

**The Siam Cement Public Company Limited
and its Subsidiaries**

Interim consolidated financial statements

For the three-month and nine-month periods ended 30 September 2018

The Siam Cement Public Company Limited and its Subsidiaries**2****Consolidated statement of financial position****UNREVIEWED****As at 30 September 2018**

Assets	30 September 2018	31 December 2017
	<i>(in thousand Baht)</i>	
<i>Current assets</i>		
Cash and cash equivalents	27,495,671	43,936,645
Current investments	17,624,250	12,970,998
Trade and other current receivables	68,771,319	55,407,319
Short-term loans	155,014	152,393
Inventories	66,479,125	57,649,895
Other current assets	953,108	1,471,196
Non-current assets classified as held for sale	2,478,054	30,832
Total current assets	183,956,541	171,619,278
<i>Non-current assets</i>		
Investments held as available for sale	7,450,671	7,161,645
Investments in associates	99,131,612	95,346,183
Investments in joint ventures	1,035,803	2,984,699
Other long-term investments	3,261,468	2,975,865
Other non-current receivables	12,575,582	5,244,715
Long-term loans	117,746	123,754
Investment property	1,708,034	1,492,151
Property, plant and equipment	244,095,767	248,847,055
Goodwill	19,749,922	17,476,705
Other intangible assets	10,786,401	11,402,643
Deferred tax assets	5,736,645	6,273,762
Other non-current assets	2,793,141	2,463,577
Total non-current assets	408,442,792	401,792,754
Total assets	592,399,333	573,412,032

The Siam Cement Public Company Limited and its Subsidiaries**3****Consolidated statement of financial position****UNREVIEWED****As at 30 September 2018**

Liabilities and shareholders' equity	30 September 2018	31 December 2017
	<i>(in thousand Baht)</i>	
<i>Current liabilities</i>		
Bank overdrafts and short-term borrowings		
from financial institutions	19,969,317	19,586,055
Trade and other current payables	64,728,719	46,056,049
Current portion of long-term borrowings	995,953	4,787,023
Current portion of debentures	24,895,217	39,918,630
Short-term borrowings	269,849	196,862
Current income tax payable	2,302,150	2,954,837
Other current liabilities	1,591,774	2,507,894
Total current liabilities	114,752,979	116,007,350
<i>Non-current liabilities</i>		
Long-term borrowings	1,986,606	3,458,809
Debentures	156,244,208	141,215,577
Deferred tax liabilities	2,224,535	2,317,689
Non-current provisions for employee benefits	7,918,968	7,572,904
Other non-current liabilities	1,138,703	1,014,790
Total non-current liabilities	169,513,020	155,579,769
Total liabilities	284,265,999	271,587,119

The Siam Cement Public Company Limited and its Subsidiaries**4****Consolidated statement of financial position****UNREVIEWED****As at 30 September 2018**

Liabilities and shareholders' equity	30 September 2018	31 December 2017
	<i>(in thousand Baht)</i>	
Shareholders' equity		
Share capital		
<i>Authorized share capital</i>		
- Ordinary share	1,600,000	1,600,000
<i>Issued and paid share capital</i>		
- Ordinary share	1,200,000	1,200,000
Retained earnings		
<i>Appropriated</i>		
Legal reserve	160,000	160,000
General reserve	10,516,000	10,516,000
<i>Unappropriated</i>	281,635,860	270,131,718
Other components of shareholders' equity	(26,187,850)	(20,910,148)
Total equity attributable to owners of the parent	267,324,010	261,097,570
Non-controlling interests	40,809,324	40,727,343
Total shareholders' equity	308,133,334	301,824,913
Total liabilities and shareholders' equity	592,399,333	573,412,032

The Siam Cement Public Company Limited and its Subsidiaries**5****Consolidated income statement****UNREVIEWED****For the three-month period ended 30 September 2018**

