

AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders and the Board of Directors of Major Cineplex Group Public Company Limited

I have reviewed the accompanying consolidated and company statements of financial position as at 30 September 2014, the related consolidated and company income statements and the related consolidated and company statements of comprehensive income for the three-month and nine-month periods then ended, and the related consolidated and company statements of changes in shareholders' equity and cash flows for the nine-month period then ended, and condensed notes to interim financial information of Major Cineplex Group Public Company Limited and its subsidiaries, and of Major Cineplex Group Public Company Limited, respectively. 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 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 interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

Pisit Thangtanagul
Certified Public Accountant (Thailand) No. 4095
PricewaterhouseCoopers ABAS Ltd.

Bangkok
6 November 2014

MAJOR CINEPLEX GROUP PUBLIC COMPANY LIMITED

**INTERIM CONSOLIDATED AND COMPANY
FINANCIAL INFORMATION
(UNAUDITED)**

30 SEPTEMBER 2014

Major Cineplex Group Public Company Limited
Statement of Financial Position
As at 30 September 2014

		Unit: Baht'000			
		Consolidated		Company	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		30 September	31 December	30 September	31 December
Notes		2014	2013	2014	2013
Assets					
Current assets					
		362,109	495,682	198,660	394,325
		1,385,367	1,159,048	669,242	648,402
		-	-	645,148	526,664
		165,764	174,908	49,115	58,360
		129,124	61,140	-	-
		34,154	34,154	9,473	9,473
		198,419	211,990	50,612	60,131
		<u>2,274,937</u>	<u>2,136,922</u>	<u>1,622,250</u>	<u>1,697,355</u>
Total current assets					
Non-current assets					
		826,548	820,572	826,548	820,572
		4,499	4,453	-	-
		12,643	12,728	-	-
		-	-	3,732,412	2,741,450
		2,232,975	2,212,868	2,154,145	2,168,240
		272,207	255,757	237,491	237,491
		2,344	3,198	460,121	755,969
		6,614,540	6,696,318	3,397,742	3,360,543
		287,065	287,065	-	-
		223,975	368,597	46,598	50,445
		288	316	-	-
		461,668	487,284	152,299	159,403
		402,715	343,680	309,023	230,985
		<u>11,341,467</u>	<u>11,492,836</u>	<u>11,316,379</u>	<u>10,525,098</u>
		<u>13,616,404</u>	<u>13,629,758</u>	<u>12,938,629</u>	<u>12,222,453</u>
		<u>13,616,404</u>	<u>13,629,758</u>	<u>12,938,629</u>	<u>12,222,453</u>

Director _____

Director _____

The accompanying condensed notes are an integral part of these interim financial information.

Major Cineplex Group Public Company Limited
Statement of Financial Position (Cont'd)
As at 30 September 2014

		Unit: Baht'000			
		Consolidated		Company	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		30 September	31 December	30 September	31 December
Notes		2014	2013	2014	2013
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term borrowings from financial institutions					
	12	2,220,000	2,238,928	2,035,000	1,545,703
	11	1,775,779	1,736,382	1,148,996	1,218,516
	12	114,620	203,847	40,148	40,265
	22	25,000	25,000	1,128,215	610,514
		66,015	37,982	33,595	17,104
		174,216	109,414	87,405	38,716
		4,375,630	4,351,553	4,473,359	3,470,818
Non-current liabilities					
	12	2,217,097	2,351,862	1,851,009	1,881,137
		332,763	333,774	88,866	91,600
		24,799	22,919	17,545	16,006
		463,121	470,322	89,999	86,928
		3,037,780	3,178,877	2,047,419	2,075,671
		7,413,410	7,530,430	6,520,778	5,546,489
Shareholders' equity					
Share capital					
Authorised share capital					
Ordinary shares, 896,266,347 shares					
(31 December 2013: 896,266,347 shares)					
at par value of Baht 1 each					
		896,266	896,266	896,266	896,266
Issued and fully paid-up share capital					
Ordinary shares, 889,740,672 shares					
(31 December 2013: 887,576,343 shares)					
at paid-up of Baht 1 each					
	13	889,741	887,576	889,741	887,576
	13	3,963,251	3,919,499	3,963,251	3,919,499
	14	13,980	21,442	11,926	20,990
Retained earnings					
Appropriated					
Legal reserve					
		90,600	90,600	90,600	90,600
Unappropriated					
		813,486	822,279	746,442	1,058,809
Other components of shareholders' equity					
		367,051	361,582	715,891	698,490
Equity attributable to owners of the parent					
		6,138,109	6,102,978	6,417,851	6,675,964
Non-controlling interest					
	15	64,885	(3,650)	-	-
		6,202,994	6,099,328	6,417,851	6,675,964
		13,616,404	13,629,758	12,938,629	12,222,453

The accompanying condensed notes are an integral part of these interim financial information.

Major Cineplex Group Public Company Limited
Income Statement (Unaudited)
For the three-month period ended 30 September 2014

		Unit: Baht'000			
		Consolidated		Company	
Notes		2014	2013	2014	2013
Revenues					
	Service income	1,673,144	1,374,618	924,742	765,087
	Sales	479,430	381,218	249,520	197,896
	Total revenues	2,152,574	1,755,836	1,174,262	962,983
Costs					
	Cost of services	(1,115,108)	(941,338)	(713,733)	(592,889)
	Cost of sales	(234,925)	(208,590)	(70,555)	(64,445)
	Total costs	(1,350,033)	(1,149,928)	(784,288)	(657,334)
	Gross profit	802,541	605,908	389,974	305,649
	Other operating income	98,070	45,246	126,575	67,758
	Selling expenses	(142,996)	(117,628)	(48,296)	(44,166)
	Administrative expenses	(397,384)	(303,299)	(206,186)	(188,203)
	Financial costs	(40,896)	(38,472)	(39,077)	(30,254)
	Share of result of investments - equity method	51,728	48,355	-	-
	Profit before income tax	371,063	240,110	222,990	110,784
	Income tax	(81,017)	(43,608)	(38,490)	(19,554)
	Profit for the period	290,046	196,502	184,500	91,230
Attributable to:					
	Owners of the parent	293,309	201,018	184,500	91,230
	Non-controlling interests	(3,263)	(4,516)	-	-
		290,046	196,502	184,500	91,230
		Baht	Baht	Baht	Baht
Earnings per share for profit attributable to the parent					
	Basic earnings per share	0.33	0.23	0.21	0.10
	Diluted earnings per share	0.33	0.23	0.21	0.10

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

Major Cineplex Group Public Company Limited
Statements of Comprehensive Income (Unaudited)
For the three-month period ended 30 September 2014

	Unit: Baht'000			
	Consolidated		Company	
	2014	2013	2014	2013
Profit for the period	290,046	196,502	184,500	91,230
Other comprehensive income:				
Exchange differences on translation	376	-	-	-
Gain (loss) on remeasuring of available-for-sale investments, net of income tax of Baht 3.76 million	(15,038)	152,054	(15,038)	152,054
Other comprehensive income for the period, net of income tax	(14,662)	152,054	(15,038)	152,054
Total comprehensive income for the period	<u>275,384</u>	<u>348,556</u>	<u>169,462</u>	<u>243,284</u>
Total comprehensive income attributable to:				
Owners of the parent	278,647	353,072	169,462	243,284
Non-controlling interests	(3,263)	(4,516)	-	-
	<u>275,384</u>	<u>348,556</u>	<u>169,462</u>	<u>243,284</u>

