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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, 10 August 2015

Shangri-La Hotel Public Company Limited  
and its subsidiaries  
Report and consolidated interim financial statements  
For the three-month and six-month periods ended  
30 June 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 June 2015, the related consolidated statements of comprehensive income for the three-month and six-month periods ended 30 June 2015, and the consolidated statements of changes in shareholders' equity and cash flows for the six-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: 10 August 2015

Shangri-La Hotel Public Company Limited and its subsidiaries

Statement of financial position

As at 30 June 2015

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2015 (Unaudited but reviewed)	31 December 2014 (Audited)	30 June 2015 (Unaudited but reviewed)	31 December 2014 (Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		1,913,415	1,929,883	499,139	499,812
Current investments - fixed deposits					
with financial institutions		1,222,408	763,110	1,205,000	740,000
Trade and other receivables	4	105,886	180,937	105,455	180,130
Inventories		37,889	34,307	37,889	34,307
Other current assets		7,847	5,787	7,833	5,767
<b>Total current assets</b>		<b>3,287,445</b>	<b>2,914,024</b>	<b>1,855,316</b>	<b>1,460,016</b>
<b>Non-current assets</b>					
Investments in subsidiaries	5	-	-	1,303,000	1,303,000
Investments in associates	6	712	695	-	-
Other long-term investments					
Investment in available-for-sale securities	7	-	70,803	-	70,803
Investments in related party	8	494,099	476,822	-	-
Investment in other company	9	131,151	131,151	-	-
Long-term loans to and interest receivables					
from related parties	3	1,746,083	1,643,656	-	-
Property, plant and equipment	10	2,245,464	2,386,139	2,243,610	2,384,285
Intangible assets		3,286	3,146	3,286	3,146
Deferred tax assets	15	39,218	56,728	22,815	40,326
Other non-current assets		7,766	4,646	7,766	4,646
<b>Total non-current assets</b>		<b>4,667,779</b>	<b>4,773,786</b>	<b>3,580,477</b>	<b>3,806,206</b>
<b>Total assets</b>		<b>7,955,224</b>	<b>7,687,810</b>	<b>5,435,793</b>	<b>5,266,222</b>

