

**REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION
BY THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

TO THE BOARD OF DIRECTORS

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED

We have reviewed the consolidated statement of financial position of AEON Thana Sinsap (Thailand) Public Company Limited and its subsidiaries and the separate statement of financial position of AEON Thana Sinsap (Thailand) Public Company Limited as at August 20, 2013, and the related consolidated and separate statements of income and comprehensive income for the three-month and six-month periods then ended, and the consolidated and separate statements of changes in shareholders' equity and cash flows for the six-month period then ended, and the condensed notes to the financial statements. The Company's management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our 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 us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the aforementioned interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting".

Emphasis of Matter

We draw attention to Note 3 to the notes to the financial statements. On September 1, 2012, the Company entered into the share sale and purchase agreement with ACS Capital Corporation Limited, a major shareholder, for the acquisition of 100% shares in 3 related companies comprising ACS Insurance Broker (Thailand) Company Limited, ACS Life Insurance Broker (Thailand) Company Limited and ACS Servicing (Thailand) Company Limited from ACS Capital Corporation Limited. The share sale and purchase is regarded as a business combination under common control transaction. The consolidated statements of income and comprehensive income for the three-month and six-month periods ended August 20, 2012 and the consolidated statements of changes in shareholders' equity and cash flows for the six-month period then ended, presented herein as comparative information, have been retrospectively adjusted, as if the business combination had always been in use.

BANGKOK

September 19, 2013

Dr. Suphamit Techamontrikul
Certified Public Accountant (Thailand)
Registration No. 3356

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION
AS AT AUGUST 20, 2013

BAHT '000

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at	As at	As at	As at
		August 20,	February 20,	August 20,	February 20,
		2013	2013	2013	2013
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	6.1	2,267,913	2,186,552	1,716,246	1,519,043
Temporary investments	7	-	1,550,000	-	-
Accounts receivable and other receivables					
Accounts receivable	8	48,510,783	42,890,413	47,944,832	42,332,251
Other receivables		290,597	242,132	509,820	297,204
Seller loan in Special Purpose Vehicle					
for Securitization due within one year	10	-	-	-	2,650,878
Subordinated lendings due within one year	11	-	1,438,000	-	1,438,000
Receivables per currency swap contracts	14	155,986	50,096	155,986	50,096
Other current assets		54,665	54,178	37,933	38,225
Total Current Assets		<u>51,279,944</u>	<u>48,411,371</u>	<u>50,364,817</u>	<u>48,325,697</u>
NON-CURRENT ASSETS					
Accounts receivable	8	947,544	883,599	880,437	852,841
Fixed deposits at banks under obligations		9,794	3,366	-	-
Investments in subsidiaries	9.1	-	-	502,875	385,707
Other long-term investments					
Related companies	9.2	43,536	43,536	43,536	43,536
Other companies	9.3	-	10	-	10
Seller loan in Special Purpose Vehicle					
for Securitization	10	-	-	465,330	-
Subordinated lendings	11	1,399,352	-	1,399,352	-
Equipment		610,766	534,209	555,873	475,355
Intangible assets		648,597	707,718	584,750	629,666
Receivables per currency swap contracts	14 and 15	486,255	16,849	486,255	16,849
Deferred tax assets	12	317,418	297,904	308,849	278,522
Other non-current assets		166,594	114,692	158,789	107,794
Total Non-Current Assets		<u>4,629,856</u>	<u>2,601,883</u>	<u>5,386,046</u>	<u>2,790,280</u>
TOTAL ASSETS		<u><u>55,909,800</u></u>	<u><u>51,013,254</u></u>	<u><u>55,750,863</u></u>	<u><u>51,115,977</u></u>

See condensed notes to the financial statements

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT AUGUST 20, 2013

BAHT '000

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at August 20, 2013	As at February 20, 2013	As at August 20, 2013	As at February 20, 2013
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Bank overdrafts and short-term loans from financial institutions	13	7,422,487	3,401,172	7,334,000	3,335,000
Accounts payable and other payables					
Accounts payable		471,575	575,601	355,655	476,066
Other payables		1,248,099	1,035,580	1,438,569	1,424,438
Current portion of :					
Liabilities under finance lease agreements		6,361	14,775	-	-
Long-term loans	14	7,998,988	10,234,408	7,998,988	10,234,408
Accrued income tax		316,996	167,900	254,380	107,020
Payables per currency swap contracts	14	420,558	529,536	420,558	529,536
Other current liabilities		193,790	116,648	179,576	108,821
Total Current Liabilities		<u>18,078,854</u>	<u>16,075,620</u>	<u>17,981,726</u>	<u>16,215,289</u>
NON-CURRENT LIABILITIES					
Liabilities under finance lease agreements		-	1,305	-	-
Long-term loans	14	25,443,783	23,256,317	25,443,783	23,256,317
Long-term debentures	15	3,764,353	3,086,843	3,764,353	3,086,843
Payables per currency swap contracts	14 and 15	516,604	1,287,773	516,604	1,287,773
Employee benefit obligation	16	50,803	44,659	46,012	40,578
Other non-current liabilities		2,700	2,700	-	-
Total Non-Current Liabilities		<u>29,778,243</u>	<u>27,679,597</u>	<u>29,770,752</u>	<u>27,671,511</u>
TOTAL LIABILITIES		<u>47,857,097</u>	<u>43,755,217</u>	<u>47,752,478</u>	<u>43,886,800</u>

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT AUGUST 20, 2013

BAHT '000

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		“Unaudited” As at August 20, 2013	As at February 20, 2013	“Unaudited” As at August 20, 2013	As at February 20, 2013
LIABILITIES AND SHAREHOLDERS' EQUITY					
(CONTINUED)					
SHAREHOLDERS' EQUITY	17				
SHARE CAPITAL					
Authorized share capital					
250,000,000 ordinary shares of Baht 1 each		250,000	250,000	250,000	250,000
Issued and paid-up share capital					
250,000,000 ordinary shares of Baht 1 each, fully paid		250,000	250,000	250,000	250,000
PREMIUM ON ORDINARY SHARE CAPITAL		478,000	478,000	478,000	478,000
RETAINED EARNINGS					
Appropriated					
Legal reserve		25,000	25,000	25,000	25,000
Reserve for business expansion		4,850,000	4,850,000	4,850,000	4,850,000
Unappropriated		2,445,616	1,655,290	2,395,385	1,626,177
OTHER COMPONENTS OF EQUITY					
Exchange differences on translating financial statements of a foreign operation		3,998	(312)	-	-
EQUITY ATTRIBUTABLE TO					
OWNERS OF THE PARENT		8,052,614	7,257,978	7,998,385	7,229,177
NON-CONTROLLING INTERESTS		89	59	-	-
TOTAL SHAREHOLDERS' EQUITY		8,052,703	7,258,037	7,998,385	7,229,177
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		55,909,800	51,013,254	55,750,863	51,115,977

See condensed notes to the financial statements

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF INCOME
FOR THE THREE-MONTH PERIOD ENDED AUGUST 20, 2013
“UNAUDITED”

BAHT '000

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS
		2013	2012	2013	2012
			“Restated”		
REVENUES					
Credit card income	18	1,370,767	1,147,144	1,286,871	1,003,755
Loan income		2,041,409	1,478,117	2,043,324	1,479,634
Hire purchase income		71,767	58,148	57,712	55,153
Other income					
Bad debt recovery		186,417	189,750	186,417	177,086
Collection service income		37,739	30,367	8,478	10,590
Commission income		56,826	53,025	-	-
Gain on sale of fixed assets		9	63	9	63
Others		51,554	51,785	76,797	37,239
Total other income		332,545	324,990	271,701	224,978
Total Revenues		3,816,488	3,008,399	3,659,608	2,763,520
EXPENSES					
Operating and administrative expenses		1,521,148	1,180,560	1,445,429	1,109,429
Directors and managements' remuneration	19	27,780	21,921	20,646	16,272
Bad debts and doubtful accounts		916,578	849,838	892,978	766,349
Finance cost		495,972	441,724	466,749	415,608
Total Expenses		2,961,478	2,494,043	2,825,802	2,307,658
INCOME BEFORE INCOME TAX EXPENSE		855,010	514,356	833,806	455,862
INCOME TAX EXPENSE	20	170,956	120,294	141,805	82,975
NET PROFIT FOR THE PERIOD		684,054	394,062	692,001	372,887
NET PROFIT ATTRIBUTABLE TO :					
Owners of the parent		684,054	368,559	692,001	372,887
Non-controlling interests		-	25,503	-	-
		684,054	394,062	692,001	372,887
BASIC EARNINGS PER SHARE	BAHT	2.74	1.47	2.77	1.49
WEIGHTED AVERAGE NUMBER OF					
ORDINARY SHARES	SHARES	250,000,000	250,000,000	250,000,000	250,000,000

See condensed notes to the financial statements

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED AUGUST 20, 2013
“UNAUDITED”

BAHT '000

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2013	2012 “Restated”	2013	2012
Net profit for the period		684,054	394,062	692,001	372,887
Other comprehensive income (loss)					
Exchange differences on translating financial statements of a foreign operation		5,448	(583)	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u>689,502</u>	<u>393,479</u>	<u>692,001</u>	<u>372,887</u>
TOTAL COMPREHENSIVE INCOME					
ATTRIBUTABLE TO :					
Owners of the parent		689,502	367,976	692,001	372,887
Non-controlling interests		-	25,503	-	-
		<u>689,502</u>	<u>393,479</u>	<u>692,001</u>	<u>372,887</u>

See condensed notes to the financial statements

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF INCOME
FOR THE SIX-MONTH PERIOD ENDED AUGUST 20, 2013
“UNAUDITED”

BAHT '000

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2013	2012	2013	2012
			“Restated”		
REVENUES					
Credit card income	18	2,606,619	2,243,209	2,508,876	2,037,837
Loan income		3,902,062	2,912,777	3,905,699	2,915,686
Hire purchase income		132,969	121,020	110,627	116,343
Other income					
Bad debt recovery		337,019	337,673	334,299	314,128
Collection service income		73,643	85,228	17,380	21,671
Commission income		105,204	85,343	-	-
Gain on sale of fixed assets		59	62	59	62
Others		107,720	94,271	103,098	71,479
Total other income		<u>623,645</u>	<u>602,577</u>	<u>454,836</u>	<u>407,340</u>
Total Revenues		<u>7,265,295</u>	<u>5,879,583</u>	<u>6,980,038</u>	<u>5,477,206</u>
EXPENSES					
Operating and administrative expenses		3,000,902	2,276,634	2,855,940	2,135,009
Directors and managements' remuneration	19	55,654	46,828	43,270	36,231
Bad debts and doubtful accounts		1,671,939	1,766,074	1,691,751	1,707,420
Finance cost		970,102	872,767	921,443	816,502
Total Expenses		<u>5,698,597</u>	<u>4,962,303</u>	<u>5,512,404</u>	<u>4,695,162</u>
INCOME BEFORE INCOME TAX EXPENSE		1,566,698	917,280	1,467,634	782,044
INCOME TAX EXPENSE	20	<u>313,986</u>	<u>214,482</u>	<u>236,070</u>	<u>119,137</u>
NET PROFIT FOR THE PERIOD		<u>1,252,712</u>	<u>702,798</u>	<u>1,231,564</u>	<u>662,907</u>
NET PROFIT ATTRIBUTABLE TO :					
Owners of the parent		1,252,682	655,427	1,231,564	662,907
Non-controlling interests		30	47,371	-	-
		<u>1,252,712</u>	<u>702,798</u>	<u>1,231,564</u>	<u>662,907</u>
BASIC EARNINGS PER SHARE	BAHT	5.01	2.62	4.93	2.65
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES	SHARES	250,000,000	250,000,000	250,000,000	250,000,000

See condensed notes to the financial statements

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX-MONTH PERIOD ENDED AUGUST 20, 2013
“UNAUDITED”

BAHT '000

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS
		2013	2012	2013	2012
		“Restated”			
Net profit for the period		1,252,712	702,798	1,231,564	662,907
Other comprehensive income					
Exchange differences on translating					
financial statements of a foreign operation		4,310	649	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u>1,257,022</u>	<u>703,447</u>	<u>1,231,564</u>	<u>662,907</u>
TOTAL COMPREHENSIVE INCOME					
ATTRIBUTABLE TO :					
Owners of the parent		1,256,992	656,076	1,231,564	662,907
Non-controlling interests		30	47,371	-	-
		<u>1,257,022</u>	<u>703,447</u>	<u>1,231,564</u>	<u>662,907</u>

See condensed notes to the financial statements

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE SIX-MONTH PERIOD ENDED AUGUST 20, 2013
“UNAUDITED”

BAHT '000

	Notes	CONSOLIDATED FINANCIAL STATEMENTS							Non-controlling interests	Total shareholders' equity
		Issued and paid-up share capital	Premium on ordinary shares	Owners of the parent Retained earnings		Other components of equity	Total owners of the parent			
				Appropriated Legal reserve	Unappropriated Reserve for business expansion	Exchange differences on translating financial statements of a foreign operation				
Beginning balance, as at February 21, 2012										
- as previously reported		250,000	478,000	25,000	4,650,000	721,927	176	6,125,103	89	6,125,192
Effect of business combination under common control	3	-	-	-	-	-	-	-	256,644	256,644
Beginning balance, as at February 21, 2012										
- adjusted		250,000	478,000	25,000	4,650,000	721,927	176	6,125,103	256,733	6,381,836
Changes during the period										
Reserve for business expansion		-	-	-	200,000	(200,000)	-	-	-	-
Dividend paid	17	-	-	-	-	(262,208)	-	(262,208)	(30)	(262,238)
Net profit for the period		-	-	-	-	655,427	-	655,427	47,371	702,798
Other comprehensive income		-	-	-	-	-	649	649	-	649
Ending balance, as at August 20, 2012		<u>250,000</u>	<u>478,000</u>	<u>25,000</u>	<u>4,850,000</u>	<u>915,146</u>	<u>825</u>	<u>6,518,971</u>	<u>304,074</u>	<u>6,823,045</u>

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)
FOR THE SIX-MONTH PERIOD ENDED AUGUST 20, 2013
“UNAUDITED”

BAHT '000

Notes	CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)							Non- controlling interests	Total shareholders' equity
	Issued and paid-up share capital	Premium on ordinary shares	Owners of the parent Retained earnings		Other components of equity Exchange differences on translating financial statements of a foreign operation	Total owners of the parent			
			Appropriated Legal reserve	Unappropriated Reserve for business expansion					
Beginning balance, as at February 21, 2013	250,000	478,000	25,000	4,850,000	1,655,290	(312)	7,257,978	59	7,258,037
Changes during the period									
Increase in share capital from non-controlling interests in subsidiaries	-	-	-	-	-	-	-	30	30
Dividend paid	-	-	-	-	(462,356)	-	(462,356)	(30)	(462,386)
Net profit for the period	-	-	-	-	1,252,682	-	1,252,682	30	1,252,712
Other comprehensive loss	-	-	-	-	-	4,310	4,310	-	4,310
Ending balance, as at August 20, 2013	<u>250,000</u>	<u>478,000</u>	<u>25,000</u>	<u>4,850,000</u>	<u>2,445,616</u>	<u>3,998</u>	<u>8,052,614</u>	<u>89</u>	<u>8,052,703</u>

