies is summarised below.

(Unit: Thousand Baht)

Company's name	Paid-up capital		Total assets		Total liabilities		Total revenues for the nine-month periods ended		Profit (loss) for the nine-month periods ended	
	30 September	31 December	30 September	31 December	30 September	31 December	30 September		30 September	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Traders Yangon Company Limited	USD 3.6 million	USD 3.6 million	3,097,857	2,847,131	4,883,311	4,493,288	719,553	752,295	35,668	40,657
Shangri-La Yangon Company Limited	USD 2.0 million	USD 2.0 million	4,767,741	5,119,534	5,057,225	5,231,348	436,779	227,689	(152,477)	(100,149)
Traders Square Company Limited	USD 0.1 million	USD 0.1 million	2,424,789	1,356,306	2,421,534	1,353,355	-	-	-	-



#### 6.4 Investment in associates with capital deficit

The Company recognised share of losses from investment in two associates, as listed below, until the value of the investments approached zero. Subsequent losses incurred by those associates have not been recognised in the Company's accounts since the Company has no obligations, whether legal or constructive, to make any payments on behalf of those associates. The amount of such unrecognised share of losses is set out below.

(Unit: Thousand Baht)

Company's name	Unrecognised share of gains (losses)		
	For the nine-month period ended 30 September 2015	Cumulative unrecognised share of losses as at	
		30 September 2015	31 December 2014
			(Audited)
Traders Yangon Company Limited	8,393	(406,959)	(415,352)
Shangri-La Yangon Company Limited	(33,880)	(58,353)	(24,473)
<b>Total</b>	<b>(25,487)</b>	<b>(465,312)</b>	<b>(439,825)</b>

#### 7. Investments in available-for-sale securities

(Unit: Thousand Baht)

	Consolidated financial statements/ Separate financial statements	
	30 September 2015	31 December 2014
Cost - Ordinary shares of Post Publishing Public Company Limited	-	50,107
Add: Unrealised gain on changes in value of investments	-	20,696
<b>Fair value</b>	<b>-</b>	<b>70,803</b>

In May 2015, the Company disposed of all ordinary shares of Post Publishing Public Company Limited, of which the fair value as at the disposal date amounted to Baht 76 million. The Company reversed gains on changes in value of available-for-sale investment in other comprehensive income in the shareholders' equity and recognised gains on sales of investment in available-for-sale securities of Baht 26 million as other income in the statement of comprehensive income.

(Unaudited but reviewed)

## 8. Investments in related party

(Unit: Thousand Baht)

	Consolidated financial statements	
	30 September 2015	31 December 2014
		(Audited)
Cost - Ordinary shares of Shangri-La Asia Limited	392,959	355,831
Add: Unrealised gain (loss) on changes in value of investments	(62,618)	120,991
Fair value	<u>330,341</u>	<u>476,822</u>

## 9. Investments in other company - Net

(Unit: Thousand Baht)

	Consolidated financial statements	
	30 September 2015	31 December 2014
		(Audited)
Cost - Ordinary shares of Don Muang Tollway Public Company Limited	213,164	213,164
Less: Allowance for loss on diminution in value of investments	(82,013)	(82,013)
Investments in other company, net	<u>131,151</u>	<u>131,151</u>

## 10. Property, plant and equipment

Movements of the property, plant and equipment account during the nine-month period ended 30 September 2015 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
<b>Net book value as at 1 January 2015</b>	2,386,139	2,384,285
Acquisitions during the period - at cost	60,064	60,064
Disposals/write-off during the period - net book value at disposal/write-off date	(6)	(6)
Depreciation for the period	(246,400)	(246,400)
<b>Net book value as at 30 September 2015</b>	<u>2,199,797</u>	<u>2,197,943</u>

(Unaudited but reviewed)

## 11. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2015	2014	2015	2014
		(Audited)		(Audited)
Trade payables - unrelated parties	94,306	98,844	94,306	98,844
Other payables - related parties	21,419	21,850	21,419	21,850
Other payables - unrelated parties	11,360	14,099	11,360	14,099
Accrued expenses	98,746	111,312	97,786	110,744
Interest payables to minority shareholders of subsidiary	38,538	42,591	-	-
Construction payables	2,274	4,798	2,274	4,798
Retention payables	4,981	4,983	4,981	4,983
Total trade and other payables	<u>271,624</u>	<u>298,477</u>	<u>232,126</u>	<u>255,318</u>

