

**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 May 20, 2014 and the related consolidated and separate statements of income, comprehensive income, changes in shareholders' equity and cash flows for the three-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".

BANGKOK
June 26, 2014

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 MAY 20, 2014

BAHT '000

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at	As at	As at	As at
		May 20,	February 20,	May 20,	February 20,
		2014	2014	2014	2014
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	5.1	2,389,590	2,434,732	1,770,685	1,801,656
Accounts receivable and other receivables					
Accounts receivable	6	53,931,197	51,910,846	53,248,198	51,245,716
Other receivables		254,456	326,053	477,412	432,810
Receivables per currency swap contracts	13	672,942	561,066	672,942	561,066
Other current assets		59,060	40,118	58,327	38,047
Total Current Assets		<u>57,307,245</u>	<u>55,272,815</u>	<u>56,227,564</u>	<u>54,079,295</u>
NON-CURRENT ASSETS					
Accounts receivable	6	1,162,513	1,105,964	925,993	931,002
Fixed deposits at banks under obligations		13,422	13,416	-	-
Investments in subsidiaries	7.1	-	-	542,372	542,372
Other long-term investments					
Related companies	7.2	43,536	43,536	43,536	43,536
Seller loan in Special Purpose Vehicle for Securitization	8	-	-	452,753	466,490
Subordinated lendings	9	1,399,352	1,399,352	1,399,352	1,399,352
Leasehold improvement and equipment		796,220	716,926	665,510	617,897
Intangible assets		724,564	620,158	593,661	553,681
Receivables per currency swap contracts	13 and 14	701,757	949,752	701,757	949,752
Deferred tax assets	10	336,842	354,675	319,945	337,679
Other non-current assets		170,261	159,989	159,193	150,196
Total Non-Current Assets		<u>5,348,467</u>	<u>5,363,768</u>	<u>5,804,072</u>	<u>5,991,957</u>
TOTAL ASSETS		<u><u>62,655,712</u></u>	<u><u>60,636,583</u></u>	<u><u>62,031,636</u></u>	<u><u>60,071,252</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 MAY 20, 2014

BAHT '000

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at	As at	As at	As at
		May 20,	February 20,	May 20,	February 20,
		2014	2014	2014	2014
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Bank overdrafts and short-term loans from financial institutions	11	1,693,503	1,632,245	1,270,000	1,310,000
Short-term loan from a related company	12	-	-	50,000	50,000
Accounts payable and other payables					
Accounts payable		498,793	576,676	394,854	431,000
Other payables		1,254,047	1,261,260	1,342,990	1,371,949
Current portion of :					
Liabilities under finance lease agreements		643	1,305	-	-
Long-term loans	13	13,047,717	10,309,600	13,047,717	10,309,600
Accrued income tax		489,972	372,023	390,143	288,846
Payables per currency swap contracts	13	325,644	333,201	325,644	333,201
Other current liabilities		35,665	55,429	20,053	31,356
Total Current Liabilities		17,345,984	14,541,739	16,841,401	14,125,952
NON-CURRENT LIABILITIES					
Long-term loans	13	29,150,878	31,404,513	29,150,878	31,404,513
Long-term debentures	14	5,849,038	4,909,679	5,849,038	4,909,679
Payables per currency swap contracts	13	757,898	802,168	757,898	802,168
Employee benefit obligation	15	61,351	58,953	55,461	53,549
Other non-current liabilities		619	12,082	10,026	7,297
Total Non-Current Liabilities		35,819,784	37,187,395	35,823,301	37,177,206
TOTAL LIABILITIES		53,165,768	51,729,134	52,664,702	51,303,158

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT MAY 20, 2014

BAHT '000

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at May 20, 2014	As at February 20, 2014	As at May 20, 2014	As at February 20, 2014
LIABILITIES AND SHAREHOLDERS' EQUITY					
(CONTINUED)					
SHAREHOLDERS' EQUITY	16				
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		3,879,300	3,292,818	3,763,934	3,165,094
OTHER COMPONENTS OF EQUITY					
Exchange differences on translating financial statements of foreign operations		6,385	9,954	-	-
EQUITY ATTRIBUTABLE TO					
OWNERS OF THE PARENT		9,488,685	8,905,772	9,366,934	8,768,094
NON-CONTROLLING INTERESTS		1,259	1,677	-	-
TOTAL SHAREHOLDERS' EQUITY		9,489,944	8,907,449	9,366,934	8,768,094
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		62,655,712	60,636,583	62,031,636	60,071,252

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 MAY 20, 2014
“UNAUDITED”

BAHT '000

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2014	2013	2014	2013
REVENUES					
Credit card income	17	1,465,612	1,235,852	1,358,192	1,222,005
Loan income		2,078,942	1,860,653	2,077,631	1,862,374
Hire purchase income		95,637	61,203	61,216	52,915
Other income					
Bad debt recovery		144,344	150,601	143,744	147,882
Collection service income		61,160	35,904	6,787	8,902
Commission income		59,079	48,378	-	-
Gain on sale of leasehold improvement and equipment and intangible assets		234	50	234	50
Dividend income		-	-	52,908	-
Others		55,161	56,166	28,489	26,301
Total other income		<u>319,978</u>	<u>291,099</u>	<u>232,162</u>	<u>183,135</u>
Total Revenues		<u>3,960,169</u>	<u>3,448,807</u>	<u>3,729,201</u>	<u>3,320,429</u>
EXPENSES					
Operating and administrative expenses		1,589,041	1,479,754	1,466,806	1,410,510
Directors and managements' remuneration	18	27,432	27,874	18,142	22,624
Bad debts and doubtful accounts		1,046,312	755,361	987,053	798,773
Finance cost		561,439	474,130	532,270	454,693
Total Expenses		<u>3,224,224</u>	<u>2,737,119</u>	<u>3,004,271</u>	<u>2,686,600</u>
INCOME BEFORE INCOME TAX EXPENSE		735,945	711,688	724,930	633,829
INCOME TAX EXPENSE	19	<u>149,846</u>	<u>143,030</u>	<u>126,090</u>	<u>94,265</u>
NET PROFIT FOR THE PERIOD		<u>586,099</u>	<u>568,658</u>	<u>598,840</u>	<u>539,564</u>
NET PROFIT ATTRIBUTABLE TO :					
Owners of the parent		586,482	568,628	598,840	539,564
Non-controlling interests		(383)	30	-	-
		<u>586,099</u>	<u>568,658</u>	<u>598,840</u>	<u>539,564</u>
BASIC EARNINGS PER SHARE	BAHT	2.35	2.27	2.40	2.16
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 MAY 20, 2014
“UNAUDITED”

BAHT '000

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2014	2013	2014	2013
Net profit for the period		586,099	568,658	598,840	539,564
Other comprehensive loss					
Exchange differences on translating financial statements of foreign operations					
- Owners of the parent		(3,569)	(1,138)	-	-
- Non-controlling interests		(20)	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		<u>582,510</u>	<u>567,520</u>	<u>598,840</u>	<u>539,564</u>
TOTAL COMPREHENSIVE INCOME					
ATTRIBUTABLE TO :					
Owners of the parent		582,913	567,490	598,840	539,564
Non-controlling interests		(403)	30	-	-
		<u>582,510</u>	<u>567,520</u>	<u>598,840</u>	<u>539,564</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 THREE-MONTH PERIOD ENDED MAY 20, 2014
“UNAUDITED”

BAHT '000

	CONSOLIDATED FINANCIAL STATEMENTS							Non- controlling interests	Total shareholders' equity
	Issued and paid-up share capital	Premium on ordinary shares	Owners of the parent		Other components of equity Exchange differences on translating financial statements of foreign operations	Total owners of the parent			
			Retained earnings 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	-	-	-	-	-	-	-	(30)	(30)
Net profit for the period	-	-	-	-	568,628	-	568,628	30	568,658
Other comprehensive loss	-	-	-	-	-	(1,138)	(1,138)	-	(1,138)
Ending balance, as at May 20, 2013	<u>250,000</u>	<u>478,000</u>	<u>25,000</u>	<u>4,850,000</u>	<u>2,223,918</u>	<u>(1,450)</u>	<u>7,825,468</u>	<u>89</u>	<u>7,825,557</u>