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 June 2015

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2015 (Unaudited but reviewed)	31 December 2014 (Audited)	30 June 2015 (Unaudited but reviewed)	31 December 2014 (Audited)
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Trade and other payables	11	227,178	298,477	187,776	255,318
Short-term loans from related party	3	-	-	508,200	495,600
Income tax payable		55,223	1,962	53,747	-
Other current liabilities	12	105,983	121,541	105,321	121,541
<b>Total current liabilities</b>		<b>388,384</b>	<b>421,980</b>	<b>855,044</b>	<b>872,459</b>
<b>Non-current liabilities</b>					
Provision for long-term employee benefits	13	58,427	56,399	58,427	56,399
Rental deposits		11,927	15,640	11,927	15,640
<b>Total non-current liabilities</b>		<b>70,354</b>	<b>72,039</b>	<b>70,354</b>	<b>72,039</b>
<b>Total liabilities</b>		<b>458,738</b>	<b>494,019</b>	<b>925,398</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		3,439,637	3,187,933	1,494,725	1,289,497
Other components of shareholders' equity		1,018,222	971,314	(4,730)	11,827
Equity attributable to owners of the Company		7,478,259	7,179,647	4,510,395	4,321,724
Non-controlling interests of the subsidiary		18,227	14,144	-	-
<b>Total shareholders' equity</b>		<b>7,496,486</b>	<b>7,193,791</b>	<b>4,510,395</b>	<b>4,321,724</b>
<b>Total liabilities and shareholders' equity</b>		<b>7,955,224</b>	<b>7,687,810</b>	<b>5,435,793</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 June 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		482,040	343,461	482,040	343,461
Other income					
Gains on sales of investment in available-for-sale securities	7	26,143	-	26,143	-
Interest income		19,087	14,648	9,248	5,780
Others		19,974	16,937	5,815	4,657
<b>Total revenues</b>		<b>547,244</b>	<b>375,046</b>	<b>523,246</b>	<b>353,898</b>
<b>Expenses</b>					
Cost of hotel operations		164,505	131,251	164,505	131,251
Selling expenses		22,141	21,995	22,141	21,995
Administrative expenses		171,786	131,073	115,563	115,412
Depreciation and amortisation expenses		81,601	118,324	81,601	118,324
<b>Total expenses</b>		<b>440,033</b>	<b>402,643</b>	<b>383,810</b>	<b>386,982</b>
<b>Profit (loss) before finance cost</b>					
<b>income tax income (expenses)</b>		107,211	(27,597)	139,436	(33,084)
Finance cost	14	-	-	(18,450)	(300)
<b>Profit (loss) before income tax income (expenses)</b>		107,211	(27,597)	120,986	(33,384)
Income tax income (expenses)	15	(25,795)	5,456	(24,152)	6,683
<b>Profit (loss) for the period</b>		<b>81,416</b>	<b>(22,141)</b>	<b>96,834</b>	<b>(26,701)</b>
<b>Other comprehensive income:</b>					
<i>Other comprehensive income to be reclassified</i>					
<i>to profit or loss in subsequent periods:</i>					
Exchange differences on translation of financial statements in foreign currency		195,372	20,974	-	-
Gain (loss) on changes in value of available-for-sale investments		14,125	(17,072)	3,268	8,169
Reversal of gains on changes in value of available-for-sale investments	7	(26,143)	-	(26,143)	-
Less: Income tax effect	15	4,575	(1,634)	4,575	(1,634)
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		187,929	2,268	(18,300)	6,535
<b>Other comprehensive income for the period</b>		<b>187,929</b>	<b>2,268</b>	<b>(18,300)</b>	<b>6,535</b>
<b>Total comprehensive income for the period</b>		<b>269,345</b>	<b>(19,873)</b>	<b>78,534</b>	<b>(20,166)</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 June 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 (loss) attributable to:</b>				
Equity holders of the Company	77,327	(25,410)	<u>96,834</u>	<u>(26,701)</u>
Non-controlling interests of the subsidiary	<u>4,089</u>	<u>3,269</u>		
	<u>81,416</u>	<u>(22,141)</u>		
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	265,256	(23,142)	<u>78,534</u>	<u>(20,166)</u>
Non-controlling interests of the subsidiary	<u>4,089</u>	<u>3,269</u>		
	<u>269,345</u>	<u>(19,873)</u>		
<b>Earnings per share</b>				
Basic earnings per share	16			
Profit (loss) attributable to equity holders of the Company	<u>0.59</u>	<u>(0.20)</u>	<u>0.74</u>	<u>(0.21)</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 six-month period ended 30 June 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		1,159,377	886,814	1,159,377	886,814
Other income					
Gains on sales of investment in available-for-sale securities	7	26,143	-	26,143	-
Interest income		36,134	33,564	17,592	11,775
Others		38,263	17,118	11,421	7,834
<b>Total revenues</b>		<b>1,259,917</b>	<b>937,496</b>	<b>1,214,533</b>	<b>906,423</b>
<b>Expenses</b>					
Cost of hotel operations		350,467	299,904	350,467	299,904
Selling expenses		61,072	57,515	61,072	57,515
Administrative expenses		252,303	260,225	246,161	243,418
Depreciation and amortisation expenses		166,108	230,877	166,108	230,877
<b>Total expenses</b>		<b>829,950</b>	<b>848,521</b>	<b>823,808</b>	<b>831,714</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	-	(793)	-	-
<b>Profit before finance cost and income tax expenses</b>		<b>429,967</b>	<b>88,182</b>	<b>390,725</b>	<b>74,709</b>
