

**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 November 30, 2016 and the related consolidated and separate statements of profit or loss, profit or loss and other comprehensive income for the three-month and nine-month periods then ended, and the consolidated and separate statements of changes in shareholders' equity and cash flows for the nine-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 No. 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".

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

**BANGKOK**  
January 10, 2017

**DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.**

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT NOVEMBER 30, 2016

BAHT '000

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at	As at	As at	As at
		November 30,	February 29,	November 30,	February 29,
		2016	2016	2016	2016
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	5.1	3,793,177	3,808,571	3,128,926	3,129,591
Accounts receivable and other receivables					
Accounts receivable	6	63,022,224	59,560,348	62,034,693	56,801,824
Other receivables		698,183	810,012	687,101	880,433
Seller loans in Special Purpose Vehicles for Securitization due within one year	9	-	-	39,832	2,556,675
Subordinated lendings due within one year	10.1	-	1,399,352	-	1,399,352
Receivables per currency swap contracts	13 and 15	961,538	848,201	961,538	848,201
Short-term loan to a related party	7	-	-	100,000	100,000
Other current assets		56,735	42,010	40,666	39,732
Total Current Assets		<u>68,531,857</u>	<u>66,468,494</u>	<u>66,992,756</u>	<u>65,755,808</u>
<b>NON-CURRENT ASSETS</b>					
Accounts receivable	6	1,117,916	1,329,984	427,482	617,854
Fixed deposits at banks under obligations		27,283	34,237	-	-
Investment in associate	8.1 and 8.2	41,830	41,245	16,819	16,819
Investments in subsidiaries	8.2	-	-	957,412	957,412
Other long-term investments					
Related companies	8.3	26,717	26,717	26,717	26,717
Subordinated lendings	10.1	-	-	42,343	29,870
Leasehold improvement and equipment		974,377	949,732	742,110	717,517
Intangible assets		578,240	650,434	424,646	495,094
Receivables per currency swap contracts	13 and 15	1,592,358	2,312,832	1,592,358	2,312,832
Deferred tax assets	11	436,048	459,099	427,442	427,018
Other non-current assets		196,050	178,395	167,465	150,585
Total Non-Current Assets		<u>4,990,819</u>	<u>5,982,675</u>	<u>4,824,794</u>	<u>5,751,718</u>
<b>TOTAL ASSETS</b>		<u><u>73,522,676</u></u>	<u><u>72,451,169</u></u>	<u><u>71,817,550</u></u>	<u><u>71,507,526</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 NOVEMBER 30, 2016

BAHT '000

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at November 30, 2016	As at February 29, 2016	As at November 30, 2016	As at February 29, 2016
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
CURRENT LIABILITIES					
Bank overdrafts and short-term borrowings from financial institutions	12	6,548,538	7,292,064	5,840,000	6,790,000
Accounts payable and other payables					
Accounts payable		450,419	430,886	381,618	310,896
Other payables		1,303,319	1,362,153	1,318,554	1,965,910
Current portion of :					
Long-term borrowings	13	9,037,523	11,217,769	8,688,767	11,217,769
Long-term debentures	15	4,234,318	1,250,021	4,234,318	1,250,021
Long-term finance lease liabilities		2,234	-	-	-
Accrued income tax		134,493	281,686	120,030	235,577
Payables per currency swap contracts	13	206,694	44,163	206,694	44,163
Other current liabilities		167,205	358,656	143,295	196,481
Total Current Liabilities		<u>22,084,743</u>	<u>22,237,398</u>	<u>20,933,276</u>	<u>22,010,817</u>
NON-CURRENT LIABILITIES					
Long-term borrowings	13	29,764,798	29,693,023	29,660,172	29,329,260
Long-term borrowings under securitization project	14	-	-	786,512	607,836
Long-term debentures	15	8,306,938	7,639,461	7,585,031	7,142,056
Long-term finance lease liabilities		4,417	-	-	-
Payables per currency swap contracts	13	276,684	505,175	276,684	505,175
Subordinated borrowings	10.2	42,343	29,870	-	-
Employee benefit obligations	16	112,232	88,990	76,783	59,672
Other non-current liabilities		-	584	403	584
Total Non-Current Liabilities		<u>38,507,412</u>	<u>37,957,103</u>	<u>38,385,585</u>	<u>37,644,583</u>
TOTAL LIABILITIES		<u>60,592,155</u>	<u>60,194,501</u>	<u>59,318,861</u>	<u>59,655,400</u>

**AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**AS AT NOVEMBER 30, 2016**

**BAHT '000**

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at November 30, 2016	As at February 29, 2016	As at November 30, 2016	As at February 29, 2016
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
(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		7,284,540	6,582,881	6,895,689	6,249,126
OTHER COMPONENTS OF EQUITY					
Exchange differences on translating financial statements of foreign operations		(30,357)	(13,075)	-	-
EQUITY ATTRIBUTABLE TO					
OWNERS OF THE PARENT		12,857,183	12,172,806	12,498,689	11,852,126
NON-CONTROLLING INTERESTS		73,338	83,862	-	-
TOTAL SHAREHOLDERS' EQUITY		12,930,521	12,256,668	12,498,689	11,852,126
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>73,522,676</b>	<b>72,451,169</b>	<b>71,817,550</b>	<b>71,507,526</b>

See condensed notes to the financial statements

**AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENT OF PROFIT OR LOSS**  
**FOR THE THREE-MONTH PERIOD ENDED NOVEMBER 30, 2016**  
**“UNAUDITED”**

**BAHT '000**

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		For the three-month periods ended		For the three-month periods ended	
		November 30, 2016	November 20, 2015	November 30, 2016	November 20, 2015
<b>REVENUES</b>					
Credit card income	18	1,622,103	1,563,648	1,718,717	1,552,927
Loan income		2,234,929	2,241,373	2,204,340	2,217,629
Hire-purchase income		91,666	110,040	33,263	52,464
Other income					
Bad debt recovery		133,686	125,890	133,686	122,434
Gain on sales of written-off accounts receivable		-	109,464	-	109,464
Collection service income		77,385	81,225	1,964	3,808
Commission income		115,001	113,116	-	-
Loss on sale of leasehold improvement and equipment and intangible assets		(1,471)	(352)	(1,447)	(352)
Dividend income		-	-	9,000	-
Others		84,976	97,879	29,281	28,515
Total other income		409,577	527,222	172,484	263,869
Total Revenues		4,358,275	4,442,283	4,128,804	4,086,889
<b>EXPENSES</b>					
Operating and administrative expenses		1,831,393	1,867,996	1,674,125	1,674,960
Directors and managements' remuneration	19	42,170	32,502	22,996	18,602
Bad debts and doubtful accounts		1,367,095	1,264,579	1,333,282	1,199,759
Finance cost		515,598	579,482	544,911	569,815
Total Expenses		3,756,256	3,744,559	3,575,314	3,463,136
Share of profit from investment in associate		543	1,044	-	-
PROFIT BEFORE INCOME TAX EXPENSE		602,562	698,768	553,490	623,753
INCOME TAX EXPENSE	20	120,578	143,408	106,447	115,853
<b>NET PROFIT FOR THE PERIOD</b>		<b>481,984</b>	<b>555,360</b>	<b>447,043</b>	<b>507,900</b>
<b>NET PROFIT ATTRIBUTABLE TO :</b>					
Owners of the parent		479,725	549,667	447,043	507,900
Non-controlling interests		2,259	5,693	-	-
		481,984	555,360	447,043	507,900
<b>BASIC EARNINGS PER SHARE</b>	<b>BAHT</b>	1.92	2.20	1.79	2.03
<b>WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES</b>	<b>SHARES</b>	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 PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
 FOR THE THREE-MONTH PERIOD ENDED NOVEMBER 30, 2016  
 “UNAUDITED”

BAHT '000

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the three-month		For the three-month	
	periods ended		periods ended	
	November 30,	November 20,	November 30,	November 20,
	2016	2015	2016	2015
Net profit for the period	481,984	555,360	447,043	507,900
Other comprehensive income (loss), net of income tax				
Items that will be reclassified subsequently to profit or loss				
Exchange differences on translating				
financial statements of foreign operations				
- Owners of the parent	(20,740)	(9,217)	-	-
- Non-controlling interests	(1,674)	5,309	-	-
Other comprehensive loss for the period,				
net of income tax	(22,414)	(3,908)	-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<u>459,570</u>	<u>551,452</u>	<u>447,043</u>	<u>507,900</u>
<b>TOTAL COMPREHENSIVE INCOME</b>				
<b>ATTRIBUTABLE TO :</b>				
Owners of the parent	458,985	540,450	447,043	507,900
Non-controlling interests	585	11,002	-	-
	<u>459,570</u>	<u>551,452</u>	<u>447,043</u>	<u>507,900</u>

See condensed notes to the financial statements

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF PROFIT OR LOSS

FOR THE NINE-MONTH PERIOD ENDED NOVEMBER 30, 2016

“UNAUDITED”

BAHT '000

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		For the nine-month		For the nine-month	
		periods ended		periods ended	
		November 30,	November 20,	November 30,	November 20,
		2016	2015	2016	2015
<b>REVENUES</b>					
Credit card income	18	4,880,524	4,624,701	5,140,327	4,577,751
Loan income		6,787,483	6,583,950	6,718,740	6,520,274
Hire-purchase income		298,006	320,543	115,225	163,417
Other income					
Bad debt recovery		369,694	414,282	366,111	404,002
Gain on sales of written-off accounts receivable		-	300,133	-	300,133
Collection service income		181,609	164,849	7,276	12,805
Commission income		352,625	348,923	-	-
Gain (loss) on sale of leasehold improvement and equipment and intangible assets		(5,190)	(695)	(5,154)	4,951
Dividend income		-	-	54,000	90,708
Others		269,858	250,860	104,297	103,379
Total other income		1,168,596	1,478,352	526,530	915,978
Total Revenues		13,134,609	13,007,546	12,500,822	12,177,420
<b>EXPENSES</b>					
Operating and administrative expenses		5,532,624	5,283,369	5,044,674	4,880,804
Directors and managements' remuneration	19	107,627	99,253	56,969	59,826
Bad debts and doubtful accounts		3,916,722	3,623,487	3,882,251	3,444,712
Finance cost		1,599,269	1,736,236	1,682,971	1,665,288
Total Expenses		11,156,242	10,742,345	10,666,865	10,050,630
Share of profit from investment in associate		585	3,297	-	-
PROFIT BEFORE INCOME TAX EXPENSE		1,978,952	2,268,498	1,833,957	2,126,790
INCOME TAX EXPENSE	20	399,702	456,971	321,700	379,799
<b>NET PROFIT FOR THE PERIOD</b>		<b>1,579,250</b>	<b>1,811,527</b>	<b>1,512,257</b>	<b>1,746,991</b>
<b>NET PROFIT ATTRIBUTABLE TO :</b>					
Owners of the parent		1,567,353	1,804,493	1,512,257	1,746,991
Non-controlling interests		11,897	7,034	-	-
		1,579,250	1,811,527	1,512,257	1,746,991
<b>BASIC EARNINGS PER SHARE</b>	<b>BAHT</b>	6.27	7.22	6.05	6.99
<b>WEIGHTED AVERAGE NUMBER OF</b>					
<b>ORDINARY SHARES</b>	<b>SHARES</b>	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 PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE NINE-MONTH PERIOD ENDED NOVEMBER 30, 2016**  
**“UNAUDITED”**

BAHT '000

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the nine-month		For the nine-month	
	periods ended		periods ended	
	November 30,	November 20,	November 30,	November 20,
	2016	2015	2016	2015
Net profit for the period	1,579,250	1,811,527	1,512,257	1,746,991
Other comprehensive income (loss), net of income tax				
Items that will be reclassified subsequently to profit or loss				
Exchange differences on translating				
financial statements of foreign operations				
- Owners of the parent	(17,282)	(14)	-	-
- Non-controlling interests	(3,803)	7,108	-	-
Items that will not be reclassified subsequently to profit or loss				
Actuarial loss from actuarial assumptions	(3,415)	-	(3,415)	-
Other comprehensive income (loss) for the period, net of income tax	(24,500)	7,094	(3,415)	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<u>1,554,750</u>	<u>1,818,621</u>	<u>1,508,842</u>	<u>1,746,991</u>
<b>TOTAL COMPREHENSIVE INCOME</b>				
<b>ATTRIBUTABLE TO :</b>				
Owners of the parent	1,546,656	1,804,479	1,508,842	1,746,991
Non-controlling interests	8,094	14,142	-	-
	<u>1,554,750</u>	<u>1,818,621</u>	<u>1,508,842</u>	<u>1,746,991</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 NINE-MONTH PERIOD ENDED NOVEMBER 30, 2016

“UNAUDITED”

BAHT '000

Notes	CONSOLIDATED FINANCIAL STATEMENTS								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	Non-controlling interests		
			Appropriated Legal reserve	Unappropriated Reserve for business expansion	Exchange differences on translating financial statements of foreign operations				
<b>Beginning balance, as at February 21, 2015</b>	250,000	478,000	25,000	4,850,000	4,842,294	(1,119)	10,444,175	645	10,444,820
Changes during the period									
Increase in share capital from non-controlling interests in subsidiaries	-	-	-	-	-	-	-	64,302	64,302
Capital repayment from dissolution in a subsidiary	-	-	-	-	-	-	-	(30)	(30)
Dividend paid 17.1	-	-	-	-	(462,328)	-	(462,328)	(15)	(462,343)
Interim dividend paid 17.2	-	-	-	-	(399,998)	-	(399,998)	-	(399,998)
Net profit for the period	-	-	-	-	1,804,493	-	1,804,493	7,034	1,811,527
Other comprehensive income (loss)	-	-	-	-	-	(14)	(14)	7,108	7,094
<b>Ending balance, as at November 20, 2015</b>	<u>250,000</u>	<u>478,000</u>	<u>25,000</u>	<u>4,850,000</u>	<u>5,784,461</u>	<u>(1,133)</u>	<u>11,386,328</u>	<u>79,044</u>	<u>11,465,372</u>

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)  
FOR THE NINE-MONTH PERIOD ENDED NOVEMBER 30, 2016  
“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		Other components of equity	Total owners of the parent			
			Appropriated	Retained earnings	Unappropriated	Exchange differences on translating financial statements of foreign operations			
			Legal reserve	Reserve for business expansion					
<b>Beginning balance, as at March 1, 2016</b>	250,000	478,000	25,000	4,850,000	6,582,881	(13,075)	12,172,806	83,862	12,256,668
Changes during the period									
Dividend paid	17.3	-	-	-	(462,349)	-	(462,349)	(18,618)	(480,967)
Interim dividend paid	17.4	-	-	-	(399,930)	-	(399,930)	-	(399,930)
Net profit for the period		-	-	-	1,567,353	-	1,567,353	11,897	1,579,250
Other comprehensive loss		-	-	-	(3,415)	(17,282)	(20,697)	(3,803)	(24,500)
<b>Ending balance, as at November 30, 2016</b>	<b>250,000</b>	<b>478,000</b>	<b>25,000</b>	<b>4,850,000</b>	<b>7,284,540</b>	<b>(30,357)</b>	<b>12,857,183</b>	<b>73,338</b>	<b>12,930,521</b>

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 NINE-MONTH PERIOD ENDED NOVEMBER 30, 2016

“UNAUDITED”