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)
FOR THE THREE-MONTH PERIOD ENDED MAY 20, 2014
“UNAUDITED”

BAHT '000

	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		Unappropriated	Other components of equity Exchange differences on translating financial statements of foreign operations	Total owners of the parent		
			Appropriated Legal reserve	Reserve for business expansion					
Beginning balance, as at February 21, 2014	250,000	478,000	25,000	4,850,000	3,292,818	9,954	8,905,772	1,677	8,907,449
Changes during the period									
Dividend paid	-	-	-	-	-	-	-	(15)	(15)
Net profit (loss) for the period	-	-	-	-	586,482	-	586,482	(383)	586,099
Other comprehensive loss	-	-	-	-	-	(3,569)	(3,569)	(20)	(3,589)
Ending balance, as at May 20, 2014	250,000	478,000	25,000	4,850,000	3,879,300	6,385	9,488,685	1,259	9,489,944

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 THREE-MONTH PERIOD ENDED MAY 20, 2014
“UNAUDITED”

BAHT '000

	SEPARATE FINANCIAL STATEMENTS					Total shareholders' equity
	Issued and paid-up share capital	Premium on ordinary shares	Legal reserve	Retained earnings Appropriated Reserve for business expansion	Unappropriated	
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						
Net profit for the period	-	-	-	-	539,564	539,564
Ending balance, as at May 20, 2013	<u>250,000</u>	<u>478,000</u>	<u>25,000</u>	<u>4,850,000</u>	<u>2,165,741</u>	<u>7,768,741</u>
Beginning balance, as at February 21, 2014	250,000	478,000	25,000	4,850,000	3,165,094	8,768,094
Changes during the period						
Net profit for the period	-	-	-	-	598,840	598,840
Ending balance, as at May 20, 2014	<u>250,000</u>	<u>478,000</u>	<u>25,000</u>	<u>4,850,000</u>	<u>3,763,934</u>	<u>9,366,934</u>

See condensed notes to the financial statements

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED MAY 20, 2014
“UNAUDITED”

BAHT '000

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2014	2013	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES					
Income before income tax		735,945	711,688	724,930	633,829
Adjustments for:					
Bad debts and doubtful accounts		1,046,312	755,361	987,053	798,773
Depreciation		68,097	54,782	59,651	48,724
Amortization of intangible assets		63,614	77,524	56,209	68,770
Employee benefit expense		3,955	3,072	3,469	2,717
Gain on sale of leasehold improvement and equipment		(234)	(50)	(234)	(50)
Loss on written-off of intangible assets		-	27,744	-	27,744
Interest income		(2,048,541)	(1,720,750)	(1,835,164)	(1,508,380)
Dividend income		-	-	(52,908)	-
Finance cost		561,439	474,130	532,270	454,693
		<u>430,587</u>	<u>383,501</u>	<u>475,276</u>	<u>526,820</u>
Operating assets (increase) decrease					
Accounts receivable and other receivables		(3,036,522)	(4,061,510)	(4,684,296)	(4,335,251)
Other current assets		(18,942)	8,140	(13,992)	6,248
Other non-current assets		(13,861)	(9,776)	(12,588)	(9,822)
Operating liabilities increase (decrease)					
Accounts payable and other payables		12,508	113,402	10,827	110,144
Other current liabilities		(19,764)	15,767	(17,590)	7,132
Other non-current liabilities		(11,463)	-	2,729	-
Cash paid for operations		(2,657,457)	(3,550,476)	(4,239,634)	(3,694,729)
Proceeds from interest income		2,034,186	1,802,071	1,819,093	1,586,408
Finance cost paid		(670,940)	(468,777)	(640,444)	(447,536)
Income tax paid		(14,066)	(7,969)	(7,058)	(7,368)
Retirement benefit paid		(1,557)	-	(1,557)	-
Net cash used in operating activities		<u>(1,309,834)</u>	<u>(2,225,151)</u>	<u>(3,069,600)</u>	<u>(2,563,225)</u>

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE THREE-MONTH PERIOD ENDED MAY 20, 2014
“UNAUDITED”

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2014	2013	2014	2013
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceed from redemption of temporary investments		-	1,550,000	-	-
Cash paid for fixed deposits at banks under obligations		(6)	(1,654)	-	-
Cash paid for purchases of leasehold improvement and equipment		(164,221)	(75,561)	(124,093)	(72,330)
Cash paid for investment in intangible assets		(156,819)	(48,916)	(84,987)	(47,910)
Proceeds from sale of leasehold improvement and equipment		5,258	57	5,258	57
Proceeds from capital refund from other company		-	10	-	10
Cash paid for investment in a subsidiary		-	-	-	(102,873)
Net cash provide by (used in) investing activities		<u>(315,788)</u>	<u>1,423,936</u>	<u>(203,822)</u>	<u>(223,046)</u>
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from sale of additional revolving receivables under securitization projects		-	-	1,758,951	1,805,640
Proceeds from redemption of subordinated lending		-	1,438,000	-	38,648
Cash repayments for subordinated lending		-	(1,399,352)	-	-
Proceeds from short-term loans from financial institutions		20,641,160	9,926,612	20,172,043	9,810,000
Cash repayments for bank overdrafts and short-term loans from financial institutions		(20,579,902)	(10,953,239)	(20,212,043)	(10,880,000)
Proceeds from long-term loans		1,957,200	2,388,420	1,957,200	2,388,420
Cash repayments for long-term loans		(1,408,700)	(200,000)	(1,408,700)	(200,000)
Proceeds from long-term debentures		975,000	-	975,000	-
Cash payments for finance lease agreements		(674)	(6,031)	-	-
Proceeds from ordinary shares issued of a subsidiary		-	30	-	-
Dividend paid		(15)	(30)	-	-
Net cash provided by financing activities		<u>1,584,069</u>	<u>1,194,410</u>	<u>3,242,451</u>	<u>2,962,708</u>
Net increase (decrease) in cash and cash equivalents		(41,553)	393,195	(30,971)	176,437
Decrease in exchange differences on translating financial statements of foreign operations		(3,589)	(1,138)	-	-
Cash and cash equivalents at beginning of the period		2,434,732	1,691,552	1,801,656	1,024,043
Cash and cash equivalents at the end of the period	5.1	<u>2,389,590</u>	<u>2,083,609</u>	<u>1,770,685</u>	<u>1,200,480</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 PERIOD ENDED MAY 20, 2014
"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, incorporated in Japan, and ACS Capital Corporation Limited, incorporated in Thailand, are major shareholders with 35.12% and 19.20% shareholding, respectively. AEON Co., Ltd., incorporated in Japan, is the ultimate parent company of the group.

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

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 2012) "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 periods ended May 20, 2014 and 2013 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, 2014, 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 periods ended May 20, 2014 and 2013 include the accounts of the Company and its subsidiaries by eliminating significant intercompany balances and transactions.

For the three-month periods ended May 20, 2014 and 2013, the subsidiaries included in the consolidated financial statements are as follows:

	Business type	Country of Registration	Registration Date	Percentage of holdings	
				2014	2013
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
Eternal 6 Special Purpose Vehicle Company Limited	Special purpose juristic person in securitization projects	Thailand	March 14, 2013	26.00	26.00
AEON Microfinance (Cambodia) Private Company Limited	Retail finance business	Cambodia	October 5, 2011	100.00	100.00
AEON Insurance Service (Thailand) Company Limited***	Non-life insurance broker and life insurance broker	Thailand	July 1, 2013	100.00	-
ACS Insurance Broker (Thailand) Company Limited***	Non-life insurance broker	Thailand	January 26, 2005	-	100.00
ACS Life Insurance Broker (Thailand) Company Limited***	Life insurance broker	Thailand	October 11, 2006	-	100.00
ACS Servicing (Thailand) Company Limited	Collection servicer	Thailand	March 13, 2007	100.00	100.00
AEON Microfinance (Myanmar) Company Limited	Retail finance	Myanmar	November 2, 2012	100.00	100.00
AEON Leasing Service (Lao) Company Limited	Retail finance	Laos	January 11, 2013	95.00 ****	100.00

* 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. Eternal 4 is under the liquidation process (see Note 6.5).