## 12. Other current liabilities

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2015	2014	2015	2014
		(Audited)		(Audited)
Advances from customers	81,255	79,761	81,255	79,761
Others	33,678	41,780	33,678	41,780
Total other current liabilities	<u>114,933</u>	<u>121,541</u>	<u>114,933</u>	<u>121,541</u>

**13. Provision for long-term employee benefits**

Movements in the provision for long-term employee benefits account during the nine-month period ended 30 September 2015 are summarised below.

	(Unit: Thousand Baht)
	Consolidated financial statements/ Separate financial statements
	<hr/>
<b>Balance as at 1 January 2015</b>	56,399
Current service cost	3,713
Interest cost	1,421
Benefits paid during the period	(2,284)
<b>Balance as at 30 September 2015</b>	<hr/> <hr/> 59,249

**14. Finance cost**

Finance cost for the three-month and nine-month periods ended 30 September 2015 and 2014 are summarised below:

	(Unit: Thousand Baht)			
	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Unrealised gain (loss) on exchange rate on short-term loan from related party	-	-	(39,300)	1,200
Total	<hr/> -	<hr/> -	<hr/> (39,300)	<hr/> 1,200

	(Unit: Thousand Baht)			
	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Unrealised gain (loss) on exchange rate on short-term loan from related party	-	-	(51,900)	6,741
Total	<hr/> -	<hr/> -	<hr/> (51,900)	<hr/> 6,741

**15. Income tax**

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

Income tax expenses for the three-month and nine-month periods ended 30 September 2015 and 2014 are made up as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
<b>Current income tax:</b>				
Interim corporate income tax charge	(15,742)	(982)	(14,346)	-
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	110	(1,603)	110	(1,603)
<b>Income tax expenses reported in the statements of comprehensive income</b>	<u>(15,632)</u>	<u>(2,585)</u>	<u>(14,236)</u>	<u>(1,603)</u>

(Unit: Thousand Baht)

	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
<b>Current income tax:</b>				
Interim corporate income tax charge	(70,772)	(2,507)	(68,093)	-
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(21,540)	(17,539)	(21,540)	(17,539)
<b>Income tax expenses reported in the statements of comprehensive income</b>	<u>(92,312)</u>	<u>(20,046)</u>	<u>(89,633)</u>	<u>(17,539)</u>

(Unaudited but reviewed)

The amounts of income tax relating to each component of other comprehensive income for the three-month and nine-month periods ended 30 September 2015 and 2014 are as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Deferred tax relating to gain on changes in value of available-for-sale investments	-	2,070	-	2,070

(Unit: Thousand Baht)

	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Deferred tax relating to gain on changes in value of available-for-sale investments	4,139	981	4,139	981

## 16. Earnings per share

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

	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Profit for the period (Thousand Baht)	156,204	33,656	58,406	806
Weighted average number of ordinary shares (Thousand shares)	130,000	130,000	130,000	130,000
Earnings per share (Baht per share)	1.20	0.26	0.45	0.01

  

	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Profit for the period (Thousand Baht)	505,408	101,114	361,134	65,120
Weighted average number of ordinary shares (Thousand shares)	130,000	130,000	130,000	130,000
Earnings per share (Baht per share)	3.89	0.78	2.78	0.50

## 17. Segment information

The Company and its subsidiaries are organised into business units based on its services. During the current period, the Company and its subsidiaries have not changed the organisation of their reportable segments.

The following tables present revenue and profit information regarding the Company and its subsidiaries' operating segments for the three-month and nine-month periods ended 30 September 2015 and 2014, respectively.