BAHT '000

	Notes	SEPARATE FINANCIAL STATEMENTS				Total shareholders' equity	
		Issued and paid-up share capital	Premium on ordinary shares	Retained earnings Appropriated Legal reserve	Retained earnings Unappropriated Reserve for business expansion		
<b>Beginning balance, as at February 21, 2015</b>		250,000	478,000	25,000	4,850,000	4,597,544	10,200,544
Changes during the period							
Dividend paid	17.1	-	-	-	-	(462,328)	(462,328)
Interim dividend paid	17.2	-	-	-	-	(399,998)	(399,998)
Net profit for the period		-	-	-	-	1,746,991	1,746,991
<b>Ending balance, as at November 20, 2015</b>		<u>250,000</u>	<u>478,000</u>	<u>25,000</u>	<u>4,850,000</u>	<u>5,482,209</u>	<u>11,085,209</u>
<b>Beginning balance, as at March 1, 2016</b>		250,000	478,000	25,000	4,850,000	6,249,126	11,852,126
Changes during the period							
Dividend paid	17.3	-	-	-	-	(462,349)	(462,349)
Interim dividend paid	17.4	-	-	-	-	(399,930)	(399,930)
Net profit for the period		-	-	-	-	1,512,257	1,512,257
Other comprehensive loss		-	-	-	-	(3,415)	(3,415)
<b>Ending balance, as at November 30, 2016</b>		<u>250,000</u>	<u>478,000</u>	<u>25,000</u>	<u>4,850,000</u>	<u>6,895,689</u>	<u>12,498,689</u>

See condensed notes to the financial statements

**AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENT OF CASH FLOWS**  
**FOR THE NINE-MONTH PERIOD ENDED NOVEMBER 30, 2016**  
**“UNAUDITED”**

**BAHT '000**

	Note	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		For the nine-month		For the nine-month	
		periods ended		periods ended	
		November 30,	November 20,	November 30,	November 20,
		2016	2015	2016	2015
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Profit before income tax expense		1,978,952	2,268,498	1,833,957	2,126,790
Adjustments for:					
Share of profit from investment in associate		(585)	(3,297)	-	-
Bad debts and doubtful accounts		3,916,722	3,623,487	3,882,251	3,444,712
Gain on devaluation of long-term borrowings under securitization project		-	-	(47,748)	(1,086)
Depreciation		261,162	250,981	194,533	199,461
Amortization of intangible assets		161,014	184,327	127,406	159,891
Employee benefit expense		18,974	15,196	12,843	11,482
Gain on sale of written-off accounts receivable		-	(300,133)	-	(300,133)
(Gain) loss on sale of leasehold improvement and equipment		3,603	695	3,592	(4,115)
Gain on sale of intangible assets		(5)	-	(5)	(836)
Loss on disposal of leasehold improvement and equipment		1,592	-	1,567	-
Interest income		(7,255,050)	(4,843,548)	(6,969,733)	(4,187,217)
Dividend income		-	-	(54,000)	(90,708)
Finance cost		1,599,269	1,736,236	1,682,971	1,665,288
		<u>685,648</u>	<u>2,932,442</u>	<u>667,634</u>	<u>3,023,529</u>
Operating assets increase					
Accounts receivable and other receivables		(5,433,276)	(6,852,532)	(6,312,983)	(10,885,892)
Other current assets		(14,725)	(11,124)	(934)	(843)
Other non-current assets		(21,329)	(31,313)	(20,491)	(5,970)
Operating liabilities increase (decrease)					
Accounts payable and other payables		123,915	152,565	(406,289)	167,850
Other current liabilities		(191,451)	206,685	(53,186)	181,856
Other non-current liabilities		(584)	131	(181)	(10,338)
Cash paid for operations		(4,851,802)	(3,603,146)	(6,126,430)	(7,529,808)
Proceeds from interest income		7,034,193	4,719,727	6,667,375	4,081,699
Dividend received		-	-	54,000	90,708
Finance cost paid		(1,763,588)	(1,888,304)	(1,840,598)	(1,801,217)
Income tax paid		(522,990)	(658,888)	(436,817)	(573,901)
Retirement benefits paid		-	(991)	-	(18,806)
Net cash used in operating activities		<u>(104,187)</u>	<u>(1,431,602)</u>	<u>(1,682,470)</u>	<u>(5,751,325)</u>

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENT OF CASH FLOWS (CONTINUED)  
FOR THE NINE-MONTH PERIOD ENDED NOVEMBER 30, 2016  
“UNAUDITED”

BAHT '000

Note	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the nine-month periods ended		For the nine-month periods ended	
	November 30, 2016	November 20, 2015	November 30, 2016	November 20, 2015
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Cash paid for fixed deposits at banks under obligations	-	(12,341)	-	-
Proceeds from fixed deposits at banks under obligations	6,954	-	-	-
Cash paid for short-term loan to a related party	-	-	-	(100,000)
Cash paid for investment in subsidiaries	-	-	-	(237,167)
Cash paid for purchase of investment in a subsidiary from non-controlling interest	-	(1,783)	-	-
Capital refund paid from dissolution in a subsidiary	-	(30)	-	-
Proceeds from capital refund from a subsidiary	-	-	-	10
Cash paid for purchase of leasehold improvement and equipment	(263,376)	(251,116)	(203,659)	(135,822)
Proceeds from sale of leasehold improvement and equipment	351	-	341	-
Cash paid for purchase of intangible assets	(86,794)	(148,952)	(54,926)	(101,148)
Proceeds from sale of intangible assets	22	-	22	-
Net cash used in investing activities	<u>(342,843)</u>	<u>(414,222)</u>	<u>(258,222)</u>	<u>(574,127)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from bank overdrafts and short-term borrowings from financial institutions	177,939,984	155,712,872	175,836,979	153,525,990
Cash repayments for bank overdrafts and short-term borrowings from financial institutions	(178,683,509)	-152,021,594	(176,786,979)	(149,885,990)
Cash repayments for short-term borrowing from a related party	-	-	-	(50,000)
Proceeds from long-term borrowings	8,264,656	7,972,600	8,160,030	7,972,600
Cash repayments for long-term borrowings	(9,931,871)	(9,772,368)	(9,916,863)	(9,806,580)
Proceeds from sale of additional revolving receivables under securitization projects	-	-	1,849,085	4,659,796
Proceeds from long-term borrowings under securitization project	-	-	685,218	528,929
Cash repayments for long-term borrowings under securitization project	-	-	(519,014)	(59,784)
Proceeds from subordinated borrowings under securitization project	12,472	25,041	-	-
Proceeds from long-term debentures	4,174,802	1,007,329	3,950,300	596,860
Cash repayments for long-term debentures	(456,450)	(646,000)	(456,450)	(646,000)
Cash payments under finance lease agreement	(369)	-	-	-
Proceeds from sale of written-off accounts receivable	-	245,494	-	245,494
Proceeds from ordinary shares issued of a subsidiary	-	66,084	-	-
Dividend paid	(467,064)	(462,343)	(462,349)	(462,328)
Interim dividend paid	(399,930)	(399,998)	(399,930)	(399,998)
Net cash provided by financing activities	<u>452,721</u>	<u>1,727,117</u>	<u>1,940,027</u>	<u>6,218,989</u>

AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENT OF CASH FLOWS (CONTINUED)  
FOR THE NINE-MONTH PERIOD ENDED NOVEMBER 30, 2016  
“UNAUDITED”

BAHT '000

	Note	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		For the nine-month periods ended		For the nine-month periods ended	
		November 30, 2016	November 20, 2015	November 30, 2016	November 20, 2015
Net increase (decrease) in cash and cash equivalents		5,691	(118,707)	(665)	(106,463)
Increase (decrease) in exchange differences on translating financial statements of foreign operations		(21,085)	7,094	-	-
Cash and cash equivalents at beginning of the period		3,808,571	2,769,448	3,129,591	2,218,371
<b>Cash and cash equivalents at the end of the period</b>	5.1	<u>3,793,177</u>	<u>2,657,835</u>	<u>3,128,926</u>	<u>2,111,908</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 NINE-MONTH PERIODS ENDED NOVEMBER 30, 2016  
“UNAUDITED”**

**1. OPERATIONS OF THE COMPANY**

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 Co., Ltd., incorporated in Japan, and ACS Capital Corporation Limited, incorporated in Thailand, are major shareholders with 35.12% and 19.20% shareholdings, 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 3.4.

**2. CHANGE IN ACCOUNTING PERIOD**

On June 12, 2015, the Annual General Meeting of shareholders had the resolutions to approve the change in accounting period of the Company from starting on February 21, and ending on February 20, of the following year, to be starting from March 1, and ending on the last day of February of the following year. The first accounting period of the change shall be effective and starting from the accounting period of February 21 to 29, 2016, and the next accounting periods shall be starting from March 1, and ending on the last day of February of the following year, which the Company received the approval for the change in accounting period from the Revenue Department and the Ministry of Commerce on June 2, 2015, and June 24, 2015, respectively.

Accordingly, the Company has presented the financial statements for the three-month and nine-month periods ended November 20, 2015 as a comparative information of the current period’s financial statements.

**3. BASIS FOR PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS**

3.1 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.

3.2 The interim consolidated and separate financial statements are prepared in compliance with Thai Accounting Standard No. 34 (Revised 2015) “Interim Financial Reporting” and accounting 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 (“the SEC”).

3.3 The interim consolidated and separate financial statements for the three-month and nine-month periods ended November 30, 2016 and November 20, 2015 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 29, 2016, presented herein for comparison, have been derived from the consolidated and separate financial statements of the Company for the period then ended which have been audited.

3.4 The interim consolidated financial statements for the three-month and nine-month periods ended November 30, 2016 and November 20, 2015 include the accounts of the Company and its subsidiaries by eliminating significant intercompany balances and transactions.

For the three-month and nine-month periods ended November 30, 2016 and November 20, 2015, the subsidiaries included in the consolidated financial statements are as follows:

	Business type	Country of Registration	Registration Date	Percentage of direct and indirect holdings	
				For the three-month and nine-month periods ended November 30, 2016	For the three-month and nine-month periods ended November 20, 2015
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 Specialized Bank (Cambodia) Plc.	Retail finance business	Cambodia	October 5, 2011	80.00	80.00
AEON Insurance Service (Thailand) Company Limited	Non-life insurance broker and life insurance broker	Thailand	July 1, 2013	100.00	100.00
ACS Servicing (Thailand) Company Limited	Collection servicer	Thailand	March 13, 2007	100.00	100.00
AEON Microfinance (Myanmar) Company Limited	Retail finance business	Myanmar	November 2, 2012	100.00	100.00
AEON Leasing Service (Lao) Company Limited***	Retail finance business	Laos	January 11, 2013	100.00	100.00
ATS Rabbit Special Purpose Vehicle Company Limited****	Special purpose juristic person in securitization projects	Thailand	March 20, 2015	48.75	48.75



- \* 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 Notes 6.5 and 8.2).
- \*\* Eternal 6 Special Purpose Vehicle Company Limited had already registered the dissolution with the Department of Business Development, Ministry of Commerce on August 31, 2016. Eternal 6 is under the liquidation process (see Notes 6.5 and 8.2).
- \*\*\* The Company holds shares indirectly through ACS Servicing (Thailand) Company Limited and AEON Insurance Service (Thailand) Company Limited with 3.71% and 3.71% shareholdings, respectively.
- \*\*\*\* The Company has the power to control over ATS Rabbit Special Purpose Vehicle Company Limited because the Company has power to appoint the board of directors and rights to provide certain service which is significantly impacted by the performance of underlying assets and has rights to get variable return from such company under securitization project.

The interim consolidated financial statements for the three-month and nine-month periods ended November 30, 2016 and November 20, 2015 included equity interests in an associated company as follow:

	Business type	Country of Registration	Registration Date	Percentage of direct and indirect holdings For the three-month and nine-month periods ended November 30, November 20, 2016, 2015	
				2016	2015
ACS Trading Vietnam Company Limited	Retail finance business	Vietnam	May 26, 2008	20.00	20.00

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

- 3.5 The financial statements of certain subsidiaries and associate used in the preparation of consolidated financial statements are as of a date or for a period that is different from that of the consolidated financial statements. However, the Company consolidated the financial information of the subsidiaries and associate using the most recent financial statements of the subsidiaries and associate adjusted for the effects of significant transactions or events that occur between the date of those financial statements and the date of the consolidated financial statements. The date of the end of the reporting period of the financial statements of the subsidiaries and associate are as follows:

	The date of the end of the reporting period in preparation of the consolidated financial statements For the three-month and nine-month periods ended	
	November 30, 2016	November 20, 2015
<b>Subsidiaries</b>		
AEON Specialized (Cambodia) Bank Plc.	September 30, 2016	September 30, 2015
AEON Insurance Service (Thailand) Company Limited	September 30, 2016	September 30, 2015
ACS Servicing (Thailand) Company Limited	September 30, 2016	September 30, 2015
AEON Microfinance (Myanmar) Company Limited	September 30, 2016	September 30, 2015
AEON Leasing Service (Lao) Company Limited	September 30, 2016	September 30, 2015
<b>Associate</b>		
ACS Trading Vietnam Company Limited	September 30, 2016	September 30, 2015

- 3.6 Certain financial information which is normally included in the annual 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 for the three-month and nine-month periods ended November 30, 2016 should be read in conjunction with the audited financial statements for the year ended February 20, 2016 and for the period from February 21 to 29, 2016.
- 3.7 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.
- 3.8 The unaudited results of operations presented in the three-month and nine-month periods ended November 30, 2016 are not necessarily an indication nor anticipation of the operating results for the full year.
- 3.9 Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective

The Federation of Accounting Professions has issued the Notifications regarding Thai Financial Reporting Standards (TFRSs) which are effective for the financial statements for the period beginning on or after January 1, 2017 onwards, as follows:

**Thai Accounting Standards ("TAS")**

TAS 1 (Revised 2016)	Presentation of Financial Statements
TAS 2 (Revised 2016)	Inventories
TAS 7 (Revised 2016)	Statement of Cash Flows
TAS 8 (Revised 2016)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (Revised 2016)	Events After the Reporting Period
TAS 12 (Revised 2016)	Income Taxes
TAS 16 (Revised 2016)	Property, Plant and Equipment
TAS 17 (Revised 2016)	Leases
TAS 18 (Revised 2016)	Revenue
TAS 19 (Revised 2016)	Employee Benefits
TAS 20 (Revised 2016)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (Revised 2016)	The Effects of Changes in Foreign Exchange Rate
TAS 23 (Revised 2016)	Borrowing Costs
TAS 24 (Revised 2016)	Related Party Disclosures
TAS 26 (Revised 2016)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (Revised 2016)	Separate Financial Statements
TAS 28 (Revised 2016)	Investments in Associates and Joint Ventures
TAS 29 (Revised 2016)	Financial Reporting in Hyperinflationary Economies
TAS 33 (Revised 2016)	Earnings Per Share
TAS 34 (Revised 2016)	Interim Financial Reporting
TAS 36 (Revised 2016)	Impairment of Assets
TAS 37 (Revised 2016)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (Revised 2016)	Intangible assets

**Thai Accounting Standards (“TAS”) (Continued)**

TAS 40 (Revised 2016)	Investment Property
TAS 41 (Revised 2016)	Agriculture
TAS 104 (Revised 2016)	Accounting for Troubled Debt Restructuring
TAS 105 (Revised 2016)	Accounting for Investments in Debt and Equity Securities
TAS 107 (Revised 2016)	Financial Instruments Disclosure and Presentation