See condensed notes to the financial statements

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)
FOR THE SIX-MONTH PERIOD ENDED AUGUST 20, 2013
“UNAUDITED”

							BAHT '000
	Notes	SEPARATE FINANCIAL STATEMENTS				Total shareholders' equity	
		Issued and paid-up share capital	Premium on ordinary shares	Appropriated Legal reserve	Retained earnings Reserve for business expansion		Unappropriated
Beginning balance, as at February 21, 2012		250,000	478,000	25,000	4,650,000	728,000	6,131,000
Changes during the period							
Reserve for business expansion		-	-	-	200,000	(200,000)	-
Dividend paid	17	-	-	-	-	(262,208)	(262,208)
Net profit for the period		-	-	-	-	662,907	662,907
Ending balance, as at August 20, 2012		<u>250,000</u>	<u>478,000</u>	<u>25,000</u>	<u>4,850,000</u>	<u>928,699</u>	<u>6,531,699</u>
Beginning balance, as at February 21, 2013		250,000	478,000	25,000	4,850,000	1,626,177	7,229,177
Changes during the period							
Dividend paid	17	-	-	-	-	(462,356)	(462,356)
Net profit for the period		-	-	-	-	1,231,564	1,231,564
Ending balance, as at August 20, 2013		<u>250,000</u>	<u>478,000</u>	<u>25,000</u>	<u>4,850,000</u>	<u>2,395,385</u>	<u>7,998,385</u>

See condensed notes to the financial statements

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED AUGUST 20, 2013
“UNAUDITED”

BAHT '000

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2013	2012	2013	2012
			“Restated”		
CASH FLOWS FROM OPERATING ACTIVITIES					
Income before income tax		1,566,698	917,280	1,467,634	782,044
Adjustments for:					
Bad debts and doubtful accounts		1,671,939	1,766,074	1,691,751	1,707,420
Depreciation		114,053	115,318	102,452	101,937
Amortization of cost of software		149,646	164,263	133,489	147,869
Employee benefit expense		6,144	4,180	5,434	3,675
Gain on sale of fixed assets		(59)	(62)	(59)	(62)
Loss on written-off software		27,744	167	27,744	-
Interest income		(3,665,035)	(3,119,799)	(3,228,738)	(2,451,528)
Finance cost		970,102	872,767	921,443	816,502
		841,232	720,188	1,121,150	1,107,857
Operating assets (increase) decrease					
Accounts receivable and other receivables		(7,332,109)	(5,147,206)	(9,241,822)	(10,163,014)
Other current assets		5,538	(14,342)	6,316	(2,248)
Other non-current assets		(14,232)	(7,203)	(13,325)	(6,303)
Operating liabilities increase (decrease)					
Accounts payable and other payables		15,680	36,636	8,015	41,828
Other current liabilities		8,678	(9,999)	2,291	(14,416)
Cash paid for operations		(6,475,213)	(4,421,926)	(8,117,375)	(9,036,296)
Proceeds from interest income		3,660,845	3,110,866	3,224,588	2,440,846
Finance cost paid		(983,313)	(849,388)	(935,110)	(793,441)
Income tax paid		(184,405)	(380,846)	(119,038)	(284,329)
Net cash used in operating activities		(3,982,086)	(2,541,294)	(5,946,935)	(7,673,220)

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE SIX-MONTH PERIOD ENDED AUGUST 20, 2013
“UNAUDITED”

BAHT '000

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2013	2012	2013	2012
			“Restated”		
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceed from redemption of temporary investments		1,550,000	250,000	-	-
Cash paid for fixed deposits at banks under obligations		(6,428)	-	-	-
Proceed from fixed deposits at banks under obligations		-	49	-	-
Cash paid for purchases of fixed assets		(129,052)	(67,846)	(121,412)	(62,174)
Cash paid for investment in cost of software		(113,500)	(69,443)	(111,548)	(69,060)
Proceeds from sale of fixed assets		74	439	74	439
Proceeds from capital refund from other company		10	-	10	-
Proceeds from capital funding of subsidiary		30	-	-	-
Cash paid for investment in subsidiary		-	-	(117,167)	-
Net cash provided by (used in) investing activities		<u>1,301,134</u>	<u>113,199</u>	<u>(350,043)</u>	<u>(130,795)</u>
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from sale of additional revolving receivables under securitization projects		-	-	3,748,464	5,359,543
Proceeds from sale of written-off accounts receivable		-	228,360	-	228,360
Proceeds from redemption of subordinated lending		1,438,000	349,372	1,438,000	349,372
Cash repayments for subordinated lending		(1,399,352)	-	(1,399,352)	-
Proceeds from bank overdrafts and short-term loans from financial institutions		30,873,191	14,139,994	30,644,000	14,110,000
Cash repayments for short-term loans from financial institutions		(26,356,875)	(13,196,355)	(26,150,000)	(13,190,000)
Proceeds from long-term debenture		527,850	-	527,850	-
Proceeds from long-term loans		6,257,845	4,936,500	6,257,845	4,936,500
Cash repayments for long-term loans		(7,615,270)	(4,235,275)	(7,615,270)	(4,235,275)
Cash payments for finance lease agreement		(10,001)	(14,310)	-	-
Dividend paid		(462,385)	(262,238)	(462,356)	(262,208)
Net cash provided by financing activities		<u>3,253,003</u>	<u>1,946,048</u>	<u>6,989,181</u>	<u>7,296,292</u>
Net increase (decrease) in cash and cash equivalents		572,051	(482,047)	692,203	(507,723)
Increase in exchange differences on translating financial statements of a foreign operation		4,310	649	-	-
Cash and cash equivalents at beginning of the period		1,691,552	1,776,173	1,024,043	1,491,204
Cash and cash equivalents at the end of the period	6.1	<u>2,267,913</u>	<u>1,294,775</u>	<u>1,716,246</u>	<u>983,481</u>

See condensed notes to the financial statements

**AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARIES
CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED AUGUST 20, 2013
"UNAUDITED"**

1. OPERATIONS AND GENERAL INFORMATION

The Company was registered as a limited company under the Civil and Commercial Code on September 18, 1992 and registered to be Public Company Limited with the Ministry of Commerce on August 7, 2001. The Company was listed on The Stock Exchange of Thailand on December 11, 2001. The Company's head office is located at 388, 27th Floor, Exchange Tower, Sukhumvit Road, Klongtoey, Bangkok. The Company's main objective is to do the retail finance services which consist of credit card, hire purchase and personal loans and others.

AEON Financial Service Corporation Limited (formerly AEON Credit Service Company Limited), incorporated in Japan, and ACS Capital Corporation Limited, incorporated in Thailand, are major shareholders with 35.12% and 19.20% shareholding, respectively. AEON Financial Service Corporation Limited (formerly AEON Credit Service Company Limited) is the ultimate parent company.

The Company has subsidiaries which are under its control in finance and operations as mentioned in Note 2.4.

On March 14, 2013, Eternal 6 Special Purpose Vehicle Company Limited (Eternal 6), a new subsidiary of the Company, was registered as a special purpose company under the Civil and Commercial Code of Thailand and the Securitization Law. The main objective of Eternal 6 is to operate as a special purpose juristic person in securitization project and to engage in any activities for the purpose of implementing or facilitating the securitization in accordance with the securitization projects approved by the Office of the Securities and Exchange Commission of Thailand ("the SEC") on May 10, 2013. On May 14, 2013, the Company entered into the Receivables Sales and Purchase Agreement with Eternal 6 of Baht 4,500 million (see Note 8.5).

On July 1, 2013, ACS Insurance Broker (Thailand) Company Limited ("ACSB") and ACS Life Insurance Broker (Thailand) Company Limited ("ACSL"), the Company's subsidiaries have been amalgamated and formed to a new company namely AEON Insurance Service (Thailand) Company Limited. The new company's objective is to carry on business of non-life insurance broker and life insurance broker. All rights, assets and liabilities of ACSB and ACSL shall be automatically transferred to the new company by virtue of the Civil and Commercial Code in the section of Amalgamation of Limited Companies.

2. BASIS FOR PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

2.1 The Company and its subsidiaries maintain its accounting records in Thai Baht and prepares its statutory financial statements in the Thai language in conformity with Thai Financial Reporting Standards (TFRSs) and accounting practices generally accepted in Thailand.

All financial information presented has been rounded to the nearest thousand Baht unless otherwise stated.

2.2 The interim consolidated and separate financial statements are prepared in compliance with Thai Accounting Standard No. 34 (Revised 2009) “Interim Financial Reporting” and practices generally accepted in Thailand. The Company presents the condensed notes to interim financial statements. Additional information is disclosed in accordance with the regulations of the Securities and Exchange Commission.

2.3 The interim consolidated and separate financial statements for the three-month and six-month periods ended August 20, 2013 and 2012 (after the restatement) are prepared by the management of the Company and are unaudited. However, in the opinion of the Company, all adjustments necessary for a fair presentation have been reflected therein.

The consolidated and separate statements of financial position as at February 20, 2013, presented herein for comparison, have been derived from the consolidated and separate financial statements of the Company for the year then ended which have been audited.

2.4 The interim consolidated financial statements for the three-month and six-month periods ended August 20, 2013 and 2012 (after the restatement) include the accounts of the Company and its subsidiaries by eliminating significant intercompany balances and transactions.

For the three-month and six-month periods ended August 20, 2013 and 2012, the subsidiaries included in the consolidated financial statements are as follows:

	Business type	Country of Registration	Registration Date	Percentage of holdings	
				2013	2012
Eternal 3 Special Purpose Vehicle Company Limited	Special purpose juristic person in securitization projects	Thailand	December 21, 2005	- *	26.00
Eternal 4 Special Purpose Vehicle Company Limited	Special purpose juristic person in securitization projects	Thailand	February 22, 2007	26.00**	26.00
Eternal 5 Special Purpose Vehicle Company Limited	Special purpose juristic person in securitization projects	Thailand	April 5, 2010	26.00***	26.00
AEON Microfinance (Cambodia) Private Company Limited	Retail finance business	Cambodia	October 5, 2011	100.00	100.00
ACS Servicing (Thailand) Company Limited	Collection servicer	Thailand	March 13, 2007	100.00****	-
AEON Microfinance (Myanmar) Company Limited	Retail finance	Myanmar	November 2, 2012	100.00	-
AEON Leasing Service (Lao) Company Limited	Retail finance	Laos	January 11, 2013	100.00	-
Eternal 6 Special Purpose Vehicle Company Limited	Special purpose juristic person in securitization projects	Thailand	March 14, 2013	26.00	-
AEON Insurance Service (Thailand) Company Limited*****	Non-life insurance broker and life insurance broker	Thailand	July 1, 2013	100.00	-

- * Eternal 3 Special Purpose Vehicle Company Limited had already registered the completion of the liquidation process with Department of Business Development, Ministry of Commerce on November 9, 2012 (see Note 8.5).
- ** Eternal 4 Special Purpose Vehicle Company Limited had already registered the dissolution with the Department of Business Development, Ministry of Commerce on February 20, 2013 (see Note 8.5).
- *** Eternal 5 Special Purpose Vehicle Company Limited has already registered the dissolution with the Department of Business Development, Ministry of Commerce on August 20, 2013 (see Note 8.5).
- **** The Company has restated the consolidated financial statements, presented herein for comparison, regarding business combination under common control as if the business combination had always been in use (see Note 3).
- ***** AEON Insurance Service (Thailand) Company Limited has been formed by the amalgamation of the Company's subsidiaries, ACS Insurance Broker (Thailand) Company Limited and ACS Life Insurance Broker (Thailand) Company Limited with effective date since July 1, 2013.

The significant accounting policies used for the financial statements of the subsidiaries are adjusted to be the same as those of the Company.

- 2.5 Certain financial information which is normally included in the financial statements prepared in accordance with the Thai Financial Reporting Standards (TFRSs), but which is not required for interim reporting purposes, has been omitted. In addition, the interim financial statements should be read in conjunction with the audited financial statements for the year ended February 20, 2013.
- 2.6 Preparation of financial statements in conformity with the Thai Financial Reporting Standards (TFRSs), requires the Company's management to exercise judgments in order to determine the accounting policies, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent assets and liabilities. Although management has exercised judgment reasonably on these matters under the current events, actual result may differ from such estimates.
- 2.7 The results of operations for the three-month and six-month periods ended August 20, 2013 are not necessarily indicative of the operating results anticipated for the full year.
- 2.8 The Federation of Accounting Professions has issued the Notifications regarding the Thai Financial Reporting Standards (TFRSs), which are effective as follows:
 - 1) Thai Accounting Standard (TAS), Thai Accounting Standard Interpretation (TSI) and Thai Financial Reporting Interpretation (TFRI) which are effective for the financial statements for the periods beginning on or after January 1, 2014:

Thai Accounting Standard (TAS)

TAS 12 (Revised 2012) Income Taxes

Thai Accounting Standard Interpretation (TSI)

TSI 15 Operating Leases - Incentives

TSI 27 Evaluating the Substance of Transactions Involving the Legal
Form of a Lease

TSI 29 Disclosure - Service Concession Arrangements

TSI 32 Intangible Assets - Web Site Costs

Thai Financial Reporting Interpretations (TFRI)

TFRI 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRI 4	Determining Whether an Arrangement Contains a Lease
TFRI 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRI 7	Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies
TFRI 10	Interim Financial Reporting and Impairment
TFRI 12	Service Concession Arrangements
TFRI 13	Customer Loyalty Programmes
TFRI 17	Distributions of Non-cash Assets to Owners
TFRI 18	Transfer of Assets From Customers

- 2) TFRS which is effective for the financial statements for the periods beginning on or after January 1, 2016:

The Financial Reporting Standard (TFRS)

TFRS 4	Insurance contract
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The Company and its subsidiaries' managements will adopt the above TFRSs relevant to the Company and its subsidiaries in the preparation of the Company and its subsidiaries' financial statements when they become effective. The Company's management is in the process of assessing the impact of these standards on the financial statements for the period in which they are initially applied.

