

**TATA STEEL (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2017
“UNAUDITED”**

1. GENERAL INFORMATION AND THE OPERATION OF THE COMPANY

Tata Steel (Thailand) Public Company Limited (“the Company” or “the parent company”) is incorporated in Thailand and has its registered office at Rasa Tower 2, 20th Floor, 555 Phaholyothin Road, Chatuchak Sub-district, Chatuchak District, Bangkok with the objective to invest in other companies and provide management services and the Company has been listed on the Stock Exchange of Thailand since November 2002. The major shareholder (hold 67.90%) is T S Global Holdings Pte. Ltd. which is incorporated in Singapore and is an affiliate of Tata Steel Limited, a listed company incorporated under the law of India and is one of the largest integrated steel manufacturers in India with a strong global customer base.

The Company has three subsidiaries (“the Group”) which were incorporated in Thailand, that manufacture, render a manufacturing service, distribute and trading of steel bars, wire rods and small section products. Sales of the subsidiaries are mainly local sales contributing 90% and 91% of the total sales for the three-month periods ended June 30, 2017 and 2016, respectively.

Details of the Company’s subsidiaries are as follows:

	Type of business	Shareholding (%)	
		As at	As at
		June 30, 2017	March 31, 2017
The Siam Iron and Steel (2001) Company Limited	Manufacture wire rods and small section products	99.99	99.99
The Siam Construction Steel Company Limited	Manufacture steel bars	99.99	99.99
N.T.S. Steel Group Public Company Limited	Manufacture, render a manufacturing service, distribution and trading of steel bars, wire rods and small section products	99.76	99.76

The Company has extensive transactions and relationships with the major shareholder and related parties. Accordingly, the interim financial information may not necessarily be indicative of the conditions that would have existed or the results of operations that would have occurred if the Company had operated without such affiliations.

As at June 30, 2017 and March 31, 2017, N.T.S. Steel Group Public Company Limited (“N.T.S.”) has total current liabilities exceeding total current assets by Baht 2,086 million and Baht 2,573 million, respectively. However, the amount of current liabilities included the short-term borrowing from the parent company of Baht 2,698 million and Baht 2,720 million, respectively. The parent company will continue its financial support to N.T.S. to enable N.T.S. to continue its operations satisfactorily at least for the next 12 months from the statement of financial position date and the Group’s management has prepared the business plan including initiatives to improve operation and financial results of N.T.S. In addition, the Company manages the liquidity based on a group basis.

2. BASIS FOR PREPARATION AND PRESENTATION OF THE INTERIM FINANCIAL STATEMENTS

- 2.1 These interim consolidated and separate financial statements are prepared in Thai Baht and in compliance with Thai Accounting Standard No. 34 (Revised 2016) “Interim Financial Reporting” and accounting practices generally accepted in Thailand. The Company presents the condensed notes to interim financial statements and the additional information is disclosed in accordance with the regulations of the Office of the Securities and Exchange Commission.
- 2.2 The interim consolidated and separate statements of financial position as at March 31, 2017, presented herein for comparison, have been derived from the consolidated and separate financial statements of the Company for the year then ended which had been previously audited.
- 2.3 The unaudited results of operations presented in the three-month period ended June 30, 2017 are not necessarily an indication nor anticipation of the operating results for the full year.
- 2.4 Certain financial information which is normally included in the annual financial statements prepared in accordance with Thai Financial Reporting Standards, but which is not required for interim reporting purposes, has been omitted. Therefore, the interim financial statements for the three-month period ended June 30, 2017 should be read in conjunction with the audited financial statements for the year ended March 31, 2017.
- 2.5 Material intercompany transactions between the Company and its subsidiaries have been eliminated from this interim consolidated financial statements. The interim consolidated financial statements for the three-month period ended June 30, 2017 have included the subsidiaries’ interim financial statements for the three-month period ended June 30, 2017 which were reviewed.
- 2.6 Thai Financial Reporting Standards affecting the presentation and disclosure in the current period financial statements.