Finance cost	14	-	-	(12,600)	5,541
<b>Profit before income tax expenses</b>		<b>429,967</b>	<b>88,182</b>	<b>378,125</b>	<b>80,250</b>
Income tax expenses	15	(76,680)	(17,461)	(75,397)	(15,936)
<b>Profit for the period</b>		<b>353,287</b>	<b>70,721</b>	<b>302,728</b>	<b>64,314</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		54,984	1,130	-	-
Gain (loss) on changes in value of available-for-sale investments		13,928	(127,998)	5,447	5,446
Reversal of gains on changes in value of available-for-sale investments	7	(26,143)	-	(26,143)	-
Less: Income tax effect	15	4,139	(1,089)	4,139	(1,089)
Net other comprehensive income to be reclassified to profit or loss in subsequent periods		46,908	(127,957)	(16,557)	4,357
<b>Other comprehensive income for the period</b>		<b>46,908</b>	<b>(127,957)</b>	<b>(16,557)</b>	<b>4,357</b>
<b>Total comprehensive income for the period</b>		<b>400,195</b>	<b>(57,236)</b>	<b>286,171</b>	<b>68,671</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 six-month period ended 30 June 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	349,204	67,458	<u>302,728</u>	<u>64,314</u>
Non-controlling interests of the subsidiary	<u>4,083</u>	<u>3,263</u>		
	<u>353,287</u>	<u>70,721</u>		
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	396,112	(60,499)	<u>286,171</u>	<u>68,671</u>
Non-controlling interests of the subsidiary	<u>4,083</u>	<u>3,263</u>		
	<u>400,195</u>	<u>(57,236)</u>		
<b>Earnings per share</b>				
Basic earnings per share	16			
Profit attributable to equity holders of the Company	<u>2.69</u>	<u>0.52</u>	<u>2.33</u>	<u>0.49</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 six-month period ended 30 June 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		429,967	88,182	378,125	80,250
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:					
Depreciation and amortisation expenses		166,108	230,877	166,108	230,877
Allowance for doubtful accounts (reversal)		156	(131)	156	(131)
Reduction of inventory to net realisable value (reversal)		(12)	133	(12)	133
Reversal of allowance for interest receivables		-	-	(5,446)	(4,013)
Gain on sales of plant and equipments		(253)	(27)	(253)	(27)
Gains on sales of investment in available-for-sale securities	7	(26,143)	-	(26,143)	-
Share of loss from investments in associates	6	-	793	-	-
Provision for long-term employee benefits		3,419	3,248	3,419	3,248
Unrealised (gain) loss on exchange		(49,761)	13,684	12,600	(3,802)
Dividend income		(13,336)	(11,815)	-	(1,525)
Interest income		(36,134)	(33,564)	(17,592)	(11,775)
Profit from operating activities before changes in operating assets and liabilities		474,011	291,380	510,962	293,235
Operating assets (increase) decrease					
Trade and other receivables		75,854	109,044	75,854	109,247
Inventories		(3,570)	(3,248)	(3,570)	(3,248)
Other current assets		(242)	2,191	(242)	2,197
Other non-current assets		(3,119)	1,045	(3,119)	1,044
Operating liabilities increase (decrease)					
Trade and other payables		(68,775)	(129,265)	(65,018)	(127,685)
Other current liabilities		(15,558)	(50,062)	(16,220)	(47,897)
Provision for long-term employee benefits		(1,391)	(819)	(1,391)	(819)
Other non-current liabilities		(3,714)	(2,595)	(3,714)	(2,595)
Cash flows from operating activities		453,496	217,671	493,542	223,479
Cash paid for corporate income tax		(3,587)	(1,394)	(1,824)	(1,394)
<b>Net cash flows from operating activities</b>		<b>449,909</b>	<b>216,277</b>	<b>491,718</b>	<b>222,085</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 six-month period ended 30 June 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		(459,298)	(382,401)	(465,000)	(360,000)
Proceeds from sales of investment in available-for-sale securities		76,249	-	76,249	-
Loans to related parties		(198,872)	(54,081)	-	(1,768)
Cash received from loans to related parties		150,068	-	5,446	7,362
Cash received from interest income		22,499	15,415	16,257	9,772
Dividend income		13,336	11,815	-	1,525
Acquisitions of plant and equipment		(28,097)	(38,148)	(28,097)	(38,148)
Proceeds from sales of plant and equipment		254	29	254	29
<b>Net cash flows used in investing activities</b>		<b>(423,861)</b>	<b>(447,371)</b>	<b>(394,891)</b>	<b>(381,228)</b>
<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>		<b>(97,500)</b>	<b>(195,000)</b>	<b>(97,500)</b>	<b>(195,000)</b>
<b>Increase in translation adjustments</b>		<b>54,984</b>	<b>4,825</b>	<b>-</b>	<b>-</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(16,468)</b>	<b>(421,269)</b>	<b>(673)</b>	<b>(354,143)</b>
Unrealised exchange losses for cash and cash equivalents		-	162	-	-
Cash and cash equivalents at beginning of period		1,929,883	2,009,454	499,812	700,452
<b>Cash and cash equivalents at end of period</b>		<b>1,913,415</b>	<b>1,588,347</b>	<b>499,139</b>	<b>346,309</b>
		-		-	
<b>Supplemental cash flow information</b>					
Non-cash transactions					
Payable from purchases of plant and equipment		2,274	5,623	2,274	5,623