**Thai Financial Reporting Standards (“TFRS”)**

TFRS 2 (Revised 2016)	Share - Based Payment
TFRS 3 (Revised 2016)	Business Combinations
TFRS 4 (Revised 2016)	Insurance Contracts
TFRS 5 (Revised 2016)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (Revised 2016)	Exploration for and Evaluation of Mineral Assets
TFRS 8 (Revised 2016)	Operating Segments
TFRS 10 (Revised 2016)	Consolidated Financial Statements
TFRS 11 (Revised 2016)	Joint Arrangements
TFRS 12 (Revised 2016)	Disclosure of Interests in Other Entities
TFRS 13 (Revised 2016)	Fair Value Measurement

**Thai Accounting Standards Interpretations (“TSIC”)**

TSIC 10 (Revised 2016)	Government Assistance - No Specific Relation to Operating Activities
TSIC 15 (Revised 2016)	Operating Leases - Incentives
TSIC 25 (Revised 2016)	Income Taxes - Change in the Tax Status of an Enterprise or its Shareholders
TSIC 27 (Revised 2016)	Evaluating the Substance of Transactions in the Legal Form of a Lease
TSIC 29 (Revised 2016)	Disclosure - Service Concession Arrangements
TSIC 31 (Revised 2016)	Revenue - Barter Transactions Involving Advertising Services
TSIC 32 (Revised 2016)	Intangible Assets - Web Site Costs

**Thai Financial Reporting Standard Interpretations (“TFRIC”)**

TFRIC 1 (Revised 2016)	Changes in Existing Decommissioning, Restoration and Similar Liability
TFRIC 4 (Revised 2016)	Determining whether an Arrangement contains a Lease
TFRIC 5 (Revised 2016)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (Revised 2016)	Applying the Restatement Approach under TAS 29 (Revised 2016) Financial Reporting in Hyperinflationary Economies
TFRIC 10 (Revised 2016)	Interim Financial Reporting and Impairment
TFRIC 12 (Revised 2016)	Service Concession Arrangements
TFRIC 13 (Revised 2016)	Customer Loyalty Programmes
TFRIC 14 (Revised 2016)	TAS 19 (Revised 2016) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TFRIC 15 (Revised 2016)	Agreements for the Construction of Real Estate
TFRIC 17 (Revised 2016)	Distributions of Non-cash Assets to Owners
TFRIC 18 (Revised 2016)	Transfers of Assets from Customers
TFRIC 20 (Revised 2016)	Stripping Costs in the Production Phase of a Surface Mine
TFRIC 21 (Revised 2016)	Levies

**Guideline on Accounting**

Guideline on Accounting regarding Derecognition of Financial Assets and Liabilities

The Company’s and its subsidiaries’ management will adopt such TFRSs in the preparation of the Company’s and its subsidiaries’ financial statements when it becomes effective.

The Company’s and its subsidiaries’ management is in the process to assess the impact of this TFRSs on the financial statements of the Company and its subsidiaries in the period of initial application.

Regarding “Guideline on Accounting regarding Derecognition of Financial Assets and Liabilities” the Company’s and its subsidiaries’ management has assessed the impact of this Guideline Accounting and believes that it will not have material difference from the Draft Accounting Guidance which the Company adopted before the effective date.

#### 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 period from February 21 to 29, 2016.

#### 5. SUPPLEMENTARY DISCLOSURES OF CASH FLOW INFORMATION

5.1 Cash and cash equivalents are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS “Unaudited”		SEPARATE FINANCIAL STATEMENTS “Unaudited”	
	As at November 30, 2016 Baht’ 000	As at February 29, 2016 Baht’ 000	As at November 30, 2016 Baht’ 000	As at February 29, 2016 Baht’ 000
Cash	1,436,047	1,383,301	1,422,603	1,370,634
Deposits at bank - call deposits	2,357,130	2,425,270	1,706,323	1,758,957
Cash and cash equivalents	<u>3,793,177</u>	<u>3,808,571</u>	<u>3,128,926</u>	<u>3,129,591</u>

5.2 Cash paid for purchase of leasehold improvement and equipment and intangible assets for the nine-month periods ended November 30, 2016 and November 20, 2015, are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS For the nine-month periods ended		SEPARATE FINANCIAL STATEMENTS For the nine-month periods ended	
	November 30, 2016 Baht’ 000	November 20, 2015 Baht’ 000	November 30, 2016 Baht’ 000	November 20, 2015 Baht’ 000
Leasehold improvement and equipment				
Liabilities recorded - brought forward	15,500	8,848	15,500	8,848
Purchase of leasehold improvement and equipment	284,350	256,666	224,633	141,372
	299,850	265,514	240,133	150,220
<u>Less</u> Cash paid for purchase of leasehold improvement and equipment	<u>(263,376)</u>	<u>(251,116)</u>	<u>(203,659)</u>	<u>(135,822)</u>
Liabilities recorded - carried forward	<u>36,474</u>	<u>14,398</u>	<u>36,474</u>	<u>14,398</u>

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the nine-month		For the nine-month	
	periods ended		periods ended	
	November 30,	November 20,	November 30,	November 20,
	2016	2015	2016	2015
	Baht '000	Baht '000	Baht '000	Baht '000
Intangible assets				
Liabilities recorded - brought forward	366	17,015	366	17,015
Purchase of intangible assets	88,836	147,517	56,968	99,713
	<u>89,202</u>	<u>164,532</u>	<u>57,334</u>	<u>116,728</u>
<u>Less</u> Cash paid for purchase of				
intangible assets	(86,794)	(148,952)	(54,926)	(101,148)
Liabilities recorded - carried forward	<u>2,408</u>	<u>15,580</u>	<u>2,408</u>	<u>15,580</u>

- 5.3 During the nine-month periods ended November 30, 2016 and November 20, 2015, the Company had non-cash item relating to sale of the right on credit card receivables to Eternal 6 Special Purpose Vehicle Company Limited, which is a subsidiary of the Company, 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 and increasing the Seller loan Account of Baht 2,493.86 million and Baht 1,653.54 million, respectively, instead of cash receipt.

In addition, during the nine-month period ended November 30, 2016, the Company had non-cash item relating to repurchase the right on credit card receivables which was settled by decreasing the Subordinating lendings Account of Baht 1,399.35 million, instead of cash payment (see Note 10.1).

- 5.4 During the nine-month period ended November 30, 2016, the Company had non-cash item relating to sale of the rights on loan receivables to ATS Rabbit Special Purpose Vehicle Company Limited, which is a subsidiary of the Company, as the Company sold loan receivables to such subsidiary which was settled by increasing the Subordinated lendings Account and the Seller loan Account of Baht 12.47 million and decreasing Baht 22.98 million, respectively, instead of cash receipt.

## 6. ACCOUNTS RECEIVABLE

### 6.1 Accounts receivable consist of:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	As at	As at	As at	As at
	November 30,	February 29,	November 30,	February 29,
	2016	2016	2016	2016
	Baht '000	Baht '000	Baht '000	Baht '000
Accounts receivable	65,792,148	62,694,464	64,074,420	59,086,148
Accounts receivable under securitization project				
- ATS Rabbit Special Purpose Vehicle				
Company Limited	786,512	607,836	786,512	607,836
Total	66,578,660	63,302,300	64,860,932	59,693,984
<u>Less Allowance for doubtful accounts</u>	<u>(2,438,520)</u>	<u>(2,411,968)</u>	<u>(2,398,757)</u>	<u>(2,274,306)</u>
Total accounts receivable	<u>64,140,140</u>	<u>60,890,332</u>	<u>62,462,175</u>	<u>57,419,678</u>
Accounts receivable due within 1 year	63,022,224	59,560,348	62,034,693	56,801,824
Accounts receivable due after 1 year	1,117,916	1,329,984	427,482	617,854
Total	<u>64,140,140</u>	<u>60,890,332</u>	<u>62,462,175</u>	<u>57,419,678</u>

As the securitization transaction under the Receivables Sales and Purchase Agreement for transferred rights on loan receivables with ATS Rabbit Special Purpose Vehicle Company Limited does not qualify to derecognition of financial assets according to the “Guideline on Accounting regarding Derecognition of Financial Assets and Liabilities” issued by the Federation of Accounting Professions, the Company continues to recognize the full carrying amount of these receivables and used as collateral of long-term borrowings under the securitization project (see Note 6.5).

As at November 30, 2016 and February 29, 2016, accounts receivable are as follows:

CONSOLIDATED FINANCIAL STATEMENTS						
“Unaudited”						
	As at November 30, 2016			As at February 29, 2016		
	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
<b>Hire-purchase receivable</b>						
Hire-purchase and accrued interest receivable	802,848	743,537	1,546,385	920,059	899,130	1,819,189
<u>Less</u> Unearned financing income	(88,827)	(25,383)	(114,210)	(138,944)	(43,693)	(182,637)
	<u>714,021</u>	<u>718,154</u>	<u>1,432,175</u>	<u>781,115</u>	<u>855,437</u>	<u>1,636,552</u>
<u>Less</u> Allowance for doubtful accounts	(51,186)	-	(51,186)	(53,804)	-	(53,804)
Hire-purchase and accrued interest receivable - net	<u>662,835</u>	<u>718,154</u>	<u>1,380,989</u>	<u>727,311</u>	<u>855,437</u>	<u>1,582,748</u>
<b>Loan receivable</b>						
Loan and accrued interest receivable	35,773,119	399,762	36,172,881	35,544,125	474,547	36,018,672
<u>Less</u> Allowance for doubtful accounts	(1,465,485)	-	(1,465,485)	(1,398,264)	-	(1,398,264)
Loan and accrued interest receivable - net	<u>34,307,634</u>	<u>399,762</u>	<u>34,707,396</u>	<u>34,145,861</u>	<u>474,547</u>	<u>34,620,408</u>
<b>Credit card receivable</b>						
Credit card and accrued interest receivable	28,840,632	-	28,840,632	25,327,203	-	25,327,203
<u>Less</u> Allowance for doubtful accounts	(921,849)	-	(921,849)	(959,900)	-	(959,900)
Credit card and accrued interest receivable - net	<u>27,918,783</u>	<u>-</u>	<u>27,918,783</u>	<u>24,367,303</u>	<u>-</u>	<u>24,367,303</u>
<b>Receivable from rendering the collection service</b>	67,843	-	67,843	87,664	-	87,664
<b>Receivable from insurance broker business</b>	<u>65,129</u>	<u>-</u>	<u>65,129</u>	<u>232,209</u>	<u>-</u>	<u>232,209</u>
<b>Total accounts receivable</b>	<u>63,022,224</u>	<u>1,117,916</u>	<u>64,140,140</u>	<u>59,560,348</u>	<u>1,329,984</u>	<u>60,890,332</u>

SEPARATE FINANCIAL STATEMENTS

“Unaudited”

	As at November 30, 2016			As at February 29, 2016		
	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
<b>Hire-purchase receivable</b>						
Hire-purchase and accrued interest receivable	444,638	180,609	625,247	641,045	301,449	942,494
<u>Less</u> Unearned financing income	<u>(88,827)</u>	<u>(25,383)</u>	<u>(114,210)</u>	<u>(138,944)</u>	<u>(43,693)</u>	<u>(182,637)</u>
	355,811	155,226	511,037	502,101	257,756	759,857
<u>Less</u> Allowance for doubtful accounts	<u>(23,797)</u>	<u>-</u>	<u>(23,797)</u>	<u>(32,842)</u>	<u>-</u>	<u>(32,842)</u>
Hire-purchase and accrued interest receivable - net	<u>332,014</u>	<u>155,226</u>	<u>487,240</u>	<u>469,259</u>	<u>257,756</u>	<u>727,015</u>
<b>Loan receivable</b>						
Loan and accrued interest receivable	35,292,206	272,256	35,564,462	35,188,282	360,098	35,548,380
<u>Less</u> Allowance for doubtful accounts	<u>(1,453,117)</u>	<u>-</u>	<u>(1,453,117)</u>	<u>(1,391,862)</u>	<u>-</u>	<u>(1,391,862)</u>
Loan and accrued interest receivable - net	<u>33,839,089</u>	<u>272,256</u>	<u>34,111,345</u>	<u>33,796,420</u>	<u>360,098</u>	<u>34,156,518</u>
<b>Credit card receivable</b>						
Credit card and accrued interest receivable	28,785,433	-	28,785,433	23,385,747	-	23,385,747
<u>Less</u> Allowance for doubtful accounts	<u>(921,843)</u>	<u>-</u>	<u>(921,843)</u>	<u>(849,602)</u>	<u>-</u>	<u>(849,602)</u>
Credit card and accrued interest receivable - net	<u>27,863,590</u>	<u>-</u>	<u>27,863,590</u>	<u>22,536,145</u>	<u>-</u>	<u>22,536,145</u>
<b>Total accounts receivable</b>	<u>62,034,693</u>	<u>427,482</u>	<u>62,462,175</u>	<u>56,801,824</u>	<u>617,854</u>	<u>57,419,678</u>

6.2 Quality of assets

Accounts receivable classified by aging as at November 30, 2016 and February 29, 2016, are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS “Unaudited”		SEPARATE FINANCIAL STATEMENTS “Unaudited”	
	As at November 30, 2016 Baht '000	As at February 29, 2016 Baht '000	As at November 30, 2016 Baht '000	As at February 29, 2016 Baht '000
Less than 3 months	64,621,200	61,210,162	62,944,443	57,725,400
3 months up	1,957,460	2,092,138	1,916,489	1,968,584
Total	66,578,660	63,302,300	64,860,932	59,693,984
<u>Less</u> Allowance for doubtful accounts	<u>(2,438,520)</u>	<u>(2,411,968)</u>	<u>(2,398,757)</u>	<u>(2,274,306)</u>
Total accounts receivable	<u>64,140,140</u>	<u>60,890,332</u>	<u>62,462,175</u>	<u>57,419,678</u>



### 6.3 Troubled debt restructuring

For the three-month periods ended November 30, 2016 and November 20, 2015, the Company had recognized interest income on restructured debts totaling Baht 29.66 million and Baht 41.31 million, respectively.

For the nine-month periods ended November 30, 2016 and November 20, 2015, the Company had recognized interest income on restructured debts totaling Baht 165.94 million and Baht 182.79 million, respectively.