** Eternal 5 Special Purpose Vehicle Company Limited had already registered the dissolution with the Department of Business Development, Ministry of Commerce on August 20, 2013. Eternal 5 is under the liquidation process (see Note 6.5).

*** AEON Insurance Service (Thailand) Company Limited was 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 Company holds shares indirectly through ACS Servicing (Thailand) Company Limited and AEON Insurance Service (Thailand) Company Limited with 13% and 13% shareholding, respectively.

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, 2014.
- 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 period ended May 20, 2014 are not necessarily indicative of the operating results anticipated for the full year.
- 2.8 The Federation of Accounting Professions has issued the Notification regarding the Thai Financial Reporting Standards (TFRSs) which has been announced in the Royal Gazette, but not yet effective in the current period as follows:

Thai Financial Reporting Standards		Effective date
TFRS 4	Insurance Contracts	January 1, 2016

The Company and subsidiaries' management anticipates that the adoption of the TFRS as above will have no material impact on the financial statements of the Company and subsidiaries in the period of initial application.

3. ADOPTION OF NEW AND REVISED THAI FINANCIAL REPORTING STANDARDS

Since February 21, 2014, the Company and subsidiaries have adopted the new and revised Thai Financial Reporting Standards (TFRS) issued by the Federation of Accounting Professions, which are effective for the financial statements for the accounting periods beginning on or after January 1, 2014 onwards, in the preparation and presentation of these interim financial statements. Such TFRSs have no significant impact on the Company and subsidiaries' financial statements except the accounting policy of Customer Loyalty Programmes, which has been adopted in order to comply with TFRI 13 "Customer Loyalty Programmes" as follows:

Customer Loyalty Programmes

Customer loyalty programmes are to grant the points whereby customers are awarded credits (Points) entitling customers to the right to purchase products within determined period under condition of customer loyalty programmes. Obligation from granting the points to purchase products or get free service in the future is recognized and measured at the fair value of consideration received or receivable which is derived from outstanding points expected future redemption multiplied by estimated fair value per point by reference to the fair value of the right to purchase the gift. Such obligation is allocated from consideration received or receivable and recorded through “Deferred revenue customer loyalty programmes” in the statement of financial position under “Other payables” and recognized in the statement of income as “Credit card income” when the points are redeemed by customers.

For the period ended May 20, 2013, the Company recognized obligation from customer loyalty programmes in accordance with TAS 37 Provisions, Contingent Liabilities and Contingent Assets as a provision in the statement of financial position under “Other payables” and recognized a provision for the expenses in the statement of income under “Operating and administrative expenses” when the customers received the points.

Since the effects of the new accounting treatment are not material to total liabilities in the statement of financial position as at February 20, 2014 and net profit in the statement of income for the three-month period ended May 20, 2013, the Company has applied prospectively this accounting treatment in the financial statements for the three-month period ended May 20, 2014.

4. 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, 2014, except adoption of new and revised Thai Financial Reporting Standards as disclosed in Note 3.

5. SUPPLEMENTARY DISCLOSURES OF CASH FLOW INFORMATION

5.1 Cash and cash equivalents are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	As at	As at	As at	As at
	May 20,	February 20,	May 20,	February 20,
	2014	2014	2014	2014
	Baht’ 000	Baht’ 000	Baht’ 000	Baht’ 000
Cash	931,202	867,109	923,603	861,615
Deposits at bank - call deposits	1,458,388	1,567,623	847,082	940,041
Cash and cash equivalents	<u>2,389,590</u>	<u>2,434,732</u>	<u>1,770,685</u>	<u>1,801,656</u>

5.2 Cash paid for purchase of leasehold improvement and equipment and intangible assets for the three-month periods ended May 20, are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2014	2013	2014	2013
	Baht '000	Baht '000	Baht '000	Baht '000
Leasehold improvement and equipment				
Liabilities recorded - brought forward	34,488	38,474	34,488	38,474
Purchase of leasehold improvement and equipment	152,415	94,002	112,287	90,771
	186,903	132,476	146,775	129,245
<u>Less</u> Cash payments for purchase of leasehold improvement and equipment	(164,221)	(75,561)	(124,093)	(72,330)
Liabilities recorded - carried forward	22,682	56,915	22,682	56,915
Intangible assets				
Liabilities recorded - brought forward	11,717	10,234	11,717	10,234
Purchase of intangible assets	168,021	64,467	96,189	63,461
	179,738	74,701	107,906	73,695
<u>Less</u> Cash payments for investment in intangible assets	(156,819)	(48,916)	(84,987)	(47,910)
Liabilities recorded - carried forward	22,919	25,785	22,919	25,785

5.3 During the three-month periods ended May 20, 2014 and 2013, 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 13.74 million and Baht 2,522.55 million, respectively, instead of cash receipt.

6. ACCOUNTS RECEIVABLE

6.1 Accounts receivable consist of:

CONSOLIDATED FINANCIAL STATEMENTS						
“Unaudited”						
As at May 20, 2014			As at February 20, 2014			
	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	1,000,016	654,835	1,654,851	992,994	610,883	1,603,877
<u>Less</u> Unearned financing income	(186,470)	(66,716)	(253,186)	(186,073)	(66,650)	(252,723)
	813,546	588,119	1,401,665	806,921	544,233	1,351,154
<u>Less</u> Allowance for doubtful accounts	(32,993)	-	(32,993)	(25,743)	(720)	(26,463)
Hire-purchase and accrued interest receivable - net	780,553	588,119	1,368,672	781,178	543,513	1,324,691
Loans receivable						
Loans and accrued interest receivable	34,410,391	574,394	34,984,785	33,341,396	562,451	33,903,847
<u>Less</u> Allowance for doubtful accounts	(1,234,992)	-	(1,234,992)	(1,350,268)	-	(1,350,268)
Loans and accrued interest receivable - net	33,175,399	574,394	33,749,793	33,991,128	562,451	32,553,579
Credit card receivable						
Credit card and accrued interest receivable	20,430,098	-	20,430,098	19,553,174	-	19,553,174
<u>Less</u> Allowance for doubtful accounts	(584,308)	-	(584,308)	(535,377)	-	(535,377)
Credit card and accrued interest receivable - net	19,845,790	-	19,845,790	19,017,797	-	19,017,797
Receivable from rendering the collection service	33,647	-	33,647	5,869	-	5,869
Receivable from insurance broker business	95,808	-	95,808	114,874	-	114,874
Total accounts receivable	53,931,197	1,162,513	55,093,710	51,910,846	1,105,964	53,016,810

SEPARATE FINANCIAL STATEMENTS

“Unaudited”

	As at May 20, 2014			As at February 20, 2014		
	Due within	Due after	Total	Due within	Due after	Total
	1 year	1 year		1 year	1 year	
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Hire-purchase receivable						
Hire-purchase and accrued interest receivable	802,697	429,939	1,232,636	801,730	437,102	1,238,832
Less Unearned financing income	(186,470)	(66,716)	(253,186)	(186,073)	(66,650)	(252,723)
	616,227	363,223	979,450	615,657	370,452	986,109
Less Allowance for doubtful accounts	(27,360)	-	(27,360)	(23,873)	-	(23,873)
Hire-purchase and accrued interest receivable - net	588,867	363,223	952,090	591,784	370,452	962,236
Loans receivable						
Loans and accrued interest receivable	34,357,395	562,770	34,920,165	33,309,773	560,550	33,870,323
Less Allowance for doubtful accounts	(1,234,921)	-	(1,234,921)	(1,350,269)	-	(1,350,269)
Loans and accrued interest receivable - net	33,122,474	562,770	33,685,244	31,959,504	560,550	32,520,054
Credit card receivable						
Credit card and accrued interest receivable	20,040,866	-	20,040,866	19,147,246	-	19,147,246
Less Allowance for doubtful accounts	(504,009)	-	(504,009)	(452,818)	-	(452,818)
Credit card and accrued interest receivable - net	19,536,857	-	19,536,857	18,694,428	-	18,694,428
Total accounts receivable	53,248,198	925,993	54,174,191	51,245,716	931,002	52,176,718

