

BJC HEAVY INDUSTRIES PUBLIC COMPANY LIMITED

THAILAND

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INTERIM FINANCIAL STATEMENTS

FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2015

AND

INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

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EXPRESSED IN

THAI BAHT

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## **A. M. T. & Associates**

สำนักงาน เอ. เอ็ม. ที. แอดมิชชัน

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

To The Shareholders and Board of Directors of  
BJC Heavy Industries Public Company Limited

I have reviewed the accompanying statement of financial position of BJC Heavy Industries Public Company Limited as of September 30, 2015, the related statement of comprehensive income for the three-month and nine-month periods ended September 30, 2015, the related statement of changes in shareholders' equity and cash flows for the nine-month period ended September 30, 2015 of the financial statements in which the equity method is applied, as well as the condensed notes to the financial statements of BJC Heavy Industries Public Company Limited. I have also reviewed the separate financial information of BJC Heavy Industries Public Company Limited for the same periods. Management is responsible for the preparation and presentation of this interim financial information in accordance with Accounting Standard 34 (revised 2014), "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my reviews.

#### **Scope of review**

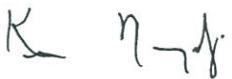
Except as discussed in the third paragraph, I conducted my reviews in accordance with Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of 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 auditing standards 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.

#### **Basis for qualified conclusion**

As discussed in note 8 to the interim financial statements, I did not review the interim financial information for the three-month and nine-month periods ended September 30, 2015 of Aus-Com Training Services Pty Ltd., an associate (a company in Australia). In the interim financial information in which the equity method is applied, the Company recorded investment in associate as of September 30, 2015 amounted to Baht 13.24 million (equivalent to 0.22% of total assets) and share of loss in associate for the three-month and nine-month periods ended September 30, 2015 amounted to Baht 0.69 million and Baht 3.39 million respectively (equivalent to 0.16% and 0.45% of profit for the three-month and nine-month periods respectively) based on the unreviewed interim financial information of the associate for the said period.

**Qualified conclusion**

Except for the effects on the interim financial information in which the equity method is applied for the three-month and nine-month periods ended September 30, 2015 of such adjustments, if any, should I be able to review the interim financial statements of the said associate as discussed in the third paragraph. Based on my reviews, 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 Accounting Standard 34 (revised 2014), "Interim Financial Reporting".

  
(KESREE NARONGDEJ)  
Certified Public Accountant  
Registration No. 76

BJC HEAVY INDUSTRIES PUBLIC COMPANY LIMITED  
STATEMENTS OF FINANCIAL POSITION  
AS OF SEPTEMBER 30, 2015

## B A H T

NOTE	FINANCIAL STATEMENTS IN WHICH THE EQUITY METHOD IS APPLIED		SEPARATE FINANCIAL STATEMENTS					
	As of September 30, 2015 (Unaudited but reviewed)	As of December 31, 2014 (Audited)	As of September 30, 2015 (Unaudited but reviewed)	As of December 31, 2014 (Audited)				
<b>ASSETS</b>								
<b>CURRENT ASSETS</b>								
Cash and cash equivalents	3	566,210,809.61	265,243,965.33	566,210,809.61				
Temporary investment - unit trusts		517,886.82	817,648,875.42	517,886.82				
Trade receivables	4	649,325,148.63	934,976,904.04	649,325,148.63				
Unbilled contract work in progress	5	2,250,950,772.53	1,258,165,717.89	2,250,950,772.53				
Other receivables	6	8,394,310.08	24,047,235.72	8,394,310.08				
Inventory	7	910,818,697.50	488,461,669.03	910,818,697.50				
Other current assets								
- Refund claimed value added tax		25,896,558.03	13,300,520.42	25,896,558.03				
- Advance payment for material and services		110,089,198.89	20,468,749.45	110,089,198.89				
- Retention		219,544,857.91	211,136,006.87	219,544,857.91				
- Others		3,748,165.33	3,188,798.26	3,748,165.33				
Total Current Assets		4,745,496,405.33	4,036,638,442.43	4,745,496,405.33				
NON - CURRENT ASSETS								
Investment in associate	8	13,237,843.18	17,397,947.47	21,510,337.30				
Long - term investment								
- Bank deposit pledged as collateral		15,905,237.79	15,715,960.82	15,905,237.79				
Property, plant and equipment - net	9,11 and 12	1,136,496,010.46	1,140,006,006.98	1,136,496,010.46				
Intangible assets - net	10	13,076,790.31	13,674,711.14	13,076,790.31				
Deferred tax assets	21	3,015,868.20	2,539,276.00	3,015,868.20				
Other non-current assets								
- Advance payment for purchase fixed assets		-	-	-				
- Retention		68,648,749.19	80,250,656.91	68,648,749.19				
- Others		25,280,233.79	21,912,674.91	25,280,233.79				
Total Non - Current Assets		1,275,660,732.92	1,291,497,234.23	1,283,933,227.04				
TOTAL ASSETS		6,021,157,138.25	5,328,135,676.66	6,029,429,632.37				
				5,332,248,066.49				

The accompanying notes to interim financial statements  
are an integral part of these interim financial statements



(Mr. Yul Yoon)




(Mr. Seung Woo Lee)

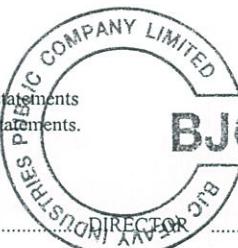
DIRECTOR

BJC HEAVY INDUSTRIES PUBLIC COMPANY LIMITED  
STATEMENTS OF FINANCIAL POSITION  
AS OF SEPTEMBER 30, 2015

B A H T

NOTE	FINANCIAL STATEMENTS IN WHICH THE EQUITY METHOD IS APPLIED		SEPARATE FINANCIAL STATEMENTS	
	As of September 30, 2015 (Unaudited but reviewed)	As of December 31, 2014 (Audited)	As of September 30, 2015 (Unaudited but reviewed)	As of December 31, 2014 (Audited)
	<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>			
<b>CURRENT LIABILITIES</b>				
Bank overdrafts and short-term borrowings from financial institution	12	83,324,987.59	83,324,987.59	-
Trade payables and accrued contract cost		797,290,245.25	498,040,335.95	498,040,335.95
Other payables				
- Income received in advance	5	-	109,318,148.80	109,318,148.80
- Accrued expenses		13,211,991.83	32,172,194.11	32,172,194.11
- Others		2,611,610.20	2,903,990.45	2,903,990.45
Current portion of finance lease obligations	13	6,536,368.00	7,716,211.98	7,716,211.98
Income tax payable		9,437,947.87	8,746,031.47	8,746,031.47
Other current liabilities				
- Retention		13,400,192.48	10,469,776.23	10,469,776.23
- Others		5,224,879.76	6,918,808.61	6,918,808.61
<b>Total Current Liabilities</b>		<b>931,038,222.98</b>	<b>676,285,497.60</b>	<b>676,285,497.60</b>
<b>NON - CURRENT LIABILITIES</b>				
Finance lease obligations	13	9,306,731.50	14,044,415.92	9,306,731.50
Employee benefit obligations	14	15,079,342.00	12,026,872.00	15,079,342.00
<b>Total Non - Current Liabilities</b>		<b>24,386,073.50</b>	<b>26,071,287.92</b>	<b>24,386,073.50</b>
<b>Total Liabilities</b>		<b>955,424,296.48</b>	<b>702,356,785.52</b>	<b>702,356,785.52</b>
<b>SHAREHOLDERS' EQUITY</b>				
Share Capital	15			
Authorized share capital				
1,600,000,000 ordinary shares of Baht 0.25 each as of September 30, 2015				
320,000,000 ordinary shares of Baht 1.00 each as of December 31, 2014				
Issued and paid - up share capital				
1,599,999,999 ordinary shares of Baht 0.25 each as of September 30, 2015		400,000,000.00	320,000,000.00	400,000,000.00
320,000,000 ordinary shares of Baht 1.00 each as of December 31, 2014				
Premium on share capital		399,999,999.75	320,000,000.00	399,999,999.75
Retained earnings		2,239,641,074.97	2,239,641,074.97	2,239,641,074.97
Appropriated - legal reserve	17	40,000,000.00	32,000,000.00	40,000,000.00
Unappropriated		2,388,527,731.91	2,035,806,459.89	2,394,364,261.17
Other components of equity		(2,435,964.86)	(1,668,643.72)	
<b>Total Shareholders' Equity</b>		<b>5,065,732,841.77</b>	<b>4,625,778,891.14</b>	<b>5,074,005,335.89</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>6,021,157,138.25</b>	<b>5,328,135,676.66</b>	<b>6,029,429,632.37</b>
				<b>5,332,248,066.49</b>

The accompanying notes to interim financial statements  
are an integral part of these interim financial statements.