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 six-month period ended 30 June 2015

(Unit: Thousand Baht)

Consolidated financial statements													
Equity attributable to owners of the Company													
		Other components of equity											
		Other comprehensive income											
		Exchange differences on translation of financial statements in foreign currency											
		Retained earnings		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	-	-	-	67,458	-	-	-	-	-	67,458	3,263	70,721	
Other comprehensive income for the period	-	-	-	-	1,130	4,357	(133,444)	-	(127,957)	(127,957)	-	(127,957)	
Total comprehensive income for the period	-	-	-	67,458	1,130	4,357	(133,444)	-	(127,957)	(60,499)	3,263	(57,236)	
Dividend paid (Note 18)	-	-	-	(195,000)	-	-	-	-	-	(195,000)	-	(195,000)	
<b>Balance as at 30 June 2014</b>	<b>1,300,000</b>	<b>1,590,400</b>	<b>130,000</b>	<b>2,374,002</b>	<b>922,007</b>	<b>23,092</b>	<b>181,605</b>	<b>(4,730)</b>	<b>1,121,974</b>	<b>6,516,376</b>	<b>11,692</b>	<b>6,528,068</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	-	-	-	349,204	-	-	-	-	-	349,204	4,083	353,287	
Other comprehensive income for the period	-	-	-	-	54,984	(16,557)	8,481	-	46,908	46,908	-	46,908	
Total comprehensive income for the period	-	-	-	349,204	54,984	(16,557)	8,481	-	46,908	396,112	4,083	400,195	
Dividend paid (Note 18)	-	-	-	(97,500)	-	-	-	-	-	(97,500)	-	(97,500)	
<b>Balance as at 30 June 2015</b>	<b>1,300,000</b>	<b>1,590,400</b>	<b>130,000</b>	<b>3,439,637</b>	<b>893,480</b>	<b>-</b>	<b>129,472</b>	<b>(4,730)</b>	<b>1,018,222</b>	<b>7,478,259</b>	<b>18,227</b>	<b>7,496,486</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 six-month period ended 30 June 2015**

(Unit: Thousand Baht)

		<b>Separate financial statements</b>								
						Other components of equity				
						Other comprehensive income				
						Surplus				
						on changes				
						in value of				
						available-for-sale				
						investments				
						on defined				
						employee				
						benefit plans				
						Total other				
						components of				
						shareholders'				
						equity				
						Total				
						shareholders'				
						equity				
						Total				
						shareholders'				
						equity				
<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	-	-	-	64,314	-	-	-	64,314		
Other comprehensive income for the period	-	-	-	-	4,357	-	4,357	4,357		
Total comprehensive income for the period	-	-	-	64,314	4,357	-	4,357	68,671		
Dividend paid (Note 18)	-	-	-	(195,000)	-	-	-	(195,000)		
<b>Balance as at 30 June 2014</b>	<u>1,300,000</u>	<u>1,590,400</u>	<u>130,000</u>	<u>1,186,306</u>	<u>23,092</u>	<u>(4,730)</u>	<u>18,362</u>	<u>4,225,068</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	-	-	-	302,728	-	-	-	302,728		
Other comprehensive income for the period	-	-	-	-	(16,557)	-	(16,557)	(16,557)		
Total comprehensive income for the period	-	-	-	302,728	(16,557)	-	(16,557)	286,171		
Dividend paid (Note 18)	-	-	-	(97,500)	-	-	-	(97,500)		
<b>Balance as at 30 June 2015</b>	<u>1,300,000</u>	<u>1,590,400</u>	<u>130,000</u>	<u>1,494,725</u>	<u>-</u>	<u>(4,730)</u>	<u>(4,730)</u>	<u>4,510,395</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 six-month periods ended 30 June 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. There have been no changes in the composition of the Group during the current period.

**1.3 New financial reporting standards**

During the period, the Company and its subsidiaries have adopted the revised 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 believes 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.

**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 June				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	-	-	-	1	At a rate of LIBOR 1 month plus 2.05 percent per annum
<u>Transactions with associated companies</u>					
Interest income	7	6	-	-	At rates of 0.56 to 2.05 percent per annum

(Unaudited but reviewed)

(Unit: Million Baht)

	For the three-month periods ended 30 June				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 related companies</u>					
Revenues from hotel operations	3	3	3	3	Normal business price
Dividend income	3	2	-	-	As announcement
Management fees	16	12	16	12	Contract price
Marketing and promotion fees	5	4	5	4	Contract price
Advertising and reservation fees	5	4	5	4	Contract price

(Unit: Million Baht)

	For the six-month periods ended 30 June				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	-	-	-	2	At a rate of LIBOR 1 month plus 2.05 percent per annum
<u>Transactions with associated companies</u>					
Interest income	13	17	-	-	At rates of 0.56 to 2.05 percent per annum
<u>Transactions with related companies</u>					
Revenues from hotel operations	7	7	7	7	Normal business price
Dividend income	3	2	-	-	As announcement
Management fees	37	30	37	30	Contract price
Marketing and promotion fees	12	9	12	9	Contract price
Advertising and reservation fees	9	8	9	8	Contract price

(Unaudited but reviewed)