(Unit: Million Baht)

	For the three-month periods ended 30 September											
	Hotel business								Adjustments and eliminations		Consolidated	
	Hotel in Bangkok		Hotel in Chiangmai		Holding Investment		Total segments					
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
<b>Revenues</b>												
External customers	427	318	122	87	-	-	549	405	-	-	549	405
Total revenues	427	318	122	87	-	-	549	405	-	-	549	405
<b>Operating results</b>												
<b>Segment profit</b>	273	193	84	57	-	-	357	250	-	-	357	250
Interest income	10	5	-	-	11	10	21	15	(1)	(2)	20	13
Other income	4	5	-	-	49	35	53	40	1	(2)	54	38
Depreciation and amortisation expenses	(55)	(96)	(27)	(27)	-	-	(82)	(123)	-	-	(82)	(123)
Non-controlling interest of the subsidiary	-	-	-	-	-	(2)	-	(2)	-	-	-	(2)
<b>Profit before income tax expenses</b>	60	9	13	(7)	98	39	171	41	1	(4)	172	37
Income tax expenses	(14)	(2)	-	-	(2)	(1)	(16)	(3)	-	-	(16)	(3)
<b>Profit for the period</b>	46	7	13	(7)	96	38	155	38	1	(4)	156	34

(Unaudited but reviewed)

(Unit: Million Baht)

For the nine-month periods ended 30 September

	Hotel business											
	Hotel in		Hotel in		Holding Investment		Total segments		Adjustments and		Consolidated	
	Bangkok		Chiangmai						eliminations			
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
<b>Revenues</b>												
External customers	1,352	1,000	357	291	-	-	1,709	1,291	-	-	1,709	1,291
Total revenues	1,352	1,000	357	291	-	-	1,709	1,291	-	-	1,709	1,291
<b>Operating results</b>												
<b>Segment profit</b>	914	642	252	195	-	-	1,166	837	-	-	1,166	837
Interest income	27	17	-	-	31	35	58	52	(2)	(5)	56	47
Other income	40	11	1	1	76	34	117	46	1	(3)	118	43
Depreciation and amortisation expenses	(169)	(275)	(79)	(79)	-	-	(248)	(354)	-	-	(248)	(354)
Share of loss from investments in associates	-	-	-	-	-	(1)	-	(1)	-	-	-	(1)
Non-controlling interest of the subsidiary	-	-	-	-	(4)	(6)	(4)	(6)	-	-	(4)	(6)
<b>Profit before income tax expenses</b>	403	84	47	(2)	152	47	602	129	(5)	(8)	597	121
Income tax expenses	(89)	(17)	-	-	(3)	(3)	(92)	(20)	-	-	(92)	(20)
<b>Profit for the period</b>	314	67	47	(2)	149	44	510	109	(5)	(8)	505	101



**18. Dividends**

<u>Dividends</u>	<u>Approved by</u>	<u>Total dividends</u> (Million Baht)	<u>Dividend per share</u> (Baht)
Final dividends for 2013	Annual General Meeting of the shareholders on 23 April 2014	195	1.50
Total dividends for 2014		<u>195</u>	<u>1.50</u>
Final dividends for 2014	Annual General Meeting of the shareholders on 22 April 2015	98	0.75
Total dividends for 2015		<u>98</u>	<u>0.75</u>

**19. Commitments and contingent liabilities****19.1 Capital commitments**

As at 30 September 2015, the Company had capital commitments of approximately Baht 48 million (31 December 2014: Baht 38 million), relating to the construction and renovation of the building of the Hotel in Bangkok.

**19.2 Guarantee**

- (1) As at 30 September 2015, there were outstanding bank guarantees of approximately Baht 11 million (31 December 2014: Baht 11 million) issued by a bank on behalf of the Company in respect of electricity usage.
- (2) As at 30 September 2015 and 31 December 2014, the Company has guaranteed loans of its two associated companies, Traders Yangon Company Limited and Shangri-La Yangon Company Limited, amounting to USD 11.77 million and USD 6.67 million, respectively, which is guaranteed loans with respect to the subsidiary's proportionate interest in these associates.

## 20. Foreign currency risk

The balances of financial assets and liabilities denominated in foreign currencies of the Company and its subsidiaries as at 30 September 2015 and 31 December 2014 are summarised below.