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

Major Cineplex Group Public Company Limited
Income Statement (Unaudited)
For the nine-month period ended 30 September 2014

		Unit: Baht'000			
		Consolidated		Company	
Notes		2014	2013	2014	2013
Revenues					
	Service income	4,907,078	4,625,157	2,931,733	2,759,901
	Sales	1,592,170	1,292,118	807,810	708,867
	Total revenues	6,499,248	5,917,275	3,739,543	3,468,768
Costs					
	Cost of services	(3,296,458)	(3,121,405)	(2,165,416)	(2,027,748)
	Cost of sales	(785,209)	(683,950)	(242,346)	(213,787)
	Total costs	(4,081,667)	(3,805,355)	(2,407,762)	(2,241,535)
	Gross profit	2,417,581	2,111,920	1,331,781	1,227,233
	Other operating income	175,379	310,482	280,768	450,160
	Selling expenses	(378,755)	(354,215)	(137,726)	(129,237)
	Administrative expenses	(1,129,606)	(941,905)	(667,274)	(559,641)
	Financial costs	(129,501)	(102,878)	(113,234)	(83,576)
	Share of result of investments - equity method	137,196	149,703	-	-
	Profit before income tax	1,092,294	1,173,107	694,315	904,939
	Income tax	(219,314)	(253,291)	(118,653)	(167,351)
	Profit for the period	872,980	919,816	575,662	737,588
Attributable to:					
	Owners of the parent	879,236	941,897	575,662	737,588
	Non-controlling interests	(6,256)	(22,081)	-	-
		872,980	919,816	575,662	737,588
		Baht	Baht	Baht	Baht
Earnings per share for profit attributable to the parent					
	Basic earnings per share	0.99	1.06	0.65	0.83
	Diluted earnings per share	0.99	1.06	0.65	0.83

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

Major Cineplex Group Public Company Limited
Statements of Comprehensive Income (Unaudited)
For the nine-month period ended 30 September 2014

	Unit: Baht'000			
	Consolidated		Company	
	2014	2013	2014	2013
Profit for the period	872,980	919,816	575,662	737,588
Other comprehensive income (expense):				
Exchange differences on translation	376	-	-	-
Gain on remeasuring of available-for-sale investments, net of deferred income tax of Baht 4.35 million	17,401	173,840	17,401	173,840
Other comprehensive income (expense) for the period, net of income tax	17,777	173,840	17,401	173,840
Total comprehensive income for the period	<u>890,757</u>	<u>1,093,656</u>	<u>593,063</u>	<u>911,428</u>
Total comprehensive income attributable to:				
Owners of the parent	897,013	1,115,737	593,063	911,428
Non-controlling interests	(6,256)	(22,081)	-	-
	<u>890,757</u>	<u>1,093,656</u>	<u>593,063</u>	<u>911,428</u>

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

Major Cineplex Group Public Company Limited
 Statements of Changes in Shareholders' Equity (Unaudited)
 For the nine-month period ended 30 September 2014

Unit: Baht'000

	Consolidated												
	Attributable to owners of the parent												
	Issued and paid-up share capital	Share premium	Warrants	Retained earnings		Share premium - Treasury share	Change in ownership interest in subsidiaries	Other comprehensive income		Total other component of equity	Total owners of the parent	Non- controlling interests	Total shareholders' equity
				Appropriated	Legal reserve			Unappropriated	Translation of financial statements				
Opening balance													
at 1 January 2013	887,576	3,919,499	9,191	90,600	640,387	288,425	(12,986)	-	51,533	326,972	5,874,225	87,145	5,961,370
Changes in equity for period													
Warrants	-	-	12,357	-	-	-	-	-	-	-	12,357	-	12,357
Addition investment in subsidiary by purchasing shares from non-controlling interest	-	-	-	-	-	-	(318,709)	-	-	(318,709)	(318,709)	(64,721)	(383,430)
Dividends payment	-	-	-	-	(869,736)	-	-	-	-	-	(869,736)	-	(869,736)
Total comprehensive income for the period	-	-	-	-	941,897	-	-	-	173,840	173,840	1,115,737	(22,081)	1,093,656
Closing balance													
at 30 September 2013	887,576	3,919,499	21,548	90,600	712,548	288,425	(331,695)	-	225,373	182,103	5,813,874	343	5,814,217
Opening balance													
at 1 January 2014	887,576	3,919,499	21,442	90,600	822,279	288,425	(336,908)	-	410,065	361,582	6,102,978	(3,650)	6,099,328
Changes in equity for period													
Proceeds from exercise of warrants (Note 13)	2,165	43,752	(13,830)	-	-	-	-	-	-	-	32,087	-	32,087
Warrants (Note 14)	-	-	6,368	-	-	-	-	-	-	-	6,368	-	6,368
Acquisition of investment in subsidiary	-	-	-	-	-	-	-	-	-	-	-	74,791	74,791
Dividends payment (Note 19)	-	-	-	-	(888,029)	-	-	-	-	-	(888,029)	-	(888,029)
Total comprehensive income for the period	-	-	-	-	879,236	-	(12,308)	376	17,401	5,469	884,705	(6,256)	878,449
Closing balance													
at 30 September 2014	889,741	3,963,251	13,980	90,600	813,486	288,425	(349,216)	376	427,466	367,051	6,138,109	64,885	6,202,994

The accompanying condensed notes are an integral part of these interim financial information.

Major Cineplex Group Public Company Limited
 Statements of Changes in Shareholders' Equity (Unaudited)
 For the nine-month period ended 30 September 2014

Unit: Baht'000

	Company									
	Retained earnings					Other components of shareholders' equity				
	Issued and paid-up share capital	Share premium	Warrants	Appropriated		Share premium- Treasury share	Other comprehensive income		Total other component of equity	Total shareholders' equity
				Legal reserve	Unappropriated		Available- for-sale investment			
Opening balance at 1 January 2013	887,576	3,919,499	8,900	90,600	1,136,292	288,425	51,533	339,958	6,382,825	
Changes in equity for period										
Warrants	-	-	12,090	-	-	-	-	-	12,090	
Dividends payment	-	-	-	-	(869,736)	-	-	-	(869,736)	
Total comprehensive income for the period	-	-	-	-	737,588	-	173,840	173,840	911,428	
Closing balance at 30 September 2013	<u>887,576</u>	<u>3,919,499</u>	<u>20,990</u>	<u>90,600</u>	<u>1,004,144</u>	<u>288,425</u>	<u>225,373</u>	<u>513,798</u>	<u>6,436,607</u>	
Opening balance as at 1 January 2014	887,576	3,919,499	20,990	90,600	1,058,809	288,425	410,065	698,490	6,675,964	
Changes in equity for period										
Proceeds from exercise of warrants (Note 13)	2,165	43,752	(13,564)	-	-	-	-	-	32,353	
Warrants (Note 14)	-	-	4,500	-	-	-	-	-	4,500	
Dividends payment (Note 19)	-	-	-	-	(888,029)	-	-	-	(888,029)	
Total comprehensive income for the period	-	-	-	-	575,662	-	17,401	17,401	593,063	
Closing balance at 30 September 2014	<u>889,741</u>	<u>3,963,251</u>	<u>11,926</u>	<u>90,600</u>	<u>746,442</u>	<u>288,425</u>	<u>427,466</u>	<u>715,891</u>	<u>6,417,851</u>	

The accompanying condensed notes are an integral part of these interim financial information.