During the period, the Company has adopted the revised and new financial reporting standards issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after January 1, 2017. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company’s interim financial statements.

- 2.7 The interim consolidated financial statements for the three-month period ended June 30, 2017 and the consolidated financial statements for the year ended March 31, 2017 did not include investment in Siam Steel Mill Services Company Limited on an equity method because the Company has no significant influence to govern the financial and operating policies of and does not have any authorised director to sign on behalf of Siam Steel Mill Services Company Limited which is held by The Siam Construction Steel Company Limited at 24% of its share capital. The Company and the subsidiary recorded such investment as other long-term investment at cost value of Baht 1,241.

3. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements have been prepared based on the basis, accounting policies and method of computation consistent with those used in the financial statements for the year ended March 31, 2017.

4. SUPPLEMENTARY DISCLOSURES OF CASH FLOWS INFORMATION

4.1 Cash and cash equivalents consist of:

	Consolidated financial statements		Unit : Thousand Baht Separate financial statements	
	“UNAUDITED”		“UNAUDITED”	
	As at June 30, 2017	As at March 31, 2017	As at June 30, 2017	As at March 31, 2017
Cash	1	4	-	-
Bank deposits in current accounts	22,141	42,108	665	1,404
Bank deposits in savings accounts	811,518	888,181	716,221	784,936
Time deposits with maturity not more than 3 months	42	42	42	42
Total	<u>833,702</u>	<u>930,335</u>	<u>716,928</u>	<u>786,382</u>

As at June 30, 2017 and March 31, 2017, bank deposits in saving accounts in the consolidated financial statements carry interest rates from 0.05% to 0.80% per annum and bank deposits in savings accounts in the separate financial statements carry interest rates from 0.10% to 0.80% per annum.

As at June 30, 2017 and March 31, 2017, time deposits with maturity not more than 3 months in the consolidated financial statements and the separate financial statements carry interest rate at 1.00% per annum.

4.2 Other non-cash adjustment items for the three-month periods ended June 30, consist of:

	Consolidated financial statements		Unit : Thousand Baht Separate financial statements	
	“UNAUDITED”		“UNAUDITED”	
	2017	2016	2017	2016
Gain on sale of plant and equipment	(149)	-	(127)	-
Loss from writing-off of plant and equipment	538	-	-	-
Total	<u>389</u>	<u>-</u>	<u>(127)</u>	<u>-</u>

- 4.3 Other cash received (paid) from operating activities for the three-month periods ended June 30, consists of:

	Consolidated		Unit : Thousand Baht	
	financial statements		Separate	
	“UNAUDITED”		financial statements	
	2017	2016	“UNAUDITED”	2016
(Increase) decrease in other current assets and other non-current assets	(1,792)	(42,419)	(928)	3,323
Decrease in other current liabilities and other non-current liabilities	<u>(19,226)</u>	<u>(5,540)</u>	<u>(1,413)</u>	<u>(135)</u>
Total	<u>(21,018)</u>	<u>(47,959)</u>	<u>(2,341)</u>	<u>3,188</u>

- 4.4 Adjustment of cash occurred from borrowings for the three-month periods ended June 30, consists of:

	Consolidated		Unit : Thousand Baht	
	financial statements		Separate	
	“UNAUDITED”		financial statements	
	2017	2016	“UNAUDITED”	2016
Interest paid	<u>(26,327)</u>	<u>(26,711)</u>	<u>(20,088)</u>	<u>(15,176)</u>

- 4.5 Non-cash transactions in the consolidated and the separate interim financial statements are as follows:

- The recording of investments in available-for-sale securities in the consolidated financial statements at fair value. For the three-month period ended June 30, 2017, the Group recorded unrealised gain on such investments of Baht 1.90 million (2016 : nil).
- On April 25, 2017, the Board of Directors of T S Global Holdings Pte. Ltd. (“TSGH”) approved for offsetting the other receivable from TSGH of Baht 71.22 million which was presented as non-current assets in prior period and current portion of long-term borrowing of Baht 270.60 million. (see Note 14)
- Non-cash items from purchase and increase of plant and equipment and intangible asset for the three-month periods ended June 30, are as follows:

	Consolidated		Unit : Thousand Baht	
	financial statements		Separate	
	“UNAUDITED”		financial statements	
	2017	2016	“UNAUDITED”	2016
Payables for plant and equipment and intangible asset brought forward	37,314	13,214	11,362	2,643
<u>Add</u> Purchases during the periods	36,459	14,730	1,337	1,109
<u>Less</u> Payments during the periods	<u>(70,806)</u>	<u>(26,233)</u>	<u>(12,675)</u>	<u>(3,690)</u>
Payables for plant and equipment and intangible asset carried forward	<u>2,967</u>	<u>1,711</u>	<u>24</u>	<u>62</u>

5. TEMPORARY INVESTMENT

As at June 30, 2017 and March 31, 2017, temporary investment is time deposit at a financial institution, carrying interest rate at 0.50% per annum and has maturity date on November 21, 2017.

6. TRADE AND OTHER RECEIVABLES

Trade and other receivables consist of:

	Consolidated financial statements		Unit : Thousand Baht Separate financial statements	
	“UNAUDITED”		“UNAUDITED”	
	As at June 30, 2017	As at March 31, 2017	As at June 30, 2017	As at March 31, 2017
Trade receivable - related parties (see Note 14)	227,951	236,845	-	-
Trade receivable - other companies (see Note 7)	575,752	713,897	-	-
Other receivables - related parties (see Note 14)	673	754	72,744	116,922
Other receivables - other companies	336	492	6	2
Prepaid expenses	27,329	11,942	6,257	9,874
Total	<u>832,041</u>	<u>963,930</u>	<u>79,007</u>	<u>126,798</u>

7. TRADE RECEIVABLE - OTHER COMPANIES

Trade receivable - other companies are as follows:

	Consolidated financial statements		Unit : Thousand Baht Separate financial statements	
	“UNAUDITED”		“UNAUDITED”	
	As at June 30, 2017	As at March 31, 2017	As at June 30, 2017	As at March 31, 2017
Within credit terms	558,483	691,225	-	-
Overdue:				
Not over 3 months	16,424	21,851	-	-
Over 3 months to 6 months	51	-	-	-
Over 6 months to 12 months	-	-	-	-
Over 12 months	18,429	18,456	-	-
Total	<u>593,387</u>	<u>731,532</u>	<u>-</u>	<u>-</u>
<u>Less</u> Allowance for doubtful accounts	<u>(17,635)</u>	<u>(17,635)</u>	<u>-</u>	<u>-</u>
Total	<u>575,752</u>	<u>713,897</u>	<u>-</u>	<u>-</u>

In 2008, the Group has entered into a “Receivable Purchase Agreement” with a financial institution which all risks and rewards only for the amount accepted by the buyer have been transferred to the buyer.

For the three-month periods ended June 30, 2017 and 2016, the Group had sold receivables to the financial institution amounting to Baht 2,005 million and Baht 1,818 million, respectively.

8. INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries are as follows:

	Unit : Thousand Baht					
	Ownership interest (%)		Separate financial statements Paid-up capital		Investments at cost	
	As at		As at		As at	
June 30, 2017	March 31, 2017	June 30, 2017	March 31, 2017	June 30, 2017	March 31, 2017	
Investments in equity						
The Siam Iron and Steel (2001) Co., Ltd.	99.99	99.99	120,000	120,000	2,554,386	2,554,386
The Siam Construction Steel Co., Ltd.	99.99	99.99	1,750,000	1,750,000	3,656,874	3,656,874
N.T.S. Steel Group Public Company Limited	99.76	99.76	<u>4,627,965</u>	<u>4,627,965</u>	<u>9,181,787</u>	<u>9,181,787</u>
					<u>15,393,047</u>	<u>15,393,047</u>
<u>Less</u> Allowance for impairment of investment					<u>(3,380,000)</u>	<u>(3,380,000)</u>
Total					<u>12,013,047</u>	<u>12,013,047</u>

There is no declaration of dividend payment for the three-month periods ended June 30, 2017 and 2016.