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

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2015	2014	2015	2014
		(Audited)		(Audited)
<b><u>Other receivables - related parties (Note 4)</u></b>				
<b>Associated company</b>				
Traders Yangon Company Limited	2,716	2,867	2,716	2,867
<b>Related companies</b>				
Others	438	1,640	438	1,640
Total other receivables - related parties	3,154	4,507	3,154	4,507
<b><u>Short-term loans to and 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 short-term loans to and interest receivables from related party - net	-	-	-	-

The above loans are repayable on demand and carry interest at the rate of LIBOR 1 Month plus 2.05 percent per annum.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2015	2014	2015	2014
		(Audited)		(Audited)
<b><u>Long-term loans to and interest receivables from related parties</u></b>				
<b>Associated companies</b>				
<b>Non-interest bearing</b>				
Shangri-La Yangon Company Limited	-	20,949	-	-
Traders Square Company Limited	45,768	44,664	-	-
	45,768	65,613	-	-

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2015	2014	2015	2014
	(Audited)		(Audited)	
<b>Interest bearing</b>				
Traders Yangon Company Limited	508,283	493,295	-	-
Shangri-La Yangon Company Limited	732,053	833,144	-	-
Traders Square Company Limited	459,979	251,604	-	-
	1,700,315	1,578,043	-	-
Total long-term loans to and interest receivables from related parties	1,746,083	1,643,656	-	-

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 June	31 December	30 June	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	5,417	11,149	5,417	11,149
Shangri-La International Hotel Management BV	8,479	10,701	8,479	10,701
Total other payables - related parties	13,896	21,850	13,896	21,850
<b><u>Short-term loan from related party</u></b>				
<b>Subsidiary</b>				
Hasfield Holdings Pte., Ltd.	-	-	508,200	495,600
	-	-	508,200	495,600

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 June 2015
<b><u>Short-term loans to and interest receivables</u></b>					
<b><u>from related party</u></b>					
<b>Subsidiary</b>					
TRR-Kerry Development Company Limited	56,596	-	(5,446)	-	51,150
Total short-term loans to and 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 June 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>					
Shangri-La Yangon Company Limited	20,949	-	(21,467)	518	-
Traders Square Company Limited	44,664	-	-	1,104	45,768
<b>Interest bearing</b>					
Traders Yangon Company Limited	493,295	2,725	-	12,263	508,283
Shangri-La Yangon Company Limited	833,144	6,748	(128,602)	20,763	732,053
Traders Square Company Limited	251,604	202,076	-	6,299	459,979
Total long-term loans to and interest receivables from related parties	1,643,656	211,549	(150,069)	40,947	1,746,083

(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 June 2015
<b><u>Short-term loans from related party</u></b>					
<b>Subsidiary</b>					
Hasfield Holdings Pte.,Ltd.	495,600	-	-	12,600	508,200
Total short-term loans from related party	495,600	-	-	12,600	508,200

Directors and management's benefits

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

	(Unit: Thousand Baht)	
	<u>For the three-month periods ended 30 June</u>	
	Consolidated financial statements/ Separate financial statements	
	<u>2015</u>	<u>2014</u>
Short-term employee benefits	12,342	10,716
Post-employment benefits	846	985
Total	<u>13,188</u>	<u>11,701</u>

	(Unit: Thousand Baht)	
	<u>For the six-month periods ended 30 June</u>	
	Consolidated financial statements/ Separate financial statements	
	<u>2015</u>	<u>2014</u>
Short-term employee benefits	24,418	24,804
Post-employment benefits	1,614	1,982
Total	<u>25,762</u>	<u>26,786</u>

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 June	31 December	30 June	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	75,506	150,543	75,506	150,543
120 - 180 days	6,926	481	6,926	481
Over 180 days	1,489	560	1,489	560
Total	83,921	151,584	83,921	151,584
Less: Allowance for doubtful debts	(886)	(730)	(886)	(730)
Total trade receivables - unrelated parties, net	83,035	150,854	83,035	150,854
<u>Other receivables</u>				
Other receivables - related parties	3,154	4,507	3,154	4,507
Other receivables - unrelated parties	10,160	13,993	9,729	13,186
Prepaid expenses	9,537	11,583	9,537	11,583
Total other receivables	22,851	30,083	22,420	29,276
Total trade and other receivables - net	105,886	180,937	105,455	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 June	31 December	30 June	31 December	30 June	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

(Unaudited but reviewed)

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 June 2015	31 December 2014	30 June 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
<b><u>Subsidiary held through Apizaco Limited</u></b>						
Zukerman Limited	Holding investment	British Virgin	USD 1	USD 1	100.00	100.00