Major Cineplex Group Public Company Limited
Statements of Cash Flows (Unaudited)
For the nine-month period ended 30 September 2014

	Notes	Unit: Baht'000			
		Consolidated		Company	
		30 September	30 September	30 September	30 September
		2014	2013	2014	2013
Cash flows from operating activities					
Cash generated from operations	20	1,659,203	1,202,226	777,002	598,113
Interest paid		(113,327)	(94,699)	(110,850)	(85,211)
Income tax paid		(199,749)	(354,114)	(109,246)	(252,415)
Net cash generated from operating activities		<u>1,346,127</u>	<u>753,413</u>	<u>556,906</u>	<u>260,487</u>
Cash flows from investing activities					
Short-term loans to related parties	22	-	-	(857,511)	(858,816)
Proceeds from short-term loans to related parties	22	-	-	739,027	803,992
Loans to related parties	22	-	(886)	(115,000)	(270,886)
Proceeds from settlements of loan to related parties	22	848	2,982	410,848	337,508
Loan to third parties		(100)	-	(100)	-
Proceeds from loans to third parties		-	7,612	-	7,612
Payments for investment from non-controlling interest		-	(383,430)	-	-
Payments for investment in subsidiaries	9	-	-	(990,962)	(389,430)
Proceeds from acquisition of subsidiary, net of cash payment	15	975	-	-	-
Proceeds from share reduction		-	-	-	10,620
Payments for investment in associate	9	(27,820)	(485,819)	(27,820)	(485,819)
Proceeds from disposal of investment in associate	9	97,752	313,027	97,752	313,027
Payment for investment in joint venture	9	(25,000)	(38,698)	-	(38,698)
Proceeds from disposal available-for sale investment		33,066	-	33,066	-
Proceeds from acquisition of assets in subsidiary		-	7,514	-	-
Purchases of property, plant and equipment		(436,028)	(449,321)	(337,231)	(336,716)
Proceeds from disposals of property, plant and equipment		10,374	2,858	1,056	898
Purchase of intangible assets		(215,580)	(288,804)	(10,571)	(12,906)
Interest received		28,917	11,018	78,779	69,084
Dividends received	9	106,208	110,612	106,208	110,612
Net cash (used in) investing activities		<u>(426,388)</u>	<u>(1,191,335)</u>	<u>(872,459)</u>	<u>(739,918)</u>

The accompanying condensed notes are an integral part of these interim financial information.

Major Cineplex Group Public Company Limited
Statements of Cash Flows (Unaudited) (Cont'd)
For the nine-month period ended 30 September 2014

		Unit: Baht'000			
		Consolidated		Company	
		30 September	30 September	30 September	30 September
Notes		2014	2013	2014	2013
Cash flows from financing activities					
Proceeds from short-term loans from related parties	22	-	25,000	1,535,813	1,068,326
Repayments of short-term loans from related parties	22	-	-	(1,018,112)	(921,627)
Bank overdrafts	12	(60,418)	(6,082)	(703)	11,697
Increase in restricted cash		(46)	(137)	-	-
Proceeds from short-term borrowings		5,350,600	1,624,000	5,020,000	1,495,000
Repayments of short-term borrowings		(5,309,110)	(836,300)	(4,530,000)	(700,000)
Repayments of finance lease liabilities		(69,611)	(40,750)	(1,519)	(1,496)
Proceeds from long-term borrowings	12	49,400	263,290	-	150,000
Repayment of long-term borrowings	12	(219,778)	(71,514)	(30,000)	(30,000)
Proceeds from issuance of debenture		-	800,000	-	800,000
Repayment of debenture		-	(800,000)	-	(800,000)
Proceeds from increase in share capital of a subsidiary		60,708	-	-	-
Proceeds from exercised warrants	13	32,886	-	32,352	-
Dividends paid to shareholders	19	(887,943)	(869,676)	(887,943)	(869,676)
Net cash received from (used in) financing activities		(1,053,312)	87,831	119,888	202,224
Net (decrease) in cash and cash equivalents		(133,573)	(350,091)	(195,665)	(277,207)
Opening balance of cash and cash equivalents		495,682	480,733	394,325	331,373
Closing balance of cash and cash equivalents		362,109	130,642	198,660	54,166

The accompanying condensed notes are an integral part of these interim financial information.

Major Cineplex Group Public Company Limited
Statements of Cash Flows (Unaudited) (Cont'd)
For the nine-month period ended 30 September 2014

Non-cash transactions

Significant non-cash transactions for the nine-month periods ended 30 September 2014 and 2013:

	Unit: Baht'000			
	Consolidated		Company	
	30 September 2014	30 September 2013	30 September 2014	30 September 2013
Purchase of plant and equipment, not yet paid	116,690	495,602	32,487	411,204
Purchases of film rights, not yet paid	-	9,801	-	-
Purchases of plant and equipment under finance leases	-	474,746	-	-
Disposal of plant and equipment, net yet received	36	28,719	-	-
Offsetting loans to related parties with trade accounts payable from related parties	-	-	-	43,758
Offsetting loans to related parties with amount due to related parties	6	8	-	10,000
Dividends paid, not yet paid (Note 19)	86	60	86	60
Purchase of investment in subsidiary by share swap	-	-	-	43,440
Disposal of available-for-sale, not yet received	12,071	-	12,071	-

The accompanying condensed notes are an integral part of these interim financial information.

1 General information

Major Cineplex Group Public Company Limited (“the Company”) is a public limited company incorporated and resident in Thailand. The address of the Company’s registered office is as follows:

1839, 1839/1-6 Phaholyothin Road, Ladyao, Jatujak, Bangkok.

The Company is listed on the Stock Exchange of Thailand. For reporting purposes, the Company and its subsidiaries are referred to as “the Group”.

These group interim consolidated and company financial information have been authorised for issue by the Board of Directors on 6 November 2014.

These group interim consolidated and company financial information have been reviewed, not audited.

2 Accounting policies

2.1 Basis of preparation

These interim consolidated and company financial information are prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Accounting Standards issued under the Accounting Professions Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission. The primary financial information (i.e. statement of financial position, income statement, statements of comprehensive income, changes in shareholders’ equity and cash flows) are prepared in the full format as required by the Securities and Exchange Commission. The notes to the financial information are prepared in a condensed format according to Thai Accounting Standard 34 (revised 2012) “Interim Financial Reporting” and additional notes are presented as required by the Securities and Exchange Commission under the Securities and Exchange Act.

The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2013.

An English version of the interim consolidated and company financial information have been prepared from the interim financial information that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim financial information shall prevail.

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2013 except customer loyalty program as described in note 3.

Costs that are incurred unevenly during the financial year are anticipated or deferred in the interim report only if it would also be appropriate to anticipate or defer such costs at the end of the financial year.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

2 Accounting policies (Cont'd)

2.2 Revised accounting standards, revised financial reporting standards, and related interpretations

The following amendments and related interpretations are effective for the periods beginning on or after 1 January 2014 and are relevant to the Group.

TFRIC 13 Customer Loyalty Programmes

TFRIC 13 clarifies that where goods or services are sold together with a customer loyalty incentive (for example, loyalty points or free products), the arrangement is a multiple-element arrangement, and the consideration received or receivable from the customer is allocated between the components of the arrangement using fair values. The Group has already adopted this interpretation.

3 New accounting policy

Customer loyalty programmes

The Group offers customer loyalty programmes (“loyalty points”) for members of M-Generation card as a part of sales and services. The member will receive loyalty points that could be redeemed in the future by customers for selected goods or services with no consideration paid based on terms and conditions as specified in the M-Generation card.