	2018	2017
	<i>(in thousand Baht)</i>	
Revenue from sales	122,518,068	112,427,757
Cost of sales	(98,197,465)	(87,177,281)
Gross profit	24,320,603	25,250,476
Other income	2,905,376	2,240,945
Profit before expenses	27,225,979	27,491,421
Distribution costs	(5,862,163)	(5,974,799)
Administrative expenses	(9,653,027)	(7,784,452)
Total expenses	(15,515,190)	(13,759,251)
Profit from operations	11,710,789	13,732,170
Finance costs	(1,748,408)	(1,750,604)
Share of profit of associates and joint ventures	3,952,464	4,253,414
Profit before income tax	13,914,845	16,234,980
Tax expense	(2,192,060)	(1,494,154)
Profit for the period	11,722,785	14,740,826
Profit attributable to		
Owners of the parent	9,473,021	11,836,443
Non-controlling interests	2,249,764	2,904,383
	11,722,785	14,740,826
Basic earnings per share (in Baht)		
Attributable to owners of the parent	7.89	9.86

The Siam Cement Public Company Limited and its Subsidiaries**6****Consolidated statement of comprehensive income****UNREVIEWED****For the three-month period ended 30 September 2018**

	2018	2017
	<i>(in thousand Baht)</i>	
Profit for the period	11,722,785	14,740,826
Other comprehensive income		
<i>Components of other comprehensive income that will be reclassified to profit or loss</i>		
Exchange differences on translating financial statement	(4,917,178)	(1,053,260)
Gains (losses) on remeasuring investments held as available for sale	(51,212)	34,356
Share of other comprehensive income of associates and joint ventures	554,099	(150,971)
Income tax relating to components of other comprehensive income that will be reclassified to profit or loss	10,242	(6,860)
Total components of other comprehensive income that will be reclassified to profit or loss	(4,404,049)	(1,176,735)
<i>Components of other comprehensive income that will not be reclassified to profit or loss</i>		
Defined benefit plan actuarial losses	(2,068)	(261)
Income tax relating to components of other comprehensive income that will not be reclassified to profit or loss	469	(76)
Total components of other comprehensive income that will not be reclassified to profit or loss	(1,599)	(337)
Other comprehensive income for the period, net of tax	(4,405,648)	(1,177,072)
Total comprehensive income for the period	7,317,137	13,563,754
Total comprehensive income attributable to		
Owners of the parent	5,789,944	10,777,787
Non-controlling interests	1,527,193	2,785,967
	7,317,137	13,563,754

The Siam Cement Public Company Limited and its Subsidiaries**7****Consolidated income statement****UNREVIEWED****For the nine-month period ended 30 September 2018**

	2018	2017
	<i>(in thousand Baht)</i>	
Revenue from sales	361,215,014	337,520,834
Cost of sales	(285,662,331)	(259,621,449)
Gross profit	75,552,683	77,899,385
Other income	7,821,848	10,272,711
Profit before expenses	83,374,531	88,172,096
Distribution costs	(17,563,274)	(17,769,502)
Administrative expenses	(24,265,676)	(22,288,226)
Total expenses	(41,828,950)	(40,057,728)
Profit from operations	41,545,581	48,114,368
Finance costs	(5,164,835)	(5,346,715)
Share of profit of associates and joint ventures	11,889,958	14,205,845
Profit before income tax	48,270,704	56,973,498
Tax expense	(6,069,217)	(4,409,542)
Profit for the period	42,201,487	52,563,956
Profit attributable to		
Owners of the parent	34,280,639	42,474,282
Non-controlling interests	7,920,848	10,089,674
	42,201,487	52,563,956
Basic earnings per share (in Baht)		
Attributable to owners of the parent	28.57	35.40

The Siam Cement Public Company Limited and its Subsidiaries

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Consolidated statement of comprehensive income

