

**Indorama Ventures Public Company Limited
and its Subsidiaries**

Interim financial statements
for the three-month period ended
31 March 2018

and

Independent auditor's report on review of
interim financial information

Independent Auditor’s Report on Review of Interim Financial Information

To the Board of Directors of Indorama Ventures Public Company Limited

I have reviewed the accompanying consolidated and separate statements of financial position of Indorama Ventures Public Company Limited and its subsidiaries, and of Indorama Ventures Public Company Limited, respectively, as at 31 March 2018; the consolidated and separate statements of income, comprehensive income, changes in equity and cash flows for the three-month period then ended; and condensed notes (“interim financial information”). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, “Interim Financial Reporting”. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, “Interim Financial Reporting”.

Emphasis of Matter

I draw attention to the fact, as further detailed in Note 3, that, as at the reporting date, the determination of the fair value and the allocation of the purchase price of several business acquired during 2017 was determined provisionally and is subject to potential amendment. My conclusion is not modified in respect of this matter.

(Sakda Kaothanthong)
Certified Public Accountant
Registration No. 4628

KPMG Phoomchai Audit Ltd.
Bangkok
10 May 2018

Indorama Ventures Public Company Limited and its Subsidiaries

Statement of financial position

		Consolidated financial statements		Separate financial statements	
		31 March 2018 (Unaudited)	31 December 2017	31 March 2018 (Unaudited)	31 December 2017
<i>(in thousand Baht)</i>					
Assets					
<i>Current assets</i>					
Cash and cash equivalents		13,156,971	6,877,049	2,058,953	3,194,234
Current investments		185,866	138,039	-	-
Trade accounts receivable	4, 5	35,592,732	32,098,171	-	-
Other receivables	4	1,117,262	1,056,848	32,093	42,024
Short-term loans to related parties	4	151,964	155,611	30,236,427	28,855,305
Inventories		43,861,844	46,036,477	-	-
Other current assets	6	7,577,492	6,590,818	611,574	542,841
Total current assets		101,644,131	92,953,013	32,939,047	32,634,404
<i>Non-current assets</i>					
Investments in subsidiaries and other equity security	7	-	-	66,703,295	65,566,630
Investments in joint ventures	8	6,295,265	6,247,147	-	-
Other long-term investments		20,393	14,931	-	-
Long-term loans to related parties	4	51,546	53,096	33,192,437	31,020,889
Property, plant and equipment	9	148,376,563	151,201,956	-	-
Goodwill		9,462,943	9,837,748	-	-
Other intangible assets		17,140,588	18,027,204	-	-
Deferred tax assests		2,444,280	2,620,480	-	-
Other non-current assets		1,432,645	1,402,793	216,646	129,731
Total non-current assets		185,224,223	189,405,355	100,112,378	96,717,250
Total assets		286,868,354	282,358,368	133,051,425	129,351,654

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

Indorama Ventures Public Company Limited and its Subsidiaries

Statement of financial position

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2018 (Unaudited)	31 December 2017	31 March 2018 (Unaudited)	31 December 2017
<i>(in thousand Baht)</i>					
Liabilities and equity					
Current liabilities					
Bank overdrafts and short-term loans					
from financial institutions	10	7,227,207	6,115,131	-	-
Trade accounts payable	4, 11	40,733,921	39,301,411	-	-
Current portion of long-term loans					
from financial institutions	10	4,527,824	6,167,823	-	-
Current portion of debentures		3,528,884	2,728,847	3,528,884	2,728,847
Current portion of finance lease liabilities		48,070	48,512	-	-
Current tax payable		1,958,319	1,327,335	-	-
Other current liabilities	4, 12	9,121,915	9,932,494	658,572	360,086
Total current liabilities		67,146,140	65,621,553	4,187,456	3,088,933
Non-current liabilities					
Long-term loans from financial institutions	10	38,009,770	42,329,057	9,712,911	13,765,704
Debentures		37,120,473	38,116,766	32,822,194	33,619,456
Finance lease liabilities		265,952	278,934	-	-
Deferred tax liabilities		12,749,940	13,138,643	39,901	79,827
Non-current provisions for employee benefit		2,173,471	2,209,602	-	-
Other non-current liabilities		1,489,727	1,677,121	-	-
Total non-current liabilities		91,809,333	97,750,123	42,575,006	47,464,987
Total liabilities		158,955,473	163,371,676	46,762,462	50,553,920

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Indorama Ventures Public Company Limited and its Subsidiaries

Statement of financial position

		Consolidated financial statements		Separate financial statements	
		31 March 2018 (Unaudited)	31 December 2017	31 March 2018 (Unaudited)	31 December 2017
<i>(in thousand Baht)</i>					
Liabilities and equity	<i>Note</i>				
Equity					
Share capital:	13				
Authorised share capital		5,666,010	5,666,010	5,666,010	5,666,010
Issued and paid-up share capital		5,411,651	5,245,411	5,411,651	5,245,411
Share premium:					
Share premium on ordinary shares	13	51,830,204	44,848,154	51,830,204	44,848,154
Gains on cash flow hedges		475,929	305,144	598,408	484,801
Currency translation differences		(6,471,266)	(2,639,644)	-	-
Excess of cost over book value of acquired subsidiaries		(2,834,869)	(2,862,259)	-	-
Differences arising from common control transactions		(1,235,562)	(1,235,562)	-	-
Retained earnings					
Appropriated					
Legal reserve		3,126,017	2,956,803	566,601	566,601
Unappropriated		60,949,941	55,569,532	13,008,027	12,778,695
Equity attributable to owners of the parent		111,252,045	102,187,579	71,414,891	63,923,662
Subordinated perpetual debentures		14,874,072	14,874,072	14,874,072	14,874,072
Equity attributable to equity holders of the Company		126,126,117	117,061,651	86,288,963	78,797,734
Non-controlling interests		1,786,764	1,925,041	-	-
Total equity		127,912,881	118,986,692	86,288,963	78,797,734
Total liabilities and equity		286,868,354	282,358,368	133,051,425	129,351,654

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

Indorama Ventures Public Company Limited and its Subsidiaries
Statement of income (Unaudited)

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		Three-month period ended		Three-month period ended	
		31 March		31 March	
		2018	2017	2018	2017
<i>(in thousand Baht)</i>					
Revenue					
Revenue from sale of goods	4	76,143,352	71,650,279	-	-
Interest income	4	36,927	19,743	748,592	679,050
Dividend income	4, 7	-	-	513,094	663,999
Net foreign exchange gain		213,794	11,541	-	-
Other income	4, 15	939,121	172,134	57,886	122,465
Total revenue		77,333,194	71,853,697	1,319,572	1,465,514
Expenses					
Costs of sales of goods	4	63,416,174	59,901,896	-	-
Distribution costs	4	4,019,938	3,891,006	-	-
Administrative expenses	4	2,206,828	1,831,190	70,629	19,007
Management benefit expenses	4	35,248	23,366	2,505	2,480
Net foreign exchange loss		-	-	293,326	97,352
Finance costs		891,056	1,005,204	527,450	513,390
Total expenses		70,569,244	66,652,662	893,910	632,229
Share of net profit (losses) of joint ventures	8	(42,196)	146,482	-	-
Profit before income tax expense		6,721,754	5,347,517	425,662	833,285
Tax expense (income)		881,162	850,259	(68,328)	(17,885)
Profit for the period		5,840,592	4,497,258	493,990	851,170
Profit attributable to:					
Owners of the parent		5,814,020	4,426,469	493,990	851,170
Non-controlling interests		26,572	70,789	-	-
Profit for the period		5,840,592	4,497,258	493,990	851,170
Earnings per share					
Basic earnings per share (<i>in Baht</i>)	16	1.04	0.87	0.04	0.12
Diluted earnings per share (<i>in Baht</i>)	16	1.03	0.87	0.04	0.12

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

Indorama Ventures Public Company Limited and its Subsidiaries

Statement of comprehensive income (Unaudited)

	Consolidated financial statements		Separate financial statements	
	Three-month period ended		Three-month period ended	
	31 March		31 March	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Profit for the period	5,840,592	4,497,258	493,990	851,170
Other comprehensive income				
<i>Items that will be reclassified subsequently to profit or loss</i>				
Exchange differences on translating foreign operations	(3,997,799)	(3,138,473)	-	-
Net gain on hedge of net investment in foreign operations	49,572	322,648	49,572	322,648
Net gain on cash flow hedges	206,987	348,703	92,438	-
Income tax relating to items that will be reclassified	(46,048)	(123,059)	(28,403)	(64,530)
Total items that will be reclassified subsequently to profit or loss	(3,787,288)	(2,590,181)	113,607	258,118
<i>Item that will not be reclassified to profit or loss</i>				
Loss on remeasurements of defined benefit plans	(62)	-	-	-
Income tax relating to item that will not be reclassified	312	-	-	-
Total item that will not be reclassified to profit or loss	250	-	-	-
Other comprehensive income (expense) for the period, net of tax	(3,787,038)	(2,590,181)	113,607	258,118
Total comprehensive income for the period	2,053,554	1,907,077	607,597	1,109,288
Total comprehensive income attributable to:				
Owners of the parent	2,153,444	2,006,994	607,597	1,109,288
Non-controlling interests	(99,890)	(99,917)	-	-
Total comprehensive income for the period	2,053,554	1,907,077	607,597	1,109,288

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

Indorama Ventures Public Company Limited and its Subsidiaries
Statement of changes in equity (Unaudited)

	Consolidated financial statements													
	Retained earnings				Other components of equity					Equity attributable to owners of the parent	Subordinated perpetual debentures	Equity attributable to equity holders of the Company	Non-controlling interests	Total equity
	Issued and paid-up share capital	Share premium on ordinary shares	Legal reserve	Unappropriated	Translating foreign operations	Gain (loss) on cash flow hedges	Excess of cost over book value of acquired subsidiaries	Differences arising from common control transactions						
<i>(in thousand Baht)</i>														
Three-month period ended 31 March 2017														
Balance at 1 January 2017	4,814,272	29,775,147	2,327,121	40,352,360	1,491,162	(52,368)	(3,290,829)	(1,235,562)	74,181,303	14,874,072	89,055,375	2,759,557	91,814,932	
Transactions with owners, recorded directly in equity														
<i>Contribution by and distribution to owners of the parent</i>														
Issue of ordinary shares due to warrants exercised	36	1,254	-	-	-	-	-	-	1,290	-	1,290	-	1,290	
Dividends	-	-	-	-	-	-	-	-	-	-	-	(1)	(1)	
<i>Total contribution by and distribution to owners of the parent</i>	36	1,254	-	-	-	-	-	-	1,290	-	1,290	(1)	1,289	
<i>Change in ownership interests in subsidiary</i>														
Acquisition of non-controlling interests without a change in control	-	-	-	-	-	-	6,768	-	6,768	-	6,768	(25,240)	(18,472)	
<i>Total change in ownership interests in subsidiary</i>	-	-	-	-	-	-	6,768	-	6,768	-	6,768	(25,240)	(18,472)	
Total transactions with owners, recorded directly in equity	36	1,254	-	-	-	-	6,768	-	8,058	-	8,058	(25,241)	(17,183)	
Comprehensive income for the period														
Profit	-	-	-	4,426,469	-	-	-	-	4,426,469	-	4,426,469	70,789	4,497,258	
Other comprehensive income	-	-	-	-	(2,709,405)	289,930	-	-	(2,419,475)	-	(2,419,475)	(170,706)	(2,590,181)	
Total comprehensive income for the period	-	-	-	4,426,469	(2,709,405)	289,930	-	-	2,006,994	-	2,006,994	(99,917)	1,907,077	
Coupon payment on subordinated perpetual debentures	-	-	-	(264,658)	-	-	-	-	(264,658)	-	(264,658)	-	(264,658)	
Balance at 31 March 2017	4,814,308	29,776,401	2,327,121	44,514,171	(1,218,243)	237,562	(3,284,061)	(1,235,562)	75,931,697	14,874,072	90,805,769	2,634,399	93,440,168	

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

Indorama Ventures Public Company Limited and its Subsidiaries
Statement of changes in equity (Unaudited)