TFRIC 13 deals with the recognition of loyalty award credits granted to customers as part of loyalty programmes. These awards are granted on the sale of goods or services and can be redeemed in the future against free goods or services.

Under TFRIC 13, credits granted to a customer are considered as a separately identifiable component of the sale transaction. The consideration received in respect of the sale transaction is allocated between:

- the initial sale of goods or supply of services, for which the corresponding revenue is recognised immediately in income; and
- credits awarded and redeemable in the future, for which the corresponding revenue is deferred until the customer redeems the awards and the entity fulfils its obligations to supply the awards.

The Group measure the consideration allocated to the award credits with reference to fair value.

4 Change in accounting policies and reclassifications

As described in Note 3, the Group has adopted TFRIC 13 “Customer loyalty programmes”, effective on 1 January 2014, and has accounted for the adoption retrospectively in accordance with the accounting standard.

The Group had recorded unearned income - customer loyalty programmes with fair value since 1 January 2011, however, the Group recorded such transactions as a liabilities and charging to selling expense. The recording of this transaction according to TFRIC 13 should increase liabilities and reduce sales. Therefore, the adoption of the new accounting policy as mentioned above only on the income statement for the nine-month period ended 30 September 2013 as follows:

	Consolidated			Company		
	As previously stated	Adjustments	Restated	As previously stated	Adjustments	Restated
Services income increase	4,622,983	2,174	4,625,157	2,757,727	2,174	2,759,901
Sales increase	1,291,872	246	1,292,118	708,621	246	708,867
Selling expenses increase	351,795	2,420	354,215	126,817	2,420	129,237

5 Estimates

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim financial information, the significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2013.

6 Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as chief executive officer that makes strategic decisions.

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6 Segment information (Cont'd)

Financial information by business segments is as follows:

Unit: Million Baht

	Consolidated					Consolidated
	Cinema business	Advertising business	Bowling and Karaoke business	Rental and services	Movie content	
For the three-month period ended 30 September 2014						
Revenues						
Gross segment revenues	1,544	286	165	155	212	2,362
Inter-segment revenues	(108)	-	(17)	(28)	(56)	(209)
Net revenues	<u>1,436</u>	<u>286</u>	<u>148</u>	<u>127</u>	<u>156</u>	<u>2,153</u>
Segment results	<u>199</u>	<u>213</u>	<u>18</u>	<u>11</u>	<u>(116)</u>	325
Compensation income						5
Gain from selling of investments						63
Unallocated costs						<u>(33)</u>
Operating profit						<u>360</u>
For the three-month period ended 30 September 2013						
Revenues						
Gross segment revenues	1,259	223	138	144	171	1,935
Inter-segment revenues	(93)	-	(17)	(26)	(43)	(179)
Net revenues	<u>1,166</u>	<u>223</u>	<u>121</u>	<u>118</u>	<u>128</u>	<u>1,756</u>
Segment results	<u>111</u>	<u>159</u>	<u>19</u>	<u>6</u>	<u>(53)</u>	242
Compensation income						11
Unallocated costs						<u>(23)</u>
Operating profit						<u>230</u>

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6 Segment information (Cont'd)

Financial information by business segments is as follows: (Cont'd)

	Consolidated					Unit: Million Baht
	Cinema business	Advertising business	Bowling and Karaoke business	Rental and services	Movie content	Consolidated
For the nine-month period ended 30 September 2014						
Revenues						
Gross segment revenues	4,797	682	443	466	716	7,104
Inter-segment revenues	(326)	-	(53)	(82)	(144)	(605)
Net revenues	<u>4,471</u>	<u>682</u>	<u>390</u>	<u>384</u>	<u>572</u>	<u>6,499</u>
Segment results	<u>704</u>	<u>497</u>	<u>16</u>	<u>38</u>	<u>(179)</u>	1,076
Compensation income						10
Gain from selling of investments						80
Unallocated costs						(81)
Operating profit						<u>1,085</u>
For the nine-month period ended 30 September 2013						
Revenues						
Gross segment revenues	4,457	602	389	443	617	6,508
Inter-segment revenues	(242)	(1)	(54)	(81)	(213)	(591)
Net revenues	<u>4,215</u>	<u>601</u>	<u>335</u>	<u>362</u>	<u>404</u>	<u>5,917</u>
Segment results	<u>731</u>	<u>430</u>	<u>23</u>	<u>28</u>	<u>(232)</u>	980
Compensation income						11
Gain from selling of investments						221
Unallocated costs						(86)
Operating profit						<u>1,126</u>

There has been no material change in total assets or total liabilities from the amounts disclosed in the last annual financial statements.

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7 Trade and other receivables

	Unit: Baht'000			
	Consolidated		Company	
	30 September 2014	31 December 2013	30 September 2014	31 December 2013
Third parties				
- Trade accounts receivable	696,772	773,229	105,229	150,520
- Unbilled revenue	330,649	154,373	77,878	13,718
Total	1,027,421	927,602	183,107	164,238
<u>Less</u> Allowance for doubtful accounts	(111,775)	(52,600)	-	-
Trade accounts receivable - third parties	915,646	875,002	183,107	164,238
Trade accounts receivable				
- related parties (Note 22)	98,092	33,056	84,876	100,586
Amounts due from related parties (Note 22)	175,172	73,415	264,970	253,806
Other accounts receivable	125,592	117,690	94,259	86,195
Prepaid expenses	70,865	59,885	42,030	43,577
Trade and other receivables	<u>1,385,367</u>	<u>1,159,048</u>	<u>669,242</u>	<u>648,402</u>

Outstanding trade and other receivables can be analysed as follows:

	Unit: Baht'000			
	Consolidated		Company	
	30 September 2014	31 December 2013	30 September 2014	31 December 2013
Third parties				
Unbilled revenue	330,649	154,373	77,878	13,718
Trade accounts receivable				
Current	350,443	341,661	83,309	89,197
Overdue less than 3 months	167,263	237,080	19,679	47,056
3 - 6 months	40,339	49,687	997	4,465
Over 6 months	138,727	144,801	1,244	9,802
Total	1,027,421	927,602	183,107	164,238
<u>Less</u> Allowance for doubtful accounts	(111,775)	(52,600)	-	-
Trade accounts receivable - third parties, net	<u>915,646</u>	<u>875,002</u>	<u>183,107</u>	<u>164,238</u>
Related parties				
Unbilled revenue	3,930	359	10,119	91
Trade accounts receivable				
Current	11,591	3,316	11,225	70,151
Overdue less than 3 months	2,413	3,556	63,317	25,060
3 - 6 months	-	12,713	21	4,993
Over 6 months	80,158	13,112	194	291
Total	98,092	33,056	84,876	100,586
<u>Less</u> Allowance for doubtful accounts	-	-	-	-
Trade accounts receivable - related parties, net	<u>98,092</u>	<u>33,056</u>	<u>84,876</u>	<u>100,586</u>

8 Available-for-sale investment

As of 30 September 2014, information relating to available-for-sale investment is as follows:

	<u>Unit: Baht'000</u> <u>Consolidated</u> <u>and Company</u> <u>30 September</u> <u>2014</u>
Available-for-sale investment - at cost	292,216
<u>Add</u> Unrealised gain	<u>534,332</u>
Total available-for-sale investment	<u>826,548</u>

During the quarter ended 30 September 2014, the movements of available-for-sale investment are as follows:

	<u>Unit: Baht'000</u> <u>Consolidated</u> <u>and Company</u> <u>30 September</u> <u>2014</u>
Opening book value	820,572
Disposal	(15,775)
Change in fair value of available-for-sale investment	<u>21,751</u>
Closing book value	<u>826,548</u>

9 Investments in subsidiaries, associates and interest in joint ventures

9.1 Investment in subsidiaries

Movements of investment in subsidiaries can be analysed as follows:

	<u>Unit: Baht'000</u> <u>Company</u> <u>30 September</u> <u>2014</u>
Investment in subsidiaries - at cost	3,735,412
<u>Less</u> Impairment	<u>(3,000)</u>
Closing net book amount	<u>3,732,412</u>
Opening net book amount	2,741,450
Additions	<u>990,962</u>
Closing net book amount	<u>3,732,412</u>

Additional of investment in subsidiary

Major Platinum Cineplex Cambodia Co., Ltd (Major Platinum)

On 13 June 2014, Major Holding International Co., Ltd. (Subsidiary) has purchased 70.00 of shares in Major Platinum Cineplex Cambodia Co., Ltd, a service provider for cinema services and bowling in Cambodia, totalling Baht 2.28 million.