## 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 June 2015	31 December 2014
			30 June 2015	31 December 2014	30 June 2015	31 December 2014	30 June 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	30,156	29,429	-	-
Shangri-La Yangon Company Limited	Serviced apartments	Myanmar	22.22	22.22	17,825	17,395	-	-
Traders Square Company Limited	Not yet operated	Myanmar	23.56	23.56	711	695	712	695
Total					48,692	47,519	712	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 six-month periods ended 30 June			
	Share of loss from investments in associates		Exchange differences on translation of financial statements in foreign currency	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Shangri-La Yangon Company Limited	-	785	-	-
Traders Square Company Limited	-	8	17	-
<b>Total</b>	<b>-</b>	<b>793</b>	<b>17</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 six-month periods ended		Profit (loss) for the six-month periods ended	
	30 June	31 December	30 June	31 December	30 June	31 December	30 June		30 June	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Traders Yangon Company Limited	USD 3.6 million	USD 3.6 million	2,982,212	2,847,131	4,634,677	4,493,288	520,209	514,570	40,426	25,193
Shangri-La Yangon Company Limited	USD 2.0 million	USD 2.0 million	4,423,924	5,119,534	4,679,358	5,231,348	280,892	122,472	(135,609)	(67,005)
Traders Square Company Limited	USD 0.1 million	USD 0.1 million	2,218,643	1,356,306	2,215,620	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 six-month period ended	Cumulative unrecognised share of losses as at	
	30 June 2015	30 June 2015	31 December 2014
			(Audited)
Traders Yangon Company Limited	9,512	(405,840)	(415,352)
Shangri-La Yangon Company Limited	(30,132)	(54,605)	(24,473)
<b>Total</b>	<b>(20,620)</b>	<b>(460,445)</b>	<b>(439,825)</b>

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

(Unit: Thousand Baht)

	Consolidated financial statements/ Separate financial statements	
	30 June 2015	31 December 2014
		(Audited)
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 June 2015	31 December 2014
		(Audited)
Cost - Ordinary shares of Shangri-La Asia Limited	364,627	355,831
Add: Unrealised gain on changes in value of investments	129,472	120,991
Fair value	<u>494,099</u>	<u>476,822</u>

## 9. Investments in other company - Net

(Unit: Thousand Baht)

	Consolidated financial statements	
	30 June 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 six-month period ended 30 June 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	24,190	24,190
Disposals/write-off during the period - net book value at disposal/write-off date	(1)	(1)
Depreciation for the period	(164,864)	(164,864)
<b>Net book value as at 30 June 2015</b>	<u>2,245,464</u>	<u>2,243,610</u>

(Unaudited but reviewed)

## 11. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2015	2014	2015	2014
		(Audited)		(Audited)
Trade payables - unrelated parties	81,451	98,844	81,451	98,844
Other payables - related parties	13,896	21,850	13,896	21,850
Other payables - unrelated parties	8,760	14,099	8,760	14,099
Accrued expenses	78,208	111,312	77,344	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	4,051	4,983	4,051	4,983
Total trade and other payables	<u>227,178</u>	<u>298,477</u>	<u>187,776</u>	<u>255,318</u>

## 12. Other current liabilities

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2015	2014	2015	2014
		(Audited)		(Audited)
Advances from customers	70,378	79,761	70,378	79,761
Others	35,605	41,780	34,943	41,780
Total other current liabilities	<u>105,983</u>	<u>121,541</u>	<u>105,321</u>	<u>121,541</u>



**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 income (expenses) for the three-month and six-month periods ended 30 June 2015 and 2014 are made up as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 June			
	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	(24,853)	(1,227)	(23,210)	-
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(942)	6,683	(942)	6,683
<b>Income tax income (expenses) reported in the statements of comprehensive income</b>	<u>(25,795)</u>	<u>5,456</u>	<u>(24,152)</u>	<u>6,683</u>

(Unit: Thousand Baht)

	For the six-month periods ended 30 June			
	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	(55,030)	(1,525)	(53,747)	-
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(21,650)	(15,936)	(21,650)	(15,936)
<b>Income tax expenses reported in the statements of comprehensive income</b>	<u>(76,680)</u>	<u>(17,461)</u>	<u>(75,397)</u>	<u>(15,936)</u>

(Unaudited but reviewed)

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

(Unit: Thousand Baht)

	For the three-month periods ended 30 June			
	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	4,575	(1,634)	4,575	(1,634)

(Unit: Thousand Baht)

	For the six-month periods ended 30 June			
	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	(1,089)	4,139	(1,089)

## 16. Earnings per share

Basic earnings per share is calculated by dividing profit (loss) 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 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Profit (loss) for the period (Thousand Baht)	77,327	(25,410)	96,834	(26,701)
Weighted average number of ordinary shares (Thousand shares)	130,000	130,000	130,000	130,000
Earnings (loss) per share (Baht per share)	0.59	(0.20)	0.74	(0.21)