	Consolidated financial statements													
	Note	Retained earnings				Other components of equity					Subordinated perpetual debentures	Equity attributable to equity holders of the Company	Non-controlling interests	Total equity
		Issued and paid-up share capital	Share premium on ordinary shares	Legal reserve	Unappropriated	Translating foreign operations	Gain on cash flow hedges	Excess of cost over book value of acquired subsidiaries	Differences arising from common control transactions	Equity attributable to owners of the parent				
<i>(in thousand Baht)</i>														
Three-month period ended 31 March 2018														
Balance at 1 January 2018		5,245,411	44,848,154	2,956,803	55,569,532	(2,639,644)	305,144	(2,862,259)	(1,235,562)	102,187,579	14,874,072	117,061,651	1,925,041	118,986,692
Transactions with owners, recorded directly in equity														
<i>Contribution by and distribution to owners of the parent</i>														
Issue of ordinary shares due to warrants exercised	13	166,240	6,982,050	-	-	-	-	-	-	7,148,290	-	7,148,290	-	7,148,290
Dividends		-	-	-	-	-	-	-	-	-	-	-	(1)	(1)
Total contribution by and distribution to owners of the parent		166,240	6,982,050	-	-	-	-	-	-	7,148,290	-	7,148,290	(1)	7,148,289
<i>Change in ownership interests in subsidiary</i>														
Acquisition of non-controlling interests without a change in control		-	-	-	-	-	-	27,390	-	27,390	-	27,390	(38,386)	(10,996)
Total change in ownership interests in subsidiary		-	-	-	-	-	-	27,390	-	27,390	-	27,390	(38,386)	(10,996)
Total transactions with owners, recorded directly in equity		166,240	6,982,050	-	-	-	-	27,390	-	7,175,680	-	7,175,680	(38,387)	7,137,293
Comprehensive income for the period														
Profit		-	-	-	5,814,020	-	-	-	-	5,814,020	-	5,814,020	26,572	5,840,592
Other comprehensive income		-	-	-	261	(3,831,622)	170,785	-	-	(3,660,576)	-	(3,660,576)	(126,462)	(3,787,038)
Total comprehensive income for the period		-	-	-	5,814,281	(3,831,622)	170,785	-	-	2,153,444	-	2,153,444	(99,890)	2,053,554
Coupon payment on subordinated perpetual debentures		-	-	-	(264,658)	-	-	-	-	(264,658)	-	(264,658)	-	(264,658)
Transfer to legal reserve		-	-	169,214	(169,214)	-	-	-	-	-	-	-	-	-
Balance at 31 March 2018		5,411,651	51,830,204	3,126,017	60,949,941	(6,471,266)	475,929	(2,834,869)	(1,235,562)	111,252,045	14,874,072	126,126,117	1,786,764	127,912,881

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

Indorama Ventures Public Company Limited and its Subsidiaries
Statement of changes in equity (Unaudited)

	Issued and paid-up share capital	Share premium on ordinary shares	Separate financial statements		Other component of equity	Equity attributable to owners of the parent	Subordinated perpetual debentures	Total equity
			Retained earnings	Unappropriated				
			Legal reserve		Gain on cash flow hedges			
<i>(in thousand Baht)</i>								
Three-month period ended 31 March 2017								
Balance at 1 January 2017	4,814,272	29,775,147	566,601	10,926,651	281,271	46,363,942	14,874,072	61,238,014
Transaction with owners, recorded directly in equity								
<i>Contribution by owners</i>								
Issue of ordinary shares due to warrants exercised	36	1,254	-	-	-	1,290	-	1,290
Total Contribution by owners	36	1,254	-	-	-	1,290	-	1,290
Comprehensive income for the period								
Profit	-	-	-	851,170	-	851,170	-	851,170
Other comprehensive income	-	-	-	-	258,118	258,118	-	258,118
Total comprehensive income for the period	-	-	-	851,170	258,118	1,109,288	-	1,109,288
Coupon payment on subordinated perpetual debentures	-	-	-	(264,658)	-	(264,658)	-	(264,658)
Balance at 31 March 2017	4,814,308	29,776,401	566,601	11,513,163	539,389	47,209,862	14,874,072	62,083,934

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

Indorama Ventures Public Company Limited and its Subsidiaries
Statement of changes in equity (Unaudited)

	Note	Issued and paid-up share capital	Share premium on ordinary shares	Separate financial statements		Other component of equity	Equity attributable to owners of the parent	Subordinated perpetual debentures	Total equity
				Retained earnings	Legal reserve				
				Legal reserve	Unappropriated	Gain on cash flow hedges			
<i>(in thousand Baht)</i>									
Three-month period ended 31 March 2018									
Balance at 1 January 2018		5,245,411	44,848,154	566,601	12,778,695	484,801	63,923,662	14,874,072	78,797,734
Transaction with owners, recorded directly in equity									
<i>Contribution by owners</i>									
Issue of ordinary shares due to warrants exercised	13	166,240	6,982,050	-	-	-	7,148,290	-	7,148,290
Total Contribution by owners		166,240	6,982,050	-	-	-	7,148,290	-	7,148,290
Comprehensive income for the period									
Profit		-	-	-	493,990	-	493,990	-	493,990
Other comprehensive income		-	-	-	-	113,607	113,607	-	113,607
Total comprehensive income for the period		-	-	-	493,990	113,607	607,597	-	607,597
Coupon payment on subordinated perpetual debentures		-	-	-	(264,658)	-	(264,658)	-	(264,658)
Balance at 31 March 2018		5,411,651	51,830,204	566,601	13,008,027	598,408	71,414,891	14,874,072	86,288,963

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

Indorama Ventures Public Company Limited and its Subsidiaries

Statement of cash flows (Unaudited)

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		Three-month period ended		Three-month period ended	
		31 March		31 March	
		2018	2017	2018	2017
<i>(in thousand Baht)</i>					
<i>Cash flows from operating activities</i>					
Profit for the period		5,840,592	4,497,258	493,990	851,170
<i>Adjustments to reconcile profit to cash receipts (payments)</i>					
Tax expense (income)		881,162	850,259	(68,328)	(17,885)
Finance costs		891,056	1,005,204	527,450	513,390
Depreciation		2,657,174	2,428,030	-	-
Amortisation of intangible assets and other assets		394,542	382,029	-	-
Employee benefits expense		76,583	66,753	-	-
Unrealised foreign exchange (gain) loss		41,888	(82,511)	382,378	112,484
Share of net (profit) losses of joint ventures	8	42,196	(146,482)	-	-
(Reversal of) provision for bad and doubtful debts expense, net	5	(806)	10,660	-	-
Losses on inventories devaluation		23,456	30,194	-	-
Gain on disposal of property, plant and equipment, net		(640)	(1,574)	-	-
Loss in written-off of property, plant and equipment, net		967	-	-	-
Interest income		(36,927)	(19,743)	(748,592)	(679,050)
Dividend income	7	-	-	(513,094)	(663,999)
		<u>10,811,243</u>	<u>9,020,077</u>	<u>73,804</u>	<u>116,110</u>
<i>Changes in operating assets and liabilities</i>					
Trade accounts receivable		(3,729,405)	(3,244,926)	-	-
Inventories		2,086,089	(307,781)	-	-
Other current assets		(1,821,393)	671,881	11,532	154,769
Other non-current assets		(36,420)	(78,338)	-	-
Trade accounts payable		1,360,013	2,580,601	-	-
Provisions for employee benefit		(90,397)	(105,990)	-	-
Other current liabilities		(599,160)	(476,600)	(40,712)	2,720
Other non-current liabilities		(137,369)	(136,626)	-	-
Net cash generated from operating		<u>7,843,201</u>	<u>7,922,298</u>	<u>44,624</u>	<u>273,599</u>
Taxes paid		(253,200)	(195,269)	-	-
Net cash from operating activities		<u>7,590,001</u>	<u>7,727,029</u>	<u>44,624</u>	<u>273,599</u>

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

Indorama Ventures Public Company Limited and its Subsidiaries

Statement of cash flows (Unaudited)

	Note	Consolidated financial statements		Separate financial statements	
		Three-month period ended		Three-month period ended	
		31 March		31 March	
		2018	2017	2018	2017
<i>(in thousand Baht)</i>					
Cash flows from investing activities					
Additional investment in subsidiaries and joint ventures, net	7, 8	(135,580)	(261,255)	(1,136,665)	(300,220)
Advance payment on additional investment in a joint venture		-	(225,647)	-	-
Purchase other investments, net		(53,500)	(46,448)	-	-
Proceeds from sale of property, plant and equipment		12,761	2,625	-	-
Acquisition of property, plant and equipment		(4,291,632)	(4,424,316)	-	-
Acquisition of intangible assets		(36,480)	(14,640)	-	-
Proceeds from sale of intangible assets		3,712	-	-	-
Dividend received	7	-	-	513,094	663,999
Interest received		7,773	36,327	1,644	375
Net cash from (used in) investing activities		(4,492,946)	(4,933,354)	(621,927)	364,154
Cash flows from financing activities					
Proceeds from issue of ordinary shares due to warrants exercised	13	7,148,290	1,290	7,148,290	1,290
Proceeds from short and long-term loans		1,578,203	1,914,450	-	1,914,242
Repayment of short and long-term loans		(4,583,531)	(1,456,411)	(1,642,360)	(74,910)
Repayment of debenture		-	(1,500,000)	-	(1,500,000)
Payment by a lessee for reduction of the outstanding liability relating to a finance lease		(9,909)	(3,740)	-	-
Loans to subsidiaries		-	-	(6,003,696)	(764,170)
Loans to joint ventures		1,731	100,935	-	-
Dividends paid to non-controlling interests		(1)	(1)	-	-
Interest received		-	-	384,260	478,758
Interest paid		(719,404)	(782,969)	(179,814)	(203,347)
Deferred financing cost paid		(3,693)	-	-	-
Coupon payment on subordinated perpetual debentures		(264,658)	(264,658)	(264,658)	(264,658)
Net cash from (used in) financing activities		3,147,028	(1,991,104)	(557,978)	(412,795)
Net increase (decrease) in cash and cash equivalents, before effect of exchange rates		6,244,083	802,571	(1,135,281)	224,958
Effect of exchange rate changes on cash and cash equivalents		35,839	4,462	-	-
Net increase (decrease) in cash and cash equivalents		6,279,922	807,033	(1,135,281)	224,958
Cash and cash equivalents at beginning of period		6,877,049	4,025,648	3,194,234	1,068,060
Cash and cash equivalents at ending of period		13,156,971	4,832,681	2,058,953	1,293,018

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

Indorama Ventures Public Company Limited and its Subsidiaries
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For the three-month period ended 31 March 2018 (Unaudited)

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Notes to the interim financial statements

For the three-month period ended 31 March 2018 (Unaudited)

These notes form an integral part of the interim financial statements.

The interim financial statements issued for Thai regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Audit Committee on 10 May 2018.

1 General information

Indorama Ventures Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 75/102, Ocean Tower II, 37th Floor, Sukhumvit 19, Asoke Road, Klongtoeynua, Wattana, Bangkok, Thailand. The Company was listed on the Stock Exchange of Thailand in February 2010.

The immediate and ultimate parent companies during the financial period were Indorama Resources Limited, incorporated in Thailand, and Canopus International Limited, incorporated in Mauritius, respectively.

The principal activities of the Company and its subsidiaries (“Group”) are the manufacture and distribution of polyethylene terephthalate (“PET”), purified terephthalic acid (“PTA”), paraxylene (“PX”), isophthalic acid (“IPA”), ethylene oxide and ethylene glycol (“EO&EG”), polyester fibers, and wool products. Details of the Company’s subsidiaries and joint ventures as at 31 March 2018 and 31 December 2017 are given in notes 4, 7 and 8.

2 Basis of preparation of the interim financial statements

(a) Statement of compliance

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard (TAS) No. 34 (revised 2017) *Interim Financial Reporting*; guidelines promulgated by the Federation of Accounting Professions (FAP); and applicable rules and regulations of the Thai Securities and Exchange Commission.