9 Investments in subsidiaries, associates and interest in joint ventures (Cont'd)

9.1 Investment in subsidiaries (Cont'd)

Additional of investment in subsidiaries

M Picture Entertainment Public Company Limited (“MPIC”)

On 3 September 2014, the Company made an additional investment in MPIC of 601.06 million shares with price of Baht 1.50 per share for a total of consideration of Baht 901.60 million to maintain the percentage of ownership interest. The minorities partially invested in MPIC; as a result, the shareholding percentage has been changed from 91.37% to 92.49%. The difference between consideration paid and amount of non-controlling interests of Baht 12.31 million was recognised as “Changes in parent’s ownership interest in subsidiaries” in the consolidated shareholders’ equity.

Major Holding International Co., Ltd. (“MHD”)

On 16 September 2014, the Company made an additional investment in MHD of 1.49 million shares with price of Baht 60 per share for a total of consideration of Baht 89.36 million to maintain the percentage of ownership interest.

9.2 Investment in associates

Movements of investment in associates can be analysed as follows:

	Unit: Baht’000	
	Consolidated	Company
For the nine-month period ended 30 September 2014		
Opening net book amount	2,212,868	2,168,240
Additions	27,820	27,820
Disposals	(47,251)	(41,915)
Dividends received	(106,208)	-
Share of results	145,746	-
Closing net book amount	<u>2,232,975</u>	<u>2,154,145</u>

Gain on disposals of assets to the Property Fund will be realised on the straight-line basis over the lease contracts period of the buildings leased out to the Property Fund. During the nine-month period ended 30 September 2014, the Group realised gain on disposals of Baht 12.24 million in the consolidated income statement.

During the nine-month period ended 30 September 2014, the Company received dividends income from associates amounting to Baht 106.21 million (30 September 2013: Baht 103.86 million), which was recognised in “Other income” in the company income statement and recognised in “Investment in associates” in the consolidated statement of financial position.

Siam Future Development Public Company Limited (“SF”)

Additional of investment in associate

During the nine-month period ended 30 September 2014, the Company has made additional investment in SF of 5.06 million shares totalling Baht 27.82 million.

Disposal of investment in associate

During the nine-month period ended 30 September 2014, the Company disposed its investment in SF of 14.18 million shares for the considerations of Baht 97.75 million and recognised gain from disposal amounting to Baht 50.50 million, and Baht 55.84 million, which included in “Other income” in the consolidated and company income statements, respectively.

The aforesaid additional and disposal of investment resulted in the change to shareholding percentage from 23.72% to 23.08%.

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9 Investments in subsidiaries, associates and interest in joint ventures (Cont'd)

9.3 Interest in joint ventures

Movements of interest in joint ventures can be analysed as follows:

	Unit: Baht'000	
	Consolidated	Company
For the nine-month period ended 30 September 2014		
Opening net book amount	255,757	237,491
Additions	25,000	-
Share of result	(8,550)	-
Closing net book amount	272,207	237,491

Additional of investment in joint ventures

Transformation Film Co., Ltd.

On 22 August 2014, MPIC (subsidiary) has purchased an investment in Transformation Film Co., Ltd. of 0.50 million shares. This investment is considered as joint venture with the indirect holding percentage by the Group 26.42%. The Group applied equity accounting method for record investment in joint venture in consolidated financial information.

9.4 The details of investments in subsidiaries, associates and interest in joint ventures are as follows:

Subsidiaries	Nature of business	Nature of relationship	% Ownership interest	
			30 September 2014	31 December 2013
Major Cineplex Property Co., Ltd.	Building space for rent	Shareholder	99.99	99.99
Major Cineplex Services Co., Ltd.	Utilities services	Shareholder	99.99	99.99
Chiangmai Cineplex Co., Ltd.	Cinema services	Shareholder	99.99	99.99
Rachayothin Management Co., Ltd.	Utilities services	Shareholder	99.99	99.99
Rachayothin Cinema Co., Ltd.	Land and building space for rent	Shareholder	99.99	99.99
Rachayothin Realty Co., Ltd.	Building space for rent	Shareholder	99.99	99.99
Major Bowl Group Co., Ltd.	Bowling, Karaoke and entertainment services	Shareholder	99.99	99.99
Major Cinead Co., Ltd.	Advertising and advisory services	Shareholder	99.93	99.93
Bangkok Imax Theater Co., Ltd.	Cinema services	Shareholder	99.93	99.93
Udon Five Star Cineplex Co., Ltd.	Cinema services	Shareholder	99.99	99.99
Siam Cineplex Co., Ltd.	Cinema services	Shareholder	99.99	99.99
EGV Entertainment Public Company Limited ("EGV")	Cinema services, advertising services, area for rent	Shareholder	99.98	99.98
M Picture Entertainment Public Company Limited ("MPIC")	Publishing, advertising and distribution of film rights	Shareholder	92.49	91.37
Major Holding International Co., Ltd. ("MHD")	Holding business	Shareholder	99.96	99.96
Digital Projector Management Co., Ltd.	Projector rental and system management	Shareholder	99.99	99.99
Subsidiaries under EGV				
Entertain Golden Village Exhibition Co., Ltd.	Cinema services	Indirect shareholding	99.96	99.96
EGV Exhibition Co., Ltd.	Cinema services	Indirect shareholding	99.96	99.96
EGV Five Star Co., Ltd.	Cinema services	Indirect shareholding	99.96	99.96

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9 Investments in subsidiaries, associates and interest in joint ventures (Cont'd)