UNREVIEWED

For the nine-month period ended 30 September 2018

	2018	2017
	<i>(in thousand Baht)</i>	
Profit for the period	42,201,487	52,563,956
Other comprehensive income		
<i>Components of other comprehensive income that will be reclassified to profit or loss</i>		
Exchange differences on translating financial statement	(4,199,754)	(4,910,849)
Gains (losses) on remeasuring investments held as available for sale	(41,930)	72,437
Reversal of remeasuring investments held as available for sale	-	(1,692,934)
Share of other comprehensive income of associates and joint ventures	447,198	(737,786)
Income tax relating to components of other comprehensive income that will be reclassified to profit or loss	8,386	324,071
Total components of other comprehensive income that will be reclassified to profit or loss	(3,786,100)	(6,945,061)
<i>Components of other comprehensive income that will not be reclassified to profit or loss</i>		
Defined benefit plan actuarial gains (losses)	31,671	(27,824)
Income tax relating to components of other comprehensive income that will not be reclassified to profit or loss	(8,465)	7,098
Total components of other comprehensive income that will not be reclassified to profit or loss	23,206	(20,726)
Other comprehensive income for the period, net of tax	(3,762,894)	(6,965,787)
Total comprehensive income for the period	38,438,593	45,598,169
Total comprehensive income attributable to		
Owners of the parent	31,237,053	36,366,162
Non-controlling interests	7,201,540	9,232,007
	38,438,593	45,598,169

The Siam Cement Public Company Limited and its Subsidiaries**11****Consolidated statement of cash flows****UNREVIEWED****For the nine-month period ended 30 September 2018**

	2018	2017
	<i>(in thousand Baht)</i>	
<i>Cash flows from operating activities</i>		
Profit for the period	42,201,487	52,563,956
<i>Adjustments for</i>		
Tax expense	6,069,217	4,409,542
Depreciation and amortization	17,659,751	17,249,935
Loss on inventories devaluation	271,901	6,816
Employee benefit expense	969,379	619,105
Unrealized gain on foreign currency exchange	(54,077)	(185,449)
Share of profit of associates and joint ventures	(11,889,958)	(14,205,845)
Dividend income	(935,395)	(1,416,169)
Interest income	(662,572)	(592,483)
Interest expense	4,985,285	5,161,272
Loss on impairment of assets	1,522,889	529,364
Gain on sales of investments and others	(1,576,725)	(3,270,529)
Cash flows generated from operations		
before changes in operating assets and liabilities	58,561,182	60,869,515
<i>Decrease (increase) in operating assets</i>		
Trade and other current receivables	(9,058,889)	(7,881,777)
Inventories	(9,046,610)	(3,012,069)
Other assets	(139,059)	360,015
Net increase in operating assets	(18,244,558)	(10,533,831)

The Siam Cement Public Company Limited and its Subsidiaries**12****Consolidated statement of cash flows****UNREVIEWED****For the nine-month period ended 30 September 2018**

	2018	2017
	<i>(in thousand Baht)</i>	
<i>Increase (decrease) in operating liabilities</i>		
Trade and other current payables	19,634,719	5,287,645
Provisions for employee benefits	(705,867)	(437,645)
Other liabilities	(62,965)	(844,841)
Net increase in operating liabilities	18,865,887	4,005,159
Net cash flows generated from operations	59,182,511	54,340,843
Income tax paid	(6,164,019)	(5,562,634)
Net cash flows provided by operating activities	53,018,492	48,778,209
<i>Cash flows from investing activities</i>		
Proceeds from sales of subsidiaries, net cash outflow	957,576	-
Acquisition of subsidiaries, net of cash acquired	(3,844,232)	(4,025,533)
Investments in associates and joint ventures	(2,753,035)	(4,061,291)
Proceeds from sales of investments	40,646,535	24,105,867
Current investments	(42,441,897)	(15,248,443)
Investments held as available for sale and other long-term investments	(2,681,219)	(1,207,779)
Proceeds from sales of property, plant and equipments	268,610	1,318,130
Acquisition of property, plant and equipment, and intangible assets	(24,172,661)	(19,440,200)
Proceeds from (payment of) repayment of loans	(2,703)	18,875
Dividends received	8,362,512	11,531,445
Interest received	594,783	568,846
Income tax paid from sales of investments	(288,379)	(813,571)
Net cash flows used in investing activities	(25,354,110)	(7,253,654)