(Mr. Yul Yoon)

  
(Mr. Seung Woo Lee)

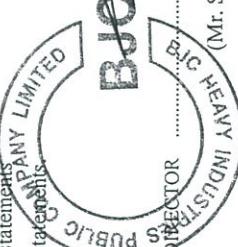
DIRECTOR

BJC HEAVY INDUSTRIES PUBLIC COMPANY LIMITED  
 STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY  
 FOR THE NINE - MONTH PERIOD ENDED SEPTEMBER 30, 2015

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## FINANCIAL STATEMENTS IN WHICH THE EQUITY METHOD IS APPLIED

NOTE	Retained earnings					Other components of equity	
	Issued and paid - up share capital		Premium on share capital		Appropriated legal reserve		
	16	15 and 16	16	16	16		
Beginning balance as of January 1, 2015	320,000,000.00	2,239,641,074.97		32,000,000.00	2,035,806,459.89	(1,668,643.72) 4,625,778,891.14	
Change in shareholders' equity for the period							
Total comprehensive income					760,721,271.77	(767,321.14) 759,953,950.63	
Dividend payment							
Cash dividend	-	-	-	-	(320,000,000.00)	- (320,000,000.00)	
Stock dividend	79,999,999.75	-	-	-	(79,999,999.75)	-	
Appropriated - legal reserve	-	-	-	8,000,000.00	(8,000,000.00)	-	
Ending balance as of September 30, 2015	<u>399,999,999.75</u>	<u>2,239,641,074.97</u>		<u>40,000,000.00</u>	<u>2,388,527,731.91</u>	<u>(2,435,964.86)</u> <u>5,065,732,841.77</u>	
Beginning balance as of January 1, 2014	320,000,000.00	2,239,641,074.97		32,000,000.00	1,800,139,013.89	- 4,391,780,088.86	
Change in shareholders' equity for the period							
Total comprehensive income					656,433,332.35	(882,508.86) 655,550,823.49	
Cash dividend payment	-	-	-	-	(768,000,000.00)	- (768,000,000.00)	
Ending balance as of September 30, 2014	<u>320,000,000.00</u>	<u>2,239,641,074.97</u>		<u>32,000,000.00</u>	<u>1,688,572,346.24</u>	<u>(882,508.86)</u> <u>4,279,330,912.35</u>	

The accompanying notes to interim financial statements  
 are an integral part of these interim financial statements  
  
 (Mr. Seung Woo Lee)



DIRECTOR

(Mr. Yul Yoon)

**BJC HEAVY INDUSTRIES PUBLIC COMPANY LIMITED**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2015**

## SEPARATE FINANCIAL STATEMENTS

The accompanying notes to interim financial statements are an integral part of these interim financial statements.

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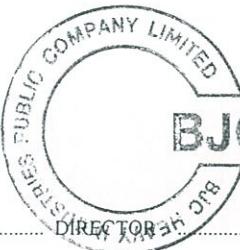
BJC HEAVY INDUSTRIES PUBLIC COMPANY LIMITED  
STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE THREE - MONTH PERIODS ENDED SEPTEMBER 30, 2015

Note	B A H T			
	FOR THE THREE - MONTH PERIODS ENDED JUNE 30,			
	FINANCIAL STATEMENTS IN WHICH THE EQUITY METHOD IS APPLIED		SEPARATE FINANCIAL STATEMENTS	
2015	2014	2015	2014	
<b>REVENUES</b>				
Contract revenues	1,318,242,274.78	1,244,805,499.48	1,318,242,274.78	1,244,805,499.48
Other income				
- Gain on exchange rate	19 119,502,654.91	-	119,502,654.91	-
- Others	5,730,906.85	9,929,130.53	5,730,906.85	9,929,130.53
Total Revenues	<u>1,443,475,836.54</u>	<u>1,254,734,630.01</u>	<u>1,443,475,836.54</u>	<u>1,254,734,630.01</u>
<b>EXPENSES</b>				
Contract cost	931,692,936.88	855,603,278.70	931,692,936.88	855,603,278.70
Selling expenses	2,018,101.40	10,608,975.76	2,018,101.40	10,608,975.76
Administrative expenses	79,142,478.39	70,311,396.58	79,142,478.39	70,311,396.58
Other expenses				
- Loss on exchange rate	19 -	53,132,585.27	-	53,132,585.27
Finance costs	529,582.01	292,262.07	529,582.01	292,262.07
Total Expenses	<u>20 1,013,383,098.68</u>	<u>989,948,498.38</u>	<u>1,013,383,098.68</u>	<u>989,948,498.38</u>
SHARE OF PROFIT (LOSS) OF ASSOCIATE	<u>(689,171.77)</u>	<u>(1,451,643.39)</u>	-	-
PROFIT BEFORE INCOME TAX EXPENSES	<u>429,403,566.09</u>	<u>263,334,488.24</u>	<u>430,092,737.86</u>	<u>264,786,131.63</u>
TAX EXPENSES	<u>21 9,777,753.96</u>	<u>6,828,438.25</u>	<u>9,777,753.96</u>	<u>6,828,438.25</u>
PROFIT FOR THE PERIOD	<u>419,625,812.13</u>	<u>256,506,049.99</u>	<u>420,314,983.90</u>	<u>257,957,693.38</u>
<b>OTHER COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD :</b>				
ITEM THAT WILL BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS:				
Exchange differences on translating financial statement	(203,459.12)	(882,508.86)	-	-
TOTAL ITEM THAT WILL BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS:	<u>(203,459.12)</u>	<u>(882,508.86)</u>	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>419,422,353.01</u>	<u>255,623,541.13</u>	<u>420,314,983.90</u>	<u>257,957,693.38</u>
BASIC EARNINGS PER SHARE	<u>0.26</u>	<u>0.16</u>	<u>0.26</u>	<u>0.16</u>
THE WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES (SHARE)	<u>22 1,599,999,999</u>	<u>1,599,999,999</u>	<u>1,599,999,999</u>	<u>1,599,999,999</u>

The accompanying notes to interim financial statements  
are an integral part of these interim financial statements.



(Mr. Yul Yoon)




(Mr. Seung Woo Lee)

DIRECTOR

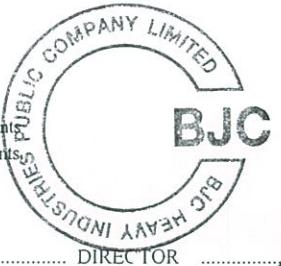
BJC HEAVY INDUSTRIES PUBLIC COMPANY LIMITED  
STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE NINE - MONTH PERIODS ENDED SEPTEMBER 30, 2015

Note	B A H T			
	FOR THE NINE - MONTH PERIODS ENDED SEPTEMBER 30,			
	FINANCIAL STATEMENTS IN WHICH THE EQUITY METHOD IS APPLIED		SEPARATE FINANCIAL STATEMENTS	
	2015	2014	2015	2014
<b>REVENUES</b>				
Contract revenues	3,554,372,717.72	3,092,922,287.63	3,554,372,717.72	3,092,922,287.63
Other income				
- Gain on exchange rate	19	83,443,224.43	4,292,748.42	83,443,224.43
- Others		25,934,603.07	35,119,922.15	25,934,603.07
Total Revenues	<u>3,663,750,545.22</u>	<u>3,132,334,958.20</u>	<u>3,663,750,545.22</u>	<u>3,132,334,958.20</u>
<b>EXPENSES</b>				
Contract cost	2,575,632,638.09	2,201,059,743.61	2,575,632,638.09	2,201,059,743.61
Selling expenses	40,384,991.39	25,913,861.36	40,384,991.39	25,913,861.36
Administrative expenses	269,046,334.62	236,507,410.78	269,046,334.62	236,507,410.78
Finance costs	1,191,565.62	751,860.25	1,191,565.62	751,860.25
Total Expenses	<u>2,886,255,529.72</u>	<u>2,464,232,876.00</u>	<u>2,886,255,529.72</u>	<u>2,464,232,876.00</u>
<b>SHARE OF PROFIT (LOSS) OF ASSOCIATE</b>				
	<u>(3,392,783.15)</u>	<u>(1,451,643.39)</u>	-	-
<b>PROFIT BEFORE INCOME TAX EXPENSES</b>				
	774,102,232.35	666,650,438.81	777,495,015.50	668,102,082.20
<b>TAX EXPENSES</b>				
	21	<u>13,380,960.58</u>	<u>10,217,106.46</u>	<u>13,380,960.58</u>
<b>PROFIT FOR THE PERIOD</b>				
		<u>760,721,271.77</u>	<u>656,433,332.35</u>	<u>764,114,054.92</u>
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>				
FOR THE PERIOD :				
ITEM THAT WILL BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS:				
Exchange differences on translating financial statement	(767,321.14)	(882,508.86)	-	-
TOTAL ITEM THAT WILL BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS:				
	<u>(767,321.14)</u>	<u>(882,508.86)</u>	-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>				
		<u>759,953,950.63</u>	<u>655,550,823.49</u>	<u>764,114,054.92</u>
<b>BASIC EARNINGS PER SHARE</b>				
		<u>0.48</u>	<u>0.41</u>	<u>0.48</u>
<b>THE WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES (SHARE)</b>	22	<u>1,599,999,999</u>	<u>1,599,999,999</u>	<u>1,599,999,999</u>

The accompanying notes to interim financial statements  
are an integral part of these interim financial statements.