6.2 Quality of assets

Accounts receivable classified by aging, are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS “Unaudited”		SEPARATE FINANCIAL STATEMENTS “Unaudited”	
	As at May 20, 2014 Baht '000	As at February 20, 2014 Baht '000	As at May 20, 2014 Baht '000	As at February 20, 2014 Baht '000
Less than 3 months	55,251,030	53,294,947	54,331,504	52,454,807
3 months up	1,694,973	1,633,971	1,608,977	1,548,871
Total	56,946,003	54,928,918	55,940,481	54,003,678
Less Allowance for doubtful accounts	(1,852,293)	(1,912,108)	(1,766,290)	(1,826,960)
Total accounts receivable	55,093,710	53,016,810	54,174,191	52,176,718

6.3 Troubled debt restructuring

For the three-month periods ended May 20, 2014 and 2013, the Company had recognized interest income on restructured debts totaling Baht 87.80 million and Baht 63.10 million, respectively.

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

	CONSOLIDATED FINANCIAL STATEMENTS			
	“Unaudited”			
	As at May 20, 2014		As at February 20, 2014	
	Number of debtors	Amount Baht '000	Number of debtors	Amount Baht '000
Restructured accounts receivable	36,844	1,164,356	39,542	1,198,004
Non-restructured accounts receivable	3,483,520	55,652,192	3,467,985	53,610,171
Total accounts receivable	<u>3,520,364</u>	<u>56,816,548</u>	<u>3,507,527</u>	<u>54,808,175</u>

	SEPARATE FINANCIAL STATEMENTS			
	“Unaudited”			
	As at May 20, 2014		As at February 20, 2014	
	Number of debtors	Amount Baht '000	Number of debtors	Amount Baht '000
Restructured accounts receivable	36,844	1,164,356	39,542	1,198,004
Non-restructured accounts receivable	3,302,205	54,776,125	3,285,212	52,805,674
Total accounts receivable	<u>3,339,049</u>	<u>55,940,481</u>	<u>3,324,754</u>	<u>54,003,678</u>

As at May 20, 2014 and February 20, 2014, the Company had no commitment to provide additional loans to its restructured debtors after debt restructuring

6.4 Allowance for doubtful accounts

Allowance for doubtful accounts are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	As at May 20, 2014 Baht '000	As at February 20, 2014 Baht '000	As at May 20, 2014 Baht '000	As at February 20, 2014 Baht '000
Beginning balance	1,912,108	1,620,005	1,826,960	1,523,340
Bad debts and doubtful accounts	1,046,312	3,842,833	987,053	3,765,075
Bad debts written off	(1,106,127)	(3,550,730)	(1,047,723)	(3,461,455)
Ending balance	<u>1,852,293</u>	<u>1,912,108</u>	<u>1,766,290</u>	<u>1,826,960</u>

6.5 Transfers of financial assets

The Company entered into the Receivables Sale and Purchase Agreements with three 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:

		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")		June 21, 2007	May 19, 2010	May 10, 2013
Initial selling date		June 25, 2007	May 20, 2010	May 20, 2013
Type of transferred receivables		Credit Card Receivable	Credit Card Receivable	Credit Card Receivable
Revolving period		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	3,038,017,234	4,355,040,449	4,500,002,090
Proceeds from transfer of the right of receivables (see Note 14)	Baht	2,205,000,000	2,790,000,000	2,960,000,000
Subordinated lendings (see Note 9)	Baht	744,000,000	1,438,000,000	1,399,351,988
Minimum seller loan - pari passu with debentures (see Note 8)	Baht	88,470,000	126,840,000	130,780,560
Number of contracts		178,751	205,485	183,047
Average principal amount outstanding	Baht	16,996	21,194	24,584
Interest rate		18% p.a.	20% p.a.	20% p.a.

* 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 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 dissolution and liquidation, and Eternal 4 registered the dissolution with Department of Business Development, Ministry of Commerce on the same date. Eternal 4 is under the liquidation process (see Note 7.1).

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 dissolution and liquidation, and Eternal 5 registered the dissolution with Department of Business Development, Ministry of Commerce on the same date. Eternal 5 is under the liquidation process (see Note 7.1).

For the three-month periods ended May 20, 2014 and 2013, transactions relating to the transfer of financial assets under the securitization projects are summarized as follows:

	2014 Million Baht	2013 Million Baht
Transfers of future credit card receivables (at book value)		
- Credit card receivable (Eternal 5)	-	1,132
- Credit card receivable (Eternal 6)	1,759	674
	<u>1,759</u>	<u>1,806</u>
Cash collection on behalf of Special Purpose Vehicles		
- Credit card receivable (Eternal 5)	-	1,270
- Credit card receivable (Eternal 6)	1,914	678
	<u>1,914</u>	<u>1,948</u>
Servicing income on cash collection from Special Purpose Vehicles		
- Credit card receivable (Eternal 5)	-	45
- Credit card receivable (Eternal 6)	68	1
	<u>68</u>	<u>46</u>

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

	“Unaudited” As at May 20, 2014 Million Baht	As at February 20, 2014 Million Baht
Credit card receivables (included accrued interest income) - Eternal 6		
Less than 3 months	4,668	4,683
3 months up	80	82
	<u>4,748</u>	<u>4,765</u>
<u>Less</u> Allowance for doubtful accounts	<u>(80)</u>	<u>(82)</u>
Total	<u><u>4,668</u></u>	<u><u>4,683</u></u>

7. INVESTMENTS IN SUBSIDIARIES AND LONG-TERM INVESTMENTS IN RELATED COMPANIES

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

7.1 Investments in subsidiaries consist of:

	SEPARATE FINANCIAL STATEMENTS			
	"Unaudited"			
	As at May 20, 2014		As at February 20, 2014	
	% of Ownership	Cost Baht '000	% of Ownership	Cost Baht '000
Investments in subsidiaries (see Note 20.1)				
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	26.00	10.4
AEON Microfinance (Cambodia) Private Company Limited	100.00	118,160.0	100.00	118,160.0
AEON Insurance Service (Thailand) Company Limited	100.00	149,224.3	100.00	149,224.3
ACS Servicing (Thailand) Company Limited	100.00	175,349.1	100.00	175,349.1
AEON Microfinance (Myanmar) Company Limited	100.00	78,889.1	100.00	78,889.1
AEON Leasing Service (Lao) Company Limited	69.00	20,718.2	69.00	20,718.2
Total investments in subsidiaries		<u>542,371.9</u>		<u>542,371.9</u>

- (1) 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. Eternal 4 is under the liquidation process (see Note 6.5).
- (2) 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 long-term 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. Eternal 5 is under the liquidation process (see Note 6.5).
- (3) 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.
- (4) On April 4, 2013, the Company paid Baht 88.20 million for additional investment for capital increase of AEON Microfinance (Cambodia) Private Company Limited.

- (5) During the year ended February 20, 2013, the Company paid Baht 1.13 million for investment in AEON Microfinance (Myanmar) Company Limited, a new subsidiary of the Company, which was incorporated in Myanmar in order to conduct the retail finance business.

Subsequently, during the year ended February 20, 2014, the Company paid Baht 77.76 million for additional investment for capital increase of AEON Microfinance (Myanmar) Company Limited.

- (6) During the year ended February 20, 2013, the Company paid Baht 30.03 million for investment in AEON Leasing Service (Lao) Company Limited, a new subsidiary of the Company, which was incorporated in Laos in order to conduct the retail finance business.

Subsequently, on September 17, 2013, the Company transferred investment in ordinary shares of AEON Leasing Service (Lao) Company Limited to 2 subsidiaries and third parties in the amount of Baht 4.26 million, Baht 4.26 million and Baht 1.59 million, respectively.