3. BUSINESS COMBINATIONS UNDER COMMON CONTROL

On September 1, 2012, the Company entered into the share sale and purchase agreement with ACS Capital Corporation Limited ("ACS Capital"), a major shareholder, for the acquisition of 100.00% shares in 3 related companies comprising ACS Insurance Broker (Thailand) Company Limited ("ACSB"), ACS Life Insurance Broker (Thailand) Company Limited ("ACSL") and ACS Servicing (Thailand) Company Limited ("ACSS") from ACS Capital. The acquisition prices to be sold and purchased are the net book values based on the audited financial statements as at August 31, 2012 of such 3 related companies as follows:

Company	Business type	Date of Acquisition	Number of shares acquired Shares	Proportion of shares acquired %	Acquisition Price Baht '000
ACSB	Non-life insurance broker	September 1, 2012	5,999,997	100.00	90,844
ACSL	Life insurance broker	September 1, 2012	3,999,997	100.00	58,380
ACSS	Collection servicer	September 1, 2012	14,799,997	100.00	175,349
					<u>324,573</u>

On September 25, 2012, the Company paid for the acquisition of shares to ACS Capital amounting to Baht 324.57 million. Such share sale and purchase is regarded as the business combination under common control transaction which the Company has restated the comparative consolidated financial statements, as if the business combination had always been in use. Revenues and net profit of such related companies for the three-month and six-month periods ended August 20, 2013 and 2012 included in consolidated income statements are summarized as follows:

	For the three-month periods ended August 20,		For the six-month periods ended August 20,	
	2013	2012	2013	2012
	Baht '000	Baht '000	Baht '000	Baht '000
Revenues				
ACSB	50,429	53,057	98,583	77,230
ACSL	24,126	18,381	47,683	37,282
ACSS	107,857	84,752	213,161	175,895
Total revenues	<u>182,412</u>	<u>156,190</u>	<u>359,427</u>	<u>290,407</u>
Net profit				
ACSB	10,218	15,836	20,520	23,705
ACSL	12,195	6,081	20,383	12,326
ACSS	12,506	5,321	24,224	13,045
Total net profit	<u>34,919</u>	<u>27,238</u>	<u>65,127</u>	<u>49,076</u>

Effects of the business combinations under common control on the consolidated financial statements for the items which have been changed are summarized as follows:

	For the three-month period ended August 20, 2012	
	As previously reported	Restated
	Baht '000	Baht '000
Consolidated statement of income		
Loan income	1,479,634	1,478,117
Collection service income	10,590	30,367
Commission income	-	53,025
Other income – others	38,203	51,785
Operating and administrative expenses	1,135,968	1,180,560
Directors and managements' remuneration	17,209	21,921
Finance cost	441,273	441,724
Income tax expense	110,684	120,294
Net profit for the period	368,559	394,062
Net profit attributable to non-controlling interests	-	25,503
Consolidated statements of comprehensive income		
Net profit for the period	368,559	394,062
Total comprehensive income for the period	367,976	393,479
Total comprehensive income attributable to non-controlling interests	-	25,503

	For the six-month period ended August 20, 2012	
	As previously Reported	Restated
	Baht '000	Baht '000
Consolidated statement of income		
Loan income	2,915,686	2,912,777
Collection service income	21,671	85,228
Commission income	-	85,343
Other income - others	74,832	94,271
Operating and administrative expenses	2,184,242	2,276,634
Directors and managements' remuneration	38,916	46,828
Finance cost	871,769	872,767
Income tax expense	197,696	214,482
Net profit for the period	655,456	702,798
Net profit attributable to non-controlling interests	30	47,371
Consolidated statements of comprehensive income		
Net profit for the period	655,456	702,798
Total comprehensive income for the period	656,105	703,447
Total comprehensive income attributable to non-controlling interests	30	47,371
Consolidated statements of changes in shareholders' equity		
Non-controlling interests		
Beginning balance	89	256,733
Ending balance	89	304,074
Consolidated statements of cash flows		
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	853,152	917,280
Adjustments for:		
Depreciation	102,112	115,318
Amortization of cost of software	147,869	164,263
Employee benefit expense	3,687	4,180
Accounts receivable and other receivables	(5,126,316)	(5,147,206)
Other current assets	(3,010)	(14,342)
Other non-current assets	(6,303)	(7,203)
Accounts payable and other payables	42,576	36,636
Other current liabilities	(14,112)	(9,999)
Finance cost paid	(849,388)	(849,388)
Income tax paid	(370,828)	(380,846)
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed deposits at bank under obligation increase	-	49
Cash payment for fixed assets acquisition	(63,322)	(67,846)
Cash payment for purchase software	(69,253)	(69,443)
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash payments for finance lease agreement	-	(14,310)
Net decrease in cash and cash equivalents	(513,324)	(482,047)
Cash and cash equivalents as at beginning of the period	1,638,842	1,776,173
Cash and cash equivalents as at the end of the period	1,126,167	1,294,775

4. ADOPTION OF NEW AND REVISED THAI FINANCIAL REPORTING STANDARDS

Since February 21, 2013, the Company and subsidiaries have adopted the new and revised Thai Financial Reporting Standards (TFRSs) issued by the Federation of Accounting Professions, which are effective for the financial statements for the accounting periods beginning on or after January 1, 2013 onwards, in the preparation and presentation of these financial statements. Details of such TFRSs adopted in these financial statements are as follows:

4.1 TAS 12 “Income taxes”

The Company and its subsidiaries have early adopted TAS 12 “Income Taxes” before the effective date, by changing from the accrual basis, based on the taxable profit for the year, to deferred income tax. Therefore, this standard did not have significant impact on the financial statement for the three-month and six-month periods ended August 20, 2013.

4.2 TAS 21 (revised 2009) “The Effects of Changes in Foreign Exchange Rates”

TAS 21 (revised 2009) “The Effects of Changes in Foreign Exchange Rates” has required the Company and subsidiaries to determine its functional currency and translate foreign currency items into its functional currency, reporting the effects of such translation. Management has determined that the functional currency of the Company is Thai Baht; therefore, the adoption of such TFRS has no significant impact on the Company and subsidiaries’ financial statements.

4.3 TFRS 8 “Operating Segments”

TFRS 8 “Operating Segments” changed requirements about the presentation and disclosure of information on operating segments in the financial statements. Therefore, it affected the presentation and disclosure of segment information based on the internal reports provided to the Company and its subsidiaries’ Chief Operating Decision Maker to make decisions about assessing the performance of each segment and allocating resources to those segments, which the Company and its subsidiaries have disclosed segment information for the three-month and six-month periods ended August 20, 2013 and 2012 in Note 22.

5. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements have been prepared based on the basis, accounting policies and method of computation consistent with those used in the financial statements for the year ended February 20, 2013, except adoption of new and revised Thai Financial Reporting Standards as disclosed in Note 4.

6. SUPPLEMENTARY DISCLOSURES OF CASH FLOW INFORMATION

6.1 Cash and cash equivalents are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	As at	As at	As at	As at
	August 20,	February 20,	August 20,	February 20,
	2013	2013	2013	2013
	Baht' 000	Baht' 000	Baht' 000	Baht' 000
Cash	820,092	807,202	811,858	799,626
Deposits at bank - call deposits	1,447,821	1,069,350	904,388	719,417
Fixed deposits with maturity within 3 months from acquisition date	-	310,000	-	-
Cash and cash equivalents	<u>2,267,913</u>	<u>2,186,552</u>	<u>1,716,246</u>	<u>1,519,043</u>

6.2 Cash paid for purchase of equipment and cost of software for the six-month periods ended August 20, are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2013	2012	2013	2012
	Baht '000	Baht '000	Baht '000	Baht '000
Equipment				
Liabilities recorded - brought forward	38,474	66,277	38,474	66,277
Purchase of equipment	207,027	72,260	199,387	66,588
Increase in deposits for equipment	(16,402)	2,433	(16,402)	2,433
	<u>229,099</u>	<u>140,970</u>	<u>221,459</u>	<u>135,298</u>
<u>Less</u> Cash payments for purchase of equipment	<u>(129,052)</u>	<u>(67,846)</u>	<u>(121,412)</u>	<u>(62,174)</u>
Liabilities recorded - carried forward	<u>100,047</u>	<u>73,124</u>	<u>100,047</u>	<u>73,124</u>
Cost of software				
Liabilities recorded - brought forward	10,234	15,609	10,234	15,609
Purchase of software	124,294	64,718	122,342	64,335
	<u>134,528</u>	<u>80,327</u>	<u>132,576</u>	<u>79,944</u>
<u>Less</u> Cash payments for investment in cost of software	<u>(113,500)</u>	<u>(69,443)</u>	<u>(111,548)</u>	<u>(69,060)</u>
Liabilities recorded - carried forward	<u>21,028</u>	<u>10,884</u>	<u>21,028</u>	<u>10,884</u>

6.3 During the six-month periods ended August 20, 2013 and 2012, the Company had non-cash item relating to sale of the right on credit card receivables as the Company sold additional revolving credit card receivables to subsidiaries during the revolving period or repurchased the right on credit card receivables which was settled by decreasing the Seller loan Account of Baht 2,186 million and increasing of Baht 1,185 million, respectively, instead of cash receipt.

7. TEMPORARY INVESTMENTS

As at February 20, 2013, a subsidiary invested in fixed deposits of a financial institution in Thailand in the amount of Baht 1,550 million carrying interest at the rates of 2.02% - 2.33% per annum. As at August 20, 2013, such temporary investments were already redeemed.

8. ACCOUNTS RECEIVABLE

8.1 Accounts receivable consist of:

	CONSOLIDATED FINANCIAL STATEMENTS					
	As at August 20, 2013			As at February 20, 2013		
	Due within 1 year Baht '000	Due after 1 year Baht '000	Total Baht '000	Due within 1 year Baht '000	Due after 1 year Baht '000	Total Baht '000
Hire-purchase receivable						
Hire-purchase and accrued interest receivable	888,996	475,911	1,364,907	755,390	374,020	1,129,410
<u>Less</u> Unearned financing income	(176,186)	(62,420)	(238,606)	(159,254)	(53,246)	(212,500)
	712,810	413,491	1,126,301	596,136	320,774	916,910
<u>Less</u> Allowance for doubtful accounts	(19,640)	(787)	(20,427)	(30,597)	(136)	(30,733)
Hire-purchase and accrued interest receivable - net	693,170	412,704	1,105,874	565,539	320,638	886,177
Loans receivable						
Loans and accrued interest receivable	31,781,744	534,840	32,316,584	28,258,743	562,961	28,821,704
<u>Less</u> Allowance for doubtful accounts	(1,128,192)	-	(1,128,192)	(1,154,756)	-	(1,154,756)
Loans and accrued interest receivable - net	30,653,552	534,840	31,188,392	27,103,987	562,961	27,666,948
Credit card receivable						
Credit card and accrued interest receivable	17,559,700	-	17,559,700	15,578,689	-	15,578,689
<u>Less</u> Allowance for doubtful accounts	(492,989)	-	(492,989)	(434,516)	-	(434,516)
Credit card and accrued interest receivable - net	17,066,711	-	17,066,711	15,144,173	-	15,144,173
Receivable from rendering the collection service	9,243	-	9,243	4,557	-	4,557
Receivable from insurance broker business	88,107	-	88,107	72,157	-	72,157
Total accounts receivable	<u>48,510,783</u>	<u>947,544</u>	<u>49,458,327</u>	<u>42,890,413</u>	<u>883,599</u>	<u>43,774,012</u>

SEPARATE FINANCIAL STATEMENTS

	As at August 20, 2013			As at February 20, 2013		
	Due within 1 year	Due after 1 year	Total	Due within 1 year	Due after 1 year	Total
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Hire-purchase receivable						
Hire-purchase and accrued interest receivable	765,626	408,018	1,173,644	717,738	343,126	1,060,864
<u>Less</u> Unearned financing income	<u>(176,185)</u>	<u>(62,421)</u>	<u>(238,606)</u>	<u>(159,254)</u>	<u>(53,246)</u>	<u>(212,500)</u>
	589,441	345,597	935,038	558,484	289,880	848,364
<u>Less</u> Allowance for doubtful accounts	<u>(19,589)</u>	<u>-</u>	<u>(19,589)</u>	<u>(30,513)</u>	<u>-</u>	<u>(30,513)</u>
Hire-purchase and accrued interest receivable - net	<u>569,852</u>	<u>345,597</u>	<u>915,449</u>	<u>527,971</u>	<u>289,880</u>	<u>817,851</u>
Loans receivable						
Loans and accrued interest receivable	31,781,744	534,840	32,316,584	28,258,743	562,961	28,821,704
<u>Less</u> Allowance for doubtful accounts	<u>(1,128,192)</u>	<u>-</u>	<u>(1,128,192)</u>	<u>(1,154,756)</u>	<u>-</u>	<u>(1,154,756)</u>
Loans and accrued interest receivable - net	<u>30,653,552</u>	<u>534,840</u>	<u>31,188,392</u>	<u>27,103,987</u>	<u>562,961</u>	<u>27,666,948</u>
Credit card receivable						
Credit card and accrued interest receivable	17,167,046	-	17,167,046	15,038,364	-	15,038,364
<u>Less</u> Allowance for doubtful accounts	<u>(445,618)</u>	<u>-</u>	<u>(445,618)</u>	<u>(338,071)</u>	<u>-</u>	<u>(338,071)</u>
Credit card and accrued interest receivable - net	<u>16,721,428</u>	<u>-</u>	<u>16,721,428</u>	<u>14,700,293</u>	<u>-</u>	<u>14,700,293</u>
Total accounts receivable	<u>47,944,832</u>	<u>880,437</u>	<u>48,825,269</u>	<u>42,332,251</u>	<u>852,841</u>	<u>43,185,092</u>

8.2 Quality of assets

Accounts receivable classified by aging are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	As at August 20, 2013 Baht '000	As at February 20, 2013 Baht '000	As at August 20, 2013 Baht '000	As at February 20, 2013 Baht '000
Less than 3 months	49,839,470	44,219,200	49,186,173	43,597,177
3 months up	1,260,465	1,174,817	1,232,495	1,111,255
Total	51,099,935	45,394,017	50,418,668	44,708,432
<u>Less</u> Allowance for doubtful accounts	<u>(1,641,608)</u>	<u>(1,620,005)</u>	<u>(1,593,399)</u>	<u>(1,523,340)</u>
Total accounts receivable	<u>49,458,327</u>	<u>43,774,012</u>	<u>48,825,269</u>	<u>43,185,092</u>

8.3 Troubled debt restructuring

For the three-month periods ended August 20, 2013 and 2012, the Company had recognized interest income on restructured debts totaling Baht 27.83 million and Baht 21.37 million, respectively.

For the six-month periods ended August 20, 2013 and 2012, the Company had recognized interest income on restructured debts totaling Baht 90.93 million and Baht 71.19 million, respectively.

The Company had the outstanding balances of credit card receivables, hire-purchase receivables and loan receivables, as follows:

	CONSOLIDATED FINANCIAL STATEMENTS			
	As at August 20, 2013		As at February 20, 2013	
	Number of debtors	Amount Baht '000	Number of debtors	Amount Baht '000
Restructured accounts receivable	35,906	1,038,639	37,515	1,069,549
Non-restructured accounts receivable	3,344,802	49,963,946	3,086,823	44,247,754
Total accounts receivable	3,380,708	51,002,585	3,124,338	45,317,303

	SEPARATE FINANCIAL STATEMENTS			
	As at August 20, 2013		As at February 20, 2013	
	Number of debtors	Amount Baht '000	Number of debtors	Amount Baht '000
Restructured accounts receivable	35,906	1,038,639	37,515	1,069,549
Non-restructured accounts receivable	3,163,331	49,380,029	2,941,038	43,638,883
Total accounts receivable	3,199,237	50,418,668	2,978,553	44,708,432

As at August 20, 2013 and February 20, 2013, the Company had no commitment to provide additional loans to its restructured debtors after debt restructuring.