  

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Profit for the period (Thousand Baht)	349,204	67,458	302,728	64,314
Weighted average number of ordinary shares (Thousand shares)	130,000	130,000	130,000	130,000
Earnings per share (Baht per share)	2.69	0.52	2.33	0.49

## 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 six-month periods ended 30 June 2015 and 2014, respectively.

(Unit: Million Baht)

	For the three-month periods ended 30 June											
	Hotel business				Holding				Adjustments and		Consolidated	
	Hotel in Bangkok		Hotel in Chiangmai		Investment		Total segments		eliminations			
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
<b>Revenues</b>												
External customers	384	258	98	85	-	-	482	343	-	-	482	343
Total revenues	384	258	98	85	-	-	482	343	-	-	482	343
<b>Operating results</b>												
<b>Segment profit</b>	252	157	65	55	-	-	317	212	-	-	317	212
Interest income	9	6	-	-	11	11	20	17	(1)	(2)	19	15
Other income	32	5	-	-	12	10	44	15	2	2	46	17
Depreciation and amortisation expenses	(55)	(92)	(27)	(26)	-	-	(82)	(118)	-	-	(82)	(118)
Non-controlling interest of the subsidiary	-	-	-	-	(4)	(3)	(4)	(3)	-	-	(4)	(3)
<b>Profit (loss) before income tax income (expenses)</b>	122	(25)	(1)	(8)	(14)	3	107	(30)	(4)	(1)	103	(31)
Income tax income (expenses)	(24)	7	-	-	(2)	(1)	(26)	6	-	-	(26)	6
<b>Profit (loss) for the period</b>	98	(18)	(1)	(8)	(16)	2	81	(24)	(4)	(1)	77	(25)

(Unaudited but reviewed)

(Unit: Million Baht)

For the six-month periods ended 30 June

	Hotel business											
	Hotel in Bangkok		Hotel in Chiangmai		Holding Investment		Total segments		Adjustments and eliminations		Consolidated	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
<b>Revenues</b>												
External customers	925	684	234	203	-	-	1,159	887	-	-	1,159	887
Total revenues	925	684	234	203	-	-	1,159	887	-	-	1,159	887
<b>Operating results</b>												
<b>Segment profit</b>	642	449	167	138	-	-	809	587	-	-	809	587
Interest income	17	12	-	-	20	24	37	36	(1)	(3)	36	33
Other income	37	7	1	1	26	10	64	18	-	(1)	64	17
Depreciation and amortisation expenses	(114)	(179)	(52)	(52)	-	-	(166)	(231)	-	-	(166)	(231)
Share of loss from investments in associates	-	-	-	-	-	(1)	-	(1)	-	-	-	(1)
Non-controlling interest of the subsidiary	-	-	-	-	(4)	(3)	(4)	(3)	-	-	(4)	(3)
<b>Profit before income tax expenses</b>	344	75	34	5	53	8	431	88	(5)	(3)	426	85
Income tax expenses	(76)	(16)	-	-	(1)	(2)	(77)	(18)	-	-	(77)	(18)
<b>Profit for the period</b>	268	59	34	5	52	6	354	70	(5)	(3)	349	67

**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 June 2015, the Company had capital commitments of approximately Baht 61 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 June 2015, there were outstanding bank guarantees of approximately Baht 9 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 June 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 June 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 June	31 December	30 June	31 December	30 June	31 December
	2015	2014	2015	2014	2015	2014
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
		(Audited)		(Audited)		
USD	65	64	-	-	33.7768	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 June	31 December	30 June	31 December	30 June	31 December
	2015	2014	2015	2014	2015	2014
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
		(Audited)		(Audited)		
USD	-	-	15	15	33.7768	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

As of 30 June 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	494,099	-	-	494,099

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 10 August 2015.

To : Managing Director  
The Stock Exchange of Thailand

Date : August 10, 2015

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

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

**Net profit/(loss) after corporate income tax for the three-month period ended June 30, 2015 and 2014:**

(Baht in million)	<u>2015</u>	<u>2014</u>	<u>Change (%)</u>
The Company	96.83	(26.70)	462.66%
Consolidated	77.33	(25.41)	404.33%

**The Company:**

The Company's profit before corporate income tax for the three-month period ended June 30, 2015 increased by Baht 154.37 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 147.15 million and decrease in loss of Shangri-La Hotel, Chiang Mai ("SLCM") by Baht 7.22 million. Revenues from hotel operation of SLBK increased by Baht 126.44 million from Baht 257.90 million to Baht 384.34 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 95.10 million. Selling expenses increased by Baht 0.39 million whereas Administrative expenses decreased by Baht 3.08 million. Depreciation decreased by Baht 36.83 million against the same period last year. Finance cost increased by Baht 18.15 million. As a result, the profit before corporate income tax increased by Baht 147.15 million from loss of Baht 25.04 million to profit of Baht 122.11 million.