7.2 Long-term investments in related companies consist of:

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS			
	“Unaudited”			
	As at May 20, 2014		As at February 20, 2014	
	% 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	5.23	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
		52,036		52,036
<u>Less</u> Allowance for impairment of investment		(8,500)		(8,500)
Total long-term investments in related companies		<u>43,536</u>		<u>43,536</u>

8. SELLER LOAN IN SPECIAL PURPOSE VEHICLES FOR SECURITIZATION

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

	SEPARATE FINANCIAL STATEMENTS “Unaudited”	
	As at May 20, 2014 Baht '000	As at February 20, 2014 Baht '000
Seller loan in Special Purpose Vehicles for securitization (see Note 20.2.1)		
Eternal 6 Special Purpose Vehicle Company Limited (Eternal 6)	452,753	466,490
Seller loan in Special Purpose Vehicle for Securitization	<u>452,753</u>	<u>466,490</u>

On the contract date under securitization project, the Company received partial payments from Eternal 6 with seller loan accounts under securitization projects of Baht 140,650,102, 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 6 not less than 3% of the aggregate of the outstanding principal amounts of the debentures and the subordinated loans of Eternal 6 of which such amounts will be repaid by cash approximately within 2018, or when these projects end.

9. SUBORDINATED LENDINGS

Subordinated lendings with Special Purpose Vehicles are as follows:

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS “Unaudited”	
	As at May 20, 2014 Baht '000	As at February 20, 2014 Baht '000
Subordinated lendings (see Note 20.2.1)		
Eternal 6 Special Purpose Vehicle Company Limited (Eternal 6)	1,399,352	1,399,352
Subordinated lendings	<u>1,399,352</u>	<u>1,399,352</u>

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 6.5). The interest was received on the monthly basis at the rate of 12% per annum. Subsequently, such bridging loan was refinanced to be subordinated term loan in October 2013 in accordance with such bridging loan agreement. The term loan is due in the year 2018 and the interest is received on the monthly basis at the rate of 12% per annum.

10. DEFERRED TAX ASSETS

Deferred tax assets consist of:

	CONSOLIDATED FINANCIAL STATEMENTS “Unaudited”		SEPARATE FINANCIAL STATEMENTS “Unaudited”	
	As at May 20, 2014 Baht '000	As at February 20, 2014 Baht '000	As at May 20, 2014 Baht '000	As at February 20, 2014 Baht '000
Deferred tax assets				
Allowance for doubtful accounts	369,318	381,904	353,258	365,392
Non-accrual of interest income	53,308	57,852	52,125	57,008
Employee benefit obligation	12,267	11,790	11,093	10,710
Others	17,645	15,081	17,565	14,778
	<u>452,538</u>	<u>466,627</u>	<u>434,041</u>	<u>447,888</u>
Deferred tax liabilities				
Finance lease	1,600	1,743	-	-
Unrealized loss on currency swap contracts	114,096	110,209	114,096	110,209
	<u>115,696</u>	<u>111,952</u>	<u>114,096</u>	<u>110,209</u>
Deferred tax assets	<u>336,842</u>	<u>354,675</u>	<u>319,945</u>	<u>337,679</u>

The movements of deferred tax assets and liabilities during the year/period are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS “Unaudited”			
	Balance As at February 21, 2014 Baht '000	Items as recognized in profit or loss Baht '000	Items as recognized in other comprehensive income Baht '000	Balance As at May 20, 2014 Baht '000
Deferred tax assets				
Allowance for doubtful accounts	381,904	(12,586)	-	369,318
Non-accrual of interest income	57,852	(4,544)	-	53,308
Employee benefit obligation	11,790	477	-	12,267
Others	15,081	2,564	-	17,645
	<u>466,627</u>	<u>(14,089)</u>	<u>-</u>	<u>452,538</u>
Deferred tax liabilities				
Finance lease	1,743	(143)	-	1,600
Unrealized loss on currency swap contracts	110,209	3,887	-	114,096
	<u>111,952</u>	<u>3,744</u>	<u>-</u>	<u>115,696</u>
Deferred tax assets	<u>354,675</u>	<u>(17,833)</u>	<u>-</u>	<u>336,842</u>

CONSOLIDATED FINANCIAL STATEMENTS

	Balance As at February 21, 2013	Items as recognized in profit or loss	Items as recognized in other comprehensive income	Balance As at February 20, 2014
	Baht '000	Baht '000	Baht '000	Baht '000
Deferred tax assets				
Allowance for doubtful accounts	323,957	57,947	-	381,904
Non-accrual of interest income	43,762	14,090	-	57,852
Employee benefit obligation	8,932	2,457	401	11,790
Others	11,202	3,879	-	15,081
	<u>387,853</u>	<u>78,373</u>	<u>401</u>	<u>466,627</u>
Deferred tax liabilities				
Finance lease	1,353	390	-	1,743
Unrealized loss on currency swap contracts	88,596	21,613	-	110,209
	<u>89,949</u>	<u>22,003</u>	<u>-</u>	<u>111,952</u>
Deferred tax assets	<u>297,904</u>	<u>56,370</u>	<u>401</u>	<u>354,675</u>

SEPARATE FINANCIAL STATEMENTS
"Unaudited"

	Balance As at February 21, 2014	Items as recognized in profit or loss	Items as recognized in other comprehensive income	Balance As at May 20, 2014
	Baht '000	Baht '000	Baht '000	Baht '000
Deferred tax assets				
Allowance for doubtful accounts	365,392	(12,134)	-	353,258
Non-accrual of interest income	57,008	(4,883)	-	52,125
Employee benefit obligation	10,710	383	-	11,093
Others	14,778	2,787	-	17,565
	<u>447,888</u>	<u>(13,847)</u>	<u>-</u>	<u>434,041</u>
Deferred tax liabilities				
Unrealized loss on currency swap contracts	110,209	3,887	-	114,096
	<u>110,209</u>	<u>3,887</u>	<u>-</u>	<u>114,096</u>
Deferred tax assets	<u>337,679</u>	<u>(17,734)</u>	<u>-</u>	<u>319,945</u>

SEPARATE FINANCIAL STATEMENTS

	Balance As at February 21, 2013	Items as recognized in profit or loss	Items as recognized in other comprehensive income	Balance As at February 20, 2014
	Baht '000	Baht '000	Baht '000	Baht '000
Deferred tax assets				
Allowance for doubtful accounts	304,668	60,724	-	365,392
Non-accrual of interest income	43,131	13,877	-	57,008
Employee benefit obligation	8,115	2,174	421	10,710
Others	11,204	3,574	-	14,778
	<u>367,118</u>	<u>80,349</u>	<u>421</u>	<u>447,888</u>
Deferred tax liabilities				
Unrealized loss on currency swap contracts	88,596	21,613	-	110,209
	<u>88,596</u>	<u>21,613</u>	<u>-</u>	<u>110,209</u>
Deferred tax assets	<u>278,522</u>	<u>58,736</u>	<u>421</u>	<u>337,679</u>

11. 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				
“Unaudited”				
	As at May 20, 2014		As at February 20, 2014	
	Interest rate	Baht '000	Interest rate	Baht '000
	%		%	
Overdrafts in THB currency	2.20	280,000	2.45	160,000
Short term loans in THB currency	2.10 - 2.35	990,000	2.35 - 2.60	1,150,000
Short term loans in USD currency	0.99 - 1.14	411,503	1.00 - 1.20	322,245
Short term loans in LAK currency	11.00	<u>12,000</u>	-	<u>-</u>
Total		<u><u>1,693,503</u></u>		<u><u>1,632,245</u></u>

SEPARATE FINANCIAL STATEMENTS				
“Unaudited”				
	As at May 20, 2014		As at February 20, 2014	
	Interest rate	Baht '000	Interest rate	Baht '000
	%		%	
Overdrafts in THB currency	2.20	280,000	2.45	160,000
Short term loans in THB currency	2.10 - 2.35	<u>990,000</u>	2.35 - 2.60	<u>1,150,000</u>
Total		<u><u>1,270,000</u></u>		<u><u>1,310,000</u></u>

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

As at May 20, 2014, a subsidiary has short-term loans in LAK currency which are under letter of credit issued by a bank for guarantee repayment of loan of not exceeding USD 0.53 million (see Note 22).