The Siam Cement Public Company Limited and its Subsidiaries

Consolidated statement of cash flows

For the nine-month period ended 30 September 2018

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UNREVIEWED

	2018	2017
	<i>(in thousand Baht)</i>	
<i>Cash flows from financing activities</i>		
Proceeds from changes in ownership interests in subsidiaries		
that do not result in a loss of control	185,431	98,697
Payments of changes in ownership interests in subsidiaries		
that do not result in a loss of control	(3,869,890)	(3,351,464)
<i>Proceeds from (payments of) borrowings</i>		
Proceeds from (payments of) bank overdrafts and		
short-term borrowings	364,479	(1,649,028)
Proceeds from long-term borrowings	431,368	799,581
Payments of long-term borrowings	(5,591,707)	(11,721,390)
Payments of finance lease liabilities	(162,595)	(118,786)
Proceeds from issuance of debentures	29,948,000	34,949,830
Redemption of debentures	(29,942,782)	(24,916,595)
Net decrease in borrowings	(4,953,237)	(2,656,388)
Dividends paid		
Dividends paid to owners of the parent	(22,799,660)	(22,799,360)
Dividends paid to non-controlling interests	(7,207,693)	(6,681,058)
Total dividends paid	(30,007,353)	(29,480,418)
Interest paid	(5,088,528)	(5,776,829)
Net cash flows used in financing activities	(43,733,577)	(41,166,402)
Net increase (decrease) in cash and cash equivalents	(16,069,195)	358,153
Effect of exchange rate changes on cash and cash equivalents	(371,779)	(438,813)
Cash and cash equivalents at beginning of the period	43,936,645	27,709,352
Cash and cash equivalents at end of the period	27,495,671	27,628,692
<i>Supplementary information for cash flows</i>		
Non-cash transactions		
Account payables from purchase of assets	1,964,956	2,736,046
Accrued investments	924,532	1,590,428

The Siam Cement Public Company Limited and its Subsidiaries
Segment information
For the nine-month period ended 30 September 2018

	In Million Baht									
	Total assets		Revenue from sales		EBITDA (1)		Profit for the period (2)		Depreciation and amortization	
	Sep 30	Dec 31	Jan - Sep		Jan - Sep		Jan - Sep		Jan - Sep	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Consolidated SCG	592,399	573,412	361,215	337,521	66,560	75,487	34,281	42,474	17,660	17,250
<u>Business Segments</u>										
Cement-Building Materials Business	218,167	213,134	137,224	131,883	15,920	16,763	4,426	5,413	7,899	7,866
Chemicals Business	224,350	193,183	167,633	154,446	37,066	46,106	23,751	31,835	5,073	4,875
Packaging Business	93,085	91,312	65,972	60,016	11,212	9,221	4,827	3,436	4,014	3,862
Other	309,423	307,272	75	62	2,407	3,437	1,397	1,970	674	647

(1) represents profit before share of profit of associates and joint ventures, finance costs, income tax expense, depreciation and amortization and includes dividends from associates.

(2) represents profit for the period attributable to owners of the parent.

Operating results of business segments

(In Million Baht)