9. NON-CURRENT ASSETS HELD FOR SALE

In August 2011, the Group's management had decided to cease production of the Mini Blast Furnace ("MBF") at N.T.S., the Company's subsidiary in view of the high volatility of MBF raw material prices and the prices being relatively higher than scrap prices, thereby adversely impacting the viability of costs of steel produced through the MBF route.

In 2017, the Group's management plans to dispose MBF machinery, equipment and its spare parts and store supplies. The Group had active programme to locate buyers, which expected to dispose such assets within 1 year. Therefore, MBF machinery, equipment and its spare part and store supplies are presented as non-current assets held for sale as at June 30, 2017 and as at March 31, 2017 with the net realisable value of Baht 521 million.

10. PROPERTY, PLANT AND EQUIPMENT

For the three-month period ended June 30, 2017, the Group purchased equipment of Baht 36 million. There are no other significant transactions for selling of property, plant and equipment during the period.

On June 14, 2017, there was a fire occurred at the power sub-station of The Siam Iron and Steel (2001) Co., Ltd. From this incident, building, machinery and equipment, which are fully depreciated were partially damaged. The Company is in the process of claiming damages from the insurance company.

11. DEFERRED TAX ASSETS AND INCOME TAX EXPENSE

As at June 30, 2017 and March 31, 2017, the Group had unused tax losses of Baht 5,466 million and Baht 5,655 million, respectively, which were not recognised as deferred tax assets. Such tax losses will be gradually expired from March 2018 to November 2022.

12. TRADE AND OTHER PAYABLES

Trade and other payables consist of:

	Consolidated		Unit : Thousand Baht	
	financial statements		Separate	
	“UNAUDITED”		“UNAUDITED”	
	As at June 30, 2017	As at March 31, 2017	As at June 30, 2017	As at March 31, 2017
Trade payable - related parties (see Note 14)	48,582	19,691	-	-
Trade payable - other companies	549,597	669,709	-	-
Other payables - related parties (see Note 14)	24,298	28,959	26,001	31,202
Other payables - other companies	10,120	41,188	7,177	15,236
Advance received from customer	36,983	50,452	-	-
Accrued expenses	306,247	558,377	25,348	91,845
Total	<u>975,827</u>	<u>1,368,376</u>	<u>58,526</u>	<u>138,283</u>

13. LEGAL RESERVE

According to the Public Companies Act B.E. 2535 requires that the Company and its subsidiary which is a public limited company shall allocate not less than 5% of their annual net profit, less any accumulated losses brought forward, if any, to a reserve account (“legal reserve”), until this account reaches an amount not less than 10% of the authorised shares capital. The legal reserve is not allowable for dividend distribution.

According to the Civil and Commercial Code, subsidiary companies which are limited companies must appropriate to a reserve fund at each distribution of dividend at least one-twentieth of the profit arising from the business of those companies until the reserve fund reaches one-tenth part of capital of subsidiary companies. Such reserve is not allowable for distribution as dividends.

14. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties are those parties linked to the Group by common shareholders or directors. Transactions with related parties are conducted at price based on market prices or where no market price exists, at contractually agreed prices.

The pricing policies for particular types of transactions are explained further below:

	Pricing Policies
Sales	Market price
Purchases	Market price
Management fees income	Contract rate
Service fee paid	Contract rate
Interest income	Contract rate
Interest expense	Contract rate

The major related parties as at June 30, 2017 are as follows:

Type	Name	Type of Business	Relationship
Ultimate parent company	Tata Steel Limited	Manufacture steel	Ultimate parent company
Major shareholder	T S Global Holdings Pte. Ltd.	Investing	Major shareholder
Subsidiaries	The Siam Iron and Steel (2001) Co., Ltd.	Manufacture wire rods and small section products	Common shareholders and management
	The Siam Construction Steel Co., Ltd.	Manufacture steel bars	Common shareholders and managements
	N.T.S. Steel Group Public Company Limited	Manufacture, render a manufacturing service, distributions and trading of steel bars, wire rods and small section products	Common shareholder and management
Other parties	The Siam Industrial Wire Co., Ltd.	Manufacture steel wire	Same group of shareholders
	NatSteel Trade International Pte. Ltd.	Trading	Same group of shareholders
	NatSteel Recycling Pte. Ltd.	Trading	Same group of shareholders
	Tata International Metals Trading Asia Ltd.	Trading	Same group of shareholders
	Tata Steel Asia (Hong Kong) Ltd.	Trading	Same group of shareholders
	Tata Refractories Ltd.	Manufacture refractory	Same group of shareholders
	NatSteel Holdings Pte. Ltd.	Manufacture steel	Same group of shareholders
	Tata Steel UK Ltd.	Manufacture steel	Same group of shareholders
	Tata International Singapore Pte. Ltd.	Trading	Same group of shareholders
	Tata Steel Ijmuiden BV	Manufacture steel	Same group of shareholders
	Tata Consultancy Services (Thailand) Ltd.	Software services	Same group of shareholders
	Tata Consultancy Services Ltd.	Software services	Same group of shareholders
	Tata Services Limited	Training services	Same group of shareholders
	Tata Sons Limited	Investment holdings and consultancy services	Same group of shareholders
	Tata Steel Resources Australia Pte. Ltd.	Procurement	Same group of shareholders

Type	Name	Type of Business	Relationship
Other parties (continued)	Tata NYK Shipping Pte. Ltd.	Shipping	Same group of shareholders
	Mjunction Services Limited	Trading and procurement	Same group of shareholders
	Siam Steel Mill Services Co., Ltd.	Recycling and reprocessing steel scrap	Indirect shareholding by subsidiary
	Tata Steel Global Procurement Co. Pte. Ltd.	Trading	Same group of shareholders
	Tata Steel International (UK) Ltd.	Shipping	Same group of shareholders
	Tata Steel Nederland Services B.V.	Manufacture steel	Same group of shareholders
	Tata South East Asia Limited	Manufacture steel	Same group of shareholders
	TSN Wires Co., Ltd.	Manufacture galvanized steel wire	Same group of shareholders
	Tata International Limited	Trading	Same group of shareholders
	Tata Steel Processing and Distribution Limited	Processing and distribution steel	Same group of shareholders
	Tata Projects Limited	Infrastructure projects	Same group of shareholders
	Tata South East Asia (Cambodia) Ltd.	Trading	Same group of shareholders
	Natsteel (Xiamen) Ltd.	Manufacture steel	Same group of shareholders

Balances with related parties are as follows:

	Consolidated financial statements		Unit : Thousand Baht Separate financial statements	
	“UNAUDITED”		“UNAUDITED”	
	As at June 30, 2017	As at March 31, 2017	As at June 30, 2017	As at March 31, 2017
Trade receivable - related parties				
Tata Steel Limited	204,585	196,224	-	-
The Siam Industrial Wire Co., Ltd.	19,633	33,585	-	-
TSN Wires Co., Ltd.	3,733	7,036	-	-
Total	<u>227,951</u>	<u>236,845</u>	<u>-</u>	<u>-</u>

Trade receivable from related parties are aged as follows:

	Consolidated financial statements		Unit : Thousand Baht Separate financial statements	
	“UNAUDITED”		“UNAUDITED”	
	As at June 30, 2017	As at March 31, 2017	As at June 30, 2017	As at March 31, 2017
Within credit terms	215,714	219,207	-	-
Overdue: not over 3 months	12,237	17,638	-	-
Total	<u>227,951</u>	<u>236,845</u>	<u>-</u>	<u>-</u>