9.4 The details of investments in subsidiaries, associates and interest in joint ventures are as follows:
(Cont'd)

Subsidiaries	Nature of business	Nature of relationship	% Ownership interest	
			30 September 2014	31 December 2013
Subsidiaries under MPIC				
TV Forum Co., Ltd.	Television media business	Indirect shareholding	92.49	91.37
M Picture Co., Ltd.	Distribution of film rights for cinema services, VCD/DVD production and TV broadcast	Indirect shareholding	92.49	91.37
M.V.D. Co., Ltd. ("MVD")	Distribution of VCD/DVD and film rights	Indirect shareholding	92.49	91.37
M Thirtynine Co., Ltd.	Film production	Indirect shareholding	92.49	91.37
Talent One Co., Ltd. ("TLO")	Film production and services for all forms of entertainment	Indirect shareholding	83.24	82.23
Subsidiary under MVD				
Pacific Media Sale Co., Ltd.	Distribution of CD, VCD and DVD	Indirect shareholding	91.93	90.82
Subsidiary under MHD				
Major Platinum Cineplex (Cambodia) Co., Ltd. ("Major Platinum")	Cinema and bowling services	Indirect shareholding	69.97	-
Associates				
Siam Future Development Public Company Limited ("SF")	Rental of building space and utilities services	Shareholder	23.08	23.72
Rachayothin Avenue Co., Ltd.	Rental of building space and utilities services	Shareholder	50.00	50.00
		Indirect shareholding via SF	11.54	11.86
Major Cineplex Lifestyle Leasehold Property Fund	Rental of building and utilities services	Shareholder	33.00	33.00
Thaiticketmajor Co., Ltd.	Agent for selling of tickets	Shareholder	40.00	40.00
Joint ventures				
PVR blu-O Entertainment Limited ("PVR blu-O")	Bowling, Karaoke and entertainment services	Shareholder	49.00	49.00
K Arena Co.,Ltd.	Karaoke services	Shareholder	50.00	50.00
Joint Venture under MPIC				
Major Kantana Broadcasting Company Limited ("MKB")	Sattellite broadcasting and distribution of file rights	Indirect shareholding	41.61	41.11
Transformation Film co., Ltd.	Film production, advertising, television programmes services provided for all forms of entertainment	Indirect shareholding	26.42	-

All subsidiaries and associates are incorporated in Thailand except PVR blu-O and Major Platinum, which are incorporated in India and Cambodia respectively. All holdings are investments in ordinary shares and investment unit in the Property Fund.

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10 Property, plant, equipment and intangible assets

	Unit: Baht'000			
	Consolidated		Company	
	Property, plant and equipment	Intangible assets	Property, plant and equipment	Intangible assets
For the nine-month period ended 30 September 2014				
Opening net book amount	6,696,318	368,597	3,360,543	50,445
Additions	552,718	204,429	369,718	10,571
Disposals	(13,419)	-	(4,140)	-
Write-off	(26,296)	-	(17,460)	-
Depreciation/amortisation	(558,348)	(341,766)	(275,212)	(14,418)
Impairment of asset	(36,433)	(7,285)	(35,707)	-
Closing net book amount	<u>6,614,540</u>	<u>223,975</u>	<u>3,397,742</u>	<u>46,598</u>

Capital expenditure contracted for at the statement of financial position date, but not recognised in the financial statements is presented as follows:

	Currency	Consolidated		Company	
		30 September 2014	31 December 2013	30 September 2014	31 December 2013
		Thousand	Thousand	Thousand	Thousand
Property, plant and equipment	THB	69,430	45,772	69,430	45,772
Intangible assets	THB	18,506	78,000	-	-
	USD	3,429	4,737	-	-
	EURO	28	33	-	-
Total	THB	87,936	123,772	69,430	45,772
	USD	3,429	4,737	-	-
	EURO	28	33	-	-
Total in Thai Baht		<u>174,273</u>	<u>281,322</u>	<u>69,430</u>	<u>45,772</u>

11 Trade and other payables

	Unit: Baht'000			
	Consolidated		Company	
	30 September 2014	31 December 2013	30 September 2014	31 December 2013
Trade account payables	697,813	620,359	497,471	481,790
Amounts due to related parties (Note 22)	73,492	72,947	62,171	99,653
Other payables	293,456	473,007	177,305	326,997
Accrued expenses	349,230	255,722	172,008	130,725
Unearned rental and services income	361,788	314,347	240,041	179,351
Trade account and other payables	<u>1,775,779</u>	<u>1,736,382</u>	<u>1,148,996</u>	<u>1,218,516</u>

Unearned rental and service income included cash advanced from customers amounting to Baht 81.71 million (31 December 2013: Baht 49.74 million), which received from selling of cash cards, being deposited at banks. In order to comply with the Notification of the Bank of Thailand applicable to the electronic card business, the balance of the deposit has to be maintained at the outstanding value of the cash cards on hands of the customers as the minimum.

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12 Borrowings

	Unit: Baht'000			
	Consolidated		Company	
	30 September 2014	31 December 2013	30 September 2014	31 December 2013
Current				
Bank overdrafts	-	60,418	-	703
Short-term loans from financial institutions	2,220,000	2,178,510	2,035,000	1,545,000
Total bank overdrafts and short-term loans from financial institutions	2,220,000	2,238,928	2,035,000	1,545,703
Current portion of long-term borrowings:				
- Finance lease liabilities	74,620	71,922	148	265
- Bank borrowings	40,000	131,925	40,000	40,000
Total current portion of long-term borrowings	114,620	203,847	40,148	40,265
Non-current portion of long-term borrowings				
- Finance lease liabilities	387,097	443,409	21,009	21,137
- Bank borrowings	30,000	108,453	30,000	60,000
- Debentures	1,800,000	1,800,000	1,800,000	1,800,000
Total non-current portion of long-term borrowings	2,217,097	2,351,862	1,851,009	1,881,137
Total borrowings	4,551,717	4,794,637	3,926,157	3,467,105

The movements in long-term borrowings (excluding finance lease liabilities) can be analysed as follows:

	Unit: Baht'000	
	Consolidated	Company
For the nine-month period ended 30 September 2014		
Opening amount	240,378	100,000
Additions	49,400	-
Repayments	(219,778)	(30,000)
Closing amount	70,000	70,000

Long-term bank borrowings bear interest at the rate at ranging from 4.60% to 6.25% per annum, and are secured by pledge of property, building, leasehold rights and operating lease contracts.

Debentures

	Unit: Baht'000	
	Consolidated	Company
For the nine-month period ended 30 September 2014		
Opening amount	1,800,000	1,800,000
Closing amount	1,800,000	1,800,000

Borrowing facilities

As at 30 September 2014, the available credit facilities from financial institutions of the Group and the Company are Baht 3,035 million and Baht 1,570 million, respectively (31 December 2013: Baht 2,295.70 million and Baht 1,879.30 million, respectively). The facilities, mainly expiring within 3 years, are subject to review at various dates. The facilities have been arranged to mainly used for cinema construction and working capital.

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13 Share capital and premium on share capital

	Authorised number of shares Shares'000	Issued and fully paid up shares		Shares premium Baht'000
		Number of shares Shares'000	Ordinary shares Baht'000	
For the nine-month period ended 30 September 2014				
Opening balance	896,266	887,576	887,576	3,919,499
Issuance of shares				
The exercised warrant - w4	-	2,165	2,165	43,752
Closing balance	896,266	889,741	889,741	3,963,251

Employee share option scheme: During the period to 30 September 2014, 2,097,500 options of the Company were exercised with exercise ratio 1:1.033 resulted in 2,164,329 shares being issued (30 September 2013: None), with exercise price of Baht 14.948 totaling proceeds of Baht 32.35 million (30 September 2013: None). The related weighted average price at the time of exercise was Baht 21.21 per share (30 September 2013: None).

During the period to 30 September 2014, 333,450 options of a subsidiary were exercised with exercise ratio 1 : 1.29 resulted in 430,150 shares being issued (30 September 2013: None), with exercise price of Baht 1.235 totaling proceeds of Baht 0.53 million (30 September 2013: None). The related weight average price at the time of exedras was Baht 1.86 per share (30 September 2013: None).

14 Warrants

Warrants issued and offered to directors and employees (ESOP)

The Company and a subsidiary issued and offered warrants (ESOP-W4 and ESOP-W1, respectively) to directors and employees of the Company and its subsidiaries, which are in registered form and are non-transferable. The warrants have no offered price and their terms do not exceed 5 years from the issued date.