	Cement-Building Materials Business		Chemicals Business		Packaging Business		Other		Intersegment Elimination		Consolidated SCG	
	Sep 30, 2018	Dec 31, 2017	Sep 30, 2018	Dec 31, 2017	Sep 30, 2018	Dec 31, 2017	Sep 30, 2018	Dec 31, 2017	Sep 30, 2018	Dec 31, 2017	Sep 30, 2018	Dec 31, 2017
Information from statements of financial position												
Current assets	64,504	56,466	69,301	45,183	29,975	29,317	144,009	147,543	(123,832)	(106,890)	183,957	171,619
Investments in associates and joint ventures	16,972	13,896	60,274	62,518	741	761	22,188	21,165	(8)	(9)	100,167	98,331
Other long-term investments	1,268	1,269	140	42	16	16	134,612	129,851	(125,324)	(121,040)	10,712	10,138
Property, plant and equipment	109,250	114,456	74,677	74,943	58,045	57,143	3,035	3,256	(911)	(951)	244,096	248,847
Other non-current assets	26,173	27,047	19,958	10,497	4,308	4,075	5,579	5,457	(2,551)	(2,599)	53,467	44,477
Total assets	218,167	213,134	224,350	193,183	93,085	91,312	309,423	307,272	(252,626)	(231,489)	592,399	573,412
Short-term borrowings	74,822	77,383	30,662	21,300	27,903	23,026	26,602	40,244	(113,859)	(97,464)	46,130	64,489
Other current liabilities	26,385	22,743	32,319	19,897	10,188	9,422	3,886	3,062	(4,155)	(3,605)	68,623	51,519
Long-term borrowings	1,052	1,449	4,670	5,405	981	1,328	156,250	141,223	(4,722)	(4,731)	158,231	144,674
Other non-current liabilities	5,472	5,338	2,727	2,655	1,933	1,885	2,015	1,942	(865)	(915)	11,282	10,905
Total liabilities	107,731	106,913	70,378	49,257	41,005	35,661	188,753	186,471	(123,601)	(106,715)	284,266	271,587
Shareholders' equity	110,436	106,221	153,972	143,926	52,080	55,651	120,670	120,801	(129,025)	(124,774)	308,133	301,825
Total liabilities and shareholders' equity	218,167	213,134	224,350	193,183	93,085	91,312	309,423	307,272	(252,626)	(231,489)	592,399	573,412
	Jan - Sep 2018	Jan - Sep 2017	Jan - Sep 2018	Jan - Sep 2017	Jan - Sep 2018	Jan - Sep 2017	Jan - Sep 2018	Jan - Sep 2017	Jan - Sep 2018	Jan - Sep 2017	Jan - Sep 2018	Jan - Sep 2017
Information from income statements												
Revenue from sales												
External customers	130,022	125,327	167,050	153,789	64,068	58,343	75	62	-	-	361,215	337,521
Intersegment	7,202	6,556	583	657	1,904	1,673	-	-	(9,689)	(8,886)	-	-
Total revenue from sales	137,224	131,883	167,633	154,446	65,972	60,016	75	62	(9,689)	(8,886)	361,215	337,521
Cost of sales	(108,783)	(103,551)	(134,289)	(115,164)	(52,305)	(49,730)	(35)	(30)	9,750	8,854	(285,662)	(259,621)
Gross profit	28,441	28,332	33,344	39,282	13,667	10,286	40	32	61	(32)	75,553	77,900
Other income	1,718	1,973	3,246	4,371	379	1,289	5,873	6,770	(3,394)	(4,130)	7,822	10,273
Profit before expenses	30,159	30,305	36,590	43,653	14,046	11,575	5,913	6,802	(3,333)	(4,162)	83,375	88,173
Operating expenses	(22,457)	(21,745)	(10,465)	(10,818)	(6,864)	(6,235)	(5,331)	(5,383)	3,288	4,122	(41,829)	(40,059)
Profit before finance costs and income tax	7,702	8,560	26,125	32,835	7,182	5,340	582	1,419	(45)	(40)	41,546	48,114
Finance costs	(2,195)	(2,281)	(477)	(757)	(782)	(658)	(1,754)	(1,691)	43	41	(5,165)	(5,346)
Profit (loss) before income tax	5,507	6,279	25,648	32,078	6,400	4,682	(1,172)	(272)	(2)	1	36,381	42,768
Tax income (expense)	(1,581)	(1,288)	(3,830)	(2,851)	(987)	(464)	394	319	(65)	(126)	(6,069)	(4,410)
Profit (loss) after income tax	3,926	4,991	21,818	29,227	5,413	4,218	(778)	47	(67)	(125)	30,312	38,358
Share of profit (loss) of associates and joint ventures	691	640	9,028	11,638	(4)	5	2,176	1,924	(1)	(1)	11,890	14,206
Profit for the period	4,617	5,631	30,846	40,865	5,409	4,223	1,398	1,971	(68)	(126)	42,202	52,564
Profit attributable to												
Owners of the parent	4,426	5,413	23,751	31,835	4,827	3,436	1,397	1,970	(120)	(180)	34,281	42,474
Non-controlling interests	191	218	7,095	9,030	582	787	1	1	52	54	7,921	10,090
	4,617	5,631	30,846	40,865	5,409	4,223	1,398	1,971	(68)	(126)	42,202	52,564