The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2017. They do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company and its subsidiaries for the year ended 31 December 2017.

The accounting policies and methods of computation applied in these interim financial statements are consistent with those applied in the financial statements for the year ended 31 December 2017 except that the Group/Company has adopted all the new and revised TFRS that are effective for annual periods beginning on or after 1 January 2018. The adoption of these new and revised TFRS did not have any material effect on the accounting policies, methods of computation, financial performance or position of the Group or the Company.

In addition to the above new and revised TFRS, the FAP has issued TFRS 15 *Revenue from Contracts with Customers* which is effective for annual periods beginning on or after 1 January 2019. The Group has not early adopted this standard in preparing these interim financial statements.

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TFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. Revenue should be recognised when (or as) an entity transfers control over goods or services to a customer, measured at the amount to which the entity expects to be entitled. It replaces existing revenue recognition standards as follows:

- TAS 11 (revised 2017) *Construction Contracts*,
- TAS 18 (revised 2017) *Revenue*,
- TSIC 31 (revised 2017) *Revenue-Barter Transactions Involving Advertising Services*,
- TFRIC 13 (revised 2017) *Customer Loyalty Programmes*,
- TFRIC 15 (revised 2017) *Agreements for the Construction of Real Estate*, and
- TFRIC 18 (revised 2017) *Transfers of Assets from Customers*.

Management is presently considering the potential impact of adopting and initially applying TFRS 15 on the consolidated financial statements.

(b) Functional and presentation currency

The interim financial statements are prepared and presented in Thai Baht, which is the Company's functional currency. All financial information presented in Thai Baht has been rounded to the nearest thousand unless otherwise stated.

(c) Use of judgements and estimates

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

In preparing these interim financial statements, the significant judgements made by management in applying the Group's/Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2017.

Measurement of fair values

The Group/Company has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the senior management.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Group's Audit Committee.

Indorama Ventures Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month period ended 31 March 2018 (Unaudited)

When measuring the fair value of an asset or a liability, the Group/Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- *Level 1*: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- *Level 2*: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- *Level 3*: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group/Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in note 17 - Financial instruments.

3 Acquisitions of businesses during 2017

(i) *Glanzstoff Group, Europe*

On 31 May 2017, IVL, through its indirect subsidiary, Indorama Netherlands B.V., completed the acquisition of 100% equity interest in Glanzstoff Group (which consist of Glanzstoff Industries (Qingdao) Company Limited, Glanzstoff Holding (Hong Kong) Limited, Glanzstoff Industries S.R.L., Società Industriale Cremonese SICREM s.p.a., Cord A.G., Textilcord Steinfurt S.A., Glanzstoff Management GmbH and Glanzstoff - Bohemia s.r.o.) which is Europe's largest converter for tire cord fabrics, a global leader in single-end-cords ("SEC") from Glanzstoff Industries GmbH, as per definitive share purchase agreement dated 12 April 2017 for a cash consideration of EUR 160.1 million (Baht 6,100.6 million). The transaction is accounted for as a business combination. Subsequent to completion of the acquisition, Cord A.G. was renamed to Glanzstoff Industries A.G.

Management believes that the acquisition will offer a unique opportunity for IVL to supplement its high value-added portfolio. It will further enhance the Group's client-value proposition and provide for collaborative opportunities with the global auto industry including for autonomous and electric vehicles.

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Identifiable assets acquired and liabilities assumed

	Fair values as at 31 May 2017 (in thousand Baht)
Cash and cash equivalents	96,635
Inventories	1,184,716
Accounts receivable	1,446,021
Property, plant and equipment	3,324,162
Intangible assets	1,958,209
Short-term loan from financial institutions	(316,219)
Accounts payable	(1,106,229)
Deferred tax liabilities, net	(927,820)
Other assets/(liabilities), net	(511,075)
Net identifiable assets acquired and liabilities assumed	5,148,400
Goodwill arising from the acquisition	952,174
Total consideration	6,100,574
Cash acquired	(96,635)
Net consideration - paid	6,003,939

The trade receivables comprise gross contractual amounts due of Baht 1,476.4 million, of which Baht 30.4 million was expected to be uncollectible at the acquisition date.

(ii) *DuraFiber Mexico, Mexico*

On 28 September 2017, IVL, through its indirect subsidiary, Indorama Ventures Spain S.L., completed the acquisition of 100% equity interest in tire cord business of DuraFiber Mexico (which consist of DuraFiber Technologies DFT Mexico Operations, S.A. de C.V. which is a leading producer of durable technical textiles for industrial, tire reinforcement and specialty applications globally and DuraFiber Technologies DFT Mexico Services, S.A. de C.V.) from Sellers group (DuraFiber Technologies (DFT) Operations LLC, INA Fibers Holdings LLC, DFT DuraFiber Technologies Holdings, INC., DuraFiber Technologies (DFT) Mexico Intermediate I Corp. and DuraFiber Technologies (DFT) Mexico Intermediate II Corp.), as per definitive share purchase agreement dated 11 August 2017 for a preliminary cash consideration of USD 26.8 million (Baht 894.5 million). The transaction is accounted for as a business combination. Subsequent to the completion of the acquisition, DuraFiber Technologies DFT Mexico Operations, S.A. de C.V. and DuraFiber Technologies DFT Mexico Services, S.A. de C.V. were renamed to Performance Fibers Operations Mexico, S. de R.L. de C.V. and Performance Fibers Services, S. de R.L. de C.V., respectively.

Management believes that acquisition of DuraFiber Mexico operation is well aligned with the group's strategy of pursuing accretive growth opportunities in the high value added automotive segment.

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For the three-month period ended 31 March 2018 (Unaudited)

Identifiable assets acquired and liabilities assumed

	Fair values as at 28 September 2017 (in thousand Baht)
Cash and cash equivalents	42,496
Inventories	474,531
Accounts receivable	518,448
Property, plant and equipment	937,248
Intangible assets	4
Short-term loan from related party	(50,053)
Accounts payable	(517,326)
Deferred tax liabilities, net	(218,318)
Other assets/(liabilities), net	(84,628)
Net identifiable assets acquired and liabilities assumed	1,102,402
Gain on bargain purchase	(207,902)
Total consideration	894,500
Cash acquired	(42,496)
Net consideration - paid	852,004

The trade receivables comprise gross contractual amounts due of Baht 518.4 million which was expected to be collectible at the acquisition date.

An independent appraiser has been appointed to determine the fair value of the business but the report of the appraiser is not yet completed as at the date of approval of these interim financial statements. Accordingly, the fair value of assets acquired and liabilities assumed have been provisionally determined at the acquisition date.

(iii) Longlaville DuraFiber Technologies (DFT) SAS, France

On 5 October 2017, IVL, through its indirect subsidiary, Indorama Netherlands B.V., completed the acquisition of 100% equity interest in Longlaville DuraFiber Technologies (DFT) SAS (which consist of Longlaville DuraFiber Technologies (DFT) SAS and European DuraFiber Technologies (DFT) Holdings SAS), as per the purchase and sale agreement dated 4 October 2017 for a preliminary cash consideration of EUR 2.7 (Baht 106.0). The transaction is accounted for as a business combination. Subsequent to completion of the acquisition, Longlaville DuraFiber Technologies (DFT) SAS and European DuraFiber Technologies (DFT) Holdings SAS were renamed to Glanzstoff Longlaville S.A.S. and Glanzstoff Services S.A.S.

Management believes that acquisition of Longlaville DuraFiber Technologies (DFT) S.A.S. will further bolster its position as the leading fiber partner for the automotive industry.

Identifiable assets acquired and liabilities assumed

	Fair values as at 5 October 2017 (in thousand Baht)
Cash and cash equivalents	43,533
Inventories	177,409
Accounts receivable	538,259
Property, plant and equipment	780,584
Intangible assets	206,605
Short-term loan from financial institutions	(423,819)
Accounts payable	(345,780)

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	Fair values as at 5 October 2017 <i>(in thousand Baht)</i>
Deferred tax liabilities, net	(216,739)
Other assets/(liabilities), net	(158,105)
Net identifiable assets acquired and liabilities assumed	601,947
Gain on bargain purchase	(601,947)
Total consideration	-

The trade receivables comprise gross contractual amounts due of Baht 538.6 million, of which Baht 0.3 million was expected to be uncollectible at the acquisition date.

An independent appraiser has been appointed to determine the fair value of the business but the report of the appraiser is not yet completed as at the date of approval of these interim financial statements. Accordingly, the fair value of assets acquired and liabilities assumed have been provisionally determined at the acquisition date.

(iv) The PTA assets of Artlant PTA S.A. and the utility assets of Artelia Ambiente, S.A., Portugal

On 29 November 2017, IVL, through its indirect subsidiary, Indorama Ventures Portugal PTA - Unipessoal, LDA. and Indorama Ventures Portugal Utility - Unipessoal, LDA., completed the acquisition of the PTA assets of Artlant PTA S.A. and the adjacent utility assets of Artelia Ambiente, S.A. in Portugal, as per the agreement in relation to the assets of Artlant PTA, S.A., dated 26 July 2017 and the purchase and sale agreement in relation to the assets of Artelia Ambiente, S.A., dated 25 September 2017 for a preliminary cash consideration of EUR 42.5 million (Baht 1,640.6 million). The transaction is accounted for as a business combination.

Management believes that acquisition of PTA assets of Artlant PTA S.A. along with utility assets of adjacent Utility provider, Artelia Ambiente, S.A. (Artelia) will enhance the Group's PTA leadership in Europe and the acquisition of utility assets will secure the energy supply to PTA plant and sell excess power to the grid.

Identifiable assets acquired and liabilities assumed

	Fair values as at 29 November 2017 <i>(in thousand Baht)</i>
Inventories	157,100
Property, plant and equipment	5,344,895
Intangible assets	233,737
Deferred tax liabilities, net	(1,208,067)
Other assets/(liabilities), net	(24,200)
Net identifiable assets acquired and liabilities assumed	4,503,465
Gain on bargain purchase	(2,862,876)
Total consideration	1,640,589

An independent appraiser has been appointed to determine the fair value of the business but the report of the appraiser is not yet completed as at the date of approval of these interim financial statements. Accordingly, the fair value of assets acquired and liabilities assumed have been provisionally determined at the acquisition date.

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In accordance with TFRS3, management is required to make a preliminary assessment of the fair values of businesses acquired as at the acquisition date. During the measurement period, which must not exceed one year from the acquisition date, the acquirer shall retrospectively adjust the provisional amounts recognised at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date. Finalisations of the fair values for acquisition of DuraFiber Mexico, Longlaville DuraFiber Technologies (DFT) SAS and The PTA assets of Artlant PTA S.A. and the utility assets of Artelia Ambiente, S.A. are dependent on determination of the ultimate purchase price and completion of the purchase price allocation exercise.