(Mr. Yul Yoon)




(Mr. Seung Woo Lee)

DIRECTOR

BJC HEAVY INDUSTRIES PUBLIC COMPANY LIMITED  
STATEMENTS OF CASH FLOWS  
FOR THE NINE - MONTH PERIODS ENDED SEPTEMBER 30, 2015

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FOR THE NINE - MONTH PERIODS ENDED SEPTEMBER 30,

	FINANCIAL STATEMENTS IN WHICH THE EQUITY METHOD IS APPLIED		SEPARATE FINANCIAL STATEMENTS	
	2015	2014	2015	2014
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Net profit	760,721,271.77	656,433,332.35	764,114,054.92	657,884,975.74
Adjustments to reconcile net profit to net cash provided by (used in)				
from operating activities				
Interest income	7,936,286.99	(12,379,340.39)	7,936,286.99	(12,379,340.39)
Depreciation and amortization	72,104,339.52	59,750,638.96	72,104,339.52	59,750,638.96
Interest expenses	1,191,565.62	751,860.25	1,191,565.62	751,860.25
Income tax expenses	13,380,960.58	10,217,106.46	13,380,960.58	10,217,106.46
Share of loss (profit) of associate	3,392,783.15	1,451,643.39	-	-
Unrealized loss (gain) from securities for trading	(6,028.83)	(8,193,369.44)	(6,028.83)	(8,193,369.44)
Unrealized loss (gain) on exchange rate	(163,431,346.37)	28,943,568.38	(163,431,346.37)	28,943,568.38
Loss (gain) on sale of property, plant and equipment	(327,133.63)	(1,098,493.04)	(327,133.63)	(1,098,493.04)
Employee benefit expenses	3,052,470.00	1,618,695.00	3,052,470.00	1,618,695.00
Decrease (increase) in temporary investment	817,137,017.43	(810,708,284.63)	817,137,017.43	(810,708,284.63)
Decrease (increase) in trade receivables	317,997,279.81	(387,545,715.53)	317,997,279.81	(387,545,715.53)
Decrease (increase) in unbilled contract work in progress	(828,188,265.58)	(217,066,993.53)	(828,188,265.58)	(217,066,993.53)
Decrease (increase) in other receivables	15,652,925.64	(15,120,361.69)	15,652,925.64	(15,120,361.69)
Decrease (increase) in inventory	(422,357,028.47)	(53,765,441.35)	(422,357,028.47)	(53,765,441.35)
Decrease (increase) in other current assets - refund claim value added tax	(12,596,037.61)	1,794,220.67	(12,596,037.61)	1,794,220.67
Decrease (increase) in other current assets - advance payment				
for material and services	(89,487,041.29)	(23,838,956.71)	(89,487,041.29)	(23,838,956.71)
Decrease (increase) in other current assets - retention	(12,812,617.38)	(57,389,565.97)	(12,812,617.38)	(57,389,565.97)
Decrease (increase) in current assets - others	(845,149.14)	(328,159.26)	(845,149.14)	(328,159.26)
Decrease (increase) in other non - current assets -others	(3,904,400.00)	(16,726,552.92)	(3,904,400.00)	(16,726,552.92)
Increase (decrease) in bank overdrafts and				
short-term borrowings from financial institutions	83,031,791.23	-	83,031,791.23	-
Increase (decrease) in trade payables and				
accrued contract cost	277,835,777.20	(7,289,160.29)	277,835,777.20	(7,289,160.29)
Increase (decrease) in other payables -Income received in advance	(109,318,148.80)	157,085,216.68	(109,318,148.80)	157,085,216.68
Increase (decrease) in other payables -Accrued expenses	(18,960,202.28)	5,991,200.48	(18,960,202.28)	5,991,200.48
Increase (decrease) in other payables -others	(292,380.25)	822,223.10	(292,380.25)	822,223.10
Increase (decrease) in other current liabilities - retention	2,930,416.25	3,464,749.11	2,930,416.25	3,464,749.11
Increase (decrease) in other current liabilities - others	(1,693,928.85)	(1,678,880.56)	(1,693,928.85)	(1,678,880.56)
Interest income	(7,936,286.99)	12,379,340.39	(7,936,286.99)	12,379,340.39
Income tax expenses	(13,165,636.38)	(11,744,596.00)	(13,165,636.38)	(11,744,596.00)
Net cash inflow (outflow) from operating activities	691,043,253.34	(684,170,076.09)	691,043,253.34	(684,170,076.09)

BJC HEAVY INDUSTRIES PUBLIC COMPANY LIMITED  
STATEMENTS OF CASH FLOWS  
FOR THE NINE - MONTH PERIODS ENDED SEPTEMBER 30, 2015

B A H T

FOR THE NINE - MONTH PERIODS ENDED SEPTEMBER 30,

	FINANCIAL STATEMENTS IN WHICH THE EQUITY METHOD IS APPLIED		SEPARATE FINANCIAL STATEMENTS	
	2015	2014	2015	2014
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payment for purchase of investment in associate	-	(21,510,337.30)	-	(21,510,337.30)
Decrease (increase) in long - term investment - Bank deposit pledged as collateral	(189,276.97)	(176,912.07)	(189,276.97)	(176,912.07)
Decrease (increase) in other non - current assets				
advance payment for purchase of machinery	(9,528,363.25)	(113,144,082.62)	(9,528,363.25)	(113,144,082.62)
Payment for purchase of property, plant and equipment	(57,330,730.29)	(276,696,819.47)	(57,330,730.29)	(276,696,819.47)
Payment for purchase of intangible assets	(659,916.00)	(10,580,000.00)	(659,916.00)	(10,580,000.00)
Proceeds from sale of property, plant and equipment	386,562.12	1,569,795.01	386,562.12	1,569,795.01
Net cash inflow (outflow) from investing activities	(67,321,724.39)	(420,538,356.45)	(67,321,724.39)	(420,538,356.45)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Increase (decrease) in finance lease obligations	(5,917,528.40)	(5,813,699.27)	(5,917,528.40)	(5,813,699.27)
Dividend payment	(320,000,000.00)	(768,000,000.00)	(320,000,000.00)	(768,000,000.00)
Interest paid	(1,191,565.62)	(751,860.25)	(1,191,565.62)	(751,860.25)
Net cash inflow (outflow) from financing activities	(327,109,094.02)	(774,565,559.52)	(327,109,094.02)	(774,565,559.52)
<b>EFFECT FROM EXCHANGE RATE IN CASH AND CASH EQUIVALENTS</b>				
	4,354,409.35	(16,396,250.46)	4,354,409.35	(16,396,250.46)
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS - NET</b>				
	300,966,844.28	(1,895,670,242.52)	300,966,844.28	(1,895,670,242.52)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD</b>	<b>265,243,965.33</b>	<b>2,336,484,330.16</b>	<b>265,243,965.33</b>	<b>2,336,484,330.16</b>
<b>CASH AND CASH EQUIVALENTS, END OF PERIOD</b>	<b>566,210,809.61</b>	<b>440,814,087.64</b>	<b>566,210,809.61</b>	<b>440,814,087.64</b>
<b>ACTIVITIES NOT AFFECTING CASH :</b>				
Transfer advance payment for purchase machinery to property, plant and equipment	10,065,204.37	124,026,578.86	10,065,204.37	124,026,578.86
Increase in equipment by finance lease	-	11,421,743.46	-	11,421,743.46
Dividend payment by issuing ordinary shares	79,999,999.75	-	79,999,999.75	-

The accompanying notes to interim financial statements  
are an integral part of these interim financial statements

(Mr. Yul Yoon)



(Mr. Seung Woo Lee)

DIRECTOR

**BJC HEAVY INDUSTRIES PUBLIC COMPANY LIMITED**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE THREE - MONTH AND NINE - MONTH PERIODS ENDED SEPTEMBER 30, 2015**

**1. GENERAL INFORMATION**

**1.1 General matter**

The company was incorporated as a limited company under the Thai Civil and Commercial Code on April 19, 1994, and changed its status to a public limited company under the Public Limited Company Act on May 9, 2013 and the Company's shares had been approved to be listed in the Stock Exchange of Thailand on November 28, 2013. The address of its registered office is 594 Moo 4 Tumbol Makhamkoo, Amphur Nikompattana, Rayong. The company operates in Thailand, and its principal activities are the Manufacture of plant equipment and steel and concrete structure.

**1.2 Basis for preparation of the financial statements**

These interim financial statements are prepared in accordance with Accounting Standard No. 34 (revised 2014) "Interim Financial Reporting" which the Company choose to present condensed interim financial statements. However, the Company have 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 in the latest annual financial statements. Accordingly, they focus on new activities, events, and circumstances so as not duplicate information previously reported. These interim financial statements should be read in conjunction with the financial statements for the year ended December 31, 2014.