The Company had the outstanding balances of credit card receivables, hire-purchase receivables and loan receivables as at November 30, 2016 and February 29, 2016, as follows:

	CONSOLIDATED FINANCIAL STATEMENTS			
	“Unaudited”			
	As at November 30, 2016		As at February 29, 2016	
	Number of debtors	Amount Baht '000	Number of debtors	Amount Baht '000
Restructured accounts receivable	46,697	1,398,582	51,527	1,671,702
Non-restructured accounts receivable	3,641,016	65,047,106	3,619,821	61,310,725
Total	3,687,713	66,445,688	3,671,348	62,982,427

	SEPARATE FINANCIAL STATEMENTS			
	“Unaudited”			
	As at November 30, 2016		As at February 29, 2016	
	Number of debtors	Amount Baht '000	Number of debtors	Amount Baht '000
Restructured accounts receivable	46,697	1,398,582	51,527	1,671,702
Non-restructured accounts receivable	3,440,663	63,462,350	3,346,756	58,022,282
Total	3,487,360	64,860,932	3,398,283	59,693,984

As at November 30, 2016 and February 29, 2016, 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 FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	As at November 30, 2016	As at February 29, 2016	As at November 30, 2016	As at February 29, 2016
	Baht '000	Baht '000	Baht '000	Baht '000
Beginning balance	2,411,968	2,403,280	2,274,306	2,266,118
Bad debts and doubtful accounts	3,916,722	8,688	3,882,251	8,188
Gain on devaluation of long-term borrowings under securitization project	-	-	47,748	-
Written-off bad debts	(3,890,170)	-	(3,805,548)	-
Ending balance	2,438,520	2,411,968	2,398,757	2,274,306

## 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:

		<b>Eternal 5*</b>	<b>Eternal 6**</b>	<b>ATS Rabbit***</b>
Approved date of the securitization projects by the Office of the Securities and Exchange Commission of Thailand ("the SEC")		May 19, 2010	May 10, 2013	October 2, 2015
Initial selling date		May 20, 2010	May 20, 2013	October 29, 2015
Type of transferred receivables		Credit Card Receivable	Credit Card Receivable	Loan Receivable
Revolving period		May 2010 - April 2015 (approximately)	April 2013 - April 2018 (approximately)	October 2015 - October 2025 (approximately)
<b>Initial sales of receivables</b>				
Net book value of initial receivables	Baht	4,355,040,449	4,500,002,090	456,076,200
Proceeds from transfer of the right of receivables	Baht	2,790,000,000	2,960,000,000	433,272,390
Subordinated lendings (see Note 10)	Baht	1,438,000,000	1,399,351,988	50,081,313
Minimum seller loan - pari passu with debentures (see Note 9)	Baht	126,840,000	130,780,560	None
Number of contracts		205,485	183,047	49,225
Average principal amount outstanding	Baht	21,194	24,584	9,265
Interest rate		20% p.a.	20% p.a.	28% p.a.

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

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

\*\*\* ATS Rabbit 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.

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 8.2).

On June 8, 2016, Eternal 6 redeemed all seller loan in special purpose vehicle for securitization, subordinated lending and debentures, and the Company repurchased all outstanding receivables from Eternal 6 which led to the end of the securitization project of Eternal 6 on the same date. As at August 31, 2016, the Extraordinary Shareholders' Meetings of Eternal 6 had passed the resolutions to approve the dissolution and liquidation, and Eternal 6 registered the dissolution with Department of Business Development, Ministry of Commerce on the same date. Eternal 6 is under the liquidation process (see Note 8.2).

During the life of the securitization projects, the Company may repurchase the rights on the Purchased Receivables with Eternal 5 and Eternal 6, 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 22, 2015, the Company entered into the Receivables Sale and Purchase Agreement with ATS Rabbit Special Purpose Vehicle Company Limited which was registered as a special purpose vehicle company under the Civil and Commercial Code of Thailand for the purpose of implementing or facilitating the securitization in accordance with the securitization projects approved by the Office of the SEC on October 2, 2015 for transferred rights, title, interest and benefits in respect of the Initial Receivables, the Future Receivables and the Additional Receivables on the term of the Agreement.

Under the agreement, the purchase price of the Initial Receivables equal to the net book value of receivables as of October 29, 2015 of Baht 456.08 million. As at October 29, 2015, the Company received cash proceeds of Baht 433.27 million and the remaining balance of Baht 22.81 million was paid by entering into a subordinated loan agreement of Baht 25.04 million (see Note 10.1). The revolving sale and purchase period of Future Receivables and Additional Receivables commenced from October 30, 2015 and will be terminated in October 2025, approximately.

During the life of the securitization projects, the Company may repurchase the rights on the Purchased Receivables with ATS Rabbit 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. 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.
3. 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.

For the three-month and nine-month periods ended November 30, 2016 and November 20, 2015, transactions relating to the transfer of financial assets under the securitization projects are summarized as follows:

	For the three-month periods ended		For the nine-month periods ended	
	November 30, 2016 Million Baht	November 20, 2015 Million Baht	November 30, 2016 Million Baht	November 20, 2015 Million Baht
Transfers of future receivables (at book value)				
- Credit card receivable (Eternal 6)	-	1,477	1,411	4,660
- Loan receivable (ATS Rabbit)	62	98	438	98
	<u>62</u>	<u>1,575</u>	<u>1,849</u>	<u>4,758</u>
Cash collection on behalf of Special Purpose Vehicles				
- Credit card receivable (Eternal 6)	-	1,813	1,678	5,545
- Loan receivable (ATS Rabbit)	77	60	505	60
	<u>77</u>	<u>1,873</u>	<u>2,183</u>	<u>5,605</u>
Servicing income on cash collection from Special Purpose Vehicles				
- Credit card receivable (Eternal 6)	7	67	63	202
- Loan receivable (ATS Rabbit)	10	2	28	2
	<u>17</u>	<u>69</u>	<u>91</u>	<u>204</u>

As at November 30, 2016 and February 29, 2016, the outstanding receivables sold to Special Purpose Vehicles which are eliminated against long-term debentures in the consolidated financial statements and managed by the Company classified by aging are as follows:

	“Unaudited”	
	As at November 30, 2016 Million Baht	As at February 29, 2016 Million Baht
Credit card receivables (included accrued interest income) - Eternal 6		
Less than 3 months	-	4,225
3 months up	-	95
	-	4,320
<u>Less</u> Allowance for doubtful accounts	-	(110)
Total	-	4,210

## 7. SHORT-TERM LOAN TO A RELATED PARTY

As at November 30, 2016 and February 29, 2016, the Company has short-term loan to a subsidiary amounting to Baht 100 million (see Note 21.2.1). The loan can be called to repay within 30 days after receiving written notice. The loan is unsecured and have interest rate at policy interest rate of the Bank of Thailand plus margin of 0.5% per annum.

## 8. INVESTMENTS IN ASSOCIATE, SUBSIDIARIES AND LONG-TERM INVESTMENTS IN RELATED COMPANIES

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

### 8.1 Investment in associate in the consolidated financial statements

As at November 30, 2016 and February 29, 2016, the Company had investment in the entity which is associate and accounted for equity method in the consolidated financial statements as follows:

CONSOLIDATED FINANCIAL STATEMENTS						
“Unaudited”						
		As at November 30, 2016		As at February 29, 2016		
Paid-up Capital	% of Ownership	Investment (Cost method) Baht '000	Investment (Equity method) Baht '000	Investment (Cost method) Baht '000	Investment (Equity method) Baht '000	
<b>Investment in associate</b>						
ACS Trading Vietnam						
Company Limited	VND 50,000 million	20.00	16,819.3	41,829.9	16,819.3	41,245.2
<b>Total investment in associate</b>			16,819.3	41,829.9	16,819.3	41,245.2

## 8.2 Investments in associate and subsidiaries in the separate financial statements

As at November 30, 2016 and February 29, 2016, the Company had investments in associate and subsidiaries which are accounted for cost method in the separate financial statements as follows:

	SEPARATE FINANCIAL STATEMENTS “Unaudited”			
	As at November 30, 2016		As at February 29, 2016	
	% of Ownership	Cost Baht '000	% of Ownership	Cost Baht '000
<b>Investment in associate and subsidiaries</b>				
Investment in associate (see Note 21.1)				
ACS Trading Vietnam Company Limited	20.00	16,819.3	20.00	16,819.3
<b>Total investment in associate</b>		<u>16,819.3</u>		<u>16,819.3</u>
Investments in subsidiaries (see Note 21.1)				
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
ATS Rabbit Special Purpose Vehicle Company Limited	48.75	19.5	48.75	19.5
AEON Specialized Bank (Cambodia) Plc.	80.00	252,960.0	80.00	252,960.0
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	276,769.1	100.00	276,769.1
AEON Leasing Service (Lao) Company Limited	92.58	103,069.1	92.58	103,069.1
<b>Total investments in subsidiaries</b>		<u>957,411.9</u>		<u>957,411.9</u>
<b>Total investments in associate and subsidiaries</b>		<u>974,231.2</u>		<u>974,231.2</u>

- (1) 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).
- (2) As at August 31, 2016, the Extraordinary Shareholders’ Meetings of Eternal 6 had passed the resolutions to approve the liquidation and dissolution and Eternal 6 registered the dissolution with Department of Business Development, Ministry of Commerce on the same date. Eternal 6 is under the liquidation process (see Note 6.5).
- (3) On June 4, 2015, the Company paid Baht 134.80 million for additional investment for capital increase of AEON Specialized Bank (Cambodia) Plc. The Company holds 80% of shareholding in the subsidiary after capital increased.
- (4) During the year ended February 20, 2016, the Company paid Baht 100.57 million for additional investment for capital increase of AEON Microfinance (Myanmar) Company Limited.
- (5) On September 30, 2015, the Company paid Baht 1.78 million for purchasing additional investment of AEON Leasing Service (Lao) Company Limited from non-controlling interests. The Company directly holds 92.58% of shareholding in the subsidiary after additional investment.

- (6) On February 2, 2015, the Company entered into a Memorandum of Understanding regarding the cooperation between the Company and BTS Group Holdings Public Company Limited (“BTSG”) and Bangkok Smartcard System Company Limited (“BSS”) (a subsidiary of BTSG), for the joint issue of member card under the Co-Branded Rabbit Program and setting up a special purpose vehicle for the securitization project, the purpose of securitization through the establishment of a special purpose vehicle in a form of cooperation framework between the Company and BSS Holdings Company Limited (“BSS Holdings”) (a subsidiary of BTSG), in accordance with the resolution passed at the meeting of the Board of Directors No. 10/2014, held on December 24, 2014.

Subsequently, on March 20, 2015, ATS Rabbit Special Purpose Vehicle Company Limited, has registered as a special purpose company for securitization project under the Civil and Commercial Code of Thailand with a registered capital of Baht 40,000, consisting of 2 preferred shares with a par value of Baht 100 per share and 398 ordinary shares with a par value of Baht 100 per share. The Company invested in ordinary shares and preferred share of ATS Rabbit Special Purpose Vehicle Company Limited in the amount of Baht 19,500. Such company got an approval for the securitization project from the SEC on October 2, 2015 (see Note 6.5).

According to the Memorandum of Understanding, the Receivables Sales and Purchase Agreement and the Servicing Agreement made on October 22, 2015 (see Note 6.5), the Company has power to appoint the board of directors and rights to provide certain service which is significantly impacted by the performance of underlying assets and has rights to get variable return from such company under securitization project. Therefore, the Company concluded that the Company has the power to control over such company, and the consolidated financial statements of the Company included such company’s operating results.

### 8.3 Long-term investments in related companies consist of:

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS			
	“Unaudited”			
	As at November 30, 2016		As at February 29, 2016	
	% of Ownership	Cost Baht '000	% of Ownership	Cost Baht '000
<b>Long-term investments in related companies</b>				
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
		<u>35,217</u>		<u>35,217</u>
<u>Less</u> Allowance for impairment of investment		<u>(8,500)</u>		<u>(8,500)</u>
<b>Total long-term investments in related companies</b>		<u>26,717</u>		<u>26,717</u>

**9. SELLER LOANS IN SPECIAL PURPOSE VEHICLES FOR SECURITIZATION**

Seller loans in Special Purpose Vehicles for securitization as at November 30, 2016 and February 29, 2016, are as follows:

	SEPARATE FINANCIAL STATEMENTS “Unaudited”	
	As at November 30, 2016 Baht '000	As at February 29, 2016 Baht '000
Seller loans in Special Purpose Vehicles for securitization (see Note 21.2.1)		
Eternal 6 Special Purpose Vehicle Company Limited (Eternal 6)	-	2,493,858
ATS Rabbit Special Purpose Vehicle Company Limited (ATS Rabbit)	39,832	62,817
Total	39,832	2,556,675
<u>Less</u> Seller loans in Special Purpose Vehicles for securitization due within one year	(39,832)	(2,556,675)
<b>Total Seller loans in Special Purpose Vehicles for Securitization</b>	<b>-</b>	<b>-</b>

(1) Seller loans in Special Purpose Vehicles for securitization - Eternal 6

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.

On June 8, 2016, Eternal 6 has redeemed the remaining seller loan in special purpose vehicle for securitization (see Notes 6.5 and 8.2).

(2) Seller loans in Special Purpose Vehicles for securitization - ATS Rabbit

Subsequent to the sale of the rights on initial loan receivables under securitization project, the Company received partial payments from ATS Rabbit with seller loan accounts under securitization project for sale of additional revolving loan receivables during the revolving period or repurchased the rights on loan receivables. Such Seller loan accounts will decrease from cash repayment when the outstanding amount reaches or exceeds determined level or the duration after the closing date reaches determined every 3-month period as agreed in the agreement.



## 10. SUBORDINATED LENDINGS AND SUBORDINATED BORROWINGS

10.1 Subordinated lendings with Special Purpose Vehicles as at November 30, 2016 and February 29, 2016, are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS “Unaudited”	
	As at November 30, 2016 Baht '000	As at February 29, 2016 Baht '000
Subordinated lendings (see Note 21.2.1)		
Eternal 6 Special Purpose Vehicle Company Limited (Eternal 6)	-	1,399,352
<u>Less</u> Subordinated lendings due within one year	-	(1,399,352)
<b>Total subordinated lendings</b>	<b>-</b>	<b>-</b>
	SEPARATE FINANCIAL STATEMENTS “Unaudited”	
	As at November 30, 2016 Baht '000	As at February 29, 2016 Baht '000
Subordinated lendings (see Note 21.2.1)		
Eternal 6 Special Purpose Vehicle Company Limited (Eternal 6)	-	1,399,352
ATS Rabbit Special Purpose Vehicle Company Limited (ATS Rabbit)	42,343	29,870
Total	42,343	1,429,222
<u>Less</u> Subordinated lendings due within one year	-	(1,399,352)
<b>Total subordinated lendings</b>	<b>42,343</b>	<b>29,870</b>

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.

Subsequently, on June 8, 2016, Eternal 6 has redeemed the remaining subordinated lendings (see Notes 6.5 and 8.2).

On October 22, 2015, the Company entered into the subordinated term loan agreement with ATS Rabbit amounting to 5% of transferred rights in initial receivables (see Note 6.5) and originated transaction cost and of Future Receivables and Additional Receivables which are settled by Seller Loan Account and backed for each debentures issuance of ATS Rabbit, for the purpose of partial payment for the sales of rights in loan receivables.

The term loan is due in the year 2025 and the interest is received on the monthly basis at the rate of 12% per annum.

10.2 Subordinated borrowings in Special Purpose Vehicle as at November 30, 2016 and February 29, 2016, are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS "Unaudited"	
	As at November 30, 2016 Baht '000	As at February 29, 2016 Baht '000
Subordinated borrowings		
ATS Rabbit Special Purpose Vehicle Company Limited (ATC Rabbit)	42,343	29,870
<b>Total subordinated borrowings</b>	<u>42,343</u>	<u>29,870</u>

On October 22, 2015, ATS Rabbit, a subsidiary, entered into the subordinated term borrowings agreement with BSS Holdings amounting to 5% of transferred rights in initial receivables (see Note 6.5) and originated transaction cost and of Future Receivables and Additional Receivables which are settled by Seller Loan Account and backed for each debentures issuance of ATS Rabbit, for the purpose of partial payment for the purchase of rights in loan receivables.

The term loan is due in the year 2025 and the interest is paid on the monthly basis at the rate of 12% per annum.