	Unit: Baht'000	
	Consolidated	Company
For the nine-month period ended 30 September 2014		
Opening balance	21,442	20,990
Expense during the period	6,368	4,500
Exercise of warrants	(13,830)	(13,564)
Closing balance	13,980	11,926

15 Non-controlling interest

	Unit: Baht'000
	Consolidated
For the nine-month period ended 30 September 2014	
Opening balance	(3,650)
Acquisition of investment in subsidiary	975
Additional of investment in subsidiary	72,765
Exercise of warrants	1,051
Share of result	(6,256)
Closing balance	64,885

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16 Other income

Significant transactions including in other income for the interim period are as follows:

	Unit: Baht'000			
	Consolidated		Company	
	30 September 2014	30 September 2013	30 September 2014	30 September 2013
For the three-month periods ended				
Dividend income	-	-	28,314	33,430
Gain on disposals of available-for-sale investment	27,351	-	27,351	-
Gain on disposals of investment in associate	35,964	-	39,365	-
Management fee income	15,972	12,137	15,518	11,496
Interest income	3,282	1,429	12,055	14,597

	Unit: Baht'000			
	Consolidated		Company	
	30 September 2014	30 September 2013	30 September 2014	30 September 2013
For the nine-month periods ended				
Dividend income	3,323	-	109,532	110,611
Gain on disposals of available-for-sale investment	29,362	-	29,362	-
Gain on disposals of investment in associate (Note 9)	50,502	221,482	55,836	238,005
Management fee income	41,205	33,512	39,367	31,917
Interest income	8,017	9,641	40,066	50,309

17 Income taxes

The interim income tax expense is accrued based on management's estimate using the tax rate that would be applicable to expected total annual earnings. The estimated average annual tax rate used are 20% and 17% per annum for the consolidated and company financial information, respectively.

18 Earnings per share

Earnings per share attributable to shareholders of the parent is calculated by dividing the profit attributable to shareholders of the parent by the weighted average number of paid-up ordinary shares in issue during the period.

The diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

	Unit: Shares'000			
	Consolidated and Company			
	For the three-month period ended		For the nine-month period ended	
	30 September 2014	30 September 2013	30 September 2014	30 September 2013
Number of weighted average shares:				
- basic	888,506	887,576	887,893	887,576
- diluted	890,466	889,389	889,410	889,650

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19 Dividends

At the Annual General Shareholders Meeting held on 3 April 2014, the shareholders passed the resolution to approved dividends payment in respect of the operating results for the period from July to December 2013 at Baht 0.48 per share, totaling Baht 443.78 million. The dividend will be distributed to shareholders listed in the register on 16 April 2014. The dividends were distributed to the shareholders on 2 May 2014.

At the Annual General Shareholders Meeting held on 8 August 2014, the shareholders passed the resolution to approved dividends payment in respect of the operating results for the period from January to June 2014 at Baht 0.50 per share, totaling Baht 444.25 million. The dividend will be distributed to shareholders listed in the register on 26 August 2014. The dividends were distributed to the shareholders on 5 September 2014.

20 Cash flows from operating activities

Reconciliation of profit before income tax to cash flows from operating activities:

For the nine-month period ended	Notes	Unit: Baht'000			
		Consolidated		Company	
		30 September 2014	30 September 2013	30 September 2014	30 September 2013
Profit before income tax		1,092,294	1,173,107	694,315	904,939
Adjustments for:					
Depreciation and amortisation	10	900,114	769,849	289,630	217,053
Amortisation of prepaid rent (Reversal)		25,615	25,615	7,104	7,104
Doubtful debts and bad debts		89,836	33,851	544	(38)
Loss on obsolescence (Reversal)		-	(13,106)	-	-
Provision for interest receivable		17	51	-	-
Loss on goods returns (Reversal)		7,772	(2,490)	-	-
Impairment loss	10	43,718	10,072	35,707	4,500
Loss (gain) on disposals of equipment		3,009	7,884	3,084	(120)
Loss on write-off of equipment	10	26,296	3,705	17,460	734
Gain on disposals of investments in subsidiaries, associates and joint venture	9	(50,502)	(221,482)	(55,836)	(231,445)
Gain on disposals of available-for-sale investment		(29,362)	-	(29,362)	-
Shares of results of investments in associates and joint venture	9	(137,196)	(149,703)	-	-
Provision of liabilities on loyalty program		2,725	(2,420)	2,265	(2,420)
Employee benefit obligation		1,880	1,738	1,539	997
Warrants	14	6,368	12,357	4,500	12,090
Exchange differences on translation		376	-	-	-
Dividends income		(3,323)	-	(109,532)	(110,611)
Interest income		(8,017)	(9,642)	(40,066)	(50,309)
Financial costs		129,501	102,878	113,234	83,576
Changes in operating assets and liabilities:					
- trade and other receivables		(321,621)	296,902	(44,703)	169,271
- inventories		9,144	(19,314)	9,245	(27,727)
- films under productions		(67,983)	(58,910)	-	-
- other current assets		24,833	10,148	11,793	4,233
- finance lease receivables		85	49	-	-
- accounts receivable - long-term contract		-	14,982	-	14,982
- other non-current assets		(58,934)	(53,912)	(77,937)	(69,120)
- trade and other payables		(74,572)	(715,416)	(105,478)	(398,338)
- other current liabilities		54,332	(39,174)	46,424	40,579
- other non-current liabilities		(7,202)	24,607	3,072	28,183
Cash flows from operating activities		1,659,203	1,202,226	777,002	598,113

21 Commitments and contingencies

i) Bank guarantees and letter of credits

As at 30 September 2014, there are outstanding bank guarantees and letter of credits given on behalf of the Group to third parties amounting to Baht 188.90 million (31 December 2013: Baht 167.83 million).

ii) Guarantees

As at 30 September 2014, the Company and a subsidiary have given guarantees for bank loans granted to subsidiaries and associate for a total of Baht 210.00 million (31 December 2013: Baht 833.61 million).

iii) Operating lease commitments - where a Group is the lessee

The Company and its subsidiaries have commitment obligations in terms of long-term lease of land, buildings and service contracts. The future aggregate non-cancellable minimum lease and service payments under the contracts are as follows:

	Unit: Million Baht			
	Consolidated		Company	
	30 September 2014	31 December 2013	30 September 2014	31 December 2013
Not later than 1 year	566	573	600	618
Later than 1 year but not later than 5 years	2,377	1,941	2,156	2,023
Later than 5 years	5,402	4,847	3,078	2,429
	<u>8,345</u>	<u>7,361</u>	<u>5,834</u>	<u>5,070</u>

In addition to the minimum lease and service payments, the Group also has obligations in respect of lease of buildings and service contracts based on revenue sharing with the lessors.

iv) Commitment from film productions

As at 30 September 2014, the Group has commitments in respect of payments to film directors amounting to Baht 38.18 million (31 December 2013: Baht 47.28 million).