12. SHORT-TERM LOAN FROM RELATED COMPANY

As at May 20, 2014 and February 20, 2014, the Company has short-term loan from a subsidiary amounting to Baht 50 million with the interest floating rate of a local bank of Thailand.

13. LONG-TERM LOANS

As at May 20, 2014 and February 20, 2014, 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 "Unaudited"			
As at May 20, 2014			
	Interest rate %	Foreign currency Million	Baht equivalent Baht '000
Loan in YEN currency	4.10 - 5.26	40,720.00	13,152,234
Loan in USD currency	2.59 - 4.60	620.65	20,251,251
Loan in THB currency	3.65 - 5.00	-	8,920,000
<u>Less</u> Loan issuance cost			<u>(124,890)</u>
			42,198,595
<u>Less</u> Current portion of long-term loans			<u>(13,047,717)</u>
Total long-term loans			<u>29,150,878</u>

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS "Unaudited"			
As at February 20, 2014			
	Interest rate %	Foreign currency Million	Baht equivalent Baht '000
Loan in YEN currency	4.10 - 5.26	40,720.00	13,096,285
Loan in USD currency	2.59 - 4.60	590.65	19,331,620
Loan in THB currency	3.65 - 5.00	-	9,420,000
<u>Less</u> Loan issuance cost			<u>(133,792)</u>
			41,714,113
<u>Less</u> Current portion of long-term loans			<u>(10,309,600)</u>
Total long-term loans			<u>31,404,513</u>

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

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS "Unaudited"				
As at May 20, 2014				
	Principal to be received/ paid Baht '000	Less than 1 year Baht '000	Carrying amount 1 - 5 years Baht '000	Total Baht '000
Receivable per currency swap				
Cross Currency Swap Contracts				
YEN currency	945,000	-	23,976	23,976
USD currency	2,272,235	53,217	105,416	158,633
Cross Currency Interest Rate Swap Contracts				
USD currency	16,816,889	619,725	383,769	1,003,494
	<u>20,034,124</u>	<u>672,942</u>	<u>513,161</u>	<u>1,186,103</u>
Payable per currency swap				
Cross Currency Interest Rate Swap Contracts				
YEN currency	13,266,800	(325,644)	(757,898)	(1,083,542)
	<u>13,266,800</u>	<u>(325,644)</u>	<u>(757,898)</u>	<u>(1,083,542)</u>

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
As at February 20, 2014

	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	945,000	-	19,854	19,854
YEN currency	2,272,235	55,173	110,932	166,105
Cross Currency Interest Rate Swap Contracts				
USD currency	15,768,389	505,893	618,997	1,124,890
	<u>18,985,624</u>	<u>561,066</u>	<u>749,783</u>	<u>1,310,849</u>
Payable per currency swap contracts				
Cross Currency Interest Rate Swap Contracts				
YEN currency	13,266,800	(333,201)	(802,168)	(1,135,369)
	<u>13,266,800</u>	<u>(333,201)</u>	<u>(802,168)</u>	<u>(1,135,369)</u>

14. LONG-TERM DEBENTURES

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

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS "Unaudited"									
Issue date	Maturity Date	No. of units	Currency	Par value per unit	Amount	Interest rate %	Term of interest payment	As at	As at
								May 20, 2014 Baht '000	February 20, 2014 Baht '000
30/07/2010	30/07/2015	20	USD	1,000,000	20,000,000	USD-LIBOR 6M + 0.50	Semi-annual	652,582	654,588
14/07/2011	14/07/2016	15	USD	1,000,000	15,000,000	USD-LIBOR 6M + 0.30	Semi-annual	489,436	490,941
16/12/2011	16/12/2016	20	USD	1,000,000	20,000,000	USD-LIBOR 6M + 0.80	Semi-annual	652,582	654,588
30/08/2012	30/08/2017	30	USD	1,000,000	30,000,000	USD-LIBOR 3M	Quarterly	978,873	981,882
13/09/2012	13/09/2017	20	USD	1,000,000	20,000,000	USD-LIBOR 3M + 0.20	Quarterly	652,582	654,588
24/07/2013	29/07/2018	17	USD	1,000,000	17,000,000	USD-LIBOR 6M + 0.01	Semi-annual	554,695	556,400
29/11/2013	29/11/2018	30	USD	1,000,000	30,000,000	USD-LIBOR 6M + 0.05	Semi-annual	978,873	981,882
28/03/2014	28/03/2019	30	USD	1,000,000	30,000,000	USD-LIBOR 6M	Semi-annual	978,873	-
								<u>5,938,496</u>	<u>4,974,869</u>
<u>Less</u> Debenture issuance cost								<u>(89,458)</u>	<u>(65,190)</u>
Long-term debentures								<u>5,849,038</u>	<u>4,909,679</u>

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 and interest rate swap contracts to hedge its debt as follows:

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS			
“Unaudited”			
As at May 20, 2014			
Principal to be received/ paid	Carrying amount		
	Less than 1 year	1 - 5 years	Total
Baht '000	Baht '000	Baht '000	Baht '000
Receivable per currency swap			
Cross Currency Interest Rate Swap Contracts			
USD currency	5,749,900	-	188,596
	<u>5,749,900</u>	<u>-</u>	<u>188,596</u>

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS			
As at February 20, 2014			
Principal to be received/ paid	Carrying amount		
	Less than 1 year	1 - 5 years	Total
Baht '000	Baht '000	Baht '000	Baht '000
Receivable per currency swap			
Cross Currency Interest Rate Swap Contracts			
USD currency	4,774,900	-	199,969
	<u>4,774,900</u>	<u>-</u>	<u>199,969</u>

On May 20, 2013, Eternal 6 Special Purpose Vehicle Company Limited, the Company's subsidiary, issued the debentures of Baht 2,960 million (see Note 6.5), under the Securitization project. 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 9, 2013.

The subsidiaries' debentures are as follows:

Debenture Classes	Maturity date	Amount	Interest rate	“Unaudited”	
				As at May 20, 2014	As at February 20, 2014
		Baht' 000	%	Baht '000	Baht '000
Eternal 6 Special Purpose Vehicle Co., Ltd.					
Class A-sf	June 8, 2018	2,960,000	3.83	2,960,000	2,960,000
				<u>2,960,000</u>	<u>2,960,000</u>

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

15. EMPLOYEE BENEFITS OBLIGATION

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 periods ended May 20, 2014 and 2013, amounts recognized in the statements of income in respect of the post-employment benefit plans are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
Current service cost	3,323	2,613	2,892	2,295
Interest cost	632	459	578	422
Total	<u>3,945</u>	<u>3,072</u>	<u>3,470</u>	<u>2,717</u>

Movements in the present value of the post-employment benefits obligation for the three-month period ended May 20, are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2014	2013	2014	2013
	Baht'000	Baht'000	Baht'000	Baht'000
Beginning balance	58,953	44,659	53,549	40,578
Current service cost	3,323	2,613	2,892	2,295
Interest cost	632	459	577	422
Benefit paid	(1,557)	-	(1,557)	-
Ending balance	<u>61,351</u>	<u>47,731</u>	<u>55,461</u>	<u>43,295</u>

The principal actuarial assumptions used to calculate the obligation under the defined benefit plans as at May 20, 2014 and February 20, 2014 are as follows:

	CONSOLIDATED	SEPARATE
	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS
	% per annum	% per annum
Financial assumptions		
Discount rate	3.65 - 4.36	4.32
Turnover rate		
Monthly staffs	0.0 - 49.0	0.0 - 20.0
	Subject to range of age of employees	Subject to range of age of employees
Daily staffs	0.0 - 55.0	0.0 - 48.0
	Subject to range of age of employees	Subject to range of age of employees
Temporary staffs	0.0 - 64.0	0.0 - 64.0
	Subject to range of age of employees	Subject to range of age of employees
Expected rate of salary increase	5.0 - 8.0	5.0

16. SHAREHOLDERS' EQUITY

- 16.1 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.
- 16.2 On September 26, 2013, the Company's Board of Directors' meeting passed the resolution the declare interim dividends for the 2013 fiscal year at the rate Baht 1.60 per share amounting to Baht 400 million. The aforementioned shareholders included 33,500 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 399.95 million on October 24, 2013.
- 16.3 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.