	Consolidated financial statements		Unit : Thousand Baht	
			Separate	
	“UNAUDITED”		“UNAUDITED”	
	As at June 30, 2017	As at March 31, 2017	As at June 30, 2017	As at March 31, 2017
Other receivables - related parties				
Tata Steel Limited	16	16	16	16
The Siam Iron and Steel (2001) Co., Ltd.	-	-	12,732	21,327
The Siam Construction Steel Co., Ltd.	-	-	24,837	43,493
N.T.S. Steel Group Public Company Limited	-	-	35,159	51,949
Tata Sons Limited	-	137	-	137
Siam Steel Mill Services Co., Ltd.	657	601	-	-
Total	<u>673</u>	<u>754</u>	<u>72,744</u>	<u>116,922</u>
Short-term loans to a related party⁽¹⁾				
N.T.S. Steel Group Public Company Limited	-	-	2,697,660	2,719,634

⁽¹⁾ Short-term loans to related parties are non-collateralised loans which are not specified maturity date, carrying interest rate at 3% per annum.

Movements during the periods on short-term loans to a related party are as follows:

	Consolidated financial statements	Unit : Thousand Baht
		Separate financial statements
As at March 31, 2016	-	1,965,744
Increase	-	<u>753,890</u>
As at March 31, 2017	-	2,719,634
Decrease	-	<u>(21,974)</u>
As at June 30, 2017	<u>-</u>	<u>2,697,660</u>

	Consolidated financial statements		Unit : Thousand Baht	
			Separate	
	“UNAUDITED”		“UNAUDITED”	
	As at June 30, 2017	As at March 31, 2017	As at June 30, 2017	As at March 31, 2017
Other non-current asset				
T S Global Holdings Pte. Ltd. ⁽²⁾	-	71,220	-	71,220

⁽²⁾ The Company had paid for the advance payment for Brand Promotion fee of Tata Sons Limited of Baht 71.22 million in 2008. During the year 2014, the receivable was changed from Tata Sons Limited to T S Global Holdings Pte. Ltd. (“TSGH”). On April 25, 2017, the Board of Directors of TSGH approved for offsetting such other receivable from TSGH of Baht 71.22 million and current portion of long-term borrowing of Baht 270.60 million. (see Note 4.5)

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	“UNAUDITED”		“UNAUDITED”	
	As at	As at	As at	As at
	June 30,	March 31,	June 30,	March 31,
	2017	2017	2017	2017
Trade payable - related parties				
Tata Steel Limited	2,493	2,493	-	-
NatSteel Recycling Pte. Ltd.	30,265	-	-	-
Siam Steel Mill Services Co., Ltd.	15,824	17,198	-	-
Total	<u>48,582</u>	<u>19,691</u>	<u>-</u>	<u>-</u>
Other payables - related parties				
Tata Steel Limited	-	3,978	-	3,978
The Siam Iron and Steel (2001) Co., Ltd.	-	-	449	627
The Siam Construction Steel Co., Ltd.	-	-	1,632	2,552
N.T.S. Steel Group Public Company Limited	-	-	38	14
Tata Sons Limited	23,194	23,361	23,194	23,361
Siam Steel Mill Services Co., Ltd.	394	950	-	-
TSN Wires Co., Ltd.	22	-	-	-
Tata South East Asia (Cambodia) Ltd.	688	670	688	670
Total	<u>24,298</u>	<u>28,959</u>	<u>26,001</u>	<u>31,202</u>
Short-term borrowing from related parties				
The Siam Iron and Steel (2001) Co., Ltd. ⁽³⁾	-	-	331,336	398,963
The Siam Construction Steel Co., Ltd. ⁽³⁾	-	-	1,389,529	1,589,835
Total	<u>-</u>	<u>-</u>	<u>1,720,865</u>	<u>1,988,798</u>

⁽³⁾ Short-term borrowings from related parties are non-collateralised which are not specified maturity date are, carrying interest rate at 1.5% per annum.