8.4 Allowance for doubtful accounts

Allowance for doubtful accounts are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	As at August 20, 2013	As at February 20, 2013	As at August 20, 2013	As at February 20, 2013
	Baht '000	Baht '000	Baht '000	Baht '000
Beginning balance	1,620,005	2,494,025	1,523,340	2,220,021
Bad debts and doubtful accounts	1,671,939	3,129,141	1,691,751	3,090,729
Written-off bad debts	(1,650,336)	(4,003,161)	(1,621,692)	(3,787,410)
Ending balance	1,641,608	1,620,005	1,593,399	1,523,340

8.5 Transfers of financial assets

The Company entered into the Receivables Sale and Purchase Agreements with four Special Purposes Vehicle Companies, which were incorporated under the Civil and Commercial Code of Thailand to be special purpose vehicles (SPV) under the Royal Enactment on Special Purpose Juristic Persons for Securitization B.E. 2540 (1997). Under the securitization plan which was approved by the SEC, the Company sold an amount of revolving receivables and the SPV also appointed the Company to act as the servicer responsible for collecting payments from its obligor under the Receivables Sale and Purchase Agreements and Servicing Agreements.

Details of aforementioned sales of receivables are summarized as follows:

		ESPT*	Eternal 4**	Eternal 5***	Eternal 6****
Approved date of the securitization projects by the Office of the Securities and Exchange Commission of Thailand ("the SEC")		February 3, 2006	June 21, 2007	May 19, 2010	May 10, 2013
Initial selling date		February 6, 2006	June 25, 2007	May 20, 2010	May 20, 2013
Type of transferred receivables		Credit Card Receivable	Credit Card Receivable	Credit Card Receivable	Credit Card Receivable
Revolving period		February 2006 - January 2011 (approximately)	June 2007 - May 2012 (approximately)	May 2010 - April 2015 (approximately)	April 2013 - April 2018 (approximately)
Initial sales of receivables					
Net book value of initial receivables	Baht	2,782,514,549	3,038,017,234	4,355,040,449	4,500,002,090
Proceeds from transfer of the right of receivables (see Note 15)	Baht	2,280,000,000	2,205,000,000	2,790,000,000	2,960,000,000
Subordinated lendings (see Note 11)	Baht	370,000,000	744,000,000	1,438,000,000	1,399,351,988
Minimum seller loan - pari passu with debentures (see Note 10)	Baht	132,500,000	88,470,000	126,840,000	140,650,102
Number of contracts		181,389	178,751	205,485	183,047
Average principal amount outstanding	Baht	15,340	16,996	21,194	24,584
Interest rate		18% p.a.	18% p.a.	20% p.a.	20% p.a.

* Eternal 3 Special Purpose Vehicle Company Limited (Subsidiary)

** Eternal 4 Special Purpose Vehicle Company Limited (Subsidiary)

*** Eternal 5 Special Purpose Vehicle Company Limited (Subsidiary)

**** Eternal 6 Special Purpose Vehicle Company Limited (Subsidiary)

The Company does not recognize other assets obtained in the transfer of financial assets including retained interests on the financial statements because it is not practical to estimate their reliable fair values.

Other related information is summarized as follows:

During the life of the securitization projects, the Company may repurchase the Purchased Receivables from such Special Purpose Vehicle in the following circumstances:

1. When the Company has breached its representations and warranties with respect to the Purchased Receivables which are ineligible. The Company is obliged to repurchase such ineligible receivables on the next Monthly Purchase Date.

2. On a Monthly Purchase Date, the Company may exercise its option to repurchase any Purchased Receivables which become a defaulted receivable on the Collection Period End Date immediately preceding such Monthly Purchase Date.
3. The Company, as the collection agent, may exercise the Clean up Call Option for repurchase of remaining Purchased Receivables whenever the continued servicing of the Purchase Receivables is deemed to be burdensome.
4. The Company may exercise the Tax Redemption Option for repurchase of remaining Purchased Receivables, where there is incurred taxes other than corporate income tax and special business tax.

On May 10, 2011, ESPT redeemed the remaining seller loan in special purpose vehicle for securitization, subordinated lending and debentures, and the Company repurchased all outstanding receivables from ESPT which led to the end of the securitization project of ESPT on the same date. On February 20, 2012, the Extraordinary Shareholders' Meetings of ESPT had passed the resolutions to approve the dissolution and liquidation and ESPT had already registered the completion of the liquidation process with the Department of Business Development, Ministry of Commerce on the same date on November 9, 2012.

On October 10, 2012, Eternal 4 redeemed all seller loan in special purpose vehicle for securitization, subordinated lending and debentures, and the Company repurchased all outstanding receivables from Eternal 4 which led to the end of the securitization project of Eternal 4 on the same date. As at February 20, 2013, the Extraordinary Shareholders' Meetings of Eternal 4 had passed the resolutions to approve the liquidation and dissolution and Eternal 4 registered the dissolution with Department of Business Development, Ministry of Commerce on the same date. The process of liquidation will be commenced later (see Note 9.1).

On May 10, 2013, Eternal 5 redeemed all seller loan in special purpose vehicle for securitization, subordinated lending and debentures, and the Company repurchased all outstanding receivables from Eternal 5 which led to the end of the securitization project of Eternal 5 on the same date. As at August 20, 2013, the Extraordinary Shareholders' Meetings of Eternal 5 had passed the resolutions to approve the liquidation and dissolution and Eternal 5 registered the dissolution with Department of Business Development, Ministry of Commerce on the same date. The process of liquidation will be commenced later (see Note 9.1).

For the three-month and six-month periods ended August 20, 2013 and 2012, transactions relating to the transfer of financial assets under the securitization projects are summarized as follows:

	For the three-month periods ended August 20,		For the six-month periods ended August 20,	
	2013 Million Baht	2012 Million Baht	2013 Million Baht	2012 Million Baht
Transfers of future credit card receivables (at book value)				
- Credit card receivable (Eternal 4)	-	900	-	1,801
- Credit card receivable (Eternal 5)	-	1,779	1,132	3,558
- Credit card receivable (Eternal 6)	1,943	-	2,617	-
	<u>1,943</u>	<u>2,679</u>	<u>3,749</u>	<u>5,359</u>
Cash collection on behalf of Special Purpose Vehicles				
- Credit card receivable (Eternal 4)	-	1,013	-	2,012
- Credit card receivable (Eternal 5)	-	1,987	1,270	3,957
- Credit card receivable (Eternal 6)	2,059	-	2,738	-
	<u>2,059</u>	<u>3,000</u>	<u>4,008</u>	<u>5,969</u>
Servicing income on cash collection from Special Purpose Vehicles				
- Credit card receivable (Eternal 4)	-	37	-	72
- Credit card receivable (Eternal 5)	-	71	45	140
- Credit card receivable (Eternal 6)	68	-	69	-
	<u>68</u>	<u>108</u>	<u>114</u>	<u>212</u>

The outstanding receivables sold to Special Purpose Vehicles and managed by the Company classified by aging are as follows:

	As at August 20, 2013 Million Baht	As at February 20, 2013 Million Baht
Credit card receivables (included accrued interest income) - Eternal 5		
Less than 3 months	-	4,705
3 months up	-	63
	-	4,768
<u>Less Allowance for doubtful accounts</u>	-	(96)
	-	4,672
Credit card receivables (included accrued interest income) - Eternal 6		
Less than 3 months	4,725	-
3 months up	27	-
	4,752	-
<u>Less Allowance for doubtful accounts</u>	(47)	-
	4,705	-
Total	<u>4,705</u>	<u>4,672</u>

9. INVESTMENTS IN SUBSIDIARIES AND LONG-TERM INVESTMENTS IN RELATED COMPANIES AND OTHER COMPANIES

Investments in subsidiaries and long-term investments in related companies and other companies consist of:

9.1 Investments in subsidiaries consist of:

	SEPARATE FINANCIAL STATEMENTS			
	As at August 20, 2013		As at February 20, 2013	
	% of Ownership	Cost Baht '000	% of Ownership	Cost Baht '000
Investments in subsidiaries (see Note 21.1)				
Eternal 4 Special Purpose Vehicle Company Limited	26.00	10.4	26.00	10.4
Eternal 5 Special Purpose Vehicle Company Limited	26.00	10.4	26.00	10.4
Eternal 6 Special Purpose Vehicle Company Limited	26.00	10.4	-	-
AEON Microfinance (Cambodia) Private Company Limited	100.00	118,160.0	100.00	29,960.0
AEON Insurance Service (Thailand) Company Limited*	100.00	149,224.2	-	-
ACS Insurance Broker (Thailand) Company Limited*	-	-	100.00	90,844.0
ACS Life Insurance Broker (Thailand) Company Limited*	-	-	100.00	58,380.2
ACS Servicing (Thailand) Company Limited	100.00	175,349.1	100.00	175,349.1
AEON Microfinance (Myanmar) Company Limited	100.00	30,084.1	100.00	1,127.1
AEON Leasing Service (Lao) Company Limited	100.00	30,026.3	100.00	30,026.3
Total investments in subsidiaries		<u>502,874.9</u>		<u>385,707.5</u>

* AEON Insurance Service (Thailand) Company Limited has been formed by the amalgamation of the Company's subsidiaries, ACS Insurance Broker (Thailand) Company Limited and ACS Life Insurance Broker (Thailand) Company Limited with effective date since July 1, 2013.

On October 10, 2012, Eternal 4 Special Purpose Vehicle Company Limited (Eternal 4) redeemed all seller loan in special purpose vehicle for securitization, subordinated lending and debentures, and the Company repurchased all outstanding receivables from Eternal 4 which led to the end of the securitization project of Eternal 4 on the same date. As at February 20, 2013, the Extraordinary Shareholders' Meetings of Eternal 4 had passed the resolutions to approve the dissolution and liquidation and Eternal 4 registered the dissolution with Department of Business Development, Ministry of Commerce on the same date. The process of liquidation will be commenced later (see Note 8.5).

On April 4, 2013, the Company paid Baht 88.20 million for additional investment in ordinary shares of AEON Microfinance (Cambodia) Private Company Limited.

On April 5, 2013 and July 24, 2013, the Company paid Baht 14.66 million and Baht 14.29 million, respectively, for additional investment in ordinary shares of AEON Microfinance (Myanmar) Company Limited.

On May 10, 2013, Eternal 5 Special Purpose Vehicle Company Limited (Eternal 5) has redeemed all seller loan in special purpose vehicle for securitization, subordinated lending and debentures, and the Company repurchased all outstanding receivables from Eternal 5 which led to the end of the securitization project of Eternal 5 on the same date. As at August 20, 2013, the Extraordinary Shareholders' Meetings of Eternal 5 had passed the resolutions to approve the liquidation and dissolution and Eternal 5 registered the dissolution with Department of Business Development, Ministry of Commerce on the same date. The process of liquidation will be commenced later (see Note 8.5).

On May 20, 2013, the Company paid Baht 10,400 for investment in ordinary shares of Eternal 6 Special Purpose Vehicle Company Limited (Eternal 6), a new subsidiary of the Company, which was registered as a special purpose company under the Civil and Commercial Code of Thailand and the Securitization Law.

9.2 Long-term investments in related companies consist of:

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS			
	As at August 20, 2013		As at February 20, 2013	
	% of Ownership	Cost Baht '000	% of Ownership	Cost Baht '000
Long-term investments in related companies				
Aeon (Thailand) Co., Ltd. (340,000 shares of Baht 100 each, Baht 25 called up)	5.23	8,500	8.50	8,500
PT. Aeon Credit Service Indonesia (173 shares of IDR 30 million each, par value of IDR 30 million, fully paid)	5.18	19,072	5.18	19,072
AEON Credit Service Systems (Philippines) Inc. (100,000 shares of PHP 100 each, par value of PHP 100, fully paid)	10.00	7,645	10.00	7,645
ACS Trading Vietnam Co., Ltd. (20% of joint venture's ownership of VND 50,000 million, fully paid)	20.00	16,819	20.00	16,819
		<u>52,036</u>		<u>52,036</u>
Less Allowance for impairment of investment		<u>(8,500)</u>		<u>(8,500)</u>
Total long-term investments in related parties		<u><u>43,536</u></u>		<u><u>43,536</u></u>

9.3 Long-term investments in other companies consist of:

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS			
	As at August 20, 2013		As at February 20, 2013	
	% of Ownership	Cost Baht '000	% of Ownership	Cost Baht '000
Eternal Special Purpose Vehicle Company Limited (ESPV)	-	-	26.00	10.4
Total long-term investments in other companies		<u><u>-</u></u>		<u><u>10.4</u></u>

ESPV were registered as special purpose companies under the Securitization Law on October 3, 2003. Subsequently, ESPV redeemed all debentures and the Company repurchased all outstanding receivables from ESPV which led to the end of the securitization projects of ESPV on May 12, 2008.

On December 20, 2010, the Extraordinary Shareholders' Meetings of ESPV passed the resolutions to approve the liquidation and dissolution. ESPV has already registered the liquidation with the Ministry of Commerce on May 21, 2013.

10. SELLER LOAN IN SPECIAL PURPOSE VEHICLES FOR SECURITIZATION

Seller loan in Special Purpose Vehicles for securitization is as follows:

	SEPARATE FINANCIAL STATEMENTS	
	As at	As at
	August 20, 2013	February 20, 2013
	Baht '000	Baht '000
Seller loan in Special Purpose Vehicles for securitization (see Note 21.2.1)		
Eternal 5 Special Purpose Vehicle Company Limited (Eternal 5)	-	2,650,878
Eternal 6 Special Purpose Vehicle Company Limited (Eternal 6)	465,330	-
Total	465,330	2,650,878
<u>Less</u> Current portion of seller loan amounts in Special Purpose Vehicles for securitization	-	(2,650,878)
Seller loan in Special Purpose Vehicle for Securitization	465,330	-

On the contract dates under securitization projects, the Company received partial payments from Eternal 5 and Eternal 6 with seller loan accounts under securitization projects of Baht 127,040,449 and Baht 188,171,483, respectively, which are non-subordinated and ranked in order of priority pari passu with payments of principal in respect of the debentures. The aggregate seller loan accounts will increase from partial payments of such Special Purpose Vehicle Companies for purchase of Future Receivables and Additional Receivables when such Special Purpose Vehicle Companies' net cash flow generated by the Purchased Receivables is insufficient. Seller loan accounts are reduced by the repurchase of ineligible receivables and the receipt of the excess cash from such Special Purpose Vehicle Companies. However, the Company has to retain such Seller loan Minimum Amounts on Eternal 5 and Eternal 6 not less than 3% of the aggregate of the outstanding principal amounts of the debentures and the subordinated loans of Eternal 5 and Eternal 6 of which such amounts will be repaid by cash approximately within 2015 and 2018, respectively, or when these projects end.

On May 10, 2013, Eternal 5 has redeemed the remaining seller loan in special purpose vehicle for securitization (see Notes 8.5 and 9.1).