4 Related parties

For the purposes of these financial statements, parties are considered to be related to the Group/Company if the Group/Company has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group/Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationships with key management and other related parties were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
Indorama Resources Limited	Thailand	Immediate parent company, 64.06% shareholder, some common directors
Indorama Ventures Global Services Limited	Thailand	Subsidiary, 99.99% shareholding, some common directors
Indorama Polymers Public Company Limited	Thailand	Subsidiary, 72.60% shareholding and 27.31% interest held indirectly, some common directors
Indorama Holdings Limited	Thailand	Subsidiary, 99.81% shareholding, some common directors
Indorama Polyester Industries Public Company Limited	Thailand	Subsidiary, 64.94% shareholding and 34.55% interest held indirectly, some common directors
Indorama Petrochem Limited	Thailand	Subsidiary, 99.99% shareholding, some common directors
TPT Petrochemicals Public Company Limited	Thailand	Subsidiary, 99.97% shareholding, some common directors
IVL Belgium N.V.	Belgium	Subsidiary, 99.99% shareholding, some common directors
Indo Polymers Mauritius Limited	Mauritius	Subsidiary, 100.00% shareholding, a common director (Under dissolution)
Petform (Thailand) Limited	Thailand	Indirect subsidiary, 59.94% effective interest, some common directors
Asia Pet (Thailand) Limited	Thailand	Indirect subsidiary, 99.90% effective interest, some common directors
Indorama Ventures Polymers (Rayong) Public Company Limited	Thailand	Indirect subsidiary, 99.98% effective interest (Under dissolution)
Guangdong IVL PET Polymer Company Limited	China	Indirect subsidiary, 99.91% effective interest, a common director
FiberVisions (China) Textile Products Limited	China	Indirect subsidiary, 99.99% effective interest

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Name of entities	Country of incorporation/ nationality	Nature of relationships
Performance Fibers (Kaiping) Company Limited	China	Indirect subsidiary, 99.99% effective interest, a common director
Performance Fibers (Kaiping) No.2 Company Limited	China	Indirect subsidiary, 99.99% effective interest, a common director
Performance Fibers (Kaiping) No.3 Company Limited	China	Indirect subsidiary, 99.99% effective interest, a common director
Performance Fibers (Kaiping) Trading Company Limited	China	Indirect subsidiary, 99.99% effective interest
Glanzstoff Industries (Qingdao) Company Limited	China	Indirect subsidiary, 99.99% effective interest
Glanzstoff Holding (Hong Kong) Limited	Hong Kong	Indirect subsidiary, 99.99% effective interest
Performance Fibers (Hong Kong) Limited	Hong Kong	Indirect subsidiary, 99.99% effective interest, a common director
PT. Indorama Ventures Indonesia	Indonesia	Indirect subsidiary, 99.99% effective interest, some common directors
PT. Indorama Polyester Industries Indonesia	Indonesia	Indirect subsidiary, 99.98% effective interest, some common directors
PT. Indorama Polychem Indonesia	Indonesia	Indirect subsidiary, 99.99% effective interest, a common director
PT. Indorama Polypet Indonesia	Indonesia	Indirect subsidiary, 99.99% effective interest, a common director
PT. Indorama Glycol Indonesia	Indonesia	Indirect subsidiary, 99.99% effective interest, a common director
KP Equity Partners Inc.	Malaysia	Indirect subsidiary, 99.99% effective interest, some common directors
Indorama Ventures Packaging (Myanmar) Limited	Myanmar	Indirect subsidiary, 99.91% effective interest
Indorama Ventures Packaging (Philippines) Corporation	Philippines	Indirect subsidiary, 99.99% effective interest
IVL Singapore PTE Limited	Singapore	Indirect subsidiary, 99.91% effective interest, a common director
Indorama Ventures Packaging (India) Private Limited	India	Indirect subsidiary, 99.98% effective interest
FiberVisions (China) A/S	Denmark	Indirect subsidiary, 99.99% effective interest
FiberVisions A/S	Denmark	Indirect subsidiary, 99.99% effective interest
Wellman France Recyclage S.A.S.	France	Indirect subsidiary, 99.99% effective interest
Glanzstoff Longlaville S.A.S.	France	Indirect subsidiary, 99.99% effective interest
Glanzstoff Services S.A.S.	France	Indirect subsidiary, 99.99% effective interest
FiberVisions Vermögensverwaltungsgesellschaft mbH	Germany	Indirect subsidiary, 99.99% effective interest
Trevira Holdings GmbH	Germany	Indirect subsidiary, 99.99% effective interest, a common director
Trevira GmbH	Germany	Indirect subsidiary, 99.99% effective interest
PHP Fibers GmbH	Germany	Indirect subsidiary, 80.00% effective interest, a common director
Wellman International Limited	Ireland	Indirect subsidiary, 99.99% effective interest, a common director
Glanzstoff Industries S.R.L.	Italy	Indirect subsidiary, 99.99% effective interest

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Name of entities	Country of incorporation/ nationality	Nature of relationships
Società Industriale Cremonese SICREM s.p.a.	Italy	Indirect subsidiary, 99.99% effective interest
Glanzstoff Industries A.G.	Luxembourg	Indirect subsidiary, 99.99% effective interest, a common director
Textilcord Steinfort S.A.	Luxembourg	Indirect subsidiary, 99.99% effective interest
Glanzstoff Management GmbH	Austria	Indirect subsidiary, 99.99% effective interest
Glanzstoff - Bohemia s.r.o.	Czech Republic	Indirect subsidiary, 99.99% effective interest
UAB Orion Global PET	Lithuania	Indirect subsidiary, 99.91% effective interest, a common director
UAB Indorama Polymers Europe	Lithuania	Indirect subsidiary, 99.91% effective interest, a common director
UAB Indorama Holdings Europe	Lithuania	Indirect subsidiary, 99.81% effective interest, a common director
Indorama Netherlands Cooperatief U.A.	The Netherlands	Indirect subsidiary, 99.99% effective interest
Indorama Netherlands B.V.	The Netherlands	Indirect subsidiary, 99.99% effective interest
Indorama Ventures Europe B.V.	The Netherlands	Indirect subsidiary, 99.99% effective interest, a common director
Indorama Polymers Rotterdam B.V.	The Netherlands	Indirect subsidiary, 99.91% effective interest, a common director
Indorama Ventures Recycling Netherlands B.V.	The Netherlands	Indirect subsidiary, 99.99% effective interest
MJR Recycling B.V.	The Netherlands	Indirect subsidiary, 99.99% effective interest
Indorama Holdings Rotterdam B.V.	The Netherlands	Indirect subsidiary, 99.81% effective interest, a common director
Indorama Ventures Dutch Investments B.V.	The Netherlands	Indirect subsidiary, 51.00% effective interest
Indorama Ventures Poland Sp. z o.o.	Poland	Indirect subsidiary, 99.99% effective interest, a common director
Indorama Ventures Química S.L.U.	Spain	Indirect subsidiary, 99.99% effective interest, a common director
Indorama Ventures Spain S.L.	Spain	Indirect subsidiary, 99.99% effective interest
Indorama Trading AG	Switzerland	Indirect subsidiary, 99.81% effective interest
Indorama Ventures Adana PET Sanayi Anonim Sirketi	Turkey	Indirect subsidiary, 99.99% effective interest, some common directors
Indorama Ventures Corlu PET Sanayi Anonim Sirketi	Turkey	Indirect subsidiary, 99.99% effective interest, some common directors
Beverage Plastics (Holdings) Limited	United Kingdom	Indirect subsidiary, 75.36% effective interest
Beverage Plastics Limited	United Kingdom	Indirect subsidiary, 75.36% effective interest
Beacon Trading (UK) Limited	United Kingdom	Indirect subsidiary, 99.81% effective interest
Indorama Trading (UK) Limited	United Kingdom	Indirect subsidiary, 99.81% effective interest
Indorama Polymers Workington Limited	United Kingdom	Indirect subsidiary, 99.91% effective interest, a common director
Indorama Ventures Portugal PTA - Unipessoal, LDA.	Portugal	Indirect subsidiary, 99.99% effective interest
Indorama Ventures Portugal Utility - Unipessoal, LDA.	Portugal	Indirect subsidiary, 99.99% effective interest
Indorama Ventures Holdings LP	USA	Indirect subsidiary, 99.99% effective interest

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Name of entities	Country of incorporation/ nationality	Nature of relationships
Indorama Ventures USA Holdings LP	USA	Indirect subsidiary, 99.99% effective interest
Indorama Ventures OGL Holdings LP	USA	Indirect subsidiary, 99.99% effective interest
Indorama Ventures Logistics LLC	USA	Indirect subsidiary, 99.99% effective interest, a common director
Indorama Ventures (Oxide & Glycols) LLC	USA	Indirect subsidiary, 99.99% effective interest, a common director
Performance Fibers Holdings Finance, Inc.	USA	Indirect subsidiary, 99.99% effective interest
Performance Fibers Asia Holdings, LLC	USA	Indirect subsidiary, 99.99% effective interest
Performance Fibers Asia, LLC	USA	Indirect subsidiary, 99.99% effective interest
Indorama Ventures AlphaPet Holdings, Inc.	USA	Indirect subsidiary, 99.99% effective interest, a common director
Indorama Polymers (USA) LLC	USA	Indirect subsidiary, 99.99% effective interest
AlphaPet, Inc.	USA	Indirect subsidiary, 99.99% effective interest, a common director
Indorama Ventures Polyholding LLC	USA	Indirect subsidiary, 99.99% effective interest
Indorama Ventures USA LLC	USA	Indirect subsidiary, 99.99% effective interest
Auriga Polymers Inc.	USA	Indirect subsidiary, 99.99% effective interest, a common director
StarPet Inc.	USA	Indirect subsidiary, 99.99% effective interest, a common director
Indorama Ventures Xylenes & PTA LLC	USA	Indirect subsidiary, 99.99% effective interest, some common key management personnel
Indorama Ventures Performance Fibers Holdings USA LLC	USA	Indirect subsidiary, 99.99% effective interest, some common key management personnel
FiberVisions Corporation	USA	Indirect subsidiary, 99.99% effective interest, a common director
FiberVisions Manufacturing Company	USA	Indirect subsidiary, 99.99% effective interest
FiberVisions Products, Inc.	USA	Indirect subsidiary, 99.99% effective interest
FiberVisions L.P.	USA	Indirect subsidiary, 99.99% effective interest
Trevira North America, LLC	USA	Indirect subsidiary, 99.99% effective interest
PHP Fibers Inc.	USA	Indirect subsidiary, 80.00% effective interest, a common director
Safe Tweave Inc.	USA	Indirect subsidiary, 80.00% effective interest
Indorama Ventures Olefins Holding LLC	USA	Indirect subsidiary, 99.99% effective interest
Indorama Ventures Investments USA LLC	USA	Indirect subsidiary, 51.00% effective interest
Indorama Ventures Olefins LLC	USA	Indirect subsidiary, 75.99% effective interest, some common key management personnel
Indorama Ventures Exporter Inc.	USA	Indirect subsidiary, 99.99% effective interest, a common director
Winnsboro Fibres LLC	USA	Indirect subsidiary, 99.99% effective interest, a common director

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Name of entities	Country of incorporation/ nationality	Nature of relationships
Indorama Ventures Northern Investments Inc.	Canada	Indirect subsidiary, 99.99% effective interest, a common director
Indorama Ventures Gestion Inc.	Canada	Indirect subsidiary, 99.99% effective interest, a common director
Indorama Ventures PTA Montréal LP	Canada	Indirect subsidiary, 99.99% effective interest, some common key management personnel
4200144 Canada Inc.	Canada	Indirect subsidiary, 99.99% effective interest
IVL Holding, S. de R.L. de C.V.	Mexico	Indirect subsidiary, 99.99% effective interest, some common key management personnel
Grupo Indorama Ventures, S. de R.L. de C.V.	Mexico	Indirect subsidiary, 99.99% effective interest, some common key management personnel
Indorama Ventures Polymers Mexico, S. de R.L. de C.V.	Mexico	Indirect subsidiary, 99.99% effective interest, some common key management personnel
Indorama Ventures Polycom, S. de R.L. de C.V.	Mexico	Indirect subsidiary, 99.99% effective interest, some common key management personnel
Indorama Ventures Servicios Corporativos, S. de R.L. de C.V.	Mexico	Indirect subsidiary, 99.99% effective interest, some common key management personnel
Indorama Ventures Mexico Assets, S. de R.L. de C.V.	Mexico	Indirect subsidiary, 99.99% effective interest
Performance Fibers Operations Mexico, S. de R.L. de C.V.	Mexico	Indirect subsidiary, 99.99% effective interest, a common director
Performance Fibers Services, S. de R.L. de C.V.	Mexico	Indirect subsidiary, 99.99% effective interest, a common director
Indorama PET (Nigeria) Limited	Nigeria	Indirect subsidiary, 89.92% effective interest, a common director
Indorama Ventures Packaging (Nigeria) Limited	Nigeria	Indirect subsidiary, 99.99% effective interest
Indorama Ventures Packaging (Ghana) Limited	Republic of Ghana	Indirect subsidiary, 99.99% effective interest
ES FiberVisions (Thailand) Company Limited	Thailand	Indirect joint venture, 50.00% effective interest
ES FiberVisions (Suzhou) Co., Ltd.	China	Indirect joint venture, 50.00% effective interest
ES FiberVisions China Limited	China	Indirect joint venture, 50.00% effective interest
ES FiberVisions Shanghai Co., Ltd.	China	Indirect joint venture, 50.00% effective interest
ShenMa-PHP (Pingdingshan) Air Bag Yarn Manufacturing Co., Ltd.	China	Indirect joint venture, 39.20% effective interest
PHP-ShenMa Air Bag Yarn Marketing (Shanghai) Co., Ltd.	China	Indirect joint venture, 40.80% effective interest
ES FiberVisions Hong Kong Limited	Hong Kong	Indirect joint venture, 50.00% effective interest
ES FiberVisions Company Limited	Japan	Indirect joint venture, 50.00% effective interest
PT. Indorama Petrochemicals	Indonesia	Indirect joint venture, 50.00% effective interest