An English language version of the financial statements has been prepared from the statutory financial statements that were issued in Thai language. In case of conflict or difference in understanding, the financial statements in Thai language shall prevail.


  
 (Mr. Yul Yoon)
 


  
 (Mr. Seung Woo Lee)
 
DIRECTOR

1.3 Related parties

Enterprises that directly, or indirectly through one or more intermediaries, control, or are under common control with, the Company by through shareholding and / or directors, are as follows :

Name	Type of business	Relationship	Shareholding (%)
<u>Associated company</u>			
Aus-Com Training Services Pty Ltd. (Australia)	Training Service	Shareholding	30.10%

Related persons through shareholding and /or directors are as follows :

	<u>Relationship</u>
Mr. Kyu Young Lee	Shareholder and director
Mr. Young Joean Lee	Shareholder and director
Mr. Seung Woo Lee	Shareholder and director
Mrs. Chanchira Smakthai	Shareholder and director
Mr. Yul Yoon	Director
Mr. Ekachidd Chungcharoen	Director
Mr. Boonchuay Korkitrojana	Director
Mr. Noppadol Dheerabutrvongkul	Director
Ms. Pakavalee Jearasawatvattana	Director

1.4 Adoption of new financial reporting standards1.4.1 Financial reporting standards which are effective for the current period

During the period, the Company adopted a number of revised and new accounting standards, issued by the Federation of Accounting Professions, which are effective for financial statements year beginning on or after January 1, 2015 and relevant to the company's business as follows:

## Accounting Standard

- TAS 1 Presentation of Financial Statements (revised 2014)
- TAS 2 Inventories (revised 2014)
- TAS 7 Statement of Cash Flows (revised 2014)
- TAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (revised 2014)
- TAS 10 Events After the Reporting Period (revised 2014)
- TAS 11 Construction Contracts (revised 2014)
- TAS 12 Income Taxes (revised 2014)
- TAS 16 Property, Plant and Equipment (revised 2014)
- TAS 17 Leases (revised 2014)
- TAS 18 Revenue (revised 2014)
- TAS 19 Employee Benefits (revised 2014)
- TAS 21 The Effects of Changes in Foreign Exchange Rates (revised 2014)
- TAS 24 Related Party Disclosures (revised 2014)
- TAS 27 Separate Financial Statements (revised 2014)
- TAS 28 Investments in Associates and Joint Ventures (revised 2014)

.....  ..... DIRECTOR  
 (Mr. Yul Yoon) ..... (Mr. Seung Woo Lee) ..... DIRECTOR

TAS 33 Earnings per Share (revised 2014)  
 TAS 34 Interim Financial Reporting (revised 2014)  
 TAS 36 Impairment of Assets (revised 2014)  
 TAS 37 Provisions, Contingent Liabilities and Contingent Assets (revised 2014)  
 TAS 38 Intangible assets (revised 2014)  
 Financial Reporting Standard  
 TFRS 8 Operating Segments (revised 2014)  
 TFRS 12 Disclosure of Interests in Other Entities

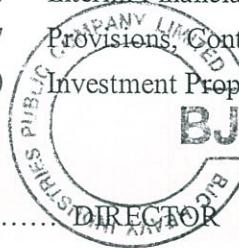
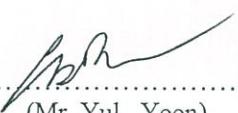
Adoption of the above financial reporting standards in the current period do not have material effect on the interim financial statements

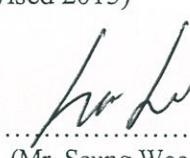
#### 1.4.2 Financial reporting standards which are not effective for the current year

During the period, the Federation of Accounting Professions has issued the revised and new accounting standards, financial reporting standards, accounting standard interpretations and financial reporting standard interpretations, which are effective for financial statements period beginning on or after January 1, 2015 as follows.

##### Accounting Standards

TAS 1 Presentation of Financial Statements (revised 2015)  
 TAS 2 Inventories (revised 2015)  
 TAS 7 Statement of Cash Flows (revised 2015)  
 TAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (revised 2015)  
 TAS 10 Events After the Reporting Period (revised 2015)  
 TAS 11 Construction Contracts (revised 2015)  
 TAS 12 Income Taxes (revised 2015)  
 TAS 16 Property, Plant and Equipment (revised 2015)  
 TAS 17 Leases (revised 2015)  
 TAS 18 Revenue (revised 2015)  
 TAS 20 Accounting for Government Grants and Disclosure of Government Assistance (revised 2015)  
 TAS 21 The Effects of Changes in Foreign Exchange Rate (revised 2015)  
 TAS 23 Borrowing Costs (revised 2015)  
 TAS 24 Related Party Disclosures (revised 2015)  
 TAS 26 Accounting and Reporting by Retirement Benefit Plans (revised 2015)  
 TAS 27 Separate Financial Statements (revised 2015)  
 TAS 28 Investments in Associates and Joint Venture (revised 2015)  
 TAS 29 Financial Reporting in Hyperinflationary Economics (revised 2015)  
 TAS 33 Earnings per Share (revised 2015)  
 TAS 34 Interim Financial Reporting (revised 2015)  
 TAS 37 Provisions, Contingent Liabilities and Contingent Assets (revised 2015)  
 TAS 40 Investment Property (revised 2015)

  
 (Mr. Yul Yoon) 

Director  
 (Mr. Seung Woo Lee) 

## Financial Reporting Standards

- TFRS 3 Business Combinations (revised 2015)
- TFRS 4 Insurance Contracts (revised 2015)
- TFRS 5 Non - current Assets Held for Sale and Discontinued Operations (revised 2015)
- TFRS 6 Exploration for and Evaluation of Mineral Resources (revised 2015)
- TFRS 8 Operating Segments (revised 2015)
- TFRS 11 Joint Arrangements (revised 2015)
- TFRS 12 Disclosure of Interests in Other Entities (revised 2015)

## Accounting Standard Interpretations

- TSIC 10 Government Assistance - No Specific Relation to Operating Activities (revised 2015)
- TSIC 15 Operating Leases - Incentives (revised 2015)
- TSIC 25 Income Taxes - Changes in the Tax Status of an Entity or its Shareholders (revised 2015)
- TSIC 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease (revised 2015)
- TSIC 29 Service Concession Arrangements : Disclosures (revised 2015)
- TSIC 31 Revenue - Barter Transactions Involving Advertising Services (revised 2015)
- TSIC 32 Intangible Assets - Web Site Costs (revised 2015)

## Financial Reporting Standard Interpretations

- TFRIC 1 Changes in Existing Decommissioning, Restoration and Similar Liabilities (revised 2015)
- TFRIC 4 Determining whether an Arrangement contains a Lease (revised 2015)
- TFRIC 5 Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds (revised 2015)
- TFRIC 7 Applying the Restatement Approach under TAS29 (revised 2015) Financial Reporting in Hyperinflationary Economies (revised 2015)
- TFRIC 10 Interim Financial Reporting and Impairment (revised 2015)
- TFRIC 12 Service Concession Arrangements (revised 2015)
- TFRIC 13 Customer Loyalty Programmes (revised 2015)
- TFRIC 14 TAS 19 (revised 2015) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction (revised 2015)
- TFRIC 15 Agreements for the Construction of Real Estate (revised 2015)
- TFRIC 17 Distributions of Non - cash Assets to Owners (revised 2015)
- TFRIC 18 Transfers of Assets from Customers (revised 2015)
- TFRIC 20 Stripping Costs in the Production Phase of a Surface Mine (revised 2015)

.....  ..... DIRECTOR  
 (Mr. Yul Yoon) ..... DIRECTOR  
 (Mr. Seung Woo Lee)

The management of the Company has assessed that TAS 1, TAS 2, TAS 7, TAS 8, TAS 10, TAS 11, TAS 12, TAS 16, TAS 17, TAS 18, TAS 21, TAS 24, TAS 27, TAS 28, TAS 33, TAS 34, TAS 37 and TFRS 8 will not have material impact on the financial statements when it is applied. For the other TAS, TFRS, TSIC and TFRIC are not relevant to the Company's business, therefore they do not have impact on the financial statement when they are applied.

## 2. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements are prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended December 31, 2014.