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22 Related party transactions (Cont'd)

ii) Purchases of goods and services and others

	Unit: Baht'000			
	Consolidated		Company	
	2014	2013	2014	2013
For the three-month period ended 30 September				
Purchases of goods and services				
Subsidiaries	-	-	73,561	56,267
Associates	8,418	9,758	6,581	8,206
Leasehold property fund	38,177	34,835	28,845	27,927
Joint ventures	14,737	-	-	-
Related parties	39,761	34,770	34,939	31,744
	101,093	79,363	143,926	124,144

	Unit: Baht'000			
	Consolidated		Company	
	2014	2013	2014	2013
For the nine-month period ended 30 September				
Purchases of goods and services				
Subsidiaries	-	-	207,793	165,041
Associates	22,813	32,820	18,214	27,505
Leasehold property fund	114,565	108,430	87,232	84,794
Joint ventures	15,400	20	20	20
Related parties	128,492	103,815	113,809	95,669
	281,270	245,085	427,068	373,029
Purchases of fixed assets				
Subsidiaries	-	-	120	27
	-	-	120	27

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22 Related party transactions (Cont'd)

The following significant transactions were carried out with related parties: (Cont'd)

iii) Outstanding balances arising from sales/purchases of goods/services and others

	Unit: Baht'000			
	Consolidated		Company	
	30 September 2014	31 December 2013	30 September 2014	31 December 2013
Trade accounts receivable (include unbilled revenue)				
Subsidiaries	-	-	80,414	98,326
Associates	3,042	3,158	80	1,257
Joint venture	92,298	26,787	3,892	240
Related parties	2,752	3,111	490	763
	<u>98,092</u>	<u>33,056</u>	<u>84,876</u>	<u>100,586</u>
Amounts due from related parties				
Subsidiaries	-	-	227,984	226,702
Associates	33,761	37,720	8,790	11,073
Joint venture	97,109	4,388	-	4,087
Related parties	44,302	31,307	28,196	11,944
	<u>175,172</u>	<u>73,415</u>	<u>264,970</u>	<u>253,806</u>
Deposit (included in "Other non-current assets")				
Subsidiaries	-	-	44,528	18,688
Associates	8,979	8,979	3,460	3,460
Related parties	-	200	-	200
	<u>8,979</u>	<u>9,179</u>	<u>47,988</u>	<u>22,348</u>
Finance lease receivables				
Related parties	1,746	1,768	-	-
	<u>1,746</u>	<u>1,768</u>	<u>-</u>	<u>-</u>

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Condensed Notes to Interim Financial Information (Unaudited)
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22 Related party transactions (Cont'd)

The following significant transactions were carried out with related parties: (Cont'd)

iii) Outstanding balances arising from sales/purchases of goods/services and others (Cont'd)

	Unit: Baht'000			
	Consolidated		Company	
	30 September 2014	31 December 2013	30 September 2014	31 December 2013
Trade accounts payable (included in "Trade account payables")				
Subsidiaries	-	-	66,271	101,173
Associates	4	978	1	1
Joint venture	1,558	-	1,211	-
Related parties	1,109	1,014	1,003	901
	<u>2,671</u>	<u>1,992</u>	<u>68,486</u>	<u>102,075</u>
Other payables (included in "Amounts due to related parties")				
Subsidiaries	-	-	20,568	44,083
Associates	8,115	5,647	7,005	4,864
Joint venture	17,527	2,026	-	-
Related parties	47,567	61,516	34,315	47,406
Directors	283	3,758	283	3,300
	<u>73,492</u>	<u>72,947</u>	<u>62,171</u>	<u>99,653</u>
Advance received for rental and services (included in "Other non-current liabilities")				
Associate	27,317	28,103	-	-
Related parties	14,446	15,579	-	-
	<u>41,763</u>	<u>43,682</u>	<u>-</u>	<u>-</u>
Deposits received (included in "Other non-current liabilities")				
Subsidiaries	-	-	1,253	983
Associates	120,003	120,003	-	-
Joint venture	420	420	-	-
Related parties	5,667	5,238	135	135
	<u>126,090</u>	<u>125,661</u>	<u>1,388</u>	<u>1,118</u>
Finance lease liabilities (included in "Long-term borrowings from financial institutions")				
Associates	12,476	12,392	12,476	12,392
Related parties	8,317	8,262	8,317	8,262
	<u>20,793</u>	<u>20,654</u>	<u>20,793</u>	<u>20,654</u>

22 Related party transactions (Cont'd)

The following significant transactions were carried out with related parties: (Cont'd)

iv) Short-term loans to related parties

The short-term loans to related parties are loans to subsidiaries of Major Cineplex Group Public Company Limited ("Major's Group") for the use of financing to other Major's Group companies. The short-term loans to related parties as at 30 September 2014 comprise unsecured loans of Baht 645.14 million, repayable within 1 month which carry interest at the rate of 4.00% per annum and on-call loans of Baht 0.01 million which carry interest at the rate of 4.00% per annum.

The movements of short-term loans to related parties are shown below.

	<u>Unit: Baht'000</u>
	<u>Company</u>
For the nine-month period ended 30 September 2014	
Opening balance	526,664
Loans advanced during the period	857,511
Loans repayments received during the period	<u>(739,027)</u>
Closing balance	<u>645,148</u>

The related interest income in the company income statement was Baht 16.99 million. As at 30 September 2014, the accrued interest income in the company statement of financial position was Baht 2.07 million.

v) Long-term loans to related parties and others

	<u>Unit: Baht'000</u>	
	<u>Consolidated</u>	<u>Company</u>
For the nine-month period ended 30 September 2014		
Subsidiaries and associates and employees		
Opening balance	3,198	755,969
Loans advanced during the period	-	115,000
Loans repayments received during the period	<u>(854)</u>	<u>(410,848)</u>
Closing balance	<u>2,344</u>	<u>460,121</u>

The long-term loans to related parties are carrying interest at the rate of 4.00% per annum and there is no specific repayment date.

The interest income in the consolidated and company income statements were Baht 2.27 million and Baht 5.85 million, respectively. As at 30 September 2014, the accrued interest incomes in the consolidated and company statements of financial position were Baht 2.17 million and Baht 106.92 million.

22 Related party transactions (Cont'd)

The following significant transactions were carried out with related parties: (Cont'd)

vi) Short-term loans from related parties

The short-term loans from related parties are loans from subsidiaries of Major Cineplex Group Public Company Limited (“Major’s Group”) for the use of financing to other Major’s Group companies. The short-term loans from related parties as at 30 September 2014 comprise unsecured loans of Baht 876.71 million, repayable within 1 month which carry interest at the rate of 4.00% per annum and on-call promissory note of Baht 251.50 million bears interest rate of 2.00% - 4.00% per annum.

The movements of short-term loans from related parties are shown below.

	Unit: Baht’000	
	Consolidated	Company
For the nine-month period ended 30 September 2014		
Opening balance	25,000	610,514
Loans borrowed during the period	-	1,535,813
Loans repaid during the period	-	(1,018,112)
Closing balance	<u>25,000</u>	<u>1,128,215</u>

The related interest expense in the company income statement was Baht 22.63 million. As at 30 September 2014, the accrued interest expense in the company statement of financial position was Baht 4.11 million.

vii) Key management’s remunerations

	Unit: Baht’000			
	Consolidated		Company	
For the three-month periods ended 30 September	2014	2013	2014	2013
Short-term employee benefits	11,635	11,460	10,417	8,088
Retirement benefits	251	225	240	225
Share-based payments	513	1,995	513	1,995
	<u>12,399</u>	<u>13,680</u>	<u>11,170</u>	<u>10,308</u>

	Unit: Baht’000			
	Consolidated		Company	
For the nine-month periods ended 30 September	2014	2013	2014	2013
Short-term employee benefits	35,707	32,842	32,192	20,391
Retirement benefits	753	675	720	675
Share-based payments	1,155	3,103	1,155	3,103
	<u>37,615</u>	<u>36,620</u>	<u>34,067</u>	<u>24,169</u>