Indorama Ventures Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month period ended 31 March 2018 (Unaudited)

Name of entities	Country of incorporation/ nationality	Nature of relationships
IVL Dhunseri Petrochem Industries Private Limited	India	Indirect joint venture, 50.00% effective interest, some common directors
ES FiberVisions Holdings ApS	Denmark	Indirect joint venture, 50.00% effective interest
ES FiberVisions ApS	Denmark	Indirect joint venture, 50.00% effective interest
TTI GmbH	Germany	Indirect joint venture, 40.00% effective interest
Ottana Polimeri S.R.L.	Italy	Indirect joint venture, 50.00% effective interest
ES FiberVisions LP	USA	Indirect joint venture, 50.00% effective interest
ES FiberVisions, Inc.	USA	Indirect joint venture, 50.00% effective interest
Indorama Ventures EcoMex, S. de R.L. de C.V.	Mexico	Indirect joint venture, 51.00% effective interest, some common key management personnel
Indorama Ventures EcoMex, Services, S. de R.L. de C.V.	Mexico	Indirect joint venture, 51.00% effective interest, some common key management personnel
Pacific Resources Limited	Thailand	Family relationships with directors
Cryoviva (Thailand) Limited	Thailand	Some common directors
Thai Plaspac Public Company Limited	Thailand	Family relationships with directors
Lohia Global Holdings Limited	Hong Kong	Family relationships with directors
PT. Indo-Rama Synthetics Tbk.	Indonesia	50.00% shareholder of indirect joint venture, and related parties as commissioners
PT. Irama Unggul	Indonesia	Family relationships with commissioner
Yayasan Pendidikan Indorama	Indonesia	Family relationships with trustee and advisory board
Indo Rama Synthetics (India) Limited	India	Family relationships with directors
Indorama Eleme Petrochemicals Limited	Nigeria	10.00% shareholder of indirect subsidiary, some common directors
Indorama Commerce DMCC	United Arab Emirates	Some common directors
Vega Aviation Limited	British Virgin Islands	Family relationships with common directors
Key management personnel	Thailand, India, Indonesia and USA	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group/Company.

On 9 February 2018, PT. Indorama Glycol Indonesia, a new indirect subsidiary, was incorporated in Indonesia, with the registered share capital of USD 500 thousand (Baht 15,700 thousand).

Indorama Ventures Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2018 (Unaudited)

The pricing policies for transactions with related parties are explained further below:

Transactions	Pricing policies
Sales of goods	Market prices
Purchases of goods and raw materials	Market prices
Interest income	Market linked rate/contractually agreed
Other income	Contractually agreed
Interest expense	Market linked rate/contractually agreed
Distribution costs and administrative expenses	Contractually agreed

Significant transactions for the three-month period ended 31 March 2018 and 2017 with related parties were as follows:

<i>Three-month period ended 31 March</i>	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Subsidiaries				
Interest income	-	-	743,187	678,007
Other income	-	-	45,360	112,439
Dividend income	-	-	513,094	663,999
Key management personnel				
Directors' fee and bonus	3,030	3,005	2,505	2,480
Short-term employee benefits	31,486	19,959	-	-
Long-term employee benefits	732	402	-	-
Other related parties				
Sales of goods	434,433	417,327	-	-
Purchases of goods and raw materials	685,726	378,713	-	-
Other raw materials conversion charges and overheads	4,171	4,761	-	-
Distribution costs and administrative expenses	64,223	64,153	2,729	-
Other income	452	554	-	-
Joint ventures				
Sales of goods	1,358,747	1,325,941	-	-
Purchases of goods and raw materials	2,492,511	1,603,144	-	-
Other raw materials conversion charges and overheads	952	918	-	-
Interest income	1,320	3,689	-	-
Other income	23,372	19,819	12,525	10,025
Dividend income	4,741	-	-	-
Other expense	-	539	-	-

Indorama Ventures Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2018 (Unaudited)

Balances as at 31 March 2018 and 31 December 2017 with related parties were as follows:

	Consolidated financial statements		Separate financial statements	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
	<i>(in thousand Baht)</i>			
Trade accounts receivable - related parties				
Other related parties				
PT. Indo-Rama Synthetics Tbk.	164,490	178,132	-	-
Indo Rama Synthetics (India) Limited	153,884	161,024	-	-
	<u>318,374</u>	<u>339,156</u>	<u>-</u>	<u>-</u>
Joint ventures				
ES FiberVisions LP	420,162	415,175	-	-
ShenMa-PHP (Pingdingshan) Air Bag Yarn Manufacturing Co., Ltd.	93,026	93,512	-	-
IVL Dhunseri Petrochem Industries Private Limited	25,218	75,661	-	-
ES FiberVisions (Suzhou) Co., Ltd.	19,516	9,928	-	-
ES FiberVisions Shanghai Co., Ltd.	16,880	17,285	-	-
ES FiberVisions (Thailand) Company Limited	14,256	20,956	-	-
ES FiberVisions ApS	11,536	78,913	-	-
ES FiberVisions China Limited	2,573	8,381	-	-
ES FiberVisions Hong Kong Limited	2,359	12,746	-	-
	<u>605,526</u>	<u>732,557</u>	<u>-</u>	<u>-</u>
Total	<u>923,900</u>	<u>1,071,713</u>	<u>-</u>	<u>-</u>
Other receivables – related parties				
Subsidiaries				
Performance Fibers Operations Mexico, S. de R.L. de C.V.	-	-	4,109	3,509
Glanzstoff Longlaville S.A.S.	-	-	664	3,071
	<u>-</u>	<u>-</u>	<u>4,773</u>	<u>6,580</u>
Other related parties				
Indo Rama Synthetics (India) Limited	4,299	4,498	-	-
Yayasan Pendidikan Indorama	1,216	1,139	-	-
Indorama Eleme Petrochemicals Limited	1,013	-	-	-
Cryoviva (Thailand) Limited	160	228	-	-
	<u>6,688</u>	<u>5,865</u>	<u>-</u>	<u>-</u>

Indorama Ventures Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month period ended 31 March 2018 (Unaudited)

	Consolidated financial statements		Separate financial statements	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
<i>(in thousand Baht)</i>				
Other receivables – related parties				
Joint ventures				
IVL Dhunseri Petrochem Industries Private Limited	22,858	35,024	22,858	35,024
ES FiberVisions Holdings ApS	22,133	20,064	-	-
ES FiberVisions (Thailand) Company Limited	19,953	8,943	-	-
PT. Indorama Petrochemicals	498	412	-	-
Indorama Ventures EcoMex, S. de R.L. de C.V.	-	517	-	-
ES FiberVisions LP	-	33	-	-
	65,442	64,993	22,858	35,024
Total	72,130	70,858	27,631	41,604

Other non-current receivables - related parties

Joint ventures				
IVL Dhunseri Petrochem Industries Private Limited	5,239	-	-	-
Total	5,239	-	-	-

Short-term loans to related parties

	Interest rate		Consolidated financial statements		Separate financial statements	
	2018	2017	31 March 2018	31 December 2017	31 March 2018	31 December 2017
<i>(% per annum)</i>						
<i>(in thousand Baht)</i>						
Comprising :						
Short-term loans to related parties						
Subsidiaries						
Indorama Polymers Public Company Limited	5.20	5.20-6.00	-	-	447,584	301,084
Indorama Holdings Limited	5.20	5.20-6.00	-	-	20,300	128,800
Indorama Polyester Industries Public Company Limited	5.20	5.20-6.00	-	-	3,109,500	3,082,500
Indorama Netherlands Cooperatief U.A.	2.60-4.70	2.60-6.00	-	-	9,235,266	12,260,702
Indorama Petrochem Limited	5.20	5.20-6.00	-	-	156,590	837,290
TPT Petrochemicals Public Company Limited	5.20	5.20-6.00	-	-	966,050	1,579,150
Indorama Ventures Global Services Limited	5.20	5.20-6.00	-	-	14,548,203	7,294,400

Indorama Ventures Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month period ended 31 March 2018 (Unaudited)

<i>Short-term loans to related parties</i>	Interest rate		Consolidated		Separate	
			financial statements		financial statements	
			31	31	31	31
	2018	2017	March	December	March	December
	(% per annum)		2018	2017	2018	2017
			<i>(in thousand Baht)</i>			
Indorama Netherlands B.V.	4.70	4.30-6.00	-	-	619,517	2,594,736
Total			<u>-</u>	<u>-</u>	<u>29,103,010</u>	<u>28,078,662</u>
Joint ventures						
ES FiberVisions (Suzhou) Co., Ltd.	1.32-2.40	1.32-2.40	97,599	102,128	-	-
Indorama Ventures EcoMex, S. de R.L. de C.V.	8.76-8.95	7.26-8.48	25,269	24,346	-	-
ShenMa-PHP (Pingdingshan) Air Bag Yarn Manufacturing Co., Ltd.	2.00	2.00	23,064	23,416	-	-
Total			<u>145,932</u>	<u>149,890</u>	<u>-</u>	<u>-</u>
Interest receivable from related parties						
Subsidiaries						
Indorama Netherlands Cooperatief U.A.			-	-	1,012,278	694,769
Indorama Ventures Global Services Limited			-	-	61,074	29,567
Indorama Netherlands B.V.			-	-	21,339	-
Indorama Polyester Industries Public Company Limited			-	-	17,962	18,277
Indorama Petrochem Limited			-	-	10,066	15,372
TPT Petrochemicals Public Company Limited			-	-	8,997	14,750
Indorama Holdings Limited			-	-	1,372	2,266
Indorama Polymers Public Company Limited			-	-	329	1,642
Total			<u>-</u>	<u>-</u>	<u>1,133,417</u>	<u>776,643</u>

Indorama Ventures Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month period ended 31 March 2018 (Unaudited)

<i>Short-term loans to related parties</i>	Interest rate		Consolidated		Separate	
			financial statements		financial statements	
			31 March 2018	31 December 2017	31 March 2018	31 December 2017
	2018	2017	<i>(in thousand Baht)</i>			
	<i>(% per annum)</i>					
Interest receivable from related parties						
Joint ventures						
Indorama Ventures						
EcoMex, S. de R.L. de C.V.			1,965	183	-	-
ES FiberVisions (Suzhou) Co., Ltd.			1,798	2,088	-	-
ShenMa-PHP (Pingdingshan) Air Bag Yarn Manufacturing Co., Ltd.			1,703	1,613	-	-
ES FiberVisions (Thailand) Company Limited			566	1,837	-	-
Total			6,032	5,721	-	-
Total short-term loans to related parties			151,964	155,611	30,236,427	28,855,305
<i>Long-term loans to related parties</i>	Interest rate		Consolidated		Separate	
			financial statements		financial statements	
			31 March 2018	31 December 2017	31 March 2018	31 December 2017
	2018	2017	<i>(in thousand Baht)</i>			
	<i>(% per annum)</i>					
Comprising :						
Long-term loans to related parties						
Subsidiaries						
Indorama						
Netherlands Cooperatief U.A.	2.60-5.30	2.60-6.20	-	-	30,295,987	26,619,189
TPT Petrochemicals Public Company Limited	5.30	5.30-6.20	-	-	1,193,100	1,193,100
Indorama Polyester Industries Public Company Limited	5.30	5.30-6.20	-	-	1,040,000	1,040,000
Indorama Petrochem Limited	5.30	5.30-6.20	-	-	413,350	1,818,600
Indorama Holdings Limited	5.30	5.30-6.20	-	-	250,000	350,000
Total			-	-	33,192,437	31,020,889

Indorama Ventures Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month period ended 31 March 2018 (Unaudited)

<i>Long-term loans to related parties</i>	Interest rate		Consolidated		Separate	
			financial statements		financial statements	
			31	31	31	31
	2018	2017	March	December	March	December
	(% per annum)		2018	2017	2018	2017
			<i>(in thousand Baht)</i>			
<i>Long-term loans to related parties</i>						
Joint ventures						
ES FiberVisions (Thailand) Company Limited	4.80-5.37	4.80-4.82	46,848	49,021	-	-
ES FiberVisions (Suzhou) Co., Ltd.	2.39	2.39	4,698	4,075	-	-
Total			51,546	53,096	-	-
Total long-term loans to related parties			51,546	53,096	33,192,437	31,020,889

During period 2018, the Company has amended the loan agreements with Indorama Netherlands Cooperatief U.A. to change the repayment term resulting in the reclassification of short-term loans to related parties of Baht 3,659 million, to be presented under long-term loans to related parties as at 31 March 2018.