	Unit : Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	“UNAUDITED”		“UNAUDITED”	
	As at	As at	As at	As at
	June 30,	March 31,	June 30,	March 31,
	2017	2017	2017	2017
Current portion of long-term borrowing from a related party				
T S Global Holdings Pte. Ltd. ⁽²⁾	199,376	270,596	199,376	270,596

⁽²⁾ The Company had paid for the advance payment for Brand Promotion fee of Tata Sons Limited of Baht 71.22 million in 2008. During the year 2014, the receivable was changed from Tata Sons Limited to T S Global Holdings Pte. Ltd. (“TSGH”). On April 25, 2017, the Board of Directors of TSGH approved for offsetting such other receivable from TSGH of Baht 71.22 million and current portion of long-term borrowing of Baht 270.60 million. (see Note 4.5)

On April 18, 2016, the related party agreed with the Company to extend long-term borrowing repayment that fell due on August 31, 2016 to December 31, 2017. Such long-term borrowing from a related party carries no interest.

Significant transactions for the three-month periods ended June 30, with related parties are summarised as follows:

	Consolidated		Unit : Thousand Baht	
	financial statements		Separate	
	“UNAUDITED”			
	For the three-month periods ended June 30,			
	2017	2016	2017	2016
Revenues				
Sales				
Tata Steel Limited	208,463	166,825	-	-
The Siam Industrial Wire Co., Ltd.	132,693	90,531	-	-
TSN Wires Co., Ltd.	42,497	12,866	-	-
Total	<u>383,653</u>	<u>270,222</u>	<u>-</u>	<u>-</u>
Interest income				
N.T.S. Steel Group Public Company Limited	-	-	21,065	13,971
Management fees income ⁽⁴⁾				
The Siam Iron and Steel (2001) Co., Ltd.	-	-	23,160	21,480
The Siam Construction Steel Co., Ltd.	-	-	43,830	41,490
N.T.S. Steel Group Public Company Limited	-	-	51,450	42,990
Total	<u>-</u>	<u>-</u>	<u>118,440</u>	<u>105,960</u>
Other income				
Siam Steel Mill Services Co., Ltd.	672	2,387	-	-

⁽⁴⁾ The Company has made the service agreement with subsidiaries which charges at cost plus method.

	Consolidated		Unit : Thousand Baht	
	financial statements		Separate	
	“UNAUDITED”			
	For the three-month periods ended June 30,			
	2017	2016	2017	2016
Expenses				
Purchases				
NatSteel Recycling Pte. Ltd.	117,577	32,324	-	-
Tata International Metals Trading Asia Ltd.	-	418,296	-	-
Tata International Singapore Pte. Ltd.	7,846	-	-	-
Siam Steel Mill Services Co., Ltd.	51,453	41,939	-	-
Total	<u>176,876</u>	<u>492,559</u>	<u>-</u>	<u>-</u>
Purchases of assets				
Siam Steel Mill Services Co., Ltd.	450	-	-	-
Interest expenses				
T S Global Holdings Pte. Ltd.	-	1,520	-	1,520
The Siam Iron and Steel (2001) Co., Ltd.	-	-	1,412	2,077
The Siam Construction Steel Co., Ltd.	-	-	5,087	6,477
Total	<u>-</u>	<u>1,520</u>	<u>6,499</u>	<u>10,074</u>

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	“UNAUDITED”			
	For the three-month periods ended June 30,			
	2017	2016	2017	2016
Other expenses				
Tata Steel Limited	-	43	-	43
NatSteel Recycling Pte. Ltd.	-	22	-	-
Tata Sons Limited	20	71	20	71
Mjunction Services Limited	-	58	-	-
Siam Steel Mill Services Co., Ltd.	992	1,750	-	-
Tata South East Asia (Cambodia) Ltd.	693	1,664	693	1,664
Total	<u>1,705</u>	<u>3,608</u>	<u>713</u>	<u>1,778</u>
Key management compensation				
Short-term employee benefits	22,043	19,641	22,043	19,641
Post-employment benefits	16,321	14,809	16,321	14,809
Total	<u>38,364</u>	<u>34,450</u>	<u>38,364</u>	<u>34,450</u>

15. FAIR VALUE MEASUREMENT

Certain financial assets and financial liabilities of the Group are measured at fair value at the end of reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined.