17. 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 periods ended May 20, 2014 and 2013, the details of revenues from securitization transaction consist of the following:

	SEPARATE	
	FINANCIAL STATEMENTS	
	2014	2013
	Baht '000	Baht '000
Credit Card Income		
Interest income from subordinated lending	40,945	28,353
Revenue from seller loan in Special Purpose Vehicle	4,574	9,490
Dividend from investment in Special Purpose Vehicle	42,848	163,027
Servicing income	67,725	45,857
Total	156,092	246,727

18. 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 periods ended May 20, 2014 and 2013, directors and managements' remuneration are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2014	2013	2014	2013
	Baht '000	Baht '000	Baht '000	Baht '000
Short-term employee benefits				
Managements' remuneration	22,395	20,090	14,995	15,425
Directors' remuneration	4,265	7,173	2,660	6,810
Post-employment benefits	772	611	487	389
	<u>27,432</u>	<u>27,874</u>	<u>18,142</u>	<u>22,624</u>

For the three-month periods ended May 20, 2014 and 2013, directors' remunerations which were included in short-term employee benefits were approved by the ordinary shareholders' meetings of the Company held on June 12, 2014 and June 18, 2013, respectively.

19. 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% 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% for corporate income tax calculation for the three-month periods ended May 20, 2014 and 2013, respectively. Foreign subsidiaries used 20% - 30% for corporate income tax calculation for the three-month periods ended May 20, 2014 and 2013.

The Company and its local subsidiaries used tax rates of 20% for calculation of deferred tax for the three-month periods ended May 20, 2014 and 2013. Foreign subsidiaries used 20% - 30% for corporate income tax calculation for the three-month periods ended May 20, 2014 and 2013.

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 periods ended May 20, 2014 and 2013, income tax consists of:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
	Baht '000	Baht '000	Baht '000	Baht '000
Current tax expense for the period	132,013	145,396	108,356	111,989
Deferred income tax expense (revenue)	17,833	(2,366)	17,734	(17,724)
Income tax expense per statements of income	<u>149,846</u>	<u>143,030</u>	<u>126,090</u>	<u>94,265</u>

Reconciliations of effective tax rates for the three-month periods ended May 20, 2014 and 2013 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS			
	2014		2013	
	Amount Baht' 000	Rate %	Amount Baht' 000	Rate %
Profit before tax	<u>735,945</u>		<u>711,688</u>	
Income tax at the tax rate	165,695	20.00 - 30.00	142,338	20.00
<u>Add</u> Tax effect of income and expense that are not exempt for tax purposes	4,185	0.57	933	0.13
<u>Less</u> Tax effect of income and expense that are exempt for tax purposes	(20,034)	(2.72)	(241)	(0.03)
Income tax expenses per statements of income	<u>149,846</u>	<u>20.36</u>	<u>143,030</u>	<u>20.10</u>

	SEPARATE FINANCIAL STATEMENTS			
	2014		2013	
	Amount Baht' 000	Rate %	Amount Baht' 000	Rate %
Profit before tax	<u>724,930</u>		<u>633,829</u>	
Income tax at the tax rate	144,986	20.00	126,766	20.00
<u>Add</u> Tax effect of income and expense that are not exempt for tax purposes	403	0.06	345	0.05
<u>Less</u> Tax effect of income and expense that are exempt for tax purposes	(19,299)	(2.66)	(32,846)	(5.18)
Income tax expenses per statements of income	<u>126,090</u>	<u>17.39</u>	<u>94,265</u>	<u>14.87</u>

20. 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:

20.1 Investments in subsidiaries (see Note 7.1) are as follows:

Related parties	Relationship	Paid-up Capital Baht' 000	% Ownership	SEPARATE FINANCIAL STATEMENTS	
				“Unaudited” As at May 20, 2014 Cost Baht '000	As at February 20, 2014 Cost Baht '000
Eternal 4 Special Purpose Vehicle Company Limited	Subsidiary	40.0	26.0	10.4	10.4
Eternal 5 Special Purpose Vehicle Company Limited	Subsidiary	40.0	26.0	10.4	10.4
Eternal 6 Special Purpose Vehicle Company Limited	Subsidiary	40.0	26.0	10.4	10.4
AEON Microfinance (Cambodia) Private Company Limited	Subsidiary	118,160.0	100.0	118,160.0	118,160.0
AEON Insurance Service (Thailand) Company Limited	Subsidiary	149,224.3	100.0	149,224.3	149,224.3
ACS Servicing (Thailand) Company Limited	Subsidiary	175,349.1	100.0	175,349.1	175,349.1
AEON Microfinance (Myanmar) Company Limited	Subsidiary	78,889.1	100.0	78,889.1	78,889.1
AEON Leasing Service (Lao) Company Limited	Subsidiary	30,834.9	69.0	20,718.2	20,718.2
Total investments in subsidiaries				542,371.9	542,371.9

20.2 Business transactions with related parties

20.2.1 Balances with related parties are as follows:

Related parties	Relationship	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at May 20, 2014 Baht '000	As at February 20, 2014 Baht '000	As at May 20, 2014 Baht '000	As at February 20, 2014 Baht '000
Other receivables					
Eternal 6 Special Purpose Vehicle Company Limited	Subsidiary	-	-	188,223	194,876
AEON Insurance Service (Thailand) Company Limited	Subsidiary	-	-	35,231	416
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	24,456	1,561
AEON Financial Service Corporation Limited	Major shareholder	1,024	344	1,024	344
	Common ultimate	66	-	66	-
AEON Credit Service Co., Ltd.	holding company and one common director				
ACS Capital Corporation Limited	Shareholder and one common director	369	294	369	294
AEON Microfinance (Cambodia) Private Company Limited	Subsidiary	-	-	98	98
AEON Leasing Service (Lao) Company Limited	Subsidiary	-	-	6,015	5,972
AEON Credit Service (Asia) Company Limited	Common ultimate	186	-	186	-
	holding company and one common director				
	Common ultimate	152	-	152	-
AEON Financial Service (Hong Kong) Limited	holding company and two common directors				
		1,797	638	255,820	203,561
Seller loan in Special Purpose Vehicle for Securitization (see Note 8)					
Eternal 6 Special Purpose Vehicle Company Limited	Subsidiary	-	-	452,753	466,490
Subordinated lending (see Note 9)					
Eternal 6 Special Purpose Vehicle Company Limited	Subsidiary	1,399,352	1,399,352	1,399,352	1,399,352
Short-term loan (see Note 12)					
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	50,000	50,000
Accounts payable					
AEON Insurance Service (Thailand) Company Limited	Subsidiary	-	-	106,158	106,985
Other payables					
Eternal 4 Special Purpose Vehicle Company Limited	Subsidiary	-	-	44	44
Eternal 5 Special Purpose Vehicle Company Limited	Subsidiary	-	-	44	44
Eternal 6 Special Purpose Vehicle Company Limited	Subsidiary	-	-	139,963	119,630
AEON Insurance Service (Thailand) Company Limited	Subsidiary	-	-	10,392	8,703
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	26,436	30,507
AEON (Thailand) Company Limited	Holding shares and two common directors	1,165	32	1,165	32
AEON Financial Service Company Limited	Major shareholder	69,010	57,799	69,010	57,799
AEON Credit Service (Asia) Company Limited	Common ultimate	5,778	-	5,778	-
	holding company and one common director				
AEON Credit Service Systems (Philippines) Inc.	Holding shares and one common director	19	-	19	-
		75,972	57,831	252,851	216,759