During period 2018, the Company has amended the loan agreement with Indorama Holding Limited to change the repayment term resulting in the reclassification of long-term loans to related parties of Baht 100 million, to be presented under short-term loans to related parties as at 31 March 2018.

<i>Summary of loans to related parties</i>	Consolidated		Separate	
	financial statements		financial statements	
	31	31	31	31
	March	December	March	December
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Short-term loans	151,964	155,611	30,236,427	28,855,305
Long-term loans	51,546	53,096	33,192,437	31,020,889
Total loans to related parties	203,510	208,707	63,428,864	59,876,194

Indorama Ventures Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2018 (Unaudited)

Movements during the three-month period ended 31 March 2018 and 2017 of loans to related parties, excluding interest receivable from related parties, were as follows:

<i>Loans to related parties</i>	Consolidated		Separate	
	financial statements		financial statements	
<i>Three-month period ended 31 March</i>	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Short-term loans:				
Subsidiaries				
At 1 January	-	-	28,078,662	15,867,499
Increase	-	-	26,382,351	16,905,878
Decrease	-	-	(21,799,205)	(17,523,361)
Reclassification	-	-	(3,558,798)	-
At 31 March	-	-	29,103,010	15,250,016
Joint ventures				
At 1 January	149,890	411,199	-	-
Increase	241	-	-	-
Decrease	(6,170)	(135,011)	-	-
Reclassification	1,971	48,271	-	-
At 31 March	145,932	324,459	-	-
Total short-term loans				
At 1 January	149,890	411,199	28,078,662	15,867,499
Increase	241	-	26,382,351	16,905,878
Decrease	(6,170)	(135,011)	(21,799,205)	(17,523,361)
Reclassification	1,971	48,271	(3,558,798)	-
At 31 March	145,932	324,459	29,103,010	15,250,016
Long-term loans:				
Subsidiaries				
At 1 January	-	-	31,020,889	30,585,235
Increase	-	-	378,292	968,799
Decrease	-	-	(1,765,542)	(150,121)
Reclassification	-	-	3,558,798	-
At 31 March	-	-	33,192,437	31,403,913
Joint ventures				
At 1 January	53,096	124,572	-	-
Increase	421	52,659	-	-
Decrease	-	(18,583)	-	-
Reclassification	(1,971)	(48,271)	-	-
At 31 March	51,546	110,377	-	-
Total long-term loans				
At 1 January	53,096	124,572	31,020,889	30,585,235
Increase	421	52,659	378,292	968,799
Decrease	-	(18,583)	(1,765,542)	(150,121)
Reclassification	(1,971)	(48,271)	3,558,798	-
At 31 March	51,546	110,377	33,192,437	31,403,913

Indorama Ventures Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month period ended 31 March 2018 (Unaudited)

	Consolidated financial statements		Separate financial statements	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
<i>(in thousand Baht)</i>				
Advance for share subscription				
Subsidiary				
IVL Belgium N.V.	-	-	3,474	3,474
	-	-	3,474	3,474
Joint venture				
PT. Indorama Petrochemicals	-	222,589	-	-
	-	222,589	-	-
Total	-	222,589	3,474	3,474
Trade accounts payable - related parties				
Other related parties				
PT. Indo-Rama Synthetics Tbk.	549,976	539,209	-	-
Indorama Eleme Petrochemicals Limited	14,449	32,458	-	-
	564,425	571,667	-	-
Joint ventures				
PT. Indorama Petrochemicals	531,132	481,065	-	-
IVL Dhunseri Petrochem Industries Private Limited	244,734	268,516	-	-
Indorama Ventures EcoMex, S. de R.L. de C.V.	36,645	21,038	-	-
TTI GmbH	1,544	1,497	-	-
	814,055	772,116	-	-
Total	1,378,480	1,343,783	-	-

Indorama Ventures Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month period ended 31 March 2018 (Unaudited)

	Consolidated financial statements		Separate financial statements	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
	<i>(in thousand Baht)</i>			
Other payable - related parties				
Other related parties				
Lohia Global Holdings Limited	42,583	40,550	2,475	2,344
Indo Rama Synthetics (India) Limited	15,220	15,927	-	-
Vega Aviation Limited	4,880	-	-	-
PT. Indo-Rama Synthetics Tbk.	297	421	-	-
	<u>62,980</u>	<u>56,898</u>	<u>2,475</u>	<u>2,344</u>
Joint ventures				
ES FiberVisions ApS	25,194	-	-	-
PT. Indorama Petrochemicals IVL Dhunseri Petrochem Industries Private Limited	1,021	-	-	-
	257	1,841	-	-
	<u>26,472</u>	<u>1,841</u>	<u>-</u>	<u>-</u>
Total	<u>89,452</u>	<u>58,739</u>	<u>2,475</u>	<u>2,344</u>

Significant agreement with related parties

Guarantee Agreements

The Company entered into Guarantee Agreements with its related parties to provide the corporate guarantee to the third parties for the term loan of agreed amount. Under the term of the agreements, those related parties agree to pay guarantee fees as stipulated in the agreements. The agreements expire when the loan has been fully paid by those related parties to third parties.

Indorama Ventures Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2018 (Unaudited)

5 Trade accounts receivable

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2018	31 December 2017	31 March 2018	31 December 2017
		<i>(in thousand Baht)</i>			
Related parties	4	923,900	1,071,713	-	-
Other parties		36,594,454	33,040,773	-	-
Total		37,518,354	34,112,486	-	-
Less allowance for doubtful accounts		(1,925,622)	(2,014,315)	-	-
Net		35,592,732	32,098,171	-	-
Write-off allowance for doubtful accounts		833	2,217	-	-
(Reversal of) provision for bad and doubtful debts expense for the three-month period ended 31 March, net		(806)	10,660	-	-

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
	<i>(in thousand Baht)</i>			
Related parties				
Within credit terms	652,287	796,660	-	-
Overdue:				
Less than 3 months	108,346	105,307	-	-
3-6 months	10,033	9,377	-	-
6-12 months	210	164	-	-
Over 12 months	153,024	160,205	-	-
	923,900	1,071,713	-	-
Other parties				
Within credit terms	31,105,806	26,542,562	-	-
Overdue:				
Less than 3 months	3,189,154	4,692,668	-	-
3-6 months	1,890,585	798,423	-	-
6-12 months	219,967	854,098	-	-
Over 12 months	188,942	153,022	-	-
	36,594,454	33,040,773	-	-
Less allowance for doubtful accounts	(1,925,622)	(2,014,315)	-	-
Net	34,668,832	31,026,458	-	-
	35,592,732	32,098,171	-	-

The normal credit term granted by the Group ranges from 7 days to 240 days.

Indorama Ventures Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2018 (Unaudited)

6 Other current assets

	Consolidated financial statements		Separate financial statements	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
	<i>(in thousand Baht)</i>			
Value added tax receivable	2,741,752	2,975,948	-	-
Advance payments	2,059,753	1,084,082	1,839	2,420
Prepaid expenses	666,915	647,618	-	825
Receivable from seller in business combination	492,836	479,357	-	-
Advance tax payments and withholding tax	459,874	482,316	12,437	13,728
Material price adjustment receivable	261,289	240,438	-	-
Insurance claims receivable	661	27,207	-	-
Others	894,412	653,852	597,298	525,868
Total	7,577,492	6,590,818	611,574	542,841

Receivable from seller in business combination relates to a tax liability, which was recorded as part of income tax payable as at 31 March 2018 and 31 December 2017, for which IVL can claim from Arteva Latin America B.V. as per the sale and purchase agreement.

7 Investments in subsidiaries and other equity security

<i>Three-month period ended 31 March</i>	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
At 1 January	-	-	65,566,630	57,798,256
Additional investments	-	-	1,136,665	300,220
At 31 March	-	-	66,703,295	58,098,476

Indorama Ventures Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2018 (Unaudited)

Investments in subsidiaries and other equity security as at 31 March 2018 and 31 December 2017, and dividend income from those investments for the three-month period ended 31 March 2018 and 2017 were as follows:

Consolidated financial statements

	Type of business	Effective ownership interest		Paid-up capital		Cost		Impairment		Carrying amount		Dividend income for the three-month period ended	
		31	31	31	31	31	31	31	31	31	31	31	31
		March 2018	December 2017	March 2018	December 2017	March 2018	December 2017	March 2018	December 2017	March 2018	December 2017	March 2018	March 2017
		(%)						(in thousand Baht)					
Other equity security													
Tuntex Textile (Thailand) Company Limited	Manufacture of polyester fibers and yarns	4.63	4.63	430,000	430,000	200,000	200,000	(200,000)	(200,000)	-	-	-	-
Total						200,000	200,000	(200,000)	(200,000)	-	-	-	-

Indorama Ventures Public Company Limited and its Subsidiaries
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For the three-month period ended 31 March 2018 (Unaudited)

Separate financial statements

	Type of business	Ownership interest		Paid-up capital		Cost		Impairment		At cost-net		Dividend income for the three-month period ended	
		31	31	31	31	31	31	31	31	31	31	31	31
		March	December	March	December	March	December	March	December	March	December	March	March
		2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
		(%)				(in thousand Baht)							
Subsidiaries													
Indorama Petrochem Limited	Manufacture of PTA and PET	99.99	99.99	10,146,167	10,146,167	7,944,151	7,944,151	-	-	7,944,151	7,944,151	-	-
Indorama Holdings Limited	Manufacture of worsted wool yarns	99.81	99.81	774,468	774,468	2,001,419	2,001,419	-	-	2,001,419	2,001,419	-	-
Indorama Polymers Public Company Limited	Manufacturing of SSP Chips and PET	72.60	72.60	1,382,198	1,382,198	7,219,741	7,219,741	-	-	7,219,741	7,219,741	-	-
Indorama Polyester Industries Public Company Limited	Manufacture of polyester fibers and yarns and PET	64.94	64.94	2,202,850	2,202,850	1,473,995	1,473,995	-	-	1,473,995	1,473,995	-	-
TPT Petrochemicals Public Company Limited	Manufacture of PTA	99.97	99.97	2,955,000	2,955,000	5,182,189	5,182,189	-	-	5,182,189	5,182,189	-	-
IVL Belgium N.V.	Holding company	99.99	99.99	121,630	121,630	121,630	121,630	-	-	121,630	121,630	-	-
Indo Polymers Mauritius Limited	Holding company	100.00	100.00	2,218	2,218	2,296	2,296	-	-	2,296	2,296	-	-
Indorama Ventures Global Services Limited	International headquarters	99.99	99.99	42,757,917	41,621,250	42,757,874	41,621,209	-	-	42,757,874	41,621,209	513,094	663,999
Total						66,703,295	65,566,630	-	-	66,703,295	65,566,630	513,094	663,999

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None of the Group's subsidiaries or other equity security are publicly listed and consequently they do not have published price quotations.

During period 2018, Indorama Ventures Global Services Limited ("IVGSL") increased its share capital from Baht 41,621.3 million to Baht 42,757.9 million for which the Company subscribed to the entire increased capital.