Financial assets and financial liabilities	Consolidated financial statements		Separate financial statements		Fair value hierarchy	Valuation techniques and key inputs for fair value measurement
	Fair value as at		Fair value as at			
	June 30, 2017 (Thousand Baht)	March 31, 2017 (Thousand Baht)	June 30, 2017 (Thousand Baht)	March 31, 2017 (Thousand Baht)		
<u>Financial assets</u>						
1. Foreign currency forward contracts (including in other current assets)	1,435	1,362	-	-	Level 2	Discounted cash flows The estimated future cash flows is from foreign currency exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.
2. Available-for-sale investment	5,200	3,300	-	-	Level 1	Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
<u>Financial liabilities</u>						
1. Foreign currency forward contracts (including in other current liabilities)	1,527	1,863	-	-	Level 2	Discounted cash flows The estimated future cash flows is from foreign currency exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.

16. COMMITMENTS

The Group had the commitments as follows:

- 16.1 Letters of credit opened but are not qualified as liabilities as at June 30, 2017 and March 31, 2016 are as follows: (The separate financial statements: Nil)

	Unit : Thousand Consolidated financial statements “UNAUDITED”	
	As at June 30, 2017	As at March 31, 2017
	Currency	
USD	2,628	4,527
EUR	-	96
SGD	2,103	-

- 16.2 Letters of guarantee issued by the financial institutions to the Revenue Department, Electricity Generating Authority of Thailand, Provincial Electricity Authority Industrial, Estate Authority of Thailand and Bureau of Indian Standards as at June 30, 2017 and March 31, 2017 amounting to Baht 305 million, respectively in the normal courses of business.

- 16.3 Commitments on purchase and installation of machinery, office equipment and service agreement as at June 30, 2017 and March 31, 2017 are as follows:

	Consolidated financial statements “UNAUDITED”		Unit : Thousand Baht Separate financial statements “UNAUDITED”	
	As at June 30, 2016	As at March 31, 2016	As at June 30, 2016	As at March 31, 2016
	Currency			
THB	-	22,988	-	880
USD	380	950	380	950

- 16.4 As at June 30, 2017 and March 31, 2017, the Group had operating lease commitment for land, office building, vehicles and office equipment (including service charges). Rental and service charges which will be paid in the future are as follows:

Period	Consolidated financial statements “UNAUDITED”		Unit : Thousand Baht Separate financial statements “UNAUDITED”	
	As at June 30, 2017	As at March 31, 2017	As at June 30, 2017	As at March 31, 2017
	Within one year	32,112	32,375	23,332
After one year but not over five years	41,395	48,664	29,452	31,736
Total	<u>73,507</u>	<u>81,039</u>	<u>52,784</u>	<u>55,120</u>

17. CONTINGENT LIABILITIES

For fiscal year ended March 31, 2014, The Siam Construction Steel Company Limited, a subsidiary, received the notifications from the Revenue Department informing the assessments of additional surcharge of Baht 16.29 million in respect of the half-year corporate income tax filing for the year ended March 31, 2008 which the subsidiary under-estimated the net profit for that year by an amount exceeding 25 percent of the actual net profit. The subsidiary considered that there was a reasonable event occurred in the second half of that year that caused the net-profit under-estimated. The subsidiary has made the appeal to the Revenue Department and as at June 30, 2017, the result of this assessment has not been finalised. However, the subsidiary expected that there would not be additional surcharge to be paid and has not recorded the provisions in the financial statements.

18. SEGMENT INFORMATION

Operating segment information is reported in a manner consistent with the Group's internal reports that are regularly obtained and reviewed by the chief operating decision maker for the purpose of the allocation of resources to the segment and assess its performance.

The Group's operations involve the single business segment of the manufacture and distribution of long steel products, which is located in Thailand. Sales of the subsidiaries are mainly local sales whereas an export sale is not significant. As a result, all the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned business segment and geographic area.

19. APPROVAL OF THE INTERIM FINANCIAL INFORMATION

This interim financial information has been approved by the Board of Directors of the Company for issuing on July 26, 2017.