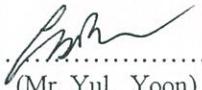
## 3. CASH AND CASH EQUIVALENTS

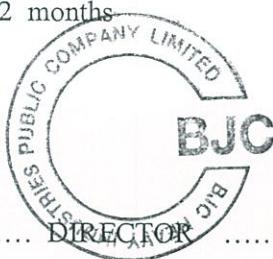
B A H T			
FINANCIAL STATEMENTS IN WHICH			
THE EQUITY METHOD IS APPLIED			
AND SEPARATE			
FINANCIAL STATEMENTS			
	As of	As of	
	September 30, 2015	December 31, 2014	
	(Unaudited)	(Audited)	
	but reviewed)		
Cash	206,671.01	111,590.40	
Current and saving deposits at banks	121,145,718.75	265,132,374.93	
Short-term highly liquid investment with an maturity of three months	444,858,419.85	-	
Total cash and cash equivalents	<u>566,210,809.61</u>	<u>265,243,965.33</u>	

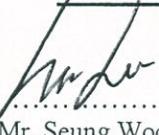
## 4. TRADE RECEIVABLES

As of September 30, 2015 and December 31, 2014, the trade receivables are classified by aging as follows :

B A H T			
FINANCIAL STATEMENTS IN WHICH			
THE EQUITY METHOD IS APPLIED			
AND SEPARATE			
FINANCIAL STATEMENTS			
	As of	As of	
	September 30, 2015	December 31, 2014	
	(Unaudited)	(Audited)	
	but reviewed)		
Current	431,739,662.12	363,704,442.24	
Overdue			
Less than 3 months	78,567,848.88	553,120,399.32	
Over 3 months to 6 months	136,790,199.64	16,723,234.35	
Over 6 months to 12 months	2,165,591.99	1,428,828.13	
Over 12 months	61,846.00	-	
Total	<u>649,325,148.63</u>	<u>934,976,904.04</u>	

  
 ..... (Mr. Yul Yoon)



  
 ..... (Mr. Seung Woo Lee)

DIRECTOR

5. UNBILLED CONTRACT WORK AND INCOME RECEIVED IN ADVANCE**Unbilled contract work**

Project value as per contract

Accumulated amount recognized as revenue  
on percentage of completion basisLess Value of total billedAdd Differences arising from currency  
translation

Unbilled contract work

**Income received in advance**

Project value as per contract

Value of total billed

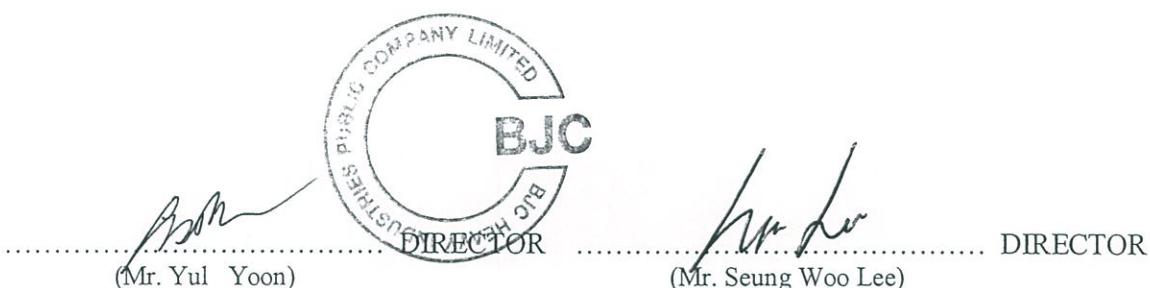
Less Accumulated amount recognized as  
revenue on percentage of completion basis

Income received in advance

B A H T	
FINANCIAL STATEMENTS IN WHICH THE EQUITY METHOD IS APPLIED AND SEPARATE FINANCIAL STATEMENTS	
As of September 30, 2015	As of December 31, 2014
(Unaudited but reviewed)	(Audited)
8,424,230,405.94	8,025,245,235.51
7,570,345,921.03	6,362,529,118.40
(5,513,803,282.97)	(5,104,363,400.51)
194,408,134.47	-
<u>2,250,950,772.53</u>	<u>1,258,165,717.89</u>
-	1,395,853,987.63
-	361,814,976.73
-	(252,496,827.93)
<u>-</u>	<u>109,318,148.80</u>

CONTRACTS IN PROGRESS

As of September 30, 2015 and 2014, the Company has the aggregate amount of costs incurred and recognized profit to date approximately amounted to Baht 3,140.79 million and Baht 2,035.62 million respectively.

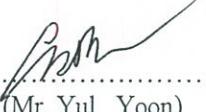
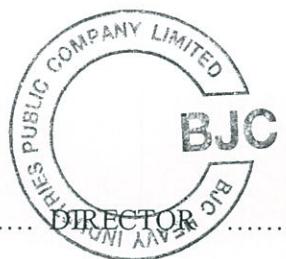


6. OTHER RECEIVABLES

B A H T			
FINANCIAL STATEMENTS IN WHICH			
THE EQUITY METHOD IS APPLIED			
AND SEPARATE			
FINANCIAL STATEMENTS			
	As of	As of	
	September 30, 2015	December 31, 2014	
	(Unaudited)	(Audited)	
	but reviewed)		
Prepaid expenses	4,295,275.80	17,689,849.28	
Advance	2,243,509.53	4,938,554.44	
Others	1,855,524.75	1,418,832.00	
Total	<u><u>8,394,310.08</u></u>	<u><u>24,047,235.72</u></u>	

7. INVENTORY

B A H T			
FINANCIAL STATEMENTS IN WHICH			
THE EQUITY METHOD IS APPLIED			
AND SEPARATE			
FINANCIAL STATEMENTS			
	As of	As of	
	September 30, 2015	December 31, 2014	
	(Unaudited)	(Audited)	
	but reviewed)		
Raw material and supplies	691,231,124.28	437,566,480.00	
Goods in transit	219,587,573.22	50,895,189.03	
Total	<u><u>910,818,697.50</u></u>	<u><u>488,461,669.03</u></u>	

.....  (Mr. Yul Yoon)  .....  (Mr. Seung Woo Lee) ..... DIRECTOR

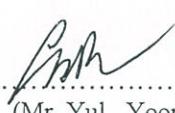
8. INVESTMENT IN ASSOCIATE

Name <u>Associate</u>	Type of Business	Relationship	Authorized	Share	B A H T		
			share capital (Million AUD)	holding (%)	As of September 30, 2015		
			Cost Method	Equity method	Dividend	(Unaudited but reviewed)	
Aus-Com Training. Service Pty Ltd.	Training Services	Holding	2.24	30.10%	<u>21,510,337.30</u>	<u>13,237,843.18</u>	-

Name <u>Associate</u>	Type of Business	Relationship	Authorized	Share	B A H T		
			share capital (Million AUD)	holding (%)	As of December 31, 2014		
			Cost Method	Equity method	Dividend	(Audited)	
Aus-Com Training. Service Pty Ltd.	Training Services	Holding	2.24	30.10%	<u>21,510,337.30</u>	<u>17,397,947.47</u>	-

On August 25, 2014, the Company has paid for investment in Aus-Com Training Services Pty Ltd., a company incorporated in Australia. The investment was approved by the Board of Directors Meeting on August 11, 2014.

In the financial statements in which the equity method is applied, the Company recorded investment in associate as of September 30, 2015 amounted to Baht 13.24 million (equivalent to 0.22% of total assets) and share of loss in associate for the three-month and nine-month periods ended September 30, 2015 amounted to Baht 0.69 million and Baht 3.39 million respectively (equivalent to 0.16% and 0.45% of profit for the three-month and nine-month periods respectively) based on the unreviewed interim financial information of the associate for the said period.

  
 (Mr. Yul Yoon)   
 (Mr. Seung Woo Lee)  DIRECTOR

9. PROPERTY, PLANT AND EQUIPMENT - NET

<u>BAHT</u>	
<u>FINANCIAL STATEMENTS IN WHICH THE EQUITY METHOD IS APPLIED AND SEPARATE FINANCIAL STATEMENTS</u>	
Net book value as of December 31, 2014 (audited)	1,140,006,006.98
<u>Add</u> Acquisitions during period - at cost	67,441,953.36
<u>Less</u> Sale and disposal during the period - at net book value	(105,447.19)
Depreciation for the period	<u>(70,846,502.69)</u>
Net book value as of September 30, 2015 (unaudited but reviewed)	1,136,496,010.46

As of September 30, 2015 and December 31, 2014, a part of land are mortgaged to a local bank as collateral for credits line of bank overdraft and letter of guarantee amount of Baht 202.91 million.