8 Investments in joint ventures

<i>Three-month period ended 31 March</i>	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
At 1 January	6,247,147	5,529,831	-	-
Additional investments	345,130	830,907	-	-
Share of net profit (losses) of joint ventures	(42,196)	146,482	-	-
Dividend income	(4,741)	-	-	-
Other comprehensive income	262	-	-	-
Effect of movements in exchange rates	(250,337)	(78,113)	-	-
At 31 March	<u>6,295,265</u>	<u>6,429,107</u>	<u>-</u>	<u>-</u>

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Investments in joint ventures as at 31 March 2018 and 31 December 2017 and share of net profit (losses) of joint ventures for the three-month period ended 31 March 2018 and 2017 were as follows:

		Consolidated financial statements																Share of	
Type of business	Effective ownership interest	Paid-up capital		Cost		Equity		Impairment		Amalgamation		Effect of movements in exchange rate		Carrying value at equity		net profit (losses) of joint ventures			
		31 March 2018	31 December 2017	31 March 2018	31 December 2017	31 March 2018	31 December 2017	31 March 2018	31 December 2017	31 March 2018	31 December 2017	31 March 2018	31 December 2017	31 March 2018	31 December 2017	31 March 2018	31 March 2017		
		(in thousand Baht)																	
Joint ventures																			
Ottana Polimeri S.R.L.	Manufacture of PTA and PET	50.00	50.00	242,460	242,460	121,230	121,230	146,671	146,671	(146,671)	(146,671)	-	-	-	-	-	-	-	-
PT. Indorama Petrochemicals	Manufacture of PTA	50.00	47.25	8,452,764	8,060,269	3,700,388	3,357,184	1,240,253	1,005,329	-	-	-	-	(16,513)	44,174	1,223,740	1,049,503	(152,716)	(86,517)
ES FiberVisions	Marketing and sales of fiber	50.00	50.00	613,653	613,653	699,178	699,178	1,002,118	1,058,663	-	-	-	-	(38,151)	(76,653)	963,967	982,010	20,108	15,364
ES FiberVisions (Suzhou) Co., Ltd.	Manufacture and sale of biocomponent fiber	50.00	50.00	786,545	786,545	392,992	392,992	448,184	450,855	-	-	-	-	(3,415)	(9,471)	444,769	441,384	6,800	10,870
ShenMa-PHP (Pingdingshan) Air Bag Yarn Manufacturing Co., Ltd.	Manufacture and internal sale of air bag yarns	39.20	39.20	796,144	796,144	191,864	191,864	232,077	251,094	-	-	-	-	(6,321)	(12,592)	225,756	238,502	(6,425)	(6,829)
PHP-ShenMa Air Bag Yarn Marketing (Shanghai) Co., Ltd.	Marketing and sale of air bag yarns	40.80	40.80	9,038	9,038	152,611	152,611	182,322	181,602	-	-	-	-	(2,183)	1,209	180,139	182,811	(489)	1,484
TTI GmbH	Research and development service	40.00	40.00	1,119	1,119	12,852	10,926	3,752	3,059	-	-	-	-	(41)	192	3,711	3,251	(1,425)	-

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	Type of business	Effective ownership interest		Paid-up capital				Cost		Equity				Impairment		Amalgamation		Effect of movements in exchange rate		Carrying value at equity		Share of net profit (losses) of joint ventures	
		interest		Paid-up capital		Cost		Equity		Impairment		Amalgamation		Effect of movements in exchange rate		Carrying value at equity		Share of net profit (losses) of joint ventures					
		31	31	31	31	31	31	31	31	31	31	31	31	31	31	31	31	31	31	31	31		
		March 2018	December 2017	March 2018	December 2017	March 2018	December 2017	March 2018	December 2017	March 2018	December 2017	March 2018	December 2017	March 2018	December 2017	March 2018	December 2017	March 2018	December 2017	March 2018	December 2017		
		(%)		(in thousand Baht)																			
ES FiberVisions (Thailand) Company Limited	Manufacture of polyester fibers and yarns	50.00	50.00	410,000	410,000	205,000	205,000	230,799	226,316	-	-	-	-	-	-	230,799	226,316	4,483	14,060				
Indorama Ventures EcoMex S. de R.L. de C.V.	Manufacture of PET recycled flake	51.00	51.00	430,883	430,883	221,759	221,759	163,398	182,623	-	-	-	-	(7,312)	(17,294)	156,086	165,329	(1,931)	793				
Indorama Ventures EcoMex Services, S. de R.L. de C.V.	Administrative services	51.00	51.00	7	7	3	3	4	139	-	-	-	-	(4)	(10)	-	129	(125)	224				
Micro Polypet Private Limited	Manufacture of PET Preform	-	-	-	-	-	-	-	619,848	-	-	-	(600,517)	-	(19,331)	-	-	-	19,622				
IVL Dhunseri Petrochem Industries Private Limited	Manufacture of PET Resin	50.00	50.00	206,720	206,720	<u>2,795,152</u>	<u>2,795,152</u>	<u>3,042,695</u>	<u>2,427,553</u>	-	-	-	<u>600,517</u>	<u>(176,397)</u>	<u>(70,158)</u>	<u>2,866,298</u>	<u>2,957,912</u>	<u>89,524</u>	<u>177,411</u>				
Total						<u>8,493,029</u>	<u>8,147,899</u>	<u>6,692,273</u>	<u>6,553,752</u>	<u>(146,671)</u>	<u>(146,671)</u>	<u>-</u>	<u>-</u>	<u>(250,337)</u>	<u>(159,934)</u>	<u>6,295,265</u>	<u>6,247,147</u>	<u>(42,196)</u>	<u>146,482</u>				

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Indorama Netherlands B.V. has a call option, which is exercisable during the period from 1 January 2014 to 31 December 2018, to acquire 50.00% of shares of PT. Indorama Petrochemicals (“PTIP”) from PT. Indo-Rama Synthetics Tbk. (“PTIRS”), a shareholder holding 50.00% of PTIP and a related party of IVL.

During period 2018, PTIP increased its share capital from USD 245.5 million (Baht 8,060.3 million) to USD 257.7 million (Baht 8,452.8 million) for which the Group entirely subscribed to the portion of its shareholdings.

During period 2018, the Group purchased additional shares of PTIP for a cash consideration of EUR 3.2 million (Baht 122.7 million) bringing the Group’s shareholding in PTIP to 50.00% as at 31 March 2018.

ES FiberVisions group consists of ES FiberVisions LP, ES FiberVisions, Inc., ES FiberVisions Holdings ApS, ES FiberVisions ApS, ES FiberVisions Hong Kong Limited, ES FiberVisions China Limited, ES FiberVisions Shanghai Co., Ltd. and ES FiberVisions Company Limited.

The Group’s investment in joint venture, IVL Dhunseri Petrochem Industries Private Limited (“DPGL”), consist of the investment in compulsorily convertible debentures (“CCDs”) held by Indorama Ventures Global Services Limited, subsidiary of the Company. CCDs are compulsorily and mandatorily converted into the fixed numbers of equity shares as per the terms and conditions stipulated in the shareholder’s agreement. During the three-month period ended 31 March 2018, there was neither addition nor disposal of the Group’s investment in CCDs.

Under the convertible debentures subscription agreement, the debentures bear interest at the rate of 6.0% per annum. The interest will be accrued from 2nd anniversary of the date of issuance of CCDs. DPGL has rights to cumulative interest payment and payment of interest by DPGL shall be subject to external lender’s confirmation.

The Group’s effective ownership interest in DPGL, taking into account potential voting rights, was 50% as at 31 March 2018 and 31 December 2017.

During the three-month period ended 31 March 2018, there was no disposal of investments in joint ventures.

None of the Group’s joint ventures are publicly listed and consequently do not have published price quotations.

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9 Property, plant and equipment

Acquisitions, disposals and transfers of property, plant and equipment during the three-month periods ended 31 March 2018 and 2017 were as follows:

<i>Three-month period ended 31 March</i>	Consolidated financial statements			
	2018		2017	
	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value <i>(in thousand Baht)</i>	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value
Land and land improvements	142	(107,243)	-	-
Building and building improvements	74,836	(51,273)	7,849	-
Machinery and equipment	1,072,182	(14,202)	1,177,036	(3,093)
Office furniture, fixtures and equipment	32,719	-	13,775	(3)
Transportation equipment	6,292	(598)	4,960	(537)
Store and spare parts	14,015	(6,064)	12,955	(142,375)
Construction in progress	3,854,484	(966,505)	3,817,406	(786,358)
Total	5,054,670	(1,145,885)	5,033,981	(932,366)

10 Bank overdrafts, short-term and long-term loans from financial institutions

	Consolidated financial statements		Separate financial statements	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
	<i>(in thousand Baht)</i>			
Current				
Bank overdrafts				
Secured	228,454	163,369	-	-
Unsecured	1,152,653	689,328	-	-
Short-term loans from financial institutions (a)				
Secured	1,442,185	2,015,103	-	-
Unsecured	4,403,915	3,247,331	-	-
Bank overdrafts and short-term loans from financial institutions	7,227,207	6,115,131	-	-
Current portion of long-term loans from financial institutions				
Secured	19,794	36,628	-	-
Unsecured	4,557,562	6,186,040	-	-
Less deferred financing costs	(49,532)	(54,845)	-	-
Net current portion of long- term loans (b)	4,527,824	6,167,823	-	-
Total	11,755,031	12,282,954	-	-

Indorama Ventures Public Company Limited and its Subsidiaries

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For the three-month period ended 31 March 2018 (Unaudited)

	Consolidated financial statements		Separate financial statements	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
	<i>(in thousand Baht)</i>			
Non-current				
Long-term loans from financial institutions				
Secured	5,833,421	5,979,662	-	-
Unsecured	32,327,616	36,527,261	9,735,953	13,795,824
Less deferred financing costs	(151,267)	(177,866)	(23,042)	(30,120)
Net long-term loans (b)	38,009,770	42,329,057	9,712,911	13,765,704
Total	49,764,801	54,612,011	9,712,911	13,765,704

(a) **Short-term loans from financial institutions**

Short-term loans from financial institutions comprise the following:

	Consolidated financial statements		Separate financial statements	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
	<i>(in thousand Baht)</i>			
Secured short-term loan	686,642	1,133,538	-	-
Unsecured short-term loan	3,147,919	2,176,696	-	-
Secured revolving loan (USD 10,927,685) (2017: USD 15,295,484) due in March 2021, secured by trade accounts receivable and inventories	341,291	499,870	-	-
Secured revolving loan (USD 13,263,796) (2017: USD 11,679,456) due in August 2020, secured by trade accounts receivable and inventories	414,252	381,695	-	-
Unsecured revolving loan (EUR 32,674,691) (2017: EUR 27,432,969)	1,255,996	1,070,635	-	-
Total	5,846,100	5,262,434	-	-

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(b) Long-term loans from financial institutions

Movement of long-term loans from financial institutions for the three-month periods ended 31 March 2018 and 2017 were as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
At 1 January	48,729,591	55,920,004	13,795,824	12,298,815
New issues:				
Unsecured loan, due in July 2019, repayable in lumpsum, with interest at LIBOR 3 months plus margin per annum	-	1,914,242	-	1,914,242
Other long-term borrowings	369,181	208	-	-
Total new issues	<u>369,181</u>	<u>1,914,450</u>	<u>-</u>	<u>1,914,242</u>
Transfer	-	-	(1,970,832)	-
Repayments	<u>(4,583,531)</u>	<u>(667,098)</u>	<u>(1,642,360)</u>	<u>(74,910)</u>
Total loans from financial institutions at 31 March	44,515,241	57,167,356	10,182,632	14,138,147
Less deferred financing costs	(200,799)	(311,046)	(23,042)	(73,507)
Unrealised gain on exchange rate	<u>(1,776,848)</u>	<u>(2,111,749)</u>	<u>(446,679)</u>	<u>(426,591)</u>
Net loans from financial institutions at 31 March	42,537,594	54,744,561	9,712,911	13,638,049
Less current portion due within one year, net of related deferred finance cost	<u>(4,527,824)</u>	<u>(7,485,023)</u>	<u>-</u>	<u>(1,200,225)</u>
Long-term loans from financial institutions at 31 March	<u>38,009,770</u>	<u>47,259,538</u>	<u>9,712,911</u>	<u>12,437,824</u>

On 28 February 2018, the Company, IVGSL (its direct subsidiary) and financial institution entered into a novation, amendment and restatement agreement. As per the novation, amendment and restatement agreement, the Company transferred long-term loan of USD 60.0 million (Baht 1,970.8 million) under the same terms and condition as original loan.