Revenues from hotel operation of SLCM increased by Baht 12.14 million from Baht 85.56 million to Baht 97.70 million during the same period last year. Gross profit before expenses increased by Baht 10.22 million, from Baht 55.24 million to Baht 65.46 million during the same period last year. Administrative expenses increased by Baht 3.23 million. As a result, the loss before corporate income tax decreased by Baht 7.22 million from loss of Baht 8.34 million to loss of Baht 1.12 million. Consequently, the total profit before corporate income tax of SLBK and SLCM increased by Baht 154.37 million from loss of Baht 33.38 million to profit of Baht 120.99 million. The corporate income tax increased by Baht 30.83 million. As a result, the Company recorded a net profit after tax of Baht 96.83 million for the three-month period ended June 30, 2015 from a loss of Baht 26.70 million against the corresponding period last year (increased by 462.66%).

**Consolidated:**

The consolidated profit before corporate income tax for the three-month period ended June 30, 2015 increased by Baht 134.81 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 154.37 million whereas the increase in loss of subsidiaries of Baht 19.56 million. The corporate income tax increased by Baht 31.25 million. Overall, the consolidated net profit after tax for the three-month period ended June 30, 2015 increased by Baht 102.74 million against the corresponding period last year (increased by 404.33%).

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

(Baht in million)	<u>2015</u>	<u>2014</u>	<u>Change (%)</u>
The Company	302.73	64.31	370.74%
Consolidated	349.20	67.46	417.64%

**The Company:**

The Company's profit before corporate income tax for the six-month period ended June 30, 2015 increased by Baht 297.88 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 268.47 million and increase in profit of Shangri-La Hotel, Chiang Mai ("SLCM") by Baht 29.41 million. Revenues from hotel operation of SLBK increased by Baht 240.74 million from Baht 684.17 million to Baht 924.91 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 192.84 million. Selling and administrative expenses increased by Baht 4.55 million and Baht 1.66 million respectively. Depreciation decreased by Baht 64.91 million against the same period last year. Finance cost increased by Baht 18.14 million. As a result, the profit before corporate income tax increased by Baht 268.47 million to Baht 343.79 million.

Profit of SLCM increased by Baht 29.41 million primarily due to higher revenues from hotel operation by Baht 31.82 million from Baht 202.65 million to Baht 234.47 million as a result of higher room occupancy and better average room rates. Gross profit before expenses increased by Baht 29.17 million, from Baht 138.26 million to Baht 167.43 million during the same period last year. Selling expenses decreased by Baht 0.99 million whereas Administrative expenses increased by Baht 1.09 million. As a result, the profit before corporate income tax increased by Baht 29.41 million from Baht 4.92 million to Baht 34.33 million. Consequently, the total profit before corporate income tax of SLBK and SLCM increased by Baht 297.88 million from Baht 80.25 million to Baht 378.13 million. The corporate income tax increased by Baht 59.46 million. As a result, the Company recorded a net profit after tax of Baht 302.73 million for the six-month period ended June 30, 2015 from a profit of Baht 64.31 million against the corresponding period last year (increased by 370.74%).

**Consolidated:**

The consolidated profit before corporate income tax for the six-month period ended June 30, 2015 increased by Baht 341.78 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 297.88 million plus the increase in profit of subsidiaries of Baht 43.90 million. As a result, the corporate income tax increased by Baht 59.22 million. Overall, the consolidated net profit after tax for the six-month period ended June 30, 2015 increased by Baht 281.74 million against the corresponding period last year (increased by 417.64%).

Yours faithfully,

\_\_\_\_\_  
Mrs. Pavinee Meensuk  
Director and Company Secretary

**Headline:** Reviewed Quarter 2 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 2			

(In thousands)

The Consolidated Financial Statement

	Quarter 2		For 6 Months	
Status	Reviewed		Reviewed	
Ending	30 June		30 June	
Year	2015	2014	2015	2014
Net profit (loss)	77,327	(25,410)	349,204	67,458
EPS (baht)	0.59	(0.20)	2.69	0.52

The Company Financial Statement

	Quarter 2		For 6 Months	
Status	Reviewed		Reviewed	
Ending	30 June		30 June	
Year	2015	2014	2015	2014
Net profit (loss)	96,834	(26,701)	302,728	64,314
EPS (baht)	0.74	(0.21)	2.33	0.49

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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