11. SUBORDINATED LENDINGS

Subordinated lendings with Special Purpose Vehicles are as follows:

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS	
	As at	As at
	August 20, 2013	February 20, 2013
	Baht '000	Baht '000
Subordinated lendings (see Note 21.2.1)		
Eternal 5 Special Purpose Vehicle Company Limited (Eternal 5)	-	1,438,000
Eternal 6 Special Purpose Vehicle Company Limited (Eternal 6)	1,399,352	-
Total	1,399,352	1,438,000
<u>Less</u> Current portion of subordinated lendings	-	(1,438,000)
Subordinated lendings	<u>1,399,352</u>	<u>-</u>

- (1) On May 20, 2010, the Company entered into the subordinated bridging loan agreement with Eternal 5 amounting to Baht 1,438,000,000 for the purpose of partial payment of the Initial Credit Card Receivables from Eternal 5 under the provision of the Receivable Sale Agreement (see Note 8.5). The interest was received on the monthly basis at the rate of 3% per annum. Subsequently, such bridging loan was refinanced to be subordinated term loan in October 2010 in accordance with such Bridging Loan Agreement. The term loan is due in the year 2015 and the interest is received on the monthly basis at the rate of 12% per annum.

Subsequently, on May 10, 2013, Eternal 5 has redeemed the remaining subordinated lending (see Notes 8.5 and 9.1).

- (2) On May 14, 2013, the Company entered into the subordinated bridging loan agreement with Eternal 6 amounting to Baht 1,399,351,988 for the purpose of partial payment of the Initial Credit Card Receivables from Eternal 6 under the provision of the Receivable Sale Agreement (see Note 8.5). The interest was received on the monthly basis at the rate of 12% per annum.

12. DEFERRED TAX ASSETS

Deferred tax assets consist of:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	As at August 20, 2013 Baht '000	As at February 20, 2013 Baht '000	As at August 20, 2013 Baht '000	As at February 20, 2013 Baht '000
Deferred tax assets				
Allowance for doubtful accounts	328,154	323,957	318,680	304,668
Non-accrual of interest income	43,851	43,762	43,705	43,131
Employee benefit obligation	10,161	8,932	9,202	8,115
Others	15,114	11,202	15,432	11,204
	<u>397,280</u>	<u>387,853</u>	<u>387,019</u>	<u>367,118</u>
Deferred tax liabilities				
Finance lease	1,692	1,353	-	-
Unrealized loss on currency swap contracts	78,170	88,596	78,170	88,596
	<u>79,862</u>	<u>89,949</u>	<u>78,170</u>	<u>88,596</u>
Deferred tax assets	<u>317,418</u>	<u>297,904</u>	<u>308,849</u>	<u>278,522</u>

The movements of deferred tax assets and liabilities during the years/periods are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS			
	Beginning balance As at February 21, 2013 Baht '000	Items as recognized in profit or loss Baht '000	Items as recognized in other comprehensive income Baht '000	Balance As at August 20, 2013 Baht '000
Deferred tax assets				
Allowance for doubtful accounts	323,957	4,197	-	328,154
Non-accrual of interest income	43,762	89	-	43,851
Employee benefit obligation	8,932	1,229	-	10,161
Others	11,202	3,912	-	15,114
	<u>387,853</u>	<u>9,427</u>	<u>-</u>	<u>397,280</u>
Deferred tax liabilities				
Finance lease	1,353	339	-	1,692
Unrealized loss on currency swap contracts	88,596	(10,426)	-	78,170
	<u>89,949</u>	<u>(10,087)</u>	<u>-</u>	<u>79,862</u>
Deferred tax assets	<u>297,904</u>	<u>19,514</u>	<u>-</u>	<u>317,418</u>

CONSOLIDATED FINANCIAL STATEMENTS

	Beginning balance As at February 21, 2012 Baht '000	Items as recognized in profit or loss Baht '000	Items as recognized in other comprehensive income Baht '000	Balance As at February 20, 2013 Baht '000
Deferred tax assets				
Allowance for doubtful accounts	573,626	(249,669)	-	323,957
Non-accrual of interest income	44,542	(780)	-	43,762
Employee benefit obligation	5,861	1,705	1,366	8,932
Others	9,264	1,938	-	11,202
	<u>633,293</u>	<u>(246,806)</u>	<u>1,366</u>	<u>387,853</u>
Deferred tax liabilities				
Finance lease	197	1,156	-	1,353
Unrealized loss on currency swap contracts	81,011	7,585	-	88,596
	<u>81,208</u>	<u>8,741</u>	<u>-</u>	<u>89,949</u>
Deferred tax assets	<u>552,085</u>	<u>(255,547)</u>	<u>1,366</u>	<u>297,904</u>

SEPARATE FINANCIAL STATEMENTS

	Beginning balance As at February 21, 2013 Baht '000	Items as recognized in profit or loss Baht '000	Items as recognized in other comprehensive income Baht '000	Balance As at August 20, 2013 Baht '000
Deferred tax assets				
Allowance for doubtful accounts	304,668	14,012	-	318,680
Non-accrual of interest income	43,131	574	-	43,705
Employee benefit obligation	8,115	1,087	-	9,202
Others	11,204	4,228	-	15,432
	<u>367,118</u>	<u>19,901</u>	<u>-</u>	<u>387,019</u>
Deferred tax liabilities				
Unrealized loss on currency swap contracts	88,596	(10,426)	-	78,170
	<u>88,596</u>	<u>(10,426)</u>	<u>-</u>	<u>78,170</u>
Deferred tax assets	<u>278,522</u>	<u>30,327</u>	<u>-</u>	<u>308,849</u>

SEPARATE FINANCIAL STATEMENTS

	Beginning balance As at February 21, 2012 Baht '000	Items as recognized in profit or loss Baht '000	Items as recognized in other comprehensive income Baht '000	Balance As at February 20, 2013 Baht '000
Deferred tax assets				
Allowance for doubtful accounts	510,605	(205,937)	-	304,668
Non-accrual of interest income	43,814	(683)	-	43,131
Employee benefit obligation	5,242	1,507	1,366	8,115
Others	9,266	1,938	-	11,204
	<u>568,927</u>	<u>(203,175)</u>	<u>1,366</u>	<u>367,118</u>
Deferred tax liabilities				
Unrealized loss on currency swap contracts	81,011	7,585	-	88,596
	<u>81,011</u>	<u>7,585</u>	<u>-</u>	<u>88,596</u>
Deferred tax assets	<u>487,916</u>	<u>(210,760)</u>	<u>1,366</u>	<u>278,522</u>

13. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

Bank overdrafts and short-term loans from financial institutions consist of the following:

CONSOLIDATED FINANCIAL STATEMENTS				
	As at August 20, 2013		As at February 20, 2013	
	Interest rate	Baht '000	Interest rate	Baht '000
	%		%	
Overdrafts in THB currency	2.65	820,000	2.90	495,000
Short term loans in THB currency	2.60 - 2.85	6,514,000	2.85 - 3.17	2,840,000
Short term loans in USD currency	1.06 - 1.24	88,487	0.95 - 1.16	66,172
Total		<u>7,422,487</u>		<u>3,401,172</u>

SEPARATE FINANCIAL STATEMENTS				
	As at August 20, 2013		As at February 20, 2013	
	Interest rate	Baht '000	Interest rate	Baht '000
	%		%	
Overdrafts in THB currency	2.65	820,000	2.90	495,000
Short term loans in THB currency	2.60 - 2.85	6,514,000	2.85 - 3.17	2,840,000
Total		<u>7,334,000</u>		<u>3,335,000</u>

Short-term loans from financial institutions are loans from various financial institutions in the form of promissory notes and are unsecured.

14. LONG-TERM LOANS

The Company entered into various long-term loan agreements and issued promissory notes in Baht and foreign currencies as follows:

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS			
	As at August 20, 2013		
	Interest rate	Foreign currency	Baht equivalent
	%	Million	Baht '000
Loan in YEN currency	3.21 - 4.83	16,220.00	5,258,508
Loan in USD currency	2.59 - 4.60	615.65	19,368,041
Loan in THB currency	3.65 - 5.00	-	8,920,000
<u>Less</u> Loan issuance cost			<u>(103,778)</u>
			33,442,771
<u>Less</u> Current portion of long-term loans			<u>(7,998,988)</u>
Total long-term loans			<u><u>25,443,783</u></u>

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
As at February 20, 2013

	Interest rate %	Foreign currency Million	Baht equivalent Baht '000
Loan in YEN currency	3.01 - 6.61	28,220.00	9,081,563
Loan in USD currency	2.59 - 4.60	519.65	15,604,206
Loan in THB currency	3.65 - 5.00	-	8,920,000
<u>Less</u> Loan issuance cost			(115,044)
			33,490,725
<u>Less</u> Current portion of long-term loans			(10,234,408)
Total long-term loans			23,256,317

To manage risk that might occur from the fluctuation in currency and interest rate, the Company has entered into cross currency swap contracts and cross currency interest rate swap contracts to hedge its debts as follows:

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
As at August 20, 2013

	Principal to be received/ paid Baht '000	Carrying amount		Total Baht '000
		Less than 1 year Baht '000	1 - 5 years Baht '000	
Receivable per currency swap				
Cross Currency Swap Contracts				
USD currency	1,674,495	-	71,507	71,507
Cross Currency Interest Rate Swap Contracts				
USD currency	16,493,544	155,986	374,779	530,765
	<u>18,168,039</u>	<u>155,986</u>	<u>446,286</u>	<u>602,272</u>
Payable per currency swap				
Cross Currency Swap Contracts				
YEN currency	727,800	(79,402)	-	(79,402)
USD currency	597,740	-	(10)	(10)
Cross Currency Interest Rate Swap Contracts				
YEN currency	5,451,050	(341,156)	(499,784)	(840,940)
	<u>6,776,590</u>	<u>(420,558)</u>	<u>(499,794)</u>	<u>(920,352)</u>

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
As at February 20, 2013

	Principal to be received/ paid Baht '000	Carrying amount		Total Baht '000
		Less than 1 year Baht '000	1 - 5 years Baht '000	
Receivable per currency swap				
Cross Currency Swap Contracts				
USD currency	583,050	-	2,502	2,502
Cross Currency Interest Rate Swap Contracts				
YEN currency	1,076,250	50,096	-	50,096
USD currency	2,688,200	-	14,347	14,347
	<u>4,347,500</u>	<u>50,096</u>	<u>16,849</u>	<u>66,945</u>
Payable per currency swap				
Cross Currency Swap Contracts				
YEN currency	1,284,240	(157,895)	-	(157,895)
USD currency	597,740	-	(27,202)	(27,202)
Cross Currency Interest Rate Swap Contracts				
YEN currency	8,033,630	(353,233)	(851,526)	(1,204,759)
USD currency	12,038,944	(18,408)	(274,966)	(293,374)
	<u>21,954,554</u>	<u>(529,536)</u>	<u>(1,153,694)</u>	<u>(1,683,230)</u>

15. LONG-TERM DEBENTURES

Long-term debentures represent unsubordinated and secured debentures as follows:

Issue date	Maturity Date	No. of units	Currency	Par value per unit	Amount	Interest rate %	Term of interest payment	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS	
								As at August 20, 2013 Baht '000	As at February 20, 2013 Baht '000
30/07/2010	30/07/2015	20	USD	1,000,000	20,000,000	USD-LIBOR 6M + 0.50	Semi-annual	629,190	600,566
14/07/2011	14/07/2016	15	USD	1,000,000	15,000,000	USD-LIBOR 6M + 0.30	Semi-annual	471,893	450,425
16/12/2011	16/12/2016	20	USD	1,000,000	20,000,000	USD-LIBOR 6M + 0.80	Semi-annual	629,190	600,566
30/08/2012	30/08/2017	30	USD	1,000,000	30,000,000	USD-LIBOR 3M	Quarterly	943,785	900,849
13/09/2012	13/09/2017	20	USD	1,000,000	20,000,000	USD-LIBOR 3M + 0.20	Quarterly	629,190	600,566
24/07/2013	29/07/2018	17	USD	1,000,000	17,000,000	USD-LIBOR 6M + 0.01	Semi-annual	534,811	-
								3,838,059	3,152,972
<u>Less</u> Debenture issuance cost								(73,706)	(66,129)
Long-term debentures								3,764,353	3,086,843

To manage risk that might occur from the fluctuation in currency and interest rate of long-term debentures in foreign currencies, the Company has entered into cross currency interest rate swap contracts to hedge its debt as follows:

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS			
	As at August 20, 2013			
	Principal to be received/ paid Baht '000	Carrying amount		
		Less than 1 year Baht '000	1 - 5 years Baht '000	Total Baht '000
Receivable per currency swap				
Cross Currency Interest Rate Swap Contracts				
USD currency	3,168,900	-	39,969	39,969
	<u>3,168,900</u>	<u>-</u>	<u>39,969</u>	<u>39,969</u>
Payable per currency swap				
Cross Currency Interest Rate Swap Contracts				
USD currency	646,000	-	(16,810)	(16,810)
	<u>646,000</u>	<u>-</u>	<u>(16,810)</u>	<u>(16,810)</u>

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS			
	As at February 20, 2013			
	Principal to be received/ paid Baht '000	Carrying amount		
		Less than 1 year Baht '000	1 - 5 years Baht '000	Total Baht '000
Payable per currency swap				
Cross Currency Interest Rate Swap Contracts				
USD currency	3,287,050	-	(134,079)	(134,079)
	<u>3,287,050</u>	<u>-</u>	<u>(134,079)</u>	<u>(134,079)</u>

On May 24, 2010, and May 20, 2013, Eternal 5 Special Purpose Vehicle Company Limited and Eternal 6 Special Purpose Vehicle Company Limited, the Company's subsidiaries, issued the debentures of Baht 2,790 million and Baht 2,960 million, respectively (see Note 8.5), under the Securitization projects. Cash flows from a pool of credit card receivables will be used to make payments for the debentures. Interest on the debentures will be payable monthly commencing on July 10, 2010 and July 9, 2013, respectively.

On May 10, 2013, Eternal 5 Special Purpose Vehicle Co., Ltd. redeemed the remaining balance of debentures in full (see Note 8.5).

The subsidiaries' debentures are as follows:

Debenture Classes	Maturity date	Amount Baht' 000	Interest rate %	As at	As at
				August 20, 2013 Baht '000	February 20, 2013 Baht '000
Eternal 5 Special Purpose Vehicle Co., Ltd.					
Class A-1	May 10, 2015	2,790,000	3.10	-	2,790,000
				-	2,790,000
Eternal 6 Special Purpose Vehicle Co., Ltd.					
ClassA-sf	June 8, 2018	2,960,000	3.83	2,960,000	-
				2,960,000	-
				2,960,000	2,790,000

Such subsidiaries' debentures are eliminated against credit card receivables in the consolidated financial statements.

16. EMPLOYEE BENEFIT OBLIGATIONS

The Company operates post-employment benefit plans under the Thai Labor Protection Act, which are considered as unfunded defined benefits plans.