## 11. DEFERRED TAX ASSETS

Deferred tax assets consist of:

	CONSOLIDATED FINANCIAL STATEMENTS “Unaudited”		SEPARATE FINANCIAL STATEMENTS “Unaudited”	
	As at November 30, 2016 Baht '000	As at February 29, 2016 Baht '000	As at November 30, 2016 Baht '000	As at February 29, 2016 Baht '000
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	483,760	481,107	479,751	454,861
Non-accrual of interest income	44,188	65,194	43,611	63,290
Employee benefit obligations	22,447	17,803	15,357	11,934
Others	34,676	28,856	34,177	28,339
	<u>585,071</u>	<u>592,960</u>	<u>572,896</u>	<u>558,424</u>
<b>Deferred tax liabilities</b>				
Unrealized loss on currency swap contracts	145,454	131,406	145,454	131,406
Others	3,569	2,455	-	-
	<u>149,023</u>	<u>133,861</u>	<u>145,454</u>	<u>131,406</u>
<b>Deferred tax assets</b>	<u>436,048</u>	<u>459,099</u>	<u>427,442</u>	<u>427,018</u>

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

	CONSOLIDATED FINANCIAL STATEMENTS “Unaudited”			
	Balance as at February 29, 2016 Baht '000	Items as recognized in profit or loss Baht '000	Items as recognized in other comprehensive income Baht '000	Balance as at November 30, 2016 Baht '000
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	481,107	2,653	-	483,760
Non-accrual of interest income	65,194	(21,006)	-	44,188
Employee benefit obligations	17,803	3,790	854	22,447
Others	28,856	5,820	-	34,676
	<u>592,960</u>	<u>(8,743)</u>	<u>854</u>	<u>585,071</u>
<b>Deferred tax liabilities</b>				
Unrealized loss on currency swap contracts	131,406	14,048	-	145,454
Others	2,455	1,114	-	3,569
	<u>133,861</u>	<u>15,162</u>	<u>-</u>	<u>149,023</u>
<b>Deferred tax assets</b>	<u>459,099</u>	<u>(23,905)</u>	<u>854</u>	<u>436,048</u>

CONSOLIDATED FINANCIAL STATEMENTS

	Balance as at February 20, 2016	Items as recognized in profit or loss	Items as recognized in other comprehensive income	Balance as at February 29, 2016
	Baht '000	Baht '000	Baht '000	Baht '000
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	479,374	1,733	-	481,107
Non-accrual of interest income	65,097	97	-	65,194
Employee benefit obligations	17,693	110	-	17,803
Others	28,456	400	-	28,856
	<u>590,620</u>	<u>2,340</u>	<u>-</u>	<u>592,960</u>
<b>Deferred tax liabilities</b>				
Unrealized loss on currency swap contracts	134,879	(3,473)	-	131,406
Others	2,447	8	-	2,455
	<u>137,326</u>	<u>(3,465)</u>	<u>-</u>	<u>133,861</u>
<b>Deferred tax assets</b>	<u>453,294</u>	<u>5,805</u>	<u>-</u>	<u>459,099</u>

SEPARATE FINANCIAL STATEMENTS  
"Unaudited"

	Balance as at February 29, 2016	Items as recognized in profit or loss	Items as recognized in other comprehensive income	Balance as at November 30, 2016
	Baht '000	Baht '000	Baht '000	Baht '000
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	454,861	24,890	-	479,751
Non-accrual of interest income	63,290	(19,679)	-	43,611
Employee benefit obligations	11,934	2,569	854	15,357
Others	28,339	5,838	-	34,177
	<u>558,424</u>	<u>13,618</u>	<u>854</u>	<u>572,896</u>
<b>Deferred tax liabilities</b>				
Unrealized loss on currency swap contracts	131,406	14,048	-	145,454
	<u>131,406</u>	<u>14,048</u>	<u>-</u>	<u>145,454</u>
<b>Deferred tax assets</b>	<u>427,018</u>	<u>(430)</u>	<u>854</u>	<u>427,442</u>

SEPARATE FINANCIAL STATEMENTS

	Balance as at February 20, 2016	Items as recognized in profit or loss	Items as recognized in other comprehensive income	Balance as at February 29, 2016
	Baht '000	Baht '000	Baht '000	Baht '000
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	453,224	1,637	-	454,861
Non-accrual of interest income	63,119	171	-	63,290
Employee benefit obligations	11,866	68	-	11,934
Others	27,939	400	-	28,339
	<u>556,148</u>	<u>2,276</u>	<u>-</u>	<u>558,424</u>
<b>Deferred tax liabilities</b>				
Unrealized loss on currency swap contracts	134,879	(3,473)	-	131,406
	<u>134,879</u>	<u>(3,473)</u>	<u>-</u>	<u>131,406</u>
<b>Deferred tax assets</b>	<u>421,269</u>	<u>5,749</u>	<u>-</u>	<u>427,018</u>

## 12. BANK OVERDRAFTS AND SHORT-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

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

CONSOLIDATED FINANCIAL STATEMENTS				
“Unaudited”				
	As at November 30, 2016		As at February 29, 2016	
	Interest rate	Baht '000	Interest rate	Baht '000
	%		%	
Overdrafts in THB currency	1.70	1,060,000	1.70	2,980,000
Short-term borrowings in THB currency	1.60 - 2.26	4,780,000	1.60 - 1.85	3,810,000
Short-term borrowings in USD currency	1.33 - 1.77	463,495	1.03 - 1.53	432,514
Short-term borrowings in LAK currency	7.12 - 10.50	102,985	6.22 - 10.50	49,950
Short-term borrowings in MMK currency	12.50	142,058	12.50	19,600
<b>Total</b>		6,548,538		7,292,064

SEPARATE FINANCIAL STATEMENTS				
“Unaudited”				
	As at November 30, 2016		As at February 29, 2016	
	Interest rate	Baht '000	Interest rate	Baht '000
	%		%	
Overdrafts in THB currency	1.70	1,060,000	1.70	2,980,000
Short-term borrowings in THB currency	1.60 - 2.26	4,780,000	1.60 - 1.85	3,810,000
<b>Total</b>		5,840,000		6,790,000

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

## 13. LONG-TERM BORROWINGS

As at November 30, 2016 and February 29, 2016, the Company entered into various long-term borrowings agreements and issued promissory notes in Baht and foreign currencies as follows:

CONSOLIDATED FINANCIAL STATEMENTS				
“Unaudited”				
	Due within the year	As at November 30, 2016		
		Interest rate %	Foreign currency Million	Baht equivalent Baht '000
Borrowings in JPY currency	2017 - 2021	3.16 - 5.26	47,500.00	15,219,380
Borrowings in USD currency	2017 - 2021	2.16 - 4.32	508.99	18,213,212
Borrowings in THB currency	2017 - 2019	2.48 - 4.70	5,450.00	5,450,000
<u>Less</u> Borrowings issuance cost				(80,271)
				38,802,321
<u>Less</u> Current portion of long-term borrowings				(9,037,523)
<b>Total long-term borrowings</b>				29,764,798

CONSOLIDATED FINANCIAL STATEMENTS				
As at February 29, 2016				
	Due within the year	Interest rate %	Foreign currency Million	Baht equivalent Baht '000
Borrowings in JPY currency	2016 - 2021	3.16 - 5.26	50,700.00	16,198,092
Borrowings in USD currency	2016 - 2020	2.16 - 4.32	465.00	16,663,729
Borrowings in THB currency	2016 - 2018	3.08 - 4.80	8,150.00	8,150,000
<u>Less</u> Borrowings issuance cost				(101,029)
				40,910,792
<u>Less</u> Current portion of long-term borrowings				(11,217,769)
<b>Total long-term borrowings</b>				<b>29,693,023</b>

SEPARATE FINANCIAL STATEMENTS				
“Unaudited”				
As at November 30, 2016				
	Due within the year	Interest rate %	Foreign currency Million	Baht equivalent Baht '000
Borrowings in JPY currency	2017 - 2021	3.16 - 5.26	47,500.00	15,219,380
Borrowings in USD currency	2017 - 2021	2.22 - 4.32	495.99	17,759,830
Borrowings in THB currency	2017 - 2019	2.48 - 4.70	5,450.00	5,450,000
<u>Less</u> Borrowings issuance cost				(80,271)
				38,348,939
<u>Less</u> Current portion of long-term borrowings				(8,688,767)
<b>Total long-term borrowings</b>				<b>29,660,172</b>

SEPARATE FINANCIAL STATEMENTS				
As at February 29, 2016				
	Due within the year	Interest rate %	Foreign currency Million	Baht equivalent Baht '000
Borrowings in JPY currency	2016 - 2021	3.16 - 5.26	50,700.00	16,198,092
Borrowings in USD currency	2016 - 2020	2.60 - 4.32	455.00	16,299,966
Borrowings in THB currency	2016 - 2018	3.08 - 4.80	8,150.00	8,150,000
<u>Less</u> Borrowings issuance cost				(101,029)
				40,547,029
<u>Less</u> Current portion of long-term borrowings				(11,217,769)
<b>Total long-term borrowings</b>				<b>29,329,260</b>

In the consolidated and separate financial statements as at November 30, 2016 and February 29, 2016, the Company has long-term borrowings in JPY currency from a related company which is a bank in Japan amounting to JPY 5,000 million or equivalent to Baht 1,597.07 million and JPY 5,000 million or equivalent to Baht 1,591.40 million, respectively, with interest rate at 4.16 - 4.84 percent per annum which are unsecured and will be due in the years 2019 and 2021 (see Note 21.2.1).

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 November 30, 2016			
Notional amount Baht '000	Carrying amount		Total Baht '000
	Less than 1 year Baht '000	1 - 5 years Baht '000	
<b>Receivables per currency swap contracts</b>			
Cross Currency Swap Contracts			
JPY currency	945,000	-	16,224
		16,224	16,224
Cross Currency Interest Rate Swap Contracts			
JPY currency	6,035,000	-	533,364
USD currency	16,027,090	585,560	610,079
	<u>23,007,090</u>	<u>585,560</u>	<u>1,195,639</u>
		<u>1,159,667</u>	<u>1,745,227</u>
<b>Payables per currency swap contracts</b>			
Cross Currency Interest Rate Swap Contracts			
JPY currency	8,165,472	(206,694)	(268,986)
USD currency	544,800	-	(7,698)
	<u>8,710,272</u>	<u>(206,694)</u>	<u>(483,378)</u>
		<u>(276,684)</u>	<u>(483,378)</u>
<b>CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS</b>			
<b>As at February 29, 2016</b>			
Notional amount Baht '000	Carrying amount		Total Baht '000
	Less than 1 year Baht '000	1 - 5 years Baht '000	
<b>Receivables per currency swap contracts</b>			
Cross Currency Swap Contracts			
JPY currency	5,691,625	-	514,525
USD currency	9,861,375	478,184	1,096,652
		1,096,652	1,574,836
Cross Currency Interest Rate Swap Contracts			
JPY currency	945,000	-	13,467
USD currency	1,091,445	198,223	-
	<u>17,589,445</u>	<u>676,407</u>	<u>1,624,644</u>
		<u>1,624,644</u>	<u>2,301,051</u>
<b>Payables per currency swap contracts</b>			
Cross Currency Swap Contracts			
JPY currency	9,232,000	(44,163)	(497,736)
USD currency	544,800	-	(7,439)
	<u>9,776,800</u>	<u>(44,163)</u>	<u>(505,175)</u>
		<u>(505,175)</u>	<u>(549,338)</u>

#### 14. LONG-TERM BORROWINGS UNDER SECURITIZATION PROJECT

As at November 30, 2016 and February 29, 2016, the Company has recognized the cash received and was settled by the Subordinated lendings Account from the transferred rights on loan receivables under securitization project of ATS Rabbit Special Purpose Vehicle Company Limited (see Note 6.5) as long-term borrowings under securitization project in the separate financial statements in the amount of Baht 786.51 million and Baht 607.84 million, respectively.

## 15. LONG-TERM DEBENTURES

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

Issue date	Maturity Date	No. of Units	Currency	Par value per unit	Amount	Interest rate % (p.a.)	Term of interest payment	"Unaudited"	
								As at November 30, 2016 Baht '000	As at February 29, 2016 Baht '000
<b>Company</b>									
14/07/2011	14/07/2016	15	USD	1,000,000	15,000,000	USD-LIBOR 6M + 0.30	Semi-annual	-	537,362
16/12/2011	16/12/2016	20	USD	1,000,000	20,000,000	USD-LIBOR 6M + 0.80	Semi-annual	716,136	716,482
30/08/2012	30/08/2017	30	USD	1,000,000	30,000,000	USD-LIBOR 3M	Quarterly	1,074,204	1,074,723
13/09/2012	13/09/2017	20	USD	1,000,000	20,000,000	USD-LIBOR 3M + 0.20	Quarterly	716,136	716,482
24/07/2013	29/07/2018	17	USD	1,000,000	17,000,000	USD-LIBOR 6M + 0.01	Semi-annual	608,716	609,010
29/11/2013	29/11/2018	30	USD	1,000,000	30,000,000	USD-LIBOR 6M + 0.05	Semi-annual	1,074,204	1,074,723
28/03/2014	28/03/2019	30	USD	1,000,000	30,000,000	USD-LIBOR 6M	Semi-annual	1,074,204	1,074,723
10/07/2014	10/07/2017	1,200,000	THB	1,000	1,200,000,000	4.43	Quarterly	1,200,000	1,200,000
26/09/2014	26/09/2017	15	USD	1,000,000	15,000,000	USD-LIBOR 6M	Semi-annual	537,102	537,362
27/03/2015	27/03/2019	22	JPY	100,000,000	2,200,000,000	JPY-TIBOR 6M + 0.36	Semi-annual	704,898	702,876
23/02/2016	21/02/2019	200,000	THB	1,000	200,000,000	2.87	Semi-annual	200,000	200,000
25/03/2016	25/03/2020	70	USD	1,000,000	70,000,000	USD-LIBOR 6M + 0.65	Semi-annual	2,506,476	-
28/03/2016	27/03/2020	15	USD	1,000,000	15,000,000	USD-LIBOR 6M + 0.50	Semi-annual	537,102	-
22/08/2016	20/08/2021	15	USD	1,000,000	15,000,000	USD-LIBOR 6M + 0.85	Semi-annual	537,102	-
24/08/2016	30/07/2019	400,000	THB	1,000	400,000,000	2.50	Quarterly	400,000	-
								11,886,280	8,443,743
<u>Less</u> Debenture issuance cost								(66,931)	(51,666)
								11,819,349	8,392,077
<u>Less</u> Current portion of long-term debentures								(4,234,318)	(1,250,021)
<b>Total long-term debentures in separate financial statements</b>								<b>7,585,031</b>	<b>7,142,056</b>
<b>ATS Rabbit Special Purpose Vehicle Company Limited</b>									
29/10/2015	28/10/2025	410,469	Baht	1,000	410,469,000	4.00	Monthly	410,469	410,469
18/01/2016	28/10/2025	86,936	Baht	1,000	86,936,000	4.00	Monthly	86,936	86,936
28/07/2016	28/10/2025	149,000	Baht	1,000	149,000,000	4.00	Monthly	149,000	-
28/10/2016	28/10/2025	75,502	Baht	1,000	721,907,000	4.00	Monthly	75,502	-
								721,907	497,405
<b>Total long-term debentures in consolidated financial statements</b>								<b>8,306,938</b>	<b>7,639,461</b>



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 "Unaudited"				
As at November 30, 2016				
Notional amount	Carrying amount			
	Less than 1 year	1 - 5 years	Total	
Baht '000	Baht '000	Baht '000	Baht '000	
<b>Receivables per currency interest rate swap contracts</b>				
Cross Currency Interest Rate Swap Contracts				
JPY currency	596,860	-	108,038	108,038
USD currency	8,680,750	375,978	324,653	700,631
	<u>9,277,610</u>	<u>375,978</u>	<u>432,691</u>	<u>808,669</u>

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS As at February 29, 2016				
Notional amount	Carrying amount			
	Less than 1 year	1 - 5 years	Total	
Baht '000	Baht '000	Baht '000	Baht '000	
<b>Receivables per currency interest rate swap contracts</b>				
Cross Currency Interest Rate Swap Contracts				
JPY currency	596,860	-	106,016	106,016
USD currency	5,586,900	171,794	582,172	753,966
	<u>6,183,760</u>	<u>171,794</u>	<u>688,188</u>	<u>859,982</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.