The above loan agreements contain certain covenants relating to the declaration and payment of dividends, maintenance of financial ratios, acquisition of major fixed assets, additional indebtedness and share transfers.

11 Trade accounts payable

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2018	31 December 2017	31 March 2018	31 December 2017
		<i>(in thousand Baht)</i>			
Related parties	4	1,378,480	1,343,783	-	-
Other parties		39,355,441	37,957,628	-	-
Total		<u>40,733,921</u>	<u>39,301,411</u>	<u>-</u>	<u>-</u>

Indorama Ventures Public Company Limited and its Subsidiaries

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12 Other current liabilities

	Consolidated financial statements		Separate financial statements	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
	<i>(in thousand Baht)</i>			
Accrued operating expenses	3,163,061	3,414,042	16,706	58,317
Other payables	2,201,805	3,046,824	2,475	2,344
Materials price adjustments payable	1,506,723	1,559,821	-	-
Interest payable	811,694	444,761	636,529	297,019
Value added tax payable	295,715	254,862	-	-
Advance from customers	223,266	211,120	-	-
Withholding tax payable	169,289	178,334	662	-
Others	750,362	822,730	2,200	2,406
Total	9,121,915	9,932,494	658,572	360,086

13 Share capital and warrants

Movements of share capital and warrants on ordinary shares during the three-month periods ended 31 March are as follow:

	Par value per share <i>(in Baht)</i>	Consolidated and Separate financial statements			
		Authorised share capital		Issued and paid-up share capital	
		Number	Amount	Number	Amount
		<i>(thousand shares / thousand Baht)</i>			
At 1 January 2017					
- ordinary shares	1	5,666,010	5,666,010	4,814,272	4,814,272
Exercise of warrants	1	-	-	36	36
At 31 March 2017					
- ordinary shares	1	5,666,010	5,666,010	4,814,308	4,814,308
At 1 January 2018					
- ordinary shares	1	5,666,010	5,666,010	5,245,411	5,245,411
Exercise of warrants	1	-	-	166,240	166,240
At 31 March 2018					
- ordinary shares	1	5,666,010	5,666,010	5,411,651	5,411,651

At the extraordinary general meeting of shareholders held on 6 August 2014, the shareholders approved the issue of warrants no.2 (the "IVL-W2") in the number of up to 370,327,480 units, to be allocated to the existing shareholders of the Company pro rata to their respective shareholdings (Right Offering), at no cost, at the allocation ratio of every 13 existing shares for 1 unit of IVL-W2 warrants. The term of IVL-W2 warrants will be 4 years from the issuance date and the exercise price will be at Baht 43.00 per share.

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

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Exercised of IVL-W2

During the three-month period ended 31 March 2018, IVL-W2 were exercised and registered as paid-up share capital of 166,240 thousand shares (equivalent to Baht 166,240 thousand) with proceeds of Baht 7,148 million. The Company registered the aforesaid increase of new paid-up shares with the Ministry of Commerce on 6 February 2018.

Movements of IVL-W2 warrants during the three-month period ended 31 March 2018 are as follows:

	<i>(in thousand unit)</i>
Warrants issued at 1 January 2018	369,868
<i>Less: Exercised during the period</i>	<i>(166,240)</i>
Warrants issued at 31 March 2018	<u>203,628</u>

14 Segments information

The Group has three reportable segments, as described below, which are the Group's strategic divisions. The strategic divisions offer different products, and are managed separately because they require different technology and marketing strategies. For each of the strategic divisions, the chief operating decision maker ("CODM") reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable segments.

Segment 1	Manufacture and distribution of solid state polymerised chips, PET preforms, closures and blown bottles ("PET")
Segment 2	Manufacture and distribution of purified terephthalic acid ("PTA"), paraxylene ("PX"), isophthalic acid ("IPA"), ethylene oxide and ethylene glycol ("EO&EG") and other feedstocks ("Feedstock")
Segment 3	Manufacture and distribution of fibers and yarns ("Fibers")

There are varying levels of integration between the Segment 1, Segment 2 and Segment 3 reportable segments. This integration includes sales of finished goods. Inter-segment pricing is determined on an arm's length basis.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's CODM. Segment profit before tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

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Information about reportable segments

<i>Three-month period ended 31 March</i>	Consolidated financial statements									
	PET		Feedstock		Fibers		Eliminations and unallocated		Total	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	<i>(in thousand Baht)</i>									
External revenue	38,088,681	35,238,416	15,148,830	16,328,326	22,903,236	20,083,537	2,605	-	76,143,352	71,650,279
Inter-segment revenue	645,392	579,446	15,042,180	13,398,609	25,776	23,990	(15,713,348)	(14,002,045)	-	-
Total segment revenue	38,734,073	35,817,862	30,191,010	29,726,935	22,929,012	20,107,527	(15,710,743)	(14,002,045)	76,143,352	71,650,279
Segment profit before income tax	2,893,012	1,694,889	2,867,512	2,759,534	771,015	952,284	190,215	(59,190)	6,721,754	5,347,517

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15 Other income

<i>Three-month period ended 31 March</i>	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Insurance claim	678,938	2,482	-	-
Others	260,183	169,652	57,886	122,465
Total	939,121	172,134	57,886	122,465

Insurance income includes USD 21.0 million (Baht 662.4 million) received by Indorama Ventures (Oxide and Glycols) LLC, the indirect subsidiary in USA, relating to loss claim due to business interruption in 2015.

16 Earnings per share

Basic earnings per share

The calculations of basic earnings per share for the three-month periods ended 31 March 2018 and 2017 were based on the profit for the periods attributable to owners of the parent less coupon payment on subordinated perpetual debentures and the weighted average number of ordinary shares outstanding during the periods as follows:

<i>Three-month period ended 31 March</i>	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht / thousand shares)</i>			
Profit attributable to owners of the parent	5,814,020	4,426,469	493,990	851,170
Less: coupon payment on subordinated perpetual debentures	(258,904)	(258,904)	(258,904)	(258,904)
Profit used in calculations of earnings per share	5,555,116	4,167,565	235,086	592,266
Weighted average number of ordinary shares outstanding	5,345,155	4,814,293	5,345,155	4,814,293
Earnings per share (basic) <i>(in Baht)</i>	1.04	0.87	0.04	0.12

Diluted earnings per share

The calculations of diluted earnings per share for the three-month periods ended 31 March 2018 and 2017 were based on the profit for the periods attributable to owners of the parent less coupon payment on subordinated perpetual debentures and the weighted average number of ordinary shares outstanding during the periods after adjusting for the effects of all dilutive potential ordinary shares as follows:

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For the three-month period ended 31 March 2018 (Unaudited)

<i>Three-month period ended 31 March</i>	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht / thousand shares)</i>			
Profit used in calculations of earnings per share (diluted)	5,555,116	4,167,565	235,086	592,266
Weighted average number of ordinary shares outstanding (basic)	5,345,155	4,814,293	5,345,155	4,814,293
Effect of exercise of warrants	59,569	-	59,569	-
Weighted average number of ordinary shares outstanding (diluted)	5,404,724	4,814,293	5,404,724	4,814,293
Earnings per share (diluted) (in Baht)	1.03	0.87	0.04	0.12

17 Financial instruments

Carrying amount and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Carrying amount	Consolidated financial statements			
		Fair value			Total
		Level 1	Level 2	Level 3	
<i>(in million Baht)</i>					
31 March 2018					
<i>Financial assets/Financial liabilities measured at fair value</i>					
Derivatives assets	1,597	-	1,597	-	1,597
Derivatives liabilities	319	-	319	-	319
Commodity hedge assets	-	-	143	-	143
Commodity hedge liabilities	-	-	5	-	5
31 December 2017					
<i>Financial assets/Financial liabilities measured at fair value</i>					
Derivatives assets	1,282	-	1,282	-	1,282
Derivatives liabilities	425	-	425	-	425
Commodity hedge assets	-	-	188	-	188
Commodity hedge liabilities	-	-	9	-	9

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	Carrying amount	Separate financial statements			
		Fair value			Total
		Level 1	Level 2	Level 3	
<i>(in million Baht)</i>					
31 March 2018					
<i>Financial assets/Financial liabilities measured at fair value</i>					
Derivatives assets	791	-	791	-	791
31 December 2017					
<i>Financial assets/Financial liabilities measured at fair value</i>					
Derivatives assets	636	-	636	-	636

Measurement of fair values

The Group's/Company's investments in equity instrument do not have a quoted price in an active market for an identical instrument, that is measured at cost because its fair value cannot otherwise be measured reliably.

The Group determines Level 2 fair values for non-derivative financial assets and liabilities using a discounted cash flow technique, which uses contractual cash flows and a market-related discount rate.

Level 2 fair values for simple over-the-counter derivative financial instruments are based on broker quotes. Those quotes are tested for reasonableness by discounting expected future cash flows using market interest rate for a similar instrument at the measurement date. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Group/Company and counterparty when appropriate.

The fair value of commodity futures, which is determined for disclosure purpose, is based on their listed market price, if available. Substantial part of commodity futures relate to fixed price sales contract entered into with a customer for future sale.

18 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
<i>(in million Baht)</i>				
<i>Capital commitments</i>				
<i>Contracted but not provided for:</i>				
Land and land improvements	116	119	-	-
Buildings and other construction	347	372	-	-
Machinery and equipment	4,080	4,313	-	-
Total	4,543	4,804	-	-

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	Consolidated financial statements		Separate financial statements	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
<i>(in million Baht)</i>				
<i>Future minimum lease payments under non-cancellable operating leases</i>				
Within one year	945	969	-	-
After one year but within five years	2,300	2,323	-	-
After five years	1,391	1,456	-	-
Total	4,636	4,748	-	-
<i>Other commitments</i>				
Purchase orders and unused letters of credit for goods and supplies	14,749	14,793	-	-
Bank guarantees	4,408	2,031	2,966	1,525
Others	48	11	-	-
Total	19,205	16,835	2,966	1,525

Certain subsidiaries have executed long-term purchase agreements committing them to purchase agreed quantities of raw materials for periods up to three years, at prices limited to the market prices of the underlying commodities.

IVL, through its indirect subsidiary, Indorama Netherlands B.V., signed a definitive Share Purchase Agreement on 10 October 2017, with DuPont Teijin to acquire a 100% stake in their Films business which comprises of eight production assets in the US, Europe, China and a global innovation center in United Kingdom with a total film/polymer capacity of 277,000 tons per annum.

IVL, through its indirect subsidiary, Indorama Ventures Spain S.L., signed a definitive Securities Purchase Agreement on 15 March 2018, with M&G Chemicals Brazil S.A. to acquire a 100% stake in M&G Polimeros Brazil S.A. in Ipojuca, Brazil.

IVL, through its indirect subsidiary, Indorama Ventures Holdings LP, formed an equal joint operation, namely Corpus Christi Polymers LLC (“CC Polymers”), with Alpek, S.A.B. de C.V. (“Alpek”), and Far Eastern Investment (Holding) Ltd. (“Far Eastern”) and has entered into an asset purchase agreement with M&G USA Corp. and its affiliated debtors (“M&G”) to acquire the integrated PTA-PET plant currently under construction in Corpus Christi, Texas (the “Corpus Christi Project”), along with certain M&G intellectual property, and utility assets.

19 Events after the reporting period

At the annual general meeting of the shareholders of the Company held on 26 April 2018, the shareholders approved the appropriation of dividend of Baht 0.55 per share, amounting to Baht 3,051.45 million. The dividend will be paid to shareholders in May 2018.