10. INTANGIBLE ASSETS - NET

<u>BAHT</u>	
<u>FINANCIAL STATEMENTS IN WHICH THE EQUITY METHOD IS APPLIED AND SEPARATE FINANCIAL STATEMENTS</u>	
Net book value as of December 31, 2014 (audited)	13,674,711.14
<u>Add</u> Increased during period - at cost	659,916.00
<u>Less</u> Amortization for the period	<u>(1,257,836.83)</u>
Net book value as of September 30, 2015 (unaudited but reviewed)	13,076,790.31

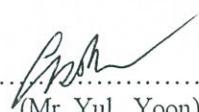
11. CREDIT FACILITIES

As of September 30, 2015 and December 31, 2014, the Company has credit facilities with two banks for overdraft and loan facilities which are guaranteed by bank deposit, mortgaged part of land and building as of September 30, 2015 and are guaranteed by bank deposit, mortgaged part of land and building and a director of the Company as of December 31, 2014

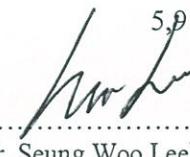
<u>MILLION BAHT</u>	
<u>FINANCIAL STATEMENTS IN WHICH THE EQUITY METHOD IS APPLIED AND SEPARATE FINANCIAL STATEMENTS</u>	
As of September 30, 2015	As of December 31, 2014
(Unaudited but reviewed)	(Audited)
Overdraft and loan facilities	110.00
Letter of Guarantee - Existing facilities	380.00
Letter of Guarantee, Letter of credits and trust receipts - New facilities	5,919.20
	50.00
	390.00
	1,499.68



Heavy Industries Public Company Limited  
Director BJC



(Mr. Yul Yoon)



(Mr. Seung Woo Lee)

12. BANK OVERDRAFT AND SHORT - TERM BORROWINGS  
FROM FINANCIAL INSTITUTION

B A H T	
FINANCIAL STATEMENTS IN WHICH THE EQUITY METHOD IS APPLIED AND SEPARATE FINANCIAL STATEMENTS	
As of September 30, 2015 (Unaudited but reviewed)	As of December 31, 2014 (Audited)
Bank overdraft	19,509,235.71
Trust receipts	-
- USD 1.75 million (interest rate of 1.65% p.a.)	63,815,751.88
Total	<u>83,324,987.59</u>

Bank overdraft and short-term loan from a financial institution are secured by the mortgage of the Company's assets, as described in Note 11 to the interim financial statement.

13. FINANCE LEASE OBLIGATIONS

B A H T	
FINANCIAL STATEMENTS IN WHICH THE EQUITY METHOD IS APPLIED AND SEPARATE FINANCIAL STATEMENTS	
As of September 30, 2015 (Unaudited but reviewed)	As of December 31, 2014 (Audited)
Finance lease obligations	
- Vehicles	17,252,144.00
- Office equipment	17,120.00
<u>Less</u> Deferred interest	<u>(1,426,164.50)</u>
	15,843,099.50
<u>Less</u> Current portion	<u>(6,536,368.00)</u>
Finance lease obligations - net	<u>9,306,731.50</u>

As of September 30, 2015 and December 31, 2014, the Company has finance lease obligations with the period of payment as follows :

	B A H T		
	As of September 30, 2015		
	Principal	Deferred interest	Total
Payment due within 1 year	6,536,368.00	848,425.00	7,384,793.00
Payment due over 1 year to 5 years	<u>9,306,731.50</u>	<u>577,739.50</u>	<u>9,884,471.00</u>
<u>Total</u>	<u>15,843,099.50</u>	<u>1,426,164.50</u>	<u>17,269,264.00</u>

.....  DIRECTOR .....  
 (Mr. Yul Yoon) ..... (Mr. Seung Woo Lee) ..... DIRECTOR

	B A H T		
	As of December 31, 2014		
	Principal	Deferred interest	Total
Payment due within 1 year	7,716,211.98	1,182,642.02	8,898,854.00
Payment due over 1 year to 5 years	14,044,415.92	1,172,162.09	15,216,578.01
Total	<u>21,760,627.90</u>	<u>2,354,804.11</u>	<u>24,115,432.01</u>

Under the term of lease contracts referred to above, the Company have the right to purchase the assets at the quoted price at the expiry date of the leases contracts and the Company have to comply with certain conditions and restriction as specified in the lease contracts.

#### 14. EMPLOYEE BENEFIT OBLIGATION

- Movement in the present value of the employee benefit obligation

	B A H T	
	For the nine-month period ended September 30,	
	2015	2014
Beginning balance of employee benefit obligation (Audited)	12,026,872.00	10,538,113.00
Current service cost and interest	<u>3,052,470.00</u>	<u>1,618,695.00</u>
Ending balance of employee benefit obligation (unaudited but reviewed)	<u>15,079,342.00</u>	<u>12,156,808.00</u>

- Expenses recognized in profit or loss for the three-month and nine-month periods ended September 30, 2015 and 2014 are as follow :

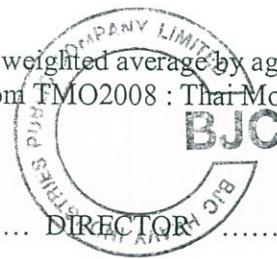
	BAHT			
	For the three-month period ended September 30		For the nine-month period ended September 30	
	2015	2014	2015	2014
- Current service costs	981,439.00	446,103.00	2,944,330.00	1,338,321.00
- Interest cost	84,014.00	93,458.00	108,140.00	280,374.00
- Actuarial gain (loss)	-	-	-	-
Total	<u>1,065,453.00</u>	<u>539,561.00</u>	<u>3,052,470.00</u>	<u>1,618,695.00</u>

- Principal actuarial assumptions as of September 30, 2015 and December 31, 2014

	PERCENT	
	As of September 30, 2015	As of December 31, 2014
Discount rate	2.85	2.85
Salary increase rate	5	5
Employee turnover rate	0-0.15*	0-0.18*
Mortality rate	TMO2008**	TMO2008**

\* Based on the weighted average by age group of employees

\*\* Reference from TMO2008 : Thai Mortality Ordinary Table 2008



..... (Mr. Yul Yoon) ..... (Mr. Seung Woo Lee) DIRECTOR

- Sensitivity analysis of significant actuarial assumptions

Significant actuarial assumptions for sensitivity analysis are discount rate, salary increase rate and mortality, while holding all other assumptions constant. The sensitivity analysis of change in the relevant actuarial assumption that were reasonably possible as of September 30, 2015 as follows:

- If the discount rate increases (decreases) by 1%, the employee benefit obligation would decrease Baht 0.27 million (increase Baht 0.23 million).
- If the salary increase rate increases (decreases) by 1%, the employee benefit obligation would increase Baht 0.29 million (decrease Baht 0.26 million).
- If the life expectancy increases (decreases) by one year for all employees, the employee benefit obligation would increase (decrease) Baht 0.01 million.

In presenting the above sensitivity analysis, the present value of the employee benefit obligation has been calculated by using the same method that applied in calculating the employee benefit obligation recognized in the statement of financial position.

## 15. SHARE CAPITAL

At the Annual General Meeting of the shareholders on April 27, 2015, the shareholders approved a resolution as following:

-The decrease in par value of the Company's share from Baht 1.00 per share to Baht 0.25 per share resulting number of shares increase from 320 million shares at Baht 1.00 per share to 1,280 million shares at Baht 0.25 per share. Therefore authorized and issued and paid-up share capital are remaining the same. This was registered with the Ministry of Commerce on April 29, 2015.

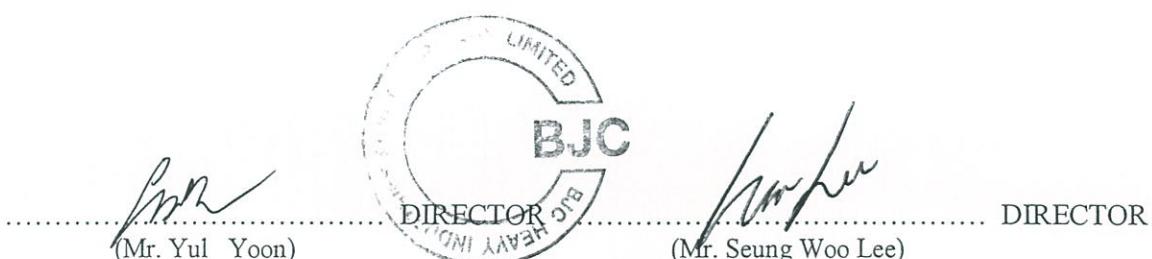
-The increase of registered share capital of the Company from Baht 320 million (1,280 ordinary shares of Baht 0.25 each) to Baht 400 million (1,600 ordinary shares of Baht 0.25 each). The issuance of new 320 million ordinary shares, to be reserved for the stock dividend payment. This was registered with the Ministry of Commerce on May 26, 2015.

The Company registered the allocation of 319,999,999 ordinary shares (Issued and paid up share capital) and amended Memorandum of Association of company with the Ministry of Commerce on May 26, 2015. These ordinary share can be traded in the Stock Exchange of Thailand on May 28, 2015

## 16. DIVIDEND PAYMENT

At the Annual General Meeting of the Shareholders on April 27, 2015, the shareholders approved to pay the dividend from the result of it's operation in year 2014 to profit from BOI business in the form of cash Baht 0.25 per 1 existing share, with the total not exceeding Baht 320 million (calculated from the par value of Baht 0.25 per shares), and stock dividend payment, dividend not exceeding 320 million shares at the par value of Baht 0.25 per share (Stock Dividend) in the ratio of 4 existing shares per 1 stock dividend share, or not to exceeding Baht 80 million or in total not to exceeding Baht 400 million, and paid dividend on May 26, 2015.

At the Annual General Meeting of the shareholders on April 25, 2014 the shareholders approved to pay dividend from the result of it's operation in year 2013 to Profit from BOI business Directors approved to pay interim dividend from retained earnings at Baht 2.40 per share total amount of Baht 768.00 Million and paid on May 23, 2014.