On June 8, 2016, Eternal 6 Special Purpose Vehicle Co., Ltd. redeemed the remaining balance of debentures in full (see Note 6.5).

The subsidiary's debentures which are eliminated against credit card receivables in the consolidated financial statements as at November 30, 2016 and February 29, 2016, are as follows:

Debenture Classes	Maturity date	Amount	Interest rate	"Unaudited"	
				As at November 30, 2016	As at February 29, 2016
		Baht' 000	%	Baht '000	Baht '000
<b>Eternal 6 Special Purpose Vehicle Co., Ltd.</b>					
ClassA-sf	June 8, 2016	2,960,000	3.83	-	980,079
				-	980,079

As at February 29, 2016, the Company has outstanding letters of credit issued by a bank in Japan for guarantee repayment of the subsidiary's debentures of not exceeding Baht 326.95 million (see Note 23.5).

## 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 nine-month periods ended November 30, 2016 and November 20, 2015, amounts recognized in the statements of profit or loss in respect of the post-employment benefit plans are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS			
	For the three-month periods ended		For the nine-month periods ended	
	November 30, 2016	November 20, 2015	November 30, 2016	November 20, 2015
	Baht '000	Baht '000	Baht '000	Baht '000
Current service cost	5,699	5,127	16,939	13,837
Interest cost	680	166	2,035	1,359
Actuarial (gain) loss				
- From financial assumptions changes	-	-	2,750	-
- From demographic assumptions changes	-	-	(306)	-
- From experience adjustments	-	-	1,824	-
Total	6,379	5,293	23,242	15,196

	SEPARATE FINANCIAL STATEMENTS			
	For the three-month periods ended		For the nine-month periods ended	
	November 30, 2016	November 20, 2015	November 30, 2016	November 20, 2015
	Baht '000	Baht '000	Baht '000	Baht '000
Current service cost	3,833	3,543	11,519	10,476
Interest cost	442	7	1,324	1,006
Actuarial (gain) loss				
- From financial assumptions changes	-	-	2,750	-
- From demographic assumptions changes	-	-	(306)	-
- From experience adjustments	-	-	1,824	-
Total	<u>4,275</u>	<u>3,550</u>	<u>17,111</u>	<u>11,482</u>

Movements in the present value of the post-employment benefit obligations for the nine-month periods ended November 30, 2016 and November 20, 2015, are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the nine-month periods ended		For the nine-month periods ended	
	November 30, 2016	November 20, 2015	November 30, 2016	November 20, 2015
	Baht '000	Baht '000	Baht '000	Baht '000
Beginning balance	88,990	76,220	59,672	71,346
Current service cost	16,939	13,837	11,519	10,476
Interest cost	2,035	1,359	1,324	1,006
Actuarial loss	4,268	-	4,268	-
Benefit paid	-	(991)	-	(18,806)
Ending balance	<u>112,232</u>	<u>90,425</u>	<u>76,783</u>	<u>64,022</u>

The significant actuarial assumptions used to calculate the post-employment benefit obligations under the defined benefit plans as at November 30, 2016 and February 29, 2016 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS "Unaudited"	
	As at November 30, 2016	As at February 29, 2016
	% per annum	% per annum
Financial assumptions		
Discount rate	2.74 - 3.32	2.74 - 3.32
Expected rate of salary increase	5.0 - 7.0	5.0 - 7.0
Demographic assumptions		
Turnover rate		
Monthly staff	0.0 - 24.0	0.0 - 26.0
Daily staff	0.0 - 51.0	0.0 - 57.0
Temporary staff	0.0 - 62.0	0.0 - 62.0
	Subject to range of age of employees	Subject to range of age of employees

	<b>SEPARATE FINANCIAL STATEMENTS</b>	
	<b>“Unaudited”</b>	
	<b>As at November 30, 2016</b>	<b>As at February 29, 2016</b>
	<b>% per annum</b>	<b>% per annum</b>
Financial assumptions		
Discount rate	2.76	3.02
Expected rate of salary increase	5.0	5.0
Demographic assumptions		
Turnover rate		
Monthly staff	0.0 - 21.0	0.0 - 21.0
	Subject to range of age of employees	Subject to range of age of employees
Daily staff	0.0 - 51.0	0.0 - 51.0
	Subject to range of age of employees	Subject to range of age of employees
Temporary staff	0.0 - 62.0	0.0 - 62.0
	Subject to range of age of employees	Subject to range of age of employees

## **17. SHAREHOLDERS' EQUITY**

- 17.1 On June 12, 2015, the Annual General Meeting of shareholders had the resolutions to approve the declaration of final dividends for the fiscal year 2014 at the rate of Baht 1.85 per share, totaling Baht 462.50 million. The aforementioned shareholders included 92,900 shares of foreign shareholders who had no rights to receive dividend in accordance with regulation of Thailand Securities Depository, thus the Company paid dividend to shareholders amounting to Baht 462.33 million which were paid to all shareholders on June 25, 2015 in addition to the interim dividends which had been paid to all shareholders at Baht 1.60 per share, totaling Baht 399.99 million on October 27, 2014.
- 17.2 On September 23, 2015, the Company's Board of Directors' meeting passed the resolution to declare interim dividends for the fiscal year 2015 at the rate of Baht 1.60 per share to shareholders, totaling Baht 400 million. The aforementioned shareholders included 1,000 shares of foreign shareholders who had no rights to receive dividend in accordance with regulation of Thailand Securities Depository, thus the Company paid dividend to shareholders amounting to Baht 399.99 million on October 21, 2015.
- 17.3 On June 17, 2016, the Annual General Meeting of shareholders had the resolutions to approve the declaration of final dividends for the year ended February 20, 2016 at the rate of Baht 1.67 per share and for the period from February 21 to 29, 2016 at the rate of Baht 0.18 per share, totaling at the rate of Baht 1.85 per share, totaling Baht 462.50 million. The aforementioned shareholders included 81,600 shares of foreign shareholders who had no rights to receive dividend in accordance with regulation of Thailand Securities Depository, thus the Company paid dividend to shareholders amounting to Baht 462.35 million which were paid to all shareholders on June 27, 2016 in addition to the interim dividends which had been paid to all shareholders at Baht 1.60 per share, totaling Baht 399.99 million on October 21, 2015.

- 17.4 On October 7, 2016, the Company's Board of Directors' meeting passed the resolution to declare interim dividends for the fiscal year 2016 at the rate of Baht 1.60 per share to shareholders, totaling Baht 400 million. The aforementioned shareholders included 43,521 shares of foreign shareholders who had no rights to receive dividend in accordance with regulation of Thailand Securities Depository, thus the Company paid dividend to shareholders amounting to Baht 399.93 million on November 7, 2016.
- 17.5 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 after the approval of Board of Directors' meeting on a monthly basis at each Monthly Purchase Date as an appropriation of net profit after income tax of each month.
- 17.5.1 Eternal 6 Special Purpose Vehicle Company Limited's the registered share capital comprises ordinary shares and preferred shares which are held by non-controlling interests. Dividends from the profits of the subsidiary 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.
- 17.5.2 ATS Rabbit Special Purpose Vehicle Company Limited's the registered share capital comprises 2 groups of ordinary shares and 2 groups of preferred shares. Dividends from the profits of the subsidiary shall be allocated to the holders of preferred shares which are non-controlling interests at a rate of 1% of the par value of each preferred share. The rest of the dividends shall be distributed to the holders of ordinary shares and another group of preferred shares.

## 18. REVENUE RELATING TO SECURITIZATION TRANSACTION

For the three-month and nine-month periods ended November 30, 2016 and November 20, 2015, the details of revenues from securitization transaction consist of the following:

18.1 Revenue relating to securitization transaction incurred from sale of credit card receivables to Eternal 6 is included in credit card income for presentation.

	SEPARATE FINANCIAL STATEMENTS			
	For the three-month periods ended		For the nine-month periods ended	
	November 30, 2016	November 20, 2015	November 30, 2016	November 20, 2015
	Baht '000	Baht '000	Baht '000	Baht '000
Credit card income (see Note 21.2.2)				
Interest income from subordinated lendings	-	42,326	46,006	125,597
Revenue from seller loans in Special Purpose Vehicles	-	4,361	10,792	17,296
Dividend from investments in Special Purpose Vehicles (reversal)	(5,793)	45,697	118,112	140,923
Servicing income	6,749	67,460	62,520	202,086
Total	<u>956</u>	<u>159,844</u>	<u>237,430</u>	<u>485,902</u>

18.2 Revenue relating to securitization transaction incurred from sale of loan receivables to ATS Rabbit is included in loan income for presentation.

	SEPARATE FINANCIAL STATEMENTS			
	For the three-month periods ended		For the nine-month periods ended	
	November 30, 2016	November 20, 2015	November 30, 2016	November 20, 2015
	Baht '000	Baht '000	Baht '000	Baht '000
Loan income (see Note 21.2.2)				
Interest income from subordinated lendings	1,187	189	3,248	189
Revenue from seller loans in Special Purpose Vehicles	1,825	112	5,043	112
Dividend from investments in Special Purpose Vehicles	2,293	-	18,603	-
Servicing income	10,245	1,581	28,281	1,581
Total	<u>15,550</u>	<u>1,882</u>	<u>55,175</u>	<u>1,882</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 nine-month periods ended November 30, 2016 and November 20, 2015, directors and managements' remuneration are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS			
	For the three-month periods ended		For the nine-month periods ended	
	November 30, 2016	November 20, 2015	November 30, 2016	November 20, 2015
	Baht '000	Baht '000	Baht '000	Baht '000
Short-term employee benefits				
Managements' remuneration	32,491	26,921	92,137	81,472
Directors' remuneration	8,929	4,870	13,253	15,650
Post-employment benefits	750	711	2,237	2,131
	<u>42,170</u>	<u>32,502</u>	<u>107,627</u>	<u>99,253</u>

	SEPARATE FINANCIAL STATEMENTS			
	For the three-month periods ended		For the nine-month periods ended	
	November 30, 2016	November 20, 2015	November 30, 2016	November 20, 2015
	Baht '000	Baht '000	Baht '000	Baht '000
Short-term employee benefits				
Managements' remuneration	16,872	14,211	49,738	44,502
Directors' remuneration	5,536	3,925	5,478	13,925
Post-employment benefits	588	466	1,753	1,399
	<u>22,996</u>	<u>18,602</u>	<u>56,969</u>	<u>59,826</u>

For the three-month and nine-month periods ended November 30, 2016 and November 20, 2015, directors' remunerations which were included in short-term employee benefits were approved by the ordinary shareholders' meetings of the Company held on June 17, 2016 and June 12, 2015, respectively.

## 20. CORPORATE INCOME TAX

The Company and its local subsidiaries used tax rate of 20% for corporate income tax calculation for the three-month and nine-month periods ended November 30, 2016 and November 20, 2015. The foreign subsidiaries used 20%-25% for corporate income tax calculation for the three-month and nine-month periods ended November 30, 2016 and November 20, 2015.

The Company and its subsidiaries used tax rate of 20% for calculation of deferred tax for the three-month and nine-month periods ended November 30, 2016 and November 20, 2015. The foreign subsidiaries used 20%-25% for calculation of deferred tax for the three-month and nine-month periods ended November 30, 2016 and November 20, 2015.

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

For the three-month and nine-month periods ended November 30, 2016 and November 20, 2015, income tax expense consists of:

	<b>CONSOLIDATED FINANCIAL STATEMENTS</b>			
	<b>For the three-month</b>		<b>For the nine-month</b>	
	<b>periods ended</b>		<b>periods ended</b>	
	<b>November 30,</b>	<b>November 20,</b>	<b>November 30,</b>	<b>November 20,</b>
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>Baht '000</b>	<b>Baht '000</b>	<b>Baht '000</b>	<b>Baht '000</b>
Current tax expense for the periods	139,393	164,793	375,797	502,746
Deferred income tax expense (revenue)	(18,815)	(21,385)	23,905	(45,775)
Income tax expense per statements of profit or loss	<u>120,578</u>	<u>143,408</u>	<u>399,702</u>	<u>456,971</u>

	<b>SEPARATE FINANCIAL STATEMENTS</b>			
	<b>For the three-month</b>		<b>For the nine-month</b>	
	<b>periods ended</b>		<b>periods ended</b>	
	<b>November 30,</b>	<b>November 20,</b>	<b>November 30,</b>	<b>November 20,</b>
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	<b>Baht '000</b>	<b>Baht '000</b>	<b>Baht '000</b>	<b>Baht '000</b>
Current tax expense for the periods	124,670	139,530	321,270	423,822
Deferred income tax expense (revenue)	(18,223)	(23,677)	430	(44,023)
Income tax expense per statements of profit or loss	<u>106,447</u>	<u>115,853</u>	<u>321,700</u>	<u>379,799</u>



Reconciliations of effective tax rates for the three-month and nine-month periods ended November 30, 2016 and November 20, 2015 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS							
	For the three-month periods ended				For the nine-month periods ended			
	November 30, 2016		November 20, 2015		November 30, 2016		November 20, 2015	
	Amount	Rate	Amount	Rate	Amount	Rate	Amount	Rate
Baht '000	%	Baht '000	%	Baht '000	%	Baht '000	%	
Profit before income tax expense	<u>602,562</u>		<u>698,768</u>		<u>1,978,952</u>		<u>2,268,498</u>	
Income tax at the domestic tax rate	121,335	20.00 - 25.00	137,612	20.00 - 25.00	433,265	20.00 - 25.00	449,535	20.00 - 25.00
<u>Add</u> Tax effect of income and expense that are not exempt for tax purposes	3,500	0.58	5,909	0.85	8,808	0.45	7,722	0.34
<u>Less</u> Tax effect of income and expense that are exempt for tax purposes	<u>(4,257)</u>	<u>(0.71)</u>	<u>(113)</u>	<u>(0.02)</u>	<u>(42,371)</u>	<u>(2.14)</u>	<u>(286)</u>	<u>(0.01)</u>
Income tax expense per statements of profit or loss	<u>120,578</u>	<u>20.01</u>	<u>143,408</u>	<u>20.52</u>	<u>399,702</u>	<u>20.20</u>	<u>456,971</u>	<u>20.14</u>