Foreign currency	Consolidated financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	As at	As at	As at	As at	As at	As at
	30 September 2015	31 December 2014	30 September 2015	31 December 2014	30 September 2015	31 December 2014
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
		(Audited)		(Audited)		
USD	65	64	-	-	36.3696	32.9630

  

Foreign currency	Separate financial statements					
	Financial assets		Financial liabilities		Average exchange rate	
	As at	As at	As at	As at	As at	As at
	30 September 2015	31 December 2014	30 September 2015	31 December 2014	30 September 2015	31 December 2014
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
		(Audited)		(Audited)		
USD	-	-	15	15	36.3696	32.9630

## 21. Fair value of financial instruments

The Company and its subsidiaries use the market approach to measure their assets and 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 Company and its subsidiaries 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:

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

(Unaudited but reviewed)

As of 30 September 2015, the Company and its subsidiaries had the following assets that were measured at fair value using different levels of inputs as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>				
Investments in related party				
Equity instruments	330,341	-	-	330,341

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

## 22. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 9 November 2015.

To : Managing Director  
The Stock Exchange of Thailand

Date : November 9, 2015

Re : Management Discussion and Analysis for the period ended September 30, 2015

The Board of Directors is pleased to announce the Company's results for the period ended September 30, 2015 as follows:-

**Net profit after corporate income tax for the three-month period ended September 30, 2015 and 2014:**

(Baht in million)	<u>2015</u>	<u>2014</u>	<u>Change (%)</u>
The Company	58.41	0.81	7,111.11%
Consolidated	156.20	33.66	364.05%

**The Company:**

The Company's profit before corporate income tax for the three-month period ended September 30, 2015 increased by Baht 70.23 million against the corresponding period last year. The increase in the Company's profit was mainly attributed to the increase in profit of Shangri-La Hotel, Bangkok ("SLBK") by Baht 50.50 million and increase in profit of Shangri-La Hotel, Chiang Mai ("SLCM") by Baht 19.73 million. Revenues from hotel operation of SLBK increased by Baht 110.29 million from Baht 316.57 million to Baht 426.86 million during the same period last year due to the increase in room, food & beverages and other revenues which attributed to the higher occupancy. Gross profit before expenses increased by Baht 79.00 million. Selling and administrative expenses increased by Baht 9.79 million and Baht 22.76 million respectively. Depreciation decreased by Baht 41.21 million against the same period last year. Finance cost increased by Baht 40.50 million. As a result, the profit before corporate income tax increased by Baht 50.50 million from profit of Baht 9.26 million to Baht 59.76 million.

Revenues from hotel operation of SLCM increased by Baht 34.45 million from Baht 87.96 million to Baht 122.41 million during the same period last year. Gross profit before expenses increased by Baht 27.36 million. Selling and administrative expenses increased by Baht 0.65 million and Baht 6.81 million respectively. As a result, the profit before corporate income tax increased by Baht 19.73 million from loss of Baht 6.85 million to profit of Baht 12.88 million. Consequently, the total profit before corporate income tax of SLBK and SLCM increased by Baht 70.23 million from profit of Baht 2.41 million to Baht 72.64 million. The corporate income tax increased by Baht 12.63 million. As a result, the Company recorded a net profit after tax of Baht 58.41 million for the three-month period ended September 30, 2015 from a profit of Baht 0.81 million against the corresponding period last year (increased by 7,111.11%).

**Consolidated:**

The consolidated profit before corporate income tax for the three-month period ended September 30, 2015 increased by Baht 133.14 million against the corresponding period last year. The increase in consolidated profit before corporate income tax was due to the increase in the Company's profit before corporate income tax of Baht 70.23 million plus the increase in profit of subsidiaries of Baht 62.91 million. The corporate income tax increased by Baht 13.05 million. Overall, the consolidated net profit after tax for the three-month period ended September 30, 2015 increased by Baht 122.54 million against the corresponding period last year (increased by 364.05%).