17. LEGAL RESERVE

Under the Public Limited Companies Act., the Company is required to set aside as legal reserve of at least 5% of its net profit of each year after deduction of deficit (if any) until the reserve reaches 10% of authorized share capital. This reserve is not available for dividend distribution.

18. PROVIDENT FUNDS

The Company has established the provident fund for its employee in year 2013. Each employee to contribute 5% of the gross salary and the Company contributes the same amount. The fund is managed by a local finance institution under Provident Fund Act. (B.E.2530) and Provident Fund Act. (No.2 B.E.2542).

The Company has contributed to the fund for the three-month periods ended September 30, 2015 and 2014 amounted to Baht 0.63 million and Baht 0.58 million respectively and for the nine-month periods ended September 30, 2015 and 2014 amounted to Baht 1.85 million and Baht 1.63 million respectively.

19. GAIN (LOSS) ON EXCHANGE RATE

	BAHT			
	For the three-month period ended September 30		For the nine-month period ended September 30	
	2015	2014	2015	2014
Realized gain (loss)	5,831,003.91	(11,414,568.71)	(79,988,121.94)	33,311,617.02
Unrealized gain (loss)	113,671,651.00	(41,718,016.56)	163,431,346.37	(29,018,868.60)
Total	<u>119,502,654.91</u>	<u>(53,132,585.27)</u>	<u>83,443,224.43</u>	<u>4,292,748.42</u>

20. EXPENSES BY NATURE

The expenditure items of expenses classified by nature for the three - month and nine-month periods ended September 30, 2015 and 2014 are as follows :

	B A H T	
	For the three-month period ended September 30,	
	2015	2014
Raw material and supplies use	436,124,760.26	407,529,760.94
Employee expenses	81,601,661.62	185,427,757.22
Services cost	305,873,540.12	157,577,174.77
Labor cost	39,235,806.02	90,541,559.26
Depreciation and amortization	24,840,076.71	22,929,134.42

	B A H T	
	For the nine-month period ended September 30,	
	2015	2014
Raw material and supplies use	1,105,325,399.75	1,105,824,576.48
Employee expenses	368,339,313.31	516,922,970.15
Services cost	842,710,042.45	346,527,520.77
Labour cost	232,680,487.85	234,784,895.67
Depreciation and amortization	72,104,339.52	59,750,638.96

.....  DIRECTOR  
 (Mr. Yul Yoon) ..... (Mr. Seung Woo Lee) DIRECTOR

## 21. INCOME TAX

The Company received promotional privileges from the Board of Investment including exemption from corporate income tax in BOI - promoted industries (as stated in the note to financial statement 25).

The income tax rate being used is 20%.

- Tax expenses for three - month and nine-month periods ended September 30, 2015 and 2014 consisted of:

	B A H T			
	For the three-month period ended September 30,		For the nine-month period ended September 30,	
	2015	2014	2015	2014
Current tax expense	9,990,844.56	6,936,350.45	13,857,552.78	10,540,845.46
Deferred tax expense (income) of Temporary difference	<u>(213,090.60)</u>	<u>(107,912.20)</u>	<u>(476,592.20)</u>	<u>(323,739.00)</u>
Tax expense (income) reported in statement of comprehensive income	<u>9,777,753.96</u>	<u>6,828,438.25</u>	<u>13,380,960.58</u>	<u>10,217,106.46</u>

- Reconciliation between income tax expense and the product of accounting profit multiplied by the applicable tax rates for the period ended September 30, 2015 and 2014 as follow:

	B A H T	
	For the nine-month period ended September 30,	
	2015	2014
Accounting profit before tax	<u>777,495,015.75</u>	<u>668,102,082.20</u>
Applicable tax rate	<u>20%</u>	<u>20%</u>
Accounting profit before tax multiplied by applicable tax rate	<u>13,857,552.78</u>	<u>10,540,845.46</u>
Deferred tax asset item	<u>(476,592.20)</u>	<u>(323,739.00)</u>
Tax expense reported in statements of income	<u>13,380,960.58</u>	<u>10,217,106.46</u>

- The components of deferred tax asset is as follows :

	B A H T	
	September 30, 2015	December 31, 2014
<b>Deferred tax assets</b>		
Employee benefit obligation	<u>3,015,868.20</u>	<u>2,539,276.00</u>

  
(Mr. Yul Yoon)



  
(Mr. Seung Woo Lee)

DIRECTOR

22. WEIGHTED AVERAGE OF ORDINARY SHARES

According to the change in par value of the share capital as mentioned in notes to interim financial statements No.15 and stock dividend payment as mentioned in notes to interim financial statements No.16, the company has adjusted the weighted average number of ordinary shares used in recalculation of the earnings per share for the periods ended September 30, 2015 and 2014 to reflect the effect of the change of number of share to earnings per share as follows:

	Shares	
	For the three - month and nine - month periods ended September 30	
	2015	2014
Beginning balance of ordinary shares - previously	320,000,000	320,000,000
<u>Add</u> Change in par value of the ordinary share from Baht 1 per share to Bath 0.25 per share	960,000,000	960,000,000
Weighted average number of ordinary shares after change in par value	1,280,000,000	1,280,000,000
<u>Add</u> Increased share capital from stock dividend payment on May 26, 2015	319,999,999	319,999,999
Weighted average number of ordinary shares - revised	1,599,999,999	1,599,999,999

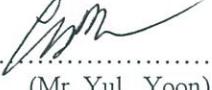
23. TRANSACTIONS WITH RELATED PARTIES

23.1 The outstanding balance of significant business transactions with related person as of September 30, 2015 and December 31,2014 are as follows :

MILLION BAHT		
September 30, 2015	December 31, 2014	
(Unaudited but reviewed)	(Audited)	

The outstanding balancesGuarantee

Mrs. Chanchira Smakthai	0.21	0.21
-------------------------	------	------



(Mr. Yul Yoon)




DIRECTOR  
(Mr. Seung Woo Lee)

The transactions with related person for the three-month and nine-month periods ended September 30, 2015 and 2014 are as follows:

	MILLION BAHT			
	For the three-month period ended September 30	For the nine-month period ended September 30	2015	2014
<u>The transactions during the year</u>				<u>Transfer pricing policy</u>
Mrs. Chanchira Smakthai Rental expenses	0.21	0.21	0.63	0.63
	At the price agreed up on By both parties and under Fair value			

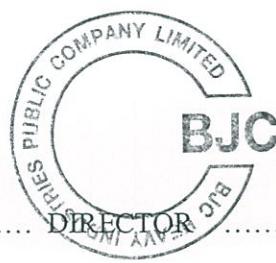
## 23.2 MANAGEMENT BENEFIT EXPENSES

Management benefit expenses consist of salary, bonus and other benefits of directors and management of the Company.

Management benefit expenses for the three - month and nine-month periods ended September 30, 2015 and 2014, follows.

	MILLION BAHT			
	For the three-month period ended September 30		For the nine-month period ended September 30,	
	2015	2014	2015	2014
Short-term employee benefits	4.77	6.10	15.98	27.51
Post employee benefits	0.10	0.04	0.34	0.13
<b>Total</b>	<b>4.87</b>	<b>6.14</b>	<b>16.32</b>	<b>27.64</b>

.....  
  
(Mr. Yul Yoon)



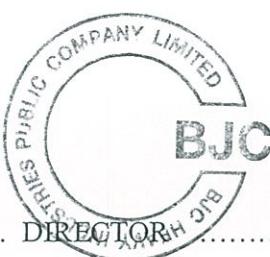
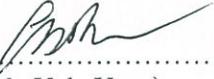
한우  
(Mr. Seung Woo Lee)

24. THE FINANCIAL INFORMATION BY SEGMENT

The Company proposed Financial Statements that classified by business segment and geography segment as Follows ;

1. Business Segment
  - 1.1 Contract revenues
  - 1.2 Service Income
2. Geography Segment
  - 2.1 Local
  - 2.2 Oversea

MILLION BAHT						
SEPARATE FINANCIAL STATEMENTS						
For the three-month period end						
	September 30, 2015			September 30, 2014		
	Oversea	Local	Total	Oversea	Local	Total
Contract revenues	1,305.73	-	1,305.73	1,231.46	-	1,231.46
Service revenues	-	12.51	12.51	-	13.34	13.34
Total Revenues	<u>1,305.73</u>	<u>12.51</u>	<u>1,318.24</u>	<u>1,231.46</u>	<u>13.34</u>	<u>1,244.80</u>
Gross profit(loss)	388.25	(1.70)	386.55	383.75	5.45	389.20
Other income and expenses						
Other income			5.73			9.93
Selling expenses			(2.02)			(10.61)
Administrative expenses			(79.14)			(70.31)
Gain(loss) on exchange rate			119.50			(53.13)
Finance costs			(0.53)			(0.29)
Income tax			(9.78)			(6.83)
Profit for the period			<u>420.31</u>			<u>257.96</u>