	SEPARATE FINANCIAL STATEMENTS							
	For the three-month periods ended				For the nine-month periods ended			
	November 30, 2016		November 20, 2015		November 30, 2016		November 20, 2015	
	Amount	Rate	Amount	Rate	Amount	Rate	Amount	Rate
Baht '000	%	Baht '000	%	Baht '000	%	Baht '000	%	
Profit before income tax expense	<u>553,490</u>		<u>623,753</u>		<u>1,833,957</u>		<u>2,126,790</u>	
Income tax at the domestic tax rate	110,698	20.00	124,751	20.00	366,791	20.00	425,358	20.00
<u>Add</u> Tax effect of income and expense that are not exempt for tax purposes	285	0.05	354	0.06	1,076	0.06	1,053	0.05
<u>Less</u> Tax effect of income and expense that are exempt for tax purposes	<u>(4,536)</u>	<u>(0.82)</u>	<u>(9,252)</u>	<u>(1.48)</u>	<u>(46,167)</u>	<u>(2.52)</u>	<u>(46,612)</u>	<u>(2.19)</u>
Income tax expense per statements of profit or loss	<u>106,447</u>	<u>19.23</u>	<u>115,853</u>	<u>18.58</u>	<u>321,700</u>	<u>17.54</u>	<u>379,799</u>	<u>17.86</u>

## 21. TRANSACTIONS WITH RELATED PARTIES

The consolidated and separate financial statements include certain transactions with the subsidiaries, associate 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, associate and the related parties which are as follows:

21.1 Investments in associate and subsidiaries (see Note 8.2) are as follows:

Related parties	Relationship	Paid-up Capital Baht' 000	% Ownership	SEPARATE FINANCIAL STATEMENTS "Unaudited"	
				As at November 30, 2016 Cost Baht '000	As at February 29, 2016 Cost Baht '000
<b>Investments in associate and subsidiaries</b>					
<b>Investment in associate</b>					
ACS Trading Vietnam Company Limited	Associate	84,096.3	20.00	16,819.3	16,819.3
Total investment in associate				<u>16,819.3</u>	<u>16,819.3</u>
<b>Investments in subsidiaries</b>					
Eternal 5 Special Purpose Vehicle Company Limited	Subsidiary	40.0	26.00	10.4	10.4
Eternal 6 Special Purpose Vehicle Company Limited	Subsidiary	40.0	26.00	10.4	10.4
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	40.0	48.75	19.5	19.5
AEON Specialized Bank (Cambodia) Plc.	Subsidiary	320,344.4	80.00	252,960.0	252,960.0
AEON Insurance Service (Thailand) Company Limited	Subsidiary	149,224.3	100.00	149,224.3	149,224.3
ACS Servicing (Thailand) Company Limited	Subsidiary	175,349.1	100.00	175,349.1	175,349.1
AEON Microfinance (Myanmar) Company Limited	Subsidiary	276,769.1	100.00	276,769.1	276,769.1
AEON Leasing Service (Lao) Company Limited	Subsidiary	111,402.9	92.58	103,069.1	103,069.1
Total investments in subsidiaries				<u>957,411.9</u>	<u>957,411.9</u>
<b>Total investments in associate and subsidiaries</b>				<u>974,231.2</u>	<u>974,231.2</u>

## 21.2 Business transactions with related parties

### 21.2.1 Balances with related parties are as follows:

Related parties	Relationship	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		“Unaudited” As at November 30, 2016 Baht '000	As at February 29, 2016 Baht '000	“Unaudited” As at November 30, 2016 Baht '000	As at February 29, 2016 Baht '000
<b>Accounts receivable under securitization project</b> (see Note 6.1)					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	786,512	607,836
<b>Other receivables</b>					
Eternal 6 Special Purpose Vehicle Company Limited	Subsidiary	-	-	45,267	128,244
AEON Insurance Service (Thailand) Company Limited	Subsidiary	-	-	3,153	1,405
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	17,255	11,394
AEON Financial Service Co., Ltd.	Major shareholder	60	712	60	712
AEON Credit Service Company Limited	Common ultimate holding company	17	10	17	10
ACS Capital Corporation Limited	Shareholder and one common director	3,076	5,093	284	225
AEON Leasing Service (Lao) Company Limited	Subsidiary	-	-	1,538	226
AEON Microfinance (Myanmar) Company Limited	Subsidiary	-	-	1,425	-
AEON Compass Company Limited	Common ultimate holding company	56	-	56	-
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	20,742	12,496
		<u>3,209</u>	<u>5,815</u>	<u>89,797</u>	<u>154,712</u>
<b>Short-term loan</b> (see Note 7)					
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	100,000	100,000
<b>Seller loans in Special Purpose Vehicles for Securitization</b> (see Note 9)					
Eternal 6 Special Purpose Vehicle Company Limited	Subsidiary	-	-	-	2,493,858
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	39,832	62,817
		<u>-</u>	<u>-</u>	<u>39,832</u>	<u>2,556,675</u>
<b>Subordinated lendings</b> (see Note 10)					
Eternal 6 Special Purpose Vehicle Company Limited	Subsidiary	-	1,399,352	-	1,399,352
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	42,343	29,870
		<u>-</u>	<u>1,399,522</u>	<u>42,343</u>	<u>1,429,222</u>

Related parties	Relationship	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at November 30, 2016	As at February 29, 2016	As at November 30, 2016	As at February 29, 2016
		Baht '000	Baht '000	Baht '000	Baht '000
<b>Long-term borrowings (see Note 13)</b>					
AEON Bank Ltd.	Common ultimate holding company	1,597,067	1,591,401	1,597,067	1,591,401
<b>Accounts payable</b>					
AEON Insurance Service (Thailand) Company Limited	Subsidiary	-	-	130,386	123,380
<b>Other payables</b>					
Eternal 5 Special Purpose Vehicle Company Limited	Subsidiary	-	-	44	44
Eternal 6 Special Purpose Vehicle Company Limited	Subsidiary	-	-	-	640,318
AEON Insurance Service (Thailand) Company Limited	Subsidiary	-	-	1,252	1,821
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	134,467	114,112
AEON Financial Service Co., Ltd.	Major shareholder	67,192	33,384	67,192	33,384
AEON Credit Service Company Limited	Common ultimate holding company	6,427	11,059	-	6,471
ACS Capital Corporation Limited	Shareholder and one common director	1,003	9	1,003	9
AEON Credit Service Systems (Philippines) Inc.	Holding shares	11,206	14	6,498	-
AEON Bank Ltd.	Common ultimate holding company	24,441	-	24,275	-
AEON Credit Service (Asia) Company Limited	Common ultimate holding company	354	593	-	-
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	33,477	36,260
AEON (Thailand) Company Limited	Holding shares and two common directors	6	-	6	-
		<u>110,629</u>	<u>45,059</u>	<u>268,214</u>	<u>832,419</u>
<b>Long-term borrowings under securitization project (see Note 14)</b>					
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	-	-	786,512	607,836
<b>Deposit received</b>					
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	12,799	-
<b>Deferred revenue</b>					
AEON Insurance Service (Thailand) Company Limited	Subsidiary	-	-	403	584

21.2.2 Transactions with related parties for the three-month and nine-month periods ended November 30, 2016 and November 20, 2015, are as follows:

		CONSOLIDATED FINANCIAL STATEMENTS			
		For the three-month		For the nine-month	
		periods ended		periods ended	
Related parties	Relationship	November 30, 2016 Baht '000	November 20, 2015 Baht '000	November 30, 2016 Baht '000	November 20, 2015 Baht '000
<b>Other income</b>					
ACS Capital Corporation Limited	Shareholder and one common director	3,005	2,776	9,005	10,536
AEON (Thailand) Company Limited	Holding shares and two common directors	1	106	42	106
AEON Bank Ltd.	Common ultimate holding company	-	-	24	-
AEON Credit Service Company Limited	Common ultimate holding company	-	-	28	-
		<u>3,006</u>	<u>2,882</u>	<u>9,099</u>	<u>10,642</u>
<b>Operating and administrative expenses</b>					
<b>Others</b>					
AEON Financial Service Company Limited	Major shareholder	33,856	29,645	74,048	57,611
AEON Credit Service Company Limited	Common ultimate holding company	15,212	6,814	38,853	29,297
AEON (Thailand) Company Limited	Holding shares and two common directors	5,608	5,045	13,669	13,922
ACS Capital Corporation Limited	Shareholder and one common director	13,626	10,870	40,119	33,273
AEON Bank Ltd.	Common ultimate holding company	-	394	-	394
AEON Credit Service Systems (Philippines) Inc.	Holding shares	2,947	3,487	12,842	10,245
AEON Credit Service (Asia) Company Limited	Common ultimate holding company	578	1,746	1,887	1,746
		<u>71,827</u>	<u>58,001</u>	<u>181,418</u>	<u>146,488</u>
<b>Dividend paid</b>					
ACS Capital Corporation Limited	Shareholder and one common director	76,800	76,800	165,600	165,600
AEON Financial Service Company Limited	Major shareholder	140,480	140,480	302,910	302,910
		<u>217,280</u>	<u>217,280</u>	<u>468,510</u>	<u>468,510</u>

		SEPARATE FINANCIAL STATEMENTS			
		For the three-month periods ended		For the nine-month periods ended	
Related parties	Relationship	November 30, 2016 Baht '000	November 20, 2015 Baht '000	November 30, 2016 Baht '000	November 20, 2015 Baht '000
<b>Sale promotion income</b>					
AEON Insurance Service (Thailand) Company Limited	Subsidiary	2,594	3,525	7,975	9,634
<b>Credit card income</b>					
AEON Insurance Service (Thailand) Company Limited	Subsidiary	89,065	85,907	261,728	251,967
<b>Revenue relating to securitization transaction</b> (including in credit card income and loan income)					
Eternal 6 Special Purpose Vehicle Company Limited	Subsidiary	956	159,844	237,430	485,902
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	15,550	1,882	55,175	1,882
		<u>16,506</u>	<u>161,726</u>	<u>292,605</u>	<u>487,784</u>
<b>Other income</b>					
ACS Capital Corporation Limited	Shareholder and one common director	3,000	3,000	9,000	10,536
AEON Insurance Service (Thailand) Company Limited	Subsidiary	12,317	14,228	38,464	47,087
ACS Servicing (Thailand) Company Limited	Subsidiary	2,452	758	11,713	2,013
AEON Leasing Service (Lao) Company Limited	Subsidiary	194	-	793	-
AEON (Thailand) Company Limited	Holding shares and two common directors	1	107	42	107
		<u>17,964</u>	<u>18,093</u>	<u>60,012</u>	<u>59,743</u>
<b>Operating and administrative expenses</b>					
<b>Collection service fee</b>					
ACS Servicing (Thailand) Company Limited	Subsidiary	282,530	327,234	881,754	831,152
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	2,236	-	5,972	-
		<u>284,766</u>	<u>327,234</u>	<u>887,726</u>	<u>831,152</u>
<b>Others</b>					
AEON Financial Service Company Limited	Major shareholder	33,856	29,645	74,048	57,611
AEON Credit Service Company Limited	Common ultimate holding company	6,763	5,799	13,521	14,427
AEON Bank Ltd.	Common ultimate holding company	-	394	-	394
AEON (Thailand) Company Limited	Holding shares and two common directors	5,608	5,045	13,669	13,922
AEON Insurance Service (Thailand) Company Limited	Subsidiary	1,701	1,310	5,756	2,706
ACS Capital Corporation Limited	Shareholder and one common director	12,996	11,308	38,077	32,807
ACS Servicing (Thailand) Company Limited	Subsidiary	-	1,206	-	1,206
AEON Credit Service Systems (Philippines) Inc.	Holding shares	2,419	2,818	10,657	8,565
ATS Rabbit Special Purpose Vehicle Company Limited	Subsidiary	759	13,524	1,865	13,524
AEON Specialized Bank (Cambodia) Plc.	Subsidiary	-	1,209	-	1,209
		<u>64,102</u>	<u>72,258</u>	<u>157,593</u>	<u>146,371</u>
<b>Dividend received</b>					
AEON Insurance Service (Thailand) Company Limited	Subsidiary	9,000	-	54,000	45,000
ACS Servicing (Thailand) Company Limited	Subsidiary	-	-	-	17,908
AEON Specialized Bank (Cambodia) Plc.	Subsidiary	-	-	-	27,800
		<u>9,000</u>	<u>-</u>	<u>54,000</u>	<u>90,708</u>
<b>Dividend paid</b>					
ACS Capital Corporation Limited	Shareholder and one common director	76,800	76,800	165,600	165,600
AEON Financial Service Company Limited	Major shareholder	140,480	140,480	302,910	302,910
		<u>217,280</u>	<u>217,280</u>	<u>468,510</u>	<u>468,510</u>

- Other income for the three-month and nine-month periods ended November 30, 2016 and November 20, 2015 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 Co., Ltd. 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.

## **22. SEGMENT INFORMATION**

The Company and its 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 its 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:

22.1 Operating results classified by business are as follows:

<b>CONSOLIDATED FINANCIAL STATEMENTS</b>					
<b>For the three-month period ended November 30, 2016</b>					
	<b>Retail finance services</b>		<b>Other business</b>	<b>Elimination</b>	<b>Total</b>
	<b>Domestic</b>	<b>Foreign</b>	<b>Domestic</b>		
	<b>Baht '000</b>	<b>Baht '000</b>	<b>Baht '000</b>	<b>Baht '000</b>	<b>Baht '000</b>
<b>Revenues</b>					
Revenue from external customers	3,980,790	118,771	258,714	-	4,358,275
Inter - segment revenues	131,509	-	262,002	(393,511)	-
	<u>4,112,299</u>	<u>118,771</u>	<u>520,716</u>	<u>(393,511)</u>	<u>4,358,275</u>
<b>Expenses</b>					
Operating and administrative expenses	1,675,119	86,573	453,706	(384,005)	1,831,393
Directors and managements' remuneration	22,996	12,616	6,558	-	42,170
Bad debts and doubtful accounts	1,354,291	12,804	-	-	1,367,095
Finance cost	504,410	11,172	521	(505)	515,598
Total expenses	<u>3,556,816</u>	<u>123,165</u>	<u>460,785</u>	<u>(384,510)</u>	<u>3,756,256</u>
Share of profit from investment in associate	-	-	-	543	543
Profit (loss) before income tax expense	555,483	(4,394)	59,931	(8,458)	602,562
Income tax expense	106,145	1,340	13,093	-	120,578
Net profit (loss) for the period	<u>449,338</u>	<u>(5,734)</u>	<u>46,838</u>	<u>(8,458)</u>	<u>481,984</u>

<b>CONSOLIDATED FINANCIAL STATEMENTS</b>					
<b>For the three-month period ended November 20, 2015</b>					
	<b>Retail finance services</b>		<b>Other domestic</b>	<b>Elimination</b>	<b>Total</b>
	<b>Domestic</b>	<b>Foreign</b>	<b>business</b>		
	<b>Baht '000</b>	<b>Baht '000</b>	<b>Baht '000</b>	<b>Baht '000</b>	<b>Baht '000</b>
<b>Revenues</b>					
Revenue from external customers	4,080,672	94,996	266,615	-	4,442,283
Inter - segment revenues	104,419	-	278,819	(383,238)	-
	<u>4,185,091</u>	<u>94,996</u>	<u>545,434</u>	<u>(383,238)</u>	<u>4,442,283</u>
<b>Expenses</b>					
Operating and administrative expenses	1,689,168	64,966	496,941	(383,079)	1,867,996
Directors and managements' remuneration	18,601	8,264	5,637	-	32,502
Bad debts and doubtful accounts	1,258,035	6,544	-	-	1,264,579
Finance cost	575,713	3,769	159	(159)	579,482
Total expenses	<u>3,541,517</u>	<u>83,543</u>	<u>502,737</u>	<u>(383,238)</u>	<u>3,744,559</u>
Share of profit from investment in associate	-	-	-	1,044	1,044
Profit before income tax expense	643,574	11,453	42,697	1,044	698,768
Income tax expense	128,955	4,508	9,945	-	143,408
Net profit for the period	<u>514,619</u>	<u>6,945</u>	<u>32,752</u>	<u>1,044</u>	<u>555,360</u>