For the three-month and six-month periods ended August 20, 2013 and 2012, amounts recognized in the statements of income in respect of the post-employment benefit plans are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS			
	For the three-month		For the six-month	
	periods ended August 20,		periods ended August 20,	
	2013	2012	2013	2012
	Baht'000	Baht'000	Baht'000	Baht'000
Current service cost	2,613	1,809	5,227	3,618
Interest cost	459	282	917	562
Total	3,072	2,091	6,144	4,180

	SEPARATE FINANCIAL STATEMENTS			
	For the three-month periods ended August 20,		For the six-month periods ended August 20,	
	2013	2012	2013	2012
	Baht'000	Baht'000	Baht'000	Baht'000
Current service cost	2,295	1,582	4,590	3,164
Interest cost	422	256	844	511
Total	<u>2,717</u>	<u>1,838</u>	<u>5,434</u>	<u>3,675</u>

Movements in the present value of the post-employment benefits obligation for the six-month periods ended August 20, are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2013	2012	2013	2012
	Baht'000	Baht'000	Baht'000	Baht'000
	Beginning balance	44,659	29,306	40,578
Current service cost	5,227	3,618	4,590	3,164
Interest cost	917	562	844	511
Ending balance	<u>50,803</u>	<u>33,486</u>	<u>46,012</u>	<u>29,887</u>

The principal actuarial assumptions used to calculate the obligation under the defined benefit plans as at August 20, 2013 and February 20, 2013 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS	SEPARATE FINANCIAL STATEMENTS
	% per annum	% per annum
Financial assumptions		
Discount rate	4.15 - 4.16	4.16
Turnover rate		
Monthly staffs	0.0 - 66.0	7.0 - 19.0
	Subject to range of age of employees	Subject to range of age of employees
Daily staffs	0.0 - 66.0	20.0 - 47.0
	Subject to range of age of employees	Subject to range of age of employees
Temporary staffs	20.0 - 65.0	20.0 - 65.0
	Subject to range of age of employees	Subject to range of age of employees
Expected rate of salary increase	5.0	5.0

17. SHAREHOLDERS' EQUITY

17.1 On June 14, 2012, the Annual General Meeting of Shareholders of the Company had the resolutions to approve the following matters;

- The appropriation of net income of Baht 200 million as a reserve for business expansion.
- The declaration of final dividends for the 2011 fiscal year at the rate of Baht 1.05 per share, amounting to Baht 262.50 million. The aforementioned shareholders include 277,805 shares of foreign shareholders who had no right to receive dividend in accordance with regulation of Thailand Securities Depository, thus the Company paid dividend to shareholders amounting to Baht 262.21 million on June 28, 2012.

17.2 On September 25, 2012, the Company's Board of Directors' meeting passed the resolution to declare interim dividends for the 2012 fiscal year at the rate of Baht 1.15 per share amounting to Baht 287.50 million. The aforementioned shareholders included 60,800 shares of foreign shareholders who had no right to receive dividend in accordance with regulation of Thailand Securities Depository, thus the Company paid dividend to shareholders amounting to Baht 287.43 million on October 22, 2012.

17.3 On June 18, 2013, the shareholders had the resolutions to approve the declaration of final dividends for the fiscal year 2012 at the rate of Baht 1.85 per share, totaling Baht 462.50 million. The aforementioned shareholders included 78,100 shares of foreign shareholder who had no right to receive dividend in accordance with regulation of Thailand Securities Depository, thus the Company paid dividend to shareholders amounting to Baht 462.36 million on June 27, 2013 in addition to the interim dividends which were paid to all shareholders at Baht 1.15 per share, totaling Baht 287.43 million on October 22, 2012.

17.4 Under the Securitization project, the subsidiaries have to pay dividend to their shareholders from all remaining amounts after deducting the required accumulated reserves and payment of all fees and expenses. The subsidiaries appropriate interim dividends on a monthly basis at each Monthly Purchase Date as an appropriation of net profit after income tax of each month.

In addition, the subsidiaries' registered share capital comprises ordinary shares and preferred shares which are held by non-controlling interests. Dividends from the profits of the subsidiaries shall be allocated to the holders of preferred shares at a rate not more than 50% of the par value of each preferred share. The rest of the dividends shall be distributed to the holders of ordinary shares.

18. REVENUE RELATING TO SECURITIZATION TRANSACTION

Revenue relating to securitization transaction incurred from sale of credit card receivables is included in Credit Card Income for presentation.

For the three-month and six month periods ended August 20, 2013 and 2012, the details of revenues from securitization transaction consist of the following:

	SEPARATE FINANCIAL STATEMENTS			
	For the three-month		For the six-month	
	periods ended August 20,		periods ended August 20,	
	2013	2012	2013	2012
	Baht '000	Baht '000	Baht '000	Baht '000
Credit Card Income				
Interest income from subordinated lending	41,866	64,759	70,219	129,042
Revenue from seller loan in				
Special Purpose Vehicle	3,843	10,281	13,333	18,312
Dividend from investment in				
Special Purpose Vehicle	79,736	92,652	242,763	262,784
Servicing income	68,388	107,406	114,245	211,904
Total	<u>193,833</u>	<u>275,098</u>	<u>440,560</u>	<u>622,042</u>

19. DIRECTORS AND MANAGERMENTS' REMUNERATION

Directors' remuneration represents the benefits paid to the Company's directors in accordance with Section 90 of the Public Limited Companies Act. Managements' remuneration represents cash remuneration as salaries and bonus paid to the Company's management.

For the three-month and six-month periods ended August 20, 2013 and 2012, directors and managements' remuneration are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS			
	For the three-month		For the six-month	
	periods ended August 20,		periods ended August 20,	
	2013	2012	2013	2012
	Baht '000	Baht '000	Baht '000	Baht '000
Short-term employee benefits				
Managements' remuneration	22,373	18,537	42,463	37,099
Directors' remuneration	4,855	2,873	12,028	8,694
Post-employment benefits	552	511	1,163	1,035
	<u>27,780</u>	<u>21,921</u>	<u>55,654</u>	<u>46,828</u>

	SEPARATE FINANCIAL STATEMENTS			
	For the three-month		For the six-month	
	periods ended August 20,		periods ended August 20,	
	2013	2012	2013	2012
	Baht '000	Baht '000	Baht '000	Baht '000
Short-term employee benefits				
Managements' remuneration	17,748	15,174	33,173	28,976
Directors' remuneration	2,510	810	9,320	6,605
Post-employment benefits	388	288	777	650
	<u>20,646</u>	<u>16,272</u>	<u>43,270</u>	<u>36,231</u>

For the three-month and six-month periods ended August 20, 2013 and 2012, directors' remunerations which were included in short-term employee benefits were approved by the ordinary shareholders' meetings of the Company held on June 18, 2013 and June 14, 2012, respectively.

20. CORPORATE INCOME TAX

According to the Royal Decree No. 555 B.E. 2555 issued under the Revenue Code regarding the corporate income tax rate reduction effective on December 27, 2012, the corporate income tax rate was reduced from 30% to 23% of net profit for an accounting period beginning on or after January 1, 2012 and 20% of net profit for accounting period beginning on or after January 1, 2013 but not later than December 31, 2014.

The Company and its local subsidiaries used tax rates of 20% and 23% for corporate income tax calculation for the three-month and six-month periods ended August 20, 2013 and 2012, respectively. The foreign subsidiary used 20% for corporate income tax calculation for the three-month and six-month periods ended August 20, 2013 and 2012.

The Company and its subsidiaries used tax rates of 20% and 23% for calculation of deferred tax for the three-month and six-month periods ended August 20, 2013 and 2012.

Income tax expenses of the Company and its subsidiaries are calculated from income before tax, added back transactions which are non-deductible expenses and deducted exempted income under the Revenue Code.

For the three-month and six-month periods ended August 20, 2013 and 2012, income tax consists of:

	CONSOLIDATED FINANCIAL STATEMENTS			
	For the three-month		For the six-month	
	periods ended August 20,		periods ended August 20,	
	2013	2012	2013	2012
	Baht '000	Baht '000	Baht '000	Baht '000
Current tax expense for the period	188,104	80,625	333,500	163,830
Deferred income tax expense (revenue)	(17,148)	39,669	(19,514)	50,652
Income tax expense per statements of income	<u>170,956</u>	<u>120,294</u>	<u>313,986</u>	<u>214,482</u>

SEPARATE FINANCIAL STATEMENTS

	For the three-month periods ended August 20,		For the six-month periods ended August 20,	
	2013	2012	2013	2012
	Baht '000	Baht '000	Baht '000	Baht '000
Current tax expense for the period	154,408	40,005	266,397	81,377
Deferred income tax expense (revenue)	(12,603)	42,970	(30,327)	37,760
Income tax expense per statements of income	<u>141,805</u>	<u>82,975</u>	<u>236,070</u>	<u>119,137</u>

Reconciliations of effective tax rates for the three-month and six-month periods ended August 20, 2013 and 2012 are as follows:

CONSOLIDATED FINANCIAL STATEMENTS

	For the three-month periods ended August 20,				For the six-month periods ended August 20,			
	2013		2012		2013		2012	
	Amount Baht' 000	Rate %	Amount Baht' 000	Rate %	Amount Baht' 000	Rate %	Amount Baht' 000	Rate %
Profit before tax	<u>855,010</u>		<u>514,356</u>		<u>1,566,698</u>		<u>917,280</u>	
Income tax at the tax rate	171,002	20.00	118,302	23.00	313,340	20.00	210,974	23.00
<u>Add</u> Tax effect of income and expense that are not exempt for tax purposes	146	0.20	2,694	0.52	1,080	0.07	4,217	0.46
<u>Less</u> Tax effect of income and expense that are exempt for tax purposes	(192)	(0.20)	(702)	(0.13)	(434)	(0.03)	(709)	(0.08)
Income tax expenses per statements of income	<u>170,956</u>	<u>20.00</u>	<u>120,294</u>	<u>23.39</u>	<u>313,986</u>	<u>20.04</u>	<u>214,482</u>	<u>23.38</u>

SEPARATE FINANCIAL STATEMENTS

	For the three-month periods ended August 20,				For the six-month periods ended August 20,			
	2013		2012		2013		2012	
	Amount Baht' 000	Rate %	Amount Baht' 000	Rate %	Amount Baht' 000	Rate %	Amount Baht' 000	Rate %
Profit before tax	<u>833,806</u>		<u>455,862</u>		<u>1,467,634</u>		<u>782,044</u>	
Income tax at the tax rate	166,761	20.00	104,848	23.00	293,527	20.00	179,870	23.00
<u>Add</u> Tax effect of income and expense that are not exempt for tax purposes	264	0.03	199	0.04	609	0.04	476	0.06
<u>Less</u> Tax effect of income and expense that are exempt for tax purposes	(25,220)	(3.02)	(22,072)	(4.84)	(58,066)	(3.96)	(61,209)	(7.83)
Income tax expenses per statements of income	<u>141,805</u>	<u>17.01</u>	<u>82,975</u>	<u>18.20</u>	<u>236,070</u>	<u>16.08</u>	<u>119,137</u>	<u>15.23</u>

21. TRANSACTIONS WITH RELATED PARTIES

The consolidated and separate financial statements include certain transactions with the subsidiaries and related parties. The relationship may be by shareholding or the companies may have the same group of shareholders or directors. The consolidated and separate financial statements reflect the effects of these transactions on the basis determined by the Company, the subsidiaries and the related parties which are as follows:

21.1 Investments in subsidiaries (see Note 9.1)

Related parties	SEPARATE FINANCIAL STATEMENTS			
	As at August 20, 2013		As at February 20, 2013	
	Ownership %	Cost Baht '000	Ownership %	Cost Baht '000
Eternal 4 Special Purpose Vehicle Company Limited	26.00	10.4	26.00	10.4
Eternal 5 Special Purpose Vehicle Company Limited	26.00	10.4	26.00	10.4
Eternal 6 Special Purpose Vehicle Company Limited	26.00	10.4	-	-
AEON Microfinance (Cambodia) Private Company Limited	100.00	118,160.0	100.00	29,960.0
AEON Insurance Service (Thailand) Company Limited*	100.00	149,224.2	-	-
ACS Insurance Broker (Thailand) Company Limited*	-	-	100.00	90,844.0
ACS Life Insurance Broker (Thailand) Company Limited*	-	-	100.00	58,380.2
ACS Servicing (Thailand) Company Limited	100.00	175,349.1	100.00	175,349.1
AEON Microfinance (Myanmar) Company Limited	100.00	30,084.1	100.00	1,127.1
AEON Leasing Service (Lao) Company Limited	100.00	30,026.3	100.00	30,026.3
Total investments in subsidiaries		502,874.9		385,707.5

21.2 Business transactions with related parties

21.2.1 Balances with related parties

Related parties	Relationship	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		As at August 20, 2013	As at February 20, 2013	As at August 20, 2013	As at February 20, 2013
		Baht '000	Baht '000	Baht '000	Baht '000
Other Current Assets					
Other receivables					
Eternal Special Purpose Vehicle Company Limited	Related company	-	8,332	-	8,332
Eternal 4 Special Purpose Vehicle Company Limited	Subsidiary	-	-	3,030	2,456
Eternal 5 Special Purpose Vehicle Company Limited	Subsidiary	-	-	31,016	89,454
Eternal 6 Special Purpose Vehicle Company Limited	Subsidiary	-	-	209,013	-
AEON Financial Service Corporation Limited (Formerly AEON Credit Service Company Limited)	Major shareholder and one common director	171	59	171	59
ACS Capital Corporation Limited	Shareholder and three common directors	241	675	241	675
AEON Insurance Service (Thailand) Co., Ltd.*	Subsidiary	-	-	392	-
ACS Insurance Broker (Thailand) Co., Ltd.*	Subsidiary	-	-	-	315
ACS Life Insurance Broker (Thailand) Co., Ltd.*	Subsidiary	-	-	-	106
ACS Servicing (Thailand) Co., Ltd.	Subsidiary	-	-	-	324
AEON Leasing Service (Lao) Company Limited	Subsidiary	-	-	10,593	-
		412	9,066	254,456	101,721

* AEON Insurance Service (Thailand) Company Limited has been formed by the amalgamation of the Company's subsidiaries, ACS Insurance Broker (Thailand) Company Limited and ACS Life Insurance Broker (Thailand) Company Limited with effective date since July 1, 2013.