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**Net profit after corporate income tax for the nine-month period ended September 30, 2015 and 2014:**

(Baht in million)	<u>2015</u>	<u>2014</u>	<u>Change (%)</u>
The Company	361.13	65.12	454.56%
Consolidated	505.41	101.11	399.86%

**The Company:**

The Company's profit before corporate income tax for the nine-month period ended September 30, 2015 increased by Baht 368.11 million against the corresponding period last year. The increase in the Company's profit was mainly attributed to the increase in profit of Shangri-La Hotel, Bangkok ("SLBK") by Baht 318.97 million and increase in profit of Shangri-La Hotel, Chiang Mai ("SLCM") by Baht 49.14 million. Revenues from hotel operation of SLBK increased by Baht 351.03 million from Baht 1,000.74 million to Baht 1,351.77 million during the same period last year due to the increase in room, food & beverages and other revenues which attributed to the higher occupancy. Gross profit before expenses increased by Baht 271.84 million. Selling and administrative expenses increased by Baht 14.34 million and Baht 24.41 million respectively. Depreciation decreased by Baht 106.11 million against the same period last year. Finance cost increased by Baht 58.64 million. As a result, the profit before corporate income tax increased by Baht 318.97 million to Baht 403.55 million.

Profit of SLCM increased by Baht 49.14 million primarily due to higher revenues from hotel operation by Baht 66.28 million from Baht 290.60 million to Baht 356.88 million as a result of higher room occupancy and better average room rates. Gross profit before expenses increased by Baht 56.52 million. Selling expenses decreased by Baht 0.34 million whereas administrative expenses increased by Baht 7.89 million. As a result, the profit before corporate income tax increased by Baht 49.14 million from loss of Baht 1.92 million to profit of Baht 47.22 million. Consequently, the total profit before corporate income tax of SLBK and SLCM increased by Baht 368.11 million from Baht 82.66 million to Baht 450.77 million. The corporate income tax increased by Baht 72.09 million. As a result, the Company recorded a net profit after tax of Baht 361.13 million for the nine-month period ended September 30, 2015 from a profit of Baht 65.12 million against the corresponding period last year (increased by 454.56%).

**Consolidated:**

The consolidated profit before corporate income tax for the nine-month period ended September 30, 2015 increased by Baht 474.93 million against the corresponding period last year. The increase in consolidated profit before corporate income tax was due to the increase in the Company's profit before corporate income tax of Baht 368.11 million plus the increase in profit of subsidiaries of Baht 106.82 million. The increase in profit of subsidiaries was mainly due to exchange gain from loan to a related company in year 2015. As a result, the corporate income tax increased by Baht 72.27 million. Overall, the consolidated net profit after tax for the nine-month period ended September 30, 2015 increased by Baht 404.30 million against the corresponding period last year (increased by 399.86%).

Yours faithfully,

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Mrs. Pavinee Meensuk  
Director and Company Secretary

**Headline:** Reviewed Quarter 3 and Consolidated F/S (F45-3)  
**Security Symbol:** SHANG

Announcement Details

**The Company and Consolidated Financial Statement (F45-3)**

Company name	SHANGRI-LA HOTEL PUBLIC COMPANY LIMITED			
Quarter	Quarter 3			

(In thousands)

The Consolidated Financial Statement

	Quarter 3		For 9 Months	
Status	Reviewed		Reviewed	
Ending	30 September		30 September	
Year	2015	2014	2015	2014
Net profit (loss)	156,204	33,656	505,408	101,114
EPS (baht)	1.20	0.26	3.89	0.78

The Company Financial Statement

	Quarter 3		For 9 Months	
Status	Reviewed		Reviewed	
Ending	30 September		30 September	
Year	2015	2014	2015	2014
Net profit (loss)	58,406	806	361,134	65,120
EPS (baht)	0.45	0.01	2.78	0.50

Type of report      Unqualified opinion

Please see details in financial statements, auditor's report and remarks from SET SMART

"The company hereby certifies that the information above is correct and complete. In addition, the company has already reported and disseminated its financial statements in full via the SET Electronic Listed Company Information Disclosure (SET Portal), and has also submitted the original report to the Securities and Exchange Commission."

Signature \_\_\_\_\_  
(Mrs. Pavinee Meensuk)  
Director and Company Secretary  
Authorized to sign on behalf of the company

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