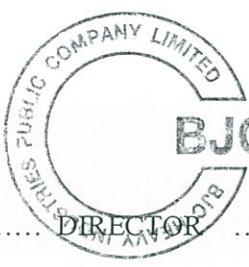
  
 .....  ..... DIRECTOR  
 (Mr. Yul Yoon) .....  ..... DIRECTOR  
 (Mr. Seung Woo Lee)

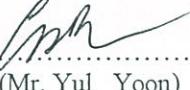
MILLION BAHT					
SEPARATE FINANCIAL STATEMENTS					
For the nine-month period end					
	September 30, 2015		September 30, 2014		
	Oversea	Local	Total	Oversea	Local
Contract revenues	3,509.68	-	3,509.68	3,069.88	-
Service revenues	-	44.69	44.69	-	23.04
Total Revenues	<u>3,509.68</u>	<u>44.69</u>	<u>3,554.37</u>	<u>3,069.88</u>	<u>23.04</u>
Gross profit(loss)	975.69	3.05	978.74	887.17	4.69
Other income			25.93		35.12
Selling expenses			(40.38)		(25.91)
Administrative expenses			(269.05)		(236.51)
Gain on exchange rate			83.44		4.29
Finance costs			(1.19)		(0.75)
Income tax			<u>(13.38)</u>		<u>(10.22)</u>
Profit for the period			<u>764.11</u>		<u>657.88</u>
	As of September 30, 2015			As of December 31, 2014	
	Oversea	Local	Total	Oversea	Local
Assets operations					
Trade receivables	632.69	16.63	649.32	919.29	15.69
Unbilled contract work	2,250.95	-	2,250.95	1,258.17	-
Inventory	861.40	49.42	910.82	446.84	41.62
General assets			<u>2,218.34</u>		<u>2,650.64</u>
Total assets			<u>6,029.43</u>		<u>5,332.25</u>

Major customer information

For the three - month and nine-month periods ended September 30, 2015 the Company has earned from 2 major customers from Overseas operating amounting to Baht 1,037.93 million and Baht 2,699.97 million respectively.

For the three - month and nine-month periods ended September 30, 2014, the Company has earned from 3 major customers from Overseas operating amounting to Baht 1,198.99 million and Baht 2,606.49 million respectively.





(Mr. Yul Yoon)



(Mr. Seung Woo Lee)

## 25. INDUSTRIAL PROMOTIONAL PRIVILEGES

The Company received promotional privileges from the Board of Investment and existing as of September 30, 2015 and December 31, 2014 four Promotional certificate.

To be entitled to the privileges, the Company must comply with the terms and conditions as specified in the promotional certificates.

## 26. CONTINGENT LIABILITIES

As of September 30, 2015 and December 31, 2014 the Company has contingent liabilities to banks for letters of guarantee as follow:

	MILLION	
	September 30, 2015	December 31, 2014
BAHT	32.03	37.21
US DOLLAR	41.26	14.53
AUSTRALIA DOLLAR	17.72	16.41
EURO	2.81	0.02

## 27. FINANCIAL INSTRUMENTS

### Foreign currency risk

The company is exposed to foreign currency risk primarily to foreign currency denominated assets and liabilities. As of September 30, 2015 and December 31, 2014, The company has entered into the foreign currency forward contracts with local banks to be a risk management instrument. The company will recognize in its financial statements at the end of contracts. The arising difference will be recorded in the statement of comprehensive income.

A circular stamp with the text "B.J.C. DIRECTORS" around the perimeter and "EX-ART INDUSTRIES PUBLIC COMPANY LIMITED" at the top. In the center, the letters "BJC" are prominently displayed above the word "DIRECTORS". To the left of the stamp is a handwritten signature "Yul Yoon" with a line pointing to the stamp. To the right is another handwritten signature "Seung Woo Lee" with a line pointing to the stamp. Below the stamp, the name "(Mr. Yul Yoon)" is written next to the first signature, and "(Mr. Seung Woo Lee)" is written next to the second.

As of September 30, 2015 and December 31, 2014 the balance of foreign currency assets and liabilities are as follows

	MILLION	
	As of September 30, 2015 (Unaudited)	As of December 31, 2014 (Audited)
but reviewed)		
<u>Foreign currency denominated assets</u>		
Bank deposits		
- US DOLLAR	0.22	0.84
- AUSTRALIA DOLLAR	22.22	8.70
Trade receivables		
- US DOLLAR	17.10	16.52
- AUSTRALIA DOLLAR	0.53	14.22
Trade receivables Un bill		
- US DOLLAR	60.36	-
- AUSTRALIA DOLLAR	2.62	-
Advance payment for purchase of material		
- US DOLLAR	-	0.06
Deposit		
- US DOLLAR	-	0.56
Retention		
- AUSTRALIA DOLLAR	11.48	10.98
Investment in Associates		
- AUSTRALIA DOLLAR	0.72	0.72

Foreign currency denominated liabilities

Trade payables			
- US DOLLAR	14.97	4.62	
- AUSTRALIA DOLLAR	-	0.07	
- WON	20.82	-	
- POUND STERLING	0.04	-	
Trust receipts			
- US DOLLAR	1.75	-	

As of September 30, 2015 The company has forward contracts for risk management instrument as follow :

Foreign currency	Sold amount	Contractual exchange rate	Contractual maturity date
USD	1,000,000.00	36.0680	16 October 2015
USD	6,500,000.00	36.0700	16 October 2015
USD	3,500,000.00	36.0700	16 November 2015



  
(Mr. Yul Yoon)

  
DIRECTOR  
(Mr. Seung Woo Lee)

Interest rate risk

The Company exposure to interest rate risk relates primarily to its cash at banks. However, since most of the Company financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

Credit risk

The Company is exposed to credit risk deal with the construction receivables. However, due to the majority construction contracts of Company are made with creditworthy customers, it does not anticipate material losses from its collection from trade receivables.

Fair value

The managements believe that the fair value of the Company's financial assets and liabilities does not materially differ from their carrying value.

28. RECLASSIFICATION OF ACCOUNT

Certain accounts in the financial statements as presented herein for comparative purpose have been reclassified to conform with the current year's classifications, with no effect on the profit (loss) for the year or shareholders' equity as previously reported. The significant reclassifications are as follows:

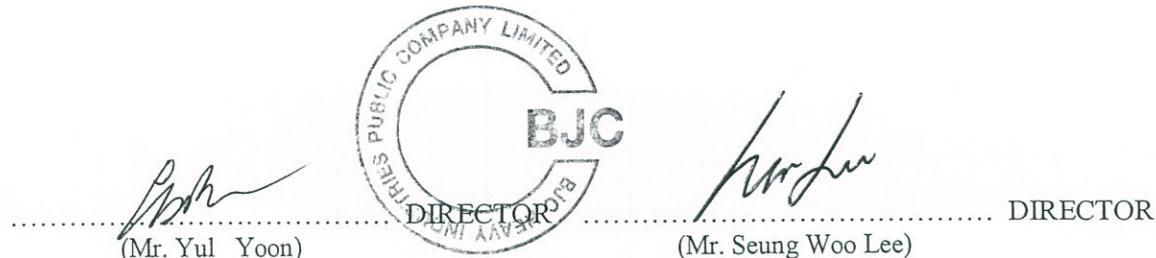
(Unit : Baht)

FINANCIAL STATEMENTS IN WHICH THE EQUITY  
METHOD IS APPLIED AND SEPARATE

## FINANCIAL STATEMENTS

As of December 31, 2014

	As previously reported	Reclassifications	After reclassifications
Statement of financial position			
- Other current liabilities	17,388,584.84	(17,388,584.84)	
- Other current liabilities			
- Retention		10,469,776.23	10,469,776.23
- Others		6,918,808.61	6,918,808.61



(Unit : Baht)

FINANCIAL STATEMENTS IN WHICH THE EQUITY  
METHOD IS APPLIED AND SEPARATE  
FINANCIAL STATEMENTS

	For the three-month period ended September 30, 2014		
	As previously reported	Reclassifications	After reclassifications
Statement of comprehensive income			
- Contract revenues	1,231,461,055.08	13,344,444.40	1,244,805,499.48
- Contract cost	847,712,697.59	7,890,581.11	855,603,278.70
- Other income	15,382,993.82	(5,453,863.29)	9,929,130.53

(Unit : Baht)

FINANCIAL STATEMENTS IN WHICH THE EQUITY  
METHOD IS APPLIED AND SEPARATE  
FINANCIAL STATEMENTS

	For the nine-month period ended September 30, 2014		
	As previously reported	Reclassifications	After reclassifications
Statement of comprehensive income			
- Contract revenues	3,069,887,125.68	23,035,161.95	3,092,922,287.63
- Contract cost	2,182,711,955.00	18,347,788.61	2,201,059,743.61
- Other income	39,807,295.49	(4,687,373.34)	35,119,922.15

29. APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved by the Board of directors of the Company on November 10, 2015.




..... (Mr. Yul Yoon)



..... (Mr. Seung Woo Lee) DIRECTOR