Related parties	Relationship	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		As at	As at	As at	As at
		August 20,	February 20,	August 20,	February 20,
		2013	2013	2013	2013
		Baht '000	Baht '000	Baht '000	Baht '000
Seller loan in Special Purpose Vehicle for Securitization (see Note 10)					
Eternal 5 Special Purpose Vehicle Company Limited	Subsidiary	-	-	-	2,650,878
Eternal 6 Special Purpose Vehicle Company Limited	Subsidiary	-	-	465,330	-
		<u>-</u>	<u>-</u>	<u>465,330</u>	<u>2,650,878</u>
Subordinated lending (see Note 11)					
Eternal 5 Special Purpose Vehicle Company Limited	Subsidiary	-	1,438,000	-	1,438,000
Eternal 6 Special Purpose Vehicle Company Limited	Subsidiary	1,399,352	-	1,399,352	-
		<u>1,399,352</u>	<u>1,438,000</u>	<u>1,399,352</u>	<u>1,438,000</u>
Accounts payable					
AEON Insurance Service (Thailand) Co., Ltd.*	Subsidiary	-	-	98,931	-
ACS Insurance Broker (Thailand) Co., Ltd.*	Subsidiary	-	-	-	52,118
ACS Life Insurance Broker (Thailand) Co., Ltd.*	Subsidiary	-	-	-	37,643
Jay Mart Public Company Limited	One common director	-	11,060	-	11,060
		<u>-</u>	<u>11,060</u>	<u>98,931</u>	<u>100,821</u>
Other payables					
Eternal 5 Special Purpose Vehicle Company Limited	Subsidiary	-	-	-	368,783
Eternal 6 Special Purpose Vehicle Company Limited	Subsidiary	-	-	184,461	-
AEON Financial Service Corporation Limited (Formerly AEON Credit Service Company Limited)	Major shareholder and one common director	18,122	1,440	18,122	1,440
AEON Insurance Service (Thailand) Co., Ltd.*	Subsidiary	-	-	12,489	-
ACS Insurance Broker (Thailand) Co., Ltd.*	Subsidiary	-	-	-	4,553
ACS Life Insurance Broker (Thailand) Co., Ltd.*	Subsidiary	-	-	-	6,053
ACS Servicing (Thailand) Co., Ltd.	Subsidiary	-	-	23,960	31,833
Aeon (Thailand) Co., Ltd.	Holding shares and two common directors	17	17	17	17
Jay Mart Public Company Limited	One common director	-	2,358	-	2,358
AEON Credit Service Systems (Philippines) Inc.	Holding shares and one common director	-	747	-	747
		<u>18,139</u>	<u>4,562</u>	<u>239,049</u>	<u>415,784</u>

* AEON Insurance Service (Thailand) Company Limited has been formed by the amalgamation of the Company's subsidiaries, ACS Insurance Broker (Thailand) Company Limited and ACS Life Insurance Broker (Thailand) Company Limited with effective date since July 1, 2013.

21.2.2 Transactions with related parties

		CONSOLIDATED FINANCIAL STATEMENTS			
		For the three-month		For the six-month	
		periods ended	August 20,	periods ended	August 20,
Related parties	Relationship	2013	2012	2013	2012
		Baht '000	Baht '000	Baht '000	Baht '000
Other income					
ACS Capital Corporation Limited	Shareholder and three common directors	3,375	6,000	7,328	12,000
ACS Life Insurance Broker (Thailand) Co., Ltd.*	Subsidiary	-	3,230	-	6,280
ACS Servicing (Thailand) Company Limited	Subsidiary	-	1,800	-	3,600
ACS Insurance Broker (Thailand) Company Limited*	Subsidiary	-	2,814	-	5,507
ACS Trading Vietnam Co., Ltd.	Holding shares and one common director	-	420	-	420
		<u>3,375</u>	<u>14,264</u>	<u>7,328</u>	<u>27,807</u>
Operating and administrative expenses					
Collection service fee					
ACS Servicing (Thailand) Co., Ltd.	Subsidiary	-	80,305	-	141,736
Others					
Aeon Financial Service Co., Ltd. (Formerly AEON Credit Service Company Limited)	Major shareholder and one common director	8,616	6,733	15,690	13,778
Aeon (Thailand) Company Limited	Holding shares and two common directors	2,492	1,689	5,071	3,223
ACS Capital Corporation Limited	Shareholder and three common directors	6,462	5,801	12,632	10,954
Jay Mart Public Company Limited	One common directors	-	3,439	-	5,954
AEON Credit Service Systems (Philippines) Inc.	Holding shares and one common director	2,339	2,233	4,026	4,524
		<u>19,909</u>	<u>100,200</u>	<u>37,419</u>	<u>180,169</u>

* AEON Insurance Service (Thailand) Company Limited has been formed by the amalgamation of the Company's subsidiaries, ACS Insurance Broker (Thailand) Company Limited and ACS Life Insurance Broker (Thailand) Company Limited with effective date since July 1, 2013.

		SEPARATE FINANCIAL STATEMENTS			
Related parties	Relationship	For the three-month periods ended August 20,		For the six-month periods ended August 20,	
		2013 Baht '000	2012 Baht '000	2013 Baht '000	2012 Baht '000
Revenue relating to securitization transaction					
(including in credit card income)					
Eternal 4 Special Purpose Vehicle Company Limited	Subsidiary	617	98,936	574	226,145
Eternal 5 Special Purpose Vehicle Company Limited	Subsidiary	911	176,152	200,936	395,897
Eternal 6 Special Purpose Vehicle Company Limited	Subsidiary	237,726	-	238,978	-
		<u>239,254</u>	<u>275,088</u>	<u>440,488</u>	<u>622,042</u>
Other income					
ACS Capital Corporation Limited	Shareholders and three common directors	3,375	6,000	7,328	12,000
AEON Insurance Service (Thailand) Company Limited*	Subsidiary	5,791	-	11,578	-
ACS Life Insurance Broker (Thailand) Company Limited*	Subsidiary	-	3,230	-	6,280
ACS Insurance Broker (Thailand) Company Limited*	Subsidiary	-	2,814	-	5,507
ACS Servicing (Thailand) Company Limited	Subsidiary	741	1,800	1,741	3,600
ACS Trading Vietnam Co., Ltd.	Holding shares and one common director	-	420	-	420
		<u>9,907</u>	<u>14,264</u>	<u>20,647</u>	<u>27,807</u>
Operating and administrative expenses					
Collection service fee					
ACS Servicing (Thailand) Co., Ltd.	Subsidiary	75,723	80,305	152,434	141,736
Others					
Aeon Financial Service Co., Ltd. (Formerly AEON Credit Service Company Limited)	Major shareholder and one common director	8,616	4,968	15,690	10,776
Aeon (Thailand) Company Limited	Holding shares and two common directors	2,492	1,689	5,071	3,223
ACS Capital Corporation Limited	Shareholder and three common directors	6,462	5,801	12,632	10,954
Jay Mart Public Company Limited	One common directors	-	3,439	-	5,954
AEON Credit Service Systems (Philippines) Inc.	Holding shares and one common director	2,339	2,233	4,026	4,524
		<u>95,632</u>	<u>98,435</u>	<u>189,853</u>	<u>177,167</u>

* AEON Insurance Service (Thailand) Company Limited has been formed by the amalgamation of the Company's subsidiaries, ACS Insurance Broker (Thailand) Company Limited and ACS Life Insurance Broker (Thailand) Company Limited with effective date since July 1, 2013.

- For the three-month period ended August 20, 2012 and the six-month periods ended August 20, 2013 and 2012, other income includes the management and operating fees charged to ACS Capital Corporation Limited, AEON Insurance Service (Thailand) Co., Ltd.* and ACS Servicing (Thailand) Co., Ltd., at the rates of Baht 950,000 per month, Baht 600,000 per month and Baht 400,000 per month, respectively and for the marketing research fee charged to ACS Capital Corporation Limited at the rates of Baht 50,000 per month. Such agreements were terminated on March 31, 2013. Moreover, other income for the three-month and six-month periods ended August 20, 2013 and 2012 also includes the computer fee charged to ACS Capital Corporation Limited, AEON Insurance Service (Thailand) Co., Ltd.*, and ACS Servicing (Thailand) Co., Ltd., at the rates of Baht 1,000,000 per month, Baht 200,000 per month and Baht 200,000 per month, respectively, and charged to ACS Capital Corporation Limited for marketing support fee at the rate of Baht 200,000 per month.
- Revenues relating to securitization transactions are determined by the Company and the subsidiaries in accordance with securitization projects (see Note 8.5).
- Collection service fee paid to ACS Servicing (Thailand) Co., Ltd. is based on general market price and in the normal course of business.
- Management assistant fee is paid to AEON Financial Service Corporation Limited (Formerly AEON Credit Service Company Limited) as stated in the agreement.
- Pricing policy for other operating and administrative expenses is determined by the Company and related parties based on the cost plus basis.
- Computer programs purchasing price is paid to AEON Credit Service Systems (Philippines) based on specified in the agreement.

* AEON Insurance Service (Thailand) Company Limited has been formed by the amalgamation of the Company's subsidiaries, ACS Insurance Broker (Thailand) Company Limited and ACS Life Insurance Broker (Thailand) Company Limited with effective date since July 1, 2013.

22. SEGMENT INFORMATION

Since February 21, 2013, the Company and subsidiaries have adopted TFRS 8 "Operating Segments". Such TFRS requires a change in the presentation and disclosure of segment information based on the internal reports provided to the Company and its subsidiaries' Chief Operating Decision Maker to make decisions about assessing the performance of each segment and allocating resources to those segments. The Company and subsidiaries previously presented segment information in financial statements in respect of its business segments in accordance with TAS 14 "Segment Reporting". As a result, following the adoption of such TFRS, the reportable segment has retrospectively adjusted segment information for the financial statements for the three-month and six-month periods ended August 20, 2012 and as of February 20, 2013.

The Company and subsidiaries presented segment information in respect of the business segments based on the management and internal reporting structure. The business segments of the Company and subsidiaries consist of:

Retail finance services Consist of credit card, hire purchase, personal loans and others
Other business Consist of debt collection service and insurance brokerage services

The Company and subsidiaries do not have revenues from transactions with a single external customer amounted to 10% or more of total revenues.

The segment information of the Company and its subsidiaries were presented by domestic and business segments as follows:

22.1 Statement of income classified by business

CONSOLIDATED FINANCIAL STATEMENTS					
For the three-month period ended August 20, 2013					
	Retail finance services		Other domestic	Elimination	Total
	Domestic Baht '000	Foreign Baht '000	Business Baht '000	Baht '000	Baht '000
Revenues					
Revenue from external customers	3,743,900	14,722	57,866	-	3,816,488
Inter - segment revenues	114,889	-	124,545	(239,434)	-
	<u>3,858,789</u>	<u>14,722</u>	<u>182,411</u>	<u>(239,434)</u>	<u>3,816,488</u>
Expenses					
Operating and administrative expenses	1,526,808	10,492	132,173	(148,325)	1,521,148
Directors and managements' remuneration	20,646	850	6,284	-	27,780
Bad debts and doubtful accounts	916,300	278	-	-	916,578
Finance cost	541,325	247	109	(45,709)	495,972
Total expenses	<u>3,005,079</u>	<u>11,867</u>	<u>138,566</u>	<u>(194,034)</u>	<u>2,961,478</u>
Net income (loss) before income tax expense	853,710	2,855	43,845	(45,400)	855,010
Income tax expense	161,706	324	8,926	-	170,956
Net income (loss) for the period	<u>692,004</u>	<u>2,531</u>	<u>34,919</u>	<u>(45,400)</u>	<u>684,054</u>

CONSOLIDATED FINANCIAL STATEMENTS
For the three-month period ended August 20, 2012

	Retail finance services		Other Domestic	Elimination	Total
	Domestic	Foreign	Business		
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Revenues					
Revenue from external customers	2,920,396	3,135	84,868	-	3,008,399
Inter - segment revenues	182,448	-	71,322	(253,770)	-
	<u>3,102,844</u>	<u>3,135</u>	<u>156,190</u>	<u>(253,770)</u>	<u>3,008,399</u>
Expenses					
Operating and administrative expenses	1,236,936	6,437	115,916	(178,729)	1,180,560
Directors and managements' remuneration	16,273	937	4,711	-	21,921
Bad debts and doubtful accounts	849,820	18	-	-	849,838
Finance cost	516,278	35	452	(75,041)	441,724
Total expenses	<u>2,619,307</u>	<u>7,427</u>	<u>121,079</u>	<u>(253,770)</u>	<u>2,494,043</u>
Net income (loss) before income tax expense	483,537	(4,292)	35,111	-	514,356
Income tax expense	110,651	33	9,610	-	120,294
Net income (loss) for the period	<u>372,886</u>	<u>(4,325)</u>	<u>25,501</u>	<u>-</u>	<u>394,062</u>

CONSOLIDATED FINANCIAL STATEMENTS
For the six-month period ended August 20, 2013

	Retail finance services		Other domestic	Elimination	Total
	Domestic	Foreign	Business		
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Revenues					
Revenue from external customers	7,090,000	23,385	151,910	-	7,265,295
Inter - segment revenues	198,537	-	207,517	(406,054)	-
	<u>7,288,537</u>	<u>23,385</u>	<u>359,427</u>	<u>(406,054)</u>	<u>7,265,295</u>
Expenses					
Operating and administrative expenses	2,992,724	17,292	267,988	(277,102)	3,000,902
Directors and managements' remuneration	43,270	3,062	9,322	-	55,654
Bad debts and doubtful accounts	1,671,321	618	-	-	1,671,939
Finance cost	1,052,893	479	282	(83,552)	970,102
Total expenses	<u>5,760,208</u>	<u>21,451</u>	<u>277,592</u>	<u>(360,654)</u>	<u>5,698,597</u>
Net income (loss) before income tax expense	1,528,329	1,934	81,835	(45,400)	1,566,698
Income tax expense	296,728	550	16,708	-	313,986
Net income (loss) for the period	<u>1,231,601</u>	<u>1,384</u>	<u>65,127</u>	<u>(45,400)</u>	<u>1,252,712</u>

CONSOLIDATED FINANCIAL STATEMENTS
For the six-month period ended August 20, 2012

	Retail finance services		Other domestic	Elimination	Total
	Domestic	Foreign	Business		
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Revenues					
Revenue from external customers	5,709,246	4,906	165,431	-	5,879,583
Inter - segment revenues	359,259	-	124,976	(484,235)	-
	<u>6,068,505</u>	<u>4,906</u>	<u>290,407</u>	<u>(484,235)</u>	<u>5,879,583</u>
Expenses					
Operating and administrative expenses	2,386,549	9,595	217,370	(336,880)	2,276,634
Directors and managements' remuneration	36,232	2,685	7,911	-	46,828
Bad debts and doubtful accounts	1,766,056	18	-	-	1,766,074
Finance cost	1,019,086	37	999	(147,355)	872,767
Total expenses	<u>5,207,923</u>	<u>12,335</u>	<u>226,280</u>	<u>(484,235)</u>	<u>4,962,303</u>
Net income (loss) before income tax expense	860,582	(7,429)	64,127	-	917,280
Income tax expense	197,642	53	16,787	-	214,482
Net income (loss) for the period	<u>662,940</u>	<u>(7,482)</u>	<u>47,340</u>	<u>-</u>	<u>702,798</u>

22.2 Financial position classified by business

CONSOLIDATED FINANCIAL STATEMENTS
As at August 20, 2013

	Retail finance services		Other domestic	Elimination	Total
	Domestic	Foreign	Business		
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Accounts receivable and other receivable	54,224,184	192,746	275,637	(4,943,643)	49,748,924
Equipment and intangible assets	1,140,624	8,923	109,816	-	1,259,363
Other assets	5,512,350	79,470	268,755	(959,062)	4,901,513
Total assets	<u>60,877,158</u>	<u>281,139</u>	<u>654,208</u>	<u>(5,902,705)</u>	<u>55,909,800</u>
Total liabilities	<u>52,878,641</u>	<u>114,907</u>	<u>263,379</u>	<u>(5,399,830)</u>	<u>47,857,097</u>

CONSOLIDATED FINANCIAL STATEMENTS
As at February 20, 2013

	Retail finance services		Other domestic	Elimination	Total
	Domestic	Foreign	Business		
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Accounts receivable and other receivable	48,564,190	38,590	249,449	(4,836,085)	44,016,144
Equipment and intangible assets	1,105,022	6,980	129,925	-	1,241,927
Other assets	8,476,009	68,530	233,481	(3,022,837)	5,755,183
Total assets	<u>58,145,221</u>	<u>114,100</u>	<u>612,855</u>	<u>(7,858,922)</u>	<u>51,013,254</u>
Total liabilities	<u>50,915,956</u>	<u>70,722</u>	<u>241,753</u>	<u>(7,473,214)</u>	<u>43,755,217</u>

23. CREDIT FACILITIES AND LETTER OF GUARANTEE

- 23.1 As at August 20, 2013 and February 20, 2013, the Company has the committed and unsecured revolving credit facility agreements with a financial institution for general corporate funding requirements totaling Baht 400 million. Such credit facility is still unused.
- 23.2 As at August 20, 2013 and February 20, 2013, the Company has unused overdraft facilities with various banks totaling same amount of Baht 275.10 million and Baht 100.10 million, respectively. Such overdraft facilities are unsecured.
- 23.3 As at August 20, 2013 and February 20, 2013, the Company has bank's letter of guarantees issued to suppliers for guarantee payment of Baht 1.30 million and Baht 2.50 million, respectively. Such letter of guarantees is unsecured.
- 23.4 As at August 20, 2013 and February 20, 2013, the subsidiaries have letters of guarantee issued by banks in the amounts of Baht 9.79 million and Baht 3.37 million, respectively.

24. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

The interim financial statements were approved for issuing by the Company's authorized director on September 19, 2013.

(Translation)

Management Discussion and Analysis for the 2nd Quarter ended August 20, 2013

AEON Thana Sinsap (Thailand) Public Company Limited (“The Company”) has already submitted the reviewed Q2/2013 financial statements as of August 20, 2013 which were reviewed by Deloitte Touche Tohmatsu Jaiyos Audit Company Limited. The operating performance is summarized as follows;

According to Bank of Thailand, Thai economic in the second quarter grew by 2.8% y-y, slow down from 5.4% expansion in previous quarter. An expansion in the second quarter was mainly driven by private consumption and investment. Household expenditure grew by 2.4%, decelerating from a high base effect in the previous quarter together with the expiration of the First Car Tax Rebate Scheme. However, the economic expansion in the second half of this year is likely to improve, supporting by improving global economic condition, government measure to support economic expansion, low interest rate as well as expansion of tourism sector.

As of August 20, 2013, the Company's new customers has been increased for both credit card and member card with more than 10% increase from the same period last year and total cards reached 6.93 million cards. Covering networks nationwide, the Company has 107 branches (increased 7 branches during 1H/2013), 399 ATMs and over 15,900 member dealers to provide quality financial services to AEON cardholders. In addition, in August 2013, new operation center, Sriracha Center in Chonburi province, has started to operate in order to support customer growth in upcountry as well as higher sales volume.

Summary of Operation Results

1. Operating Results

Revenues

The Company reported 3,816 million baht of total consolidated revenues in Q2/2013, increasing by 27% y-y and 11% q-q. This was mainly attributed by increase of new customers and the revenues growth from loan and credit card businesses. For the first half of fiscal year 2013, revenues amounted to 7,265 million baht, increasing by 24% y-y. As of August 20, 2013, the Company has number of active billing of 3.34 million accounts and ID base of 2.17 million IDs, mainly from Bangkok 38%, and up-country 62%. Details of each business can be described as follows:

- Credit Card

In the first half of 2013, credit cards turnover comprised of 42% of total turnovers, with an income of 2,607 million baht, increasing by 16% y-y. For the second quarter of 2013, credit card income reached 1,371 million baht, increasing by 19% y-y and 11% q-q. This was due to the fact that the Company has focused more to launch new AEON card privileges and campaigns to increase more spending volume. In addition, to shift up AEON brand image, the Company opened AEON Lounge at Central World department store to facilitate gold card and platinum card members in May 2013. Focusing on card recruitment activities, the Company has developed more card recruitment channels including setting booths in high traffic areas and encouraging card application on the Company's website and dealer network nationwide, which increased more new customer groups.

- Loans

In the first half of 2013, loans shared 52% of total turnovers (shared 25% from personal loan and 27% from purposed loan for mobile phone, IT products, electrical appliances and etc. through more than 15,900 dealers nationwide) with the revenues of 3,902 million baht, increasing by 34% y-y. For the second quarter, loans income amounted to 2,041 million baht, increasing by 38% y-y and 10% q-q. The increase was mainly from increase of new customers. The Company has expanding more service channels providing more convenience to customers and this also saved the Company's operation cost. AEON members can utilize the revolving loans service through many service channels; besides AEONTS ATMs, other major bank ATMs i.e. Kasikorn, Thanachart, Bangkok Bank, Krungsri and Counter Service through 7-11 nationwide, they can also transfer and receive cash through Thailand Post Office nationwide since January 2013.

- Hire Purchase

In the first half of 2013, hire purchase turnovers represented only motorcycle transaction, accounting for 1% of total turnovers with revenues of 133 million baht, increasing by 10% y-y. In Q2/2013, revenues from hire purchase were 72 million baht, increasing by 23% y-y. The company has continued launching exclusive promotions with motorcycle manufacturers and suppliers, i.e., Honda and Kawasaki as well as increased distribution channel for motorcycle sales through our branches.

- Others

For six-month period, the Company recorded income from others at 624 million baht, representing 8% of total revenues, mainly comprised bad debt recovery, commission income, collection service income and etc. The majority of other incomes came from bad debt recovery of 337 million baht which accounted for 5% of total

revenues. Since acquisition of new subsidiaries in September 2012, in 1H/2013, the Company had commission income of 105 million baht from AEON Insurance Service (Thailand) Co., Ltd. and collection service income of 74 million baht from ACS Servicing (Thailand) Co., Ltd.; which the Company has planed to generate more fee base income in the future.

Expenses

In the first half of 2013, the consolidated expenses amounted to 5,699 million baht increasing by 15% y-y. For the second quarter, the consolidated expenses were 2,961 million baht, increasing by 19% from the same period last year. Details of major expenses can be described as follows:

- Operating and Administrative Expenses

For the first half 2013, consolidated operating and administrative expenses were 3,057 million baht, increasing by 32% y-y and represented 42% of total revenues. In Q2/2013, the consolidated operating and administrative expenses were 1,549 million baht, increasing by 29% y-y and represented 41% of total revenues. This was as a result of number of staff increase to support more customers and increase in marketing expenses to stimulate sales performance as well as improve competitive edge.

- Bad Debts and Doubtful Accounts

The consolidated bad debts and doubtful accounts, in the first half 2013, amounted to 1,672 million baht. For the second quarter, the Company recorded bad debts and doubtful accounts of 917 million baht, increasing by 8% y-y. This increase was due to accounts receivable growth by 13% in the first half of this year.

- Finance Cost

The Company recorded finance cost of 970 million baht for first six-month period, 11% increase from the same period last year or represented 13% of revenues, decreasing from that of 15% of revenues in the first half of fiscal year 2012. For the second quarter, finance cost was 496 million baht, increasing by 12% y-y and 5% q-q. This was because of an increase in total borrowings to support business growth.

Net Profit

In the second quarter of 2013, the Company reported net profit of 684 million baht or 2.74 baht per share, increasing by 86% y-y. For six-month period this year, net profit was 1,253 million baht or 5.01 baht per share, rising by 91% y-y.

2. Financial Status

Total Assets

As of August 20, 2013, the Company had 55,910 million baht of consolidated total assets, increasing by 10% from the end of fiscal year 2012. The increase of assets was mainly driven by growth of accounts receivable from business expansion. Net accounts receivable was 89% of total assets.

-Accounts Receivable

The Company had consolidated accounts receivable of 51,100 million baht, increasing by 13% from that of 45,394 million baht at the end of fiscal year 2012. These can be categorized by credit card business of 17,560 million baht, loans business of 32,317 million baht, hire purchase business of 1,126 million baht and others of 97 million baht.

Due to the Company's sustainable collection result, as of August 20, 2013, the Company provided allowance for doubtful accounts of 1,642 million baht or 3.21% of total accounts receivable, decreasing from 1,620 million baht or 3.57 % of total accounts receivable at the end of previous fiscal year.

Liabilities

The Company consolidated total liabilities were 47,857 million baht at the end of the Q2/2013, increasing by 9% from the end of fiscal year 2012. This was due to a 12% increase in the total borrowings to 44,629 million baht. The portion of long-term borrowings was 29,208 million baht or represented 65% of total borrowings.

Shareholder Equity

The Company's shareholder equity reached 8,053 million baht, increasing by 11 % from the end of fiscal year 2012. This was mainly due to recording a net profit of 1,253 million baht in the first half of 2013.

For six-month period 2013, the Company recorded return on equity (ROE) at 32.7% and return on asset (ROA) at 4.7% and equity ratio of 14.4%.

The Company also announced interim dividend payment for the first-half of fiscal year 2013 at the rate of 1.60 baht per share to the shareholders on October 24, 2013. The record date to determine the names of the shareholders who have the rights to receive the dividend and the closing date of the shareholders registration book, pursuant to section 225 of the Securities and Exchange Act shall be on October 10, 2013 and October 11, 2013, respectively.

(Translation)

No. 38/2013

September 26, 2013

President
The Stock Exchange of Thailand

Re: Financial statements Q2/2013, interim dividend payment, connected transaction, issuance and offering of debentures, capital injection in Myanmar and dissolution of Eternal 5

We, AEON Thana Sinsap (Thailand) Public Company Limited (“Company”), hereby reported the resolutions passed at the meeting of the Board of Directors No. 7/2013, held on September 26, 2013, from 10:10 a.m. as follows:

1. Unanimously approved the 1st half-year of Company’s performance (February 21, 2013 – August 20, 2013);
2. Unanimously approved the consolidated reviewed 2nd quarter financial statements and six-month period of the Company ended August 20, 2013;
3. Unanimously approved interim dividend payment for the first-half of fiscal year 2013 (February 21, 2013 - August 20, 2013). The dividends will be paid at the rate of 1 Baht 60 satang per share, totaling 400,000,000 baht or 31.9% payout ratio. The shareholder register book for the right to receive dividends shall be recorded on October 10, 2013 and also, October 11, 2013 shall be the book closing date in which the shareholder list as specified in section 225 of the Securities and Exchange Act shall be complied. The Company will pay dividend on October 24, 2013.
4. Approved the related transactions with the related companies (Details as attachment)
5. Reference to the Company’s Annual General Meeting of Shareholders held on June 14, 2012 which resolved the issuing debenture in an amount of not more than 3 billion baht equivalent for financing, using as capital or refinancing the outstanding debts, the remain unissuing balance is 1,850 million baht. Therefore, the Company Board of Director meeting has unanimously approved the issuing of debenture, details as follows;

Type	Unsubordinated debentures
Purpose	Refinance and/or General Working Capital
Currency	USD/JPY
Issuing Date	Before the end of January 2014
Issuing amount	Up to THB 1,200 million equivalent amount
Tenor	Up to 5 years from each issuance date
Interest rate	Depend on market at time of offer and issuance

To expedite the issuance and offering of the debentures, we propose the Board of Directors Meeting to consider and approve appointing authorized directors of the Company to be the authorized persons to act singly for and on behalf of the Company in effecting any acts and things in connection with the issuance and offering of debentures.

6. Unanimously approved an additional investment in Company's subsidiary, AEON Microfinance (Myanmar) Co., Ltd. with the capital injection of USD 1 million or approximately 32.0 million baht, mainly from the Company's working capital, and still maintain 100% of shareholding.

AEON Microfinance (Myanmar) Co., Ltd., a retail finance business in Myanmar established in November 2012, is now under the process of business expansion in high potential market. The capital injection shall be used for further business expansion from rapidly growth of demand for loan.

The transaction is not considered as a connected transaction, according to the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 Re: Rules on Connected Transactions, and not considered as acquisition of assets, according to the Notification of the Capital Market Supervisory Board No. TorChor. 20/2551 Re: Rules on Entering into Material Transactions Deemed as Acquisition or Disposal of Assets.

7. Notification of the Status of Eternal 5

The Company would like to inform that Eternal 5 Special Purpose Vehicle Company Limited ("Etenal 5"), a subsidiary of the Company with 26% shareholding which was incorporated under the Civil and Commercial Code and the Securitization Law of Thailand, whose securitization project was approved by the Office of the Securities and Exchange Commission ("SEC"), has already registered its dissolution with the Business Development Department, the Ministry of Commerce, on August 20, 2013 and is on the process of liquidation.

Please be informed accordingly

Yours sincerely,

Yasuhiko Kondo
Managing Director

Disclosure of Connected transactions

The Board of Director's meeting of AEON Thana Sinsap (Thailand) Plc. No. 7/2013 held on September 26, 2013 had a resolution of the connected transaction as follows:

Date of agreement

From February 21, 2013 to February 20, 2014

Contractual parties with AEON Thana Sinsap (Thailand) Public Company Limited. (AEONTS)

Company	Business	Relationship with AEONTS
AEON Financial Services Co., Ltd. ("AFS")	Finance	- Major shareholder of AEONTS, holding 35.12% of AEONTS's shares - Major shareholder of ACS Capital Corporation Limited, which is major shareholder of AEONTS

General characteristics of transactions

AEONTS engages "Share of Corporate Expense Agreement" with AFS for the amount of not more than 60 million baht. The amount is calculated based on the technical and marketing support from AFS group who partially work for overseas business on the cost plus basis.

Value of consideration

(Baht)

Related company name	FY2013 Feb 21, 2013 – Feb 20, 2014
AEON Financial Services Co., Ltd.	60,000,000
Total	60,000,000

Name, position and shareholding proportion of the connected persons

- None-

The measurement of total transactions

By measurement in percentage of the Company Net Tangible Assets (NTA) of the second quarter ended August 20, 2013, Company's Statement of Financial Position, total transaction is 60.0 million baht or 0.81% which more than 0.03% but less than 3% of NTA of the Company. So this transaction is the connected transaction pursuant to the Notifications which shall be approved by Audit Committee and Board of Director as well as disclose to the Stock Exchange of Thailand.

In addition, the Company has approved the connected transaction within the last 6 months as follows:

- Board of Directors' meeting No. 02/2013 on March 26, 2013, AEONTS and its subsidiaries (AEON Microfinance (Cambodia) Private Co., Ltd., AEON Leasing Service (Lao) Company Limited and AEON Microfinance (Myanmar) Co., Ltd.) have made outsource service agreement with AEON Credit Service Systems (Philippines) Inc. to develop and maintenance the systems which need for each company operation and total transaction is 34.0 million baht.

- Board of Directors & meeting No. 05/2013 on June 25, 2013, AEONTS's subsidiary, AEON Microfinance (Cambodia) Private Company Limited will purchase the system from AEON Credit Service Systems (Philippines) Inc. which belongs to AFS group and total transaction is 52.0 million baht.

So the total connected transaction approved by the Board of Directors & meeting in the last six months period including this time was 146.0 million baht or 2.11% which more than 0.03% of the Company NTA but less than 3% of NTA of the Company.

Opinion of the Board of Director

The Board of Directors has considered the agreement and has opinion that the transaction is necessary and reasonable.

Opinion of the Audit Committee

The audit committee's opinion is not different from the Board of Director's opinion.