20.2.2 Transactions with related parties

Related parties	Relationship	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		For the three-month periods ended May 20,		For the three-month periods ended May 20,	
		2014 Baht '000	2013 Baht '000	2014 Baht '000	2013 Baht '000
Sales promotion income					
AEON Insurance Services (Thailand) Company Limited	Subsidiary	-	-	1,976	-
Revenue relating to securitization transaction (including in credit card income)					
Eternal 5 Special Purpose Vehicle Company Limited	Subsidiary	-	-	-	85,603
Eternal 6 Special Purpose Vehicle Company Limited	Subsidiary	-	-	156,092	1,252
		<u>-</u>	<u>-</u>	<u>156,092</u>	<u>86,855</u>
Dividend income					
AEON Insurance Services (Thailand) Company Limited	Subsidiary	-	-	35,000	-
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	17,908	-
		<u>-</u>	<u>-</u>	<u>52,908</u>	<u>-</u>
Other income					
ACS Capital Corporation Limited	Shareholder and one common director	3,698	3,950	3,698	3,950
AEON Insurance Services (Thailand) Company Limited*	Subsidiary	-	-	5,691	-
ACS Insurance Broker (Thailand) Company Limited*	Subsidiary	-	-	-	1,775
ACS Life Insurance Broker (Thailand) Company Limited*	Subsidiary	-	-	-	2,291
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	732	1,000
AEON Microfinance (Cambodia) Private Company Limited	Subsidiary	-	-	97	-
		<u>3,698</u>	<u>3,950</u>	<u>10,218</u>	<u>9,016</u>
Operating and administrative expenses					
Collection service fee					
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	75,545	76,711
Others					
AEON Financial Service Company Limited	Major shareholder	13,863	7,075	13,863	7,075
AEON Credit Service (Asia) Company Limited	Common ultimate holding company and one common director	2,723	-	2,723	-
AEON (Thailand) Company Limited	Holding shares and two common directors	3,936	2,579	3,936	2,579
ACS Capital Corporation Limited	Shareholder and one common director	10,135	6,066	10,135	6,066
Jay Mart Public Company Limited**	One common director	-	3,877	-	3,877
AEON Credit Service Systems (Philippines) Inc.	Holding shares and one common director	8,752	1,688	8,752	1,688
		<u>39,409</u>	<u>21,285</u>	<u>114,954</u>	<u>97,996</u>

* AEON Insurance Service (Thailand) Company Limited was 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.

** Jay Mart Public Company Limited has no common director with AEON Thana Sinsap (Thailand) Public Company Limited as at May 20, 2014.

- For the three-month period ended May 20, 2013, 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. Other income for the three months ended May 20, 2014 and 2013 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 subsidiaries in accordance with securitization projects (see Note 6.5).
- 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 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) Inc. 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.

21. SEGMENT INFORMATION

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 and 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 at 10% or more of total revenues.

Transactions between segments are recorded on the same basis as the transaction conducted with the third party transactions. Transactions between segments are eliminated on consolidation.

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

21.1 Operating result classified by business

	CONSOLIDATED FINANCIAL STATEMENTS				
	For the three-month period ended May 20, 2014				
	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	3,837,222	39,409	83,538	-	3,960,169
Inter - segment revenues	-	-	136,747	(136,747)	-
	<u>3,837,222</u>	<u>39,409</u>	<u>220,285</u>	<u>(136,747)</u>	<u>3,960,169</u>
Expenses					
Operating and administrative expenses	1,480,604	31,707	160,569	(83,839)	1,589,041
Directors and managements' remuneration	18,142	4,306	4,984	-	27,432
Bad debts and doubtful accounts	1,042,902	3,410	-	-	1,046,312
Finance cost	559,913	1,514	12	-	561,439
Total expenses	<u>3,101,561</u>	<u>40,937</u>	<u>165,565</u>	<u>(83,839)</u>	<u>3,224,224</u>
Net income (loss) before income tax expense	735,661	(1,528)	54,720	(52,908)	735,945
Income tax expense	136,806	2,239	10,801	-	149,846
Net income (loss) for the period	<u><u>598,855</u></u>	<u><u>(3,767)</u></u>	<u><u>43,919</u></u>	<u><u>(52,908)</u></u>	<u><u>586,099</u></u>

CONSOLIDATED FINANCIAL STATEMENTS
For the three-month period ended May 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	3,346,100	8,663	94,044	-	3,448,807
Inter - segment revenues	-	-	82,972	(82,972)	-
	<u>3,346,100</u>	<u>8,663</u>	<u>177,016</u>	<u>(82,972)</u>	<u>3,448,807</u>
Expenses					
Operating and administrative expenses	1,420,111	6,800	135,815	(82,972)	1,479,754
Directors and managements' remuneration	22,624	2,212	3,038	-	27,874
Bad debts and doubtful accounts	755,021	340	-	-	755,361
Finance cost	473,725	232	173	-	474,130
Total expenses	<u>2,671,481</u>	<u>9,584</u>	<u>139,026</u>	<u>(82,972)</u>	<u>2,737,119</u>
Net income (loss) before income tax expense	674,619	(921)	37,990	-	711,688
Income tax expense	135,022	226	7,782	-	143,030
Net income (loss) for the period	<u>539,597</u>	<u>(1,147)</u>	<u>30,208</u>	<u>-</u>	<u>568,658</u>

21.2 Financial position classified by business

CONSOLIDATED FINANCIAL STATEMENTS
"Unaudited"

As at May 20, 2014

	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	54,772,314	495,033	285,207	(204,388)	55,348,166
Equipment and intangible assets	1,259,171	122,828	138,785	-	1,520,784
Other assets	6,066,967	49,795	393,204	(723,204)	5,786,762
Total assets	<u>62,098,452</u>	<u>667,656</u>	<u>817,196</u>	<u>(927,592)</u>	<u>62,655,712</u>
Total liabilities	<u>52,731,418</u>	<u>455,478</u>	<u>355,597</u>	<u>(376,725)</u>	<u>53,165,768</u>

CONSOLIDATED FINANCIAL STATEMENTS
As at February 20, 2014

	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	52,738,020	446,260	307,881	(149,298)	53,342,863
Equipment and intangible assets	1,171,578	45,824	119,682	-	1,337,084
Other assets	6,125,845	75,619	356,041	(600,869)	5,956,636
Total assets	<u>60,035,443</u>	<u>567,703</u>	<u>783,604</u>	<u>(750,167)</u>	<u>60,636,583</u>
Total liabilities	<u>51,267,248</u>	<u>348,168</u>	<u>313,016</u>	<u>(199,298)</u>	<u>51,729,134</u>

22. CREDIT FACILITIES AND LETTER OF GUARANTEE

- 22.1 As at May 20, 2014 and February 20, 2014, 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.
- 22.2 As at May 20, 2014 and February 20, 2014, the Company has unused overdraft facilities with various banks totaling same amount of Baht 815.10 million and Baht 935.10 million, respectively. Such overdraft facilities are unsecured.
- 22.3 As at May 20, 2014 and February 20, 2014, the Company has bank's letter of guarantees issued to suppliers for guarantee payment of Baht 0.30 million. Such letter of guarantees are unsecured.
- 22.4 As at May 20, 2014 and February 20, 2014, the subsidiaries have letters of guarantee issued by banks in the amounts of Baht 3.78 million and Baht 3.62 million, respectively.
- 22.5 As at May 20, 2014, a subsidiary has outstanding letter of credit issued by the bank for guarantee repayment of loan of not exceeding USD 0.53 million (see Note 11).

23. EVENT AFTER THE REPORTING PERIOD

At the Annual General Meeting of shareholders held on June 12, 2014, the shareholders had the resolutions to approve the declaration of final dividends for the fiscal year 2013 at the rate of Baht 1.85 per share, totaling Baht 462.50 million which were paid to all shareholders on June 24, 2014 in addition to the interim dividends which were paid to all shareholders at Baht 1.60 per share, totaling Baht 399.95 million on October 24, 2013.

24. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

These interim financial statements have been approved for issuing by the Company's authorized director and the Audit Committee on June 26, 2014.