**CONSOLIDATED FINANCIAL STATEMENTS**  
**For the nine-month period ended November 30, 2016**

	<b>Retail finance services</b>		<b>Other domestic</b>	<b>Elimination</b>	<b>Total</b>
	<b>Domestic</b>	<b>Foreign</b>	<b>Business</b>		
	<b>Baht '000</b>	<b>Baht '000</b>	<b>Baht '000</b>	<b>Baht '000</b>	<b>Baht '000</b>
<b>Revenues</b>					
Revenue from external customers	12,072,816	329,761	732,032	-	13,134,609
Inter - segment revenues	375,541	-	881,810	(1,257,351)	-
	<u>12,448,357</u>	<u>329,761</u>	<u>1,613,842</u>	<u>(1,257,351)</u>	<u>13,134,609</u>
<b>Expenses</b>					
Operating and administrative expenses	5,059,421	249,573	1,425,486	(1,201,856)	5,532,624
Directors and managements' remuneration	56,969	33,599	17,059	-	107,627
Bad debts and doubtful accounts	3,882,472	34,250	-	-	3,916,722
Finance cost	1,573,855	25,398	1,513	(1,497)	1,599,269
Total expenses	<u>10,572,717</u>	<u>342,820</u>	<u>1,444,058</u>	<u>(1,203,353)</u>	<u>11,156,242</u>
Share of profit from investment in associate	-	-	-	585	585
Profit (loss) before income tax expense	1,875,640	(13,059)	169,784	(53,413)	1,978,952
Income tax expense	358,802	3,872	37,028	-	399,702
Net profit (loss) for the period	<u>1,516,838</u>	<u>(16,931)</u>	<u>132,756</u>	<u>(53,413)</u>	<u>1,579,250</u>

**CONSOLIDATED FINANCIAL STATEMENTS**  
**For the nine-month period ended November 20, 2015**

	<b>Retail finance services</b>		<b>Other domestic</b>	<b>Elimination</b>	<b>Total</b>
	<b>Domestic</b>	<b>Foreign</b>	<b>Business</b>		
	<b>Baht '000</b>	<b>Baht '000</b>	<b>Baht '000</b>	<b>Baht '000</b>	<b>Baht '000</b>
<b>Revenues</b>					
Revenue from external customers	12,084,787	249,358	673,401	-	13,007,546
Inter - segment revenues	399,818	-	777,081	(1,176,899)	-
	<u>12,484,605</u>	<u>249,358</u>	<u>1,450,482</u>	<u>(1,176,899)</u>	<u>13,007,546</u>
<b>Expenses</b>					
Operating and administrative expenses	4,922,266	175,214	1,273,016	(1,087,127)	5,283,369
Directors and managements' remuneration	59,825	26,214	13,214	-	99,253
Bad debts and doubtful accounts	3,605,718	17,769	-	-	3,623,487
Finance cost	1,726,367	10,096	159	(386)	1,736,236
Total expenses	<u>10,314,176</u>	<u>229,293</u>	<u>1,286,389</u>	<u>(1,087,513)</u>	<u>10,742,345</u>
Share of profit from investment in associate	-	-	-	3,297	3,297
Profit (loss) before income tax expense	2,170,429	20,065	164,093	(86,089)	2,268,498
Income tax expense	416,708	11,175	29,088	-	456,971
Net profit (loss) for the period	<u>1,753,721</u>	<u>8,890</u>	<u>135,005</u>	<u>(86,089)</u>	<u>1,811,527</u>

22.2 Financial positions classified by business are as follows:

CONSOLIDATED FINANCIAL STATEMENTS					
“Unaudited”					
As at November 30, 2016					
	Retail finance services		Other business	Elimination	Total
	Domestic	Foreign	Domestic		
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Accounts receivable and other receivable	63,083,267	1,586,970	483,099	(315,013)	64,838,323
Leasehold improvement and equipment and intangible assets	1,166,756	161,013	232,744	(7,896)	1,552,617
Other assets	7,539,716	104,736	535,632	(1,048,348)	7,131,736
Total assets	<u>71,789,739</u>	<u>1,852,719</u>	<u>1,251,475</u>	<u>(1,371,257)</u>	<u>73,522,676</u>
Total liabilities	<u>59,290,957</u>	<u>1,237,908</u>	<u>485,788</u>	<u>(422,498)</u>	<u>60,592,155</u>

  

CONSOLIDATED FINANCIAL STATEMENTS					
As at February 29, 2016					
	Retail finance services		Other business	Elimination	Total
	Domestic	Foreign	Domestic		
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Accounts receivable and other receivable	59,990,390	1,361,106	708,042	(359,194)	61,700,344
Leasehold improvement and equipment and intangible assets	1,212,611	165,718	229,732	(7,895)	1,600,166
Other assets	9,600,468	161,095	430,566	(1,041,470)	9,150,659
Total assets	<u>70,803,469</u>	<u>1,687,919</u>	<u>1,368,340</u>	<u>(1,408,559)</u>	<u>72,451,169</u>
Total liabilities	<u>58,937,215</u>	<u>1,034,012</u>	<u>682,468</u>	<u>(459,194)</u>	<u>60,194,501</u>

**23. CONTINGENT LIABILITIES AND LETTER OF GUARANTEE**

- 23.1 As at November 30, 2016 and February 29, 2016, the Company has unused committed and unsecured revolving credit facility agreements with various financial institutions totaling Baht 1,800 million and Baht 900 million, respectively.
- 23.2 As at November 30, 2016 and February 29, 2016, the Company has unused overdraft facilities with various banks totaling Baht 2,000.10 million and Baht 80.10 million, respectively. Such overdraft facilities are unsecured.
- 23.3 As at November 30, 2016 and February 29, 2016, the Company has bank's letters of guarantees issued to suppliers for guarantee payment of Baht 0.50 million. Such letters of guarantees are unsecured.
- 23.4 As at November 30, 2016 and February 29, 2016, the subsidiaries have letters of guarantee issued by banks in the amounts of Baht 7.00 million and Baht 6.60 million, respectively.
- 23.5 As at February 29, 2016, the Company has outstanding letters of credit issued by a bank in Japan for guarantee repayment of a subsidiary's debentures of not exceeding Baht 326.95 million (see Note 15).
- 23.6 The Company has outstanding letter of credit issued by banks and letter of guarantee issued by the Company for guarantee repayment of subsidiaries' borrowings of USD 10.46 million and LAK 4,000 million as at November 30, 2016 and USD 1.81 million as at February 29, 2016.

## 24. RECLASSIFICATION

A service fee amounting to Baht 85.91 million and Baht 251.70 million which was previously included as part of credit card income has been reclassified to the consolidated statement of profit or loss for the three-month and nine-month periods ended November 20, 2015, respectively, to be deducted operating and administrative expenses to conform to the classification used in the consolidated statement of profit or loss for the year ended February 29, 2016 and for the three-month and nine-month periods ended November 30, 2016 because of the revision of service agreements.

Such reclassification results in changes in amount as previously presented in the consolidated statement of profit or loss for the three-month and nine-month periods ended November 20, 2015 as follows:

	CONSOLIDATED FINANCIAL STATEMENTS			
	For the three-month period ended		For the nine-month period	
	November 20, 2015		ended November 20, 2015	
	As previously reported	After reclassification	As previously reported	After reclassification
	Baht '000	Baht '000	Baht '000	Baht '000
Credit card income	1,649,555	1,563,648	4,876,398	4,624,701
Operating and administrative expenses	1,953,903	1,867,996	5,535,066	5,283,369

## 25. EVENTS AFTER THE REPORTING PERIOD

- 25.1 On December 20, 2016, the Company entered into the “Asset Sale and Purchase Agreement” to sell written-off accounts receivable under loan agreements, hire-purchase agreements and credit card agreements to a local company (the “buyer”) with the purchase price of Baht 346.97 million (including VAT).
- 25.2 On December 21, 2016, the Company has issued and offered 3-year and 5-year debentures amounting to Baht 1,000 million and Baht 1,000 million, respectively, as a Public Offering with interest rate of 2.73% and 3.48% per annum, respectively, payable on a quarterly basis, and will be due on December 21, 2019 and 2021, respectively. The issuance of debentures has been approved by the Board of Directors’ Meeting held on July 7, 2016.

## 26. 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 January 10, 2017.

(Translation)

## Management Discussion and Analysis for the 3<sup>rd</sup> Quarter ended November 30, 2016

AEON Thana Sinsap (Thailand) Public Company Limited (“The Company”) has already submitted the reviewed Q3/2016 financial statements as of November 30, 2016 which were reviewed by Deloitte Touche Tohmatsu Jaiyos Audit Company Limited. The operating performance is summarized as follows;

### Overview

The Thai economy in the third quarter of 2016 expanded by 3.2% y-y, compared to 3.5% in the previous quarter. The Thai economy continued to recover, driven mainly by public expenditure, as well as export sector started to pick up in this quarter. Meanwhile, the private consumption has been slowing down. In the fourth quarter, the growth of Thai economic is expected to be driven by government initiatives such as Low-income welfare, Tax deduction for domestic tour package and shopping.

As of November 30, 2016, the Company's total cards reached 7.76 million cards (including 2.37 million credit cards and 5.39 million member cards), net increasing by 210,000 cards from February 29, 2016. Covering networks nationwide, the Company has 113 branches, 471 ATMs, and over 17,300 member dealers to provide quality financial services to AEON cardholders.

### Summary of Operation Results

#### 1. Operating Results

##### Revenues

The Company reported 13,135 million baht of total consolidated revenues for the nine-month period of 2016, showing an increase of 127 million baht or 1% y-y. Therefore, if we exclude gain on sale of written off account receivables, the growth was 3% from the same period of last year. For the third quarter 2016, revenues amounted to 4,358 million baht, decreasing by 84 million baht or 2% y-y, due to last year we recorded extra revenue from gain on sales of written-off account receivable.

As of November 30, 2016, the Company has total billings of 3.49 million accounts with number of active customers of 2.20 million, mainly from Bangkok 32%, and up-country 68%. Details of each business can be described as follows:

#### **- Credit Card**

For nine-month period, credit cards turnover comprised of 53% of total turnovers, with an income of 4,881 million baht, increasing by 6% y-y. In the third quarter 2016, credit card income reached 1,622 million baht, increasing by 4% y-y. In addition, the company provides a variety of privileges and activities to our customers to encourage card spending and increase customers base such as launched campaign “AEON & Shell Privileges 2016” a special promotion for primary AEON Gold and Classic card to spend 3,000 baht at a Shell services station will get cash back 500 baht per month, “AEON Gift 2017” AEON card holders register via website or SMS in order to redeem the premiums, “AEON Shop Plus” campaign was launched for credit card customers to accumulate sales slips up to required amounts for premium redemption and etc. 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.

#### **- Loans**

For nine-month period, loans shared 41% of total turnovers (shared 22% from personal loan and 19% from purposed loan for mobile phone, IT products, electrical appliances and etc. through more than 17,300 dealers nationwide) with the revenues of 6,787 million baht, increasing by 3% y-y. For the third quarter, loans income amounted to 2,235 million baht, decreasing by 0.3% y-y. This was contributed from loan income from AEON Microfinance (Myanmar) Company Limited, which grew by 78% y-y and AEON Specialized Bank (Cambodia) Plc grew by 51% y-y. In addition, the Company has expanding more service channels providing more convenience to customers and this also saved the Company’s operation cost. Therefore, 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, Krungthai, Government Saving Bank, Siam Commercial Bank, Counter Service through 7-11 nationwide and they can also transfer and receive cash through Thailand Post Office nationwide.

#### **- Hire Purchase**

Hire purchase (motorcycle, electrical appliances, mobile phone and etc.) for the nine-month shared 1% of total turnovers, with revenues of 298 million baht, decreasing by 7% y-y. This was mainly contributed from hire purchase income from AEON Specialized Bank (Cambodia) Plc of 163 million baht, increasing by 15% y-y and AEON Leasing (Lao) Co., Ltd increased by 88% y-y. The oversea subsidiaries will continue to grow in the future.

In terms of revenues in Q3/2016, the Company reported 92 million baht of hire purchase and decreased by 17% y-y, due to the decline in domestic spending. However, the company has continued launching promotions with motorcycle manufacturers and suppliers, i.e., Honda and Suzuki as well as increased distribution channels for motorcycle sales through our branches.

#### **- Others**

For the nine-month period, the Company had other income of 1,169 million baht, decreasing by 21% from the same period last year. A decrease in others income mainly from bad debt recovery decreased 11% y-y and we recorded extra revenue from gain on sales of written-off account receivable of 300 million baht in last year. In the third quarter 2016, income from others amounted to 410 million baht, decreasing by 22% from the same period last year, mainly dropped due to last year we recorded extra revenue from gain on sales of written-off account receivable of 109 million baht.

Moreover, the income for the nine-month period of company's subsidiaries in Thailand, the Company had commission income of 353 million baht, same level as last year from AEON Insurance Service (Thailand) Co., Ltd. and collection service income of 182 million baht, increasing by 10% y-y from ACS Servicing (Thailand) Co., Ltd. accordingly. In the third quarter 2016, income from commission amounted 115 million baht, increasing by 2% y-y and collection service income of 77 million baht, decreasing by 5% y-y. The Company has planed to generate more fee base incomes in the future.

#### **Expenses**

In the nine-month period, the consolidated expenses amounted to 11,156 million baht, increasing by 4% y-y. For the third quarter, the consolidated expenses were 3,756 million baht, the same level as last year. Details of total major expenses can be described as follows:

##### **- Operating and Administrative Expenses**

For the nine-month period of 2016, the consolidated operating and administrative expenses were 5,640 million baht, increasing by 5% y-y, and accounted for 43% of total revenues. The expenses has increased due to increasing employment of subsidiaries and business expansion of the oversea subsidiaries. In the third quarter 2016, the Company recorded operating and administrative expenses of 1,873 million baht, decreasing by 1% y-y. However, the Company also need to focus on controlling cost. In terms of proportion to total revenues, operating and administrative expenses represented 43% of total revenues. Considering the Company's financial statement, the operating and administrative expenses as a percentage of revenues decreased to 41% in Q3/2016.

#### **- Bad Debts and Doubtful Accounts**

The consolidated bad debts and doubtful accounts, in the nine-month period 2016, amounted to 3,917 million baht, increasing by 8% y-y. For the third quarter 2016, the Company recorded bad debts and doubtful accounts of 1,367 million baht, increasing by 8% y-y.

#### **- Finance Cost**

The Company recorded finance cost of 1,599 million baht for nine-month period, 8% decreased from the same period last year. For the third quarter, finance cost was 516 million baht, decreasing by 11% y-y. This was a result of well-managed funding cost. However, finance cost in the nine month 2016 accounted for 12% of total revenues, slightly decreased from 13% in Q3/2015. The Company manages liquidity risk and interest rates fluctuation risk by mainly locking in long-term borrowing, represented 66% of total borrowing and weight average funding cost decreased from 4.06% in Q3/2015 to 3.62% in Q3/2016

#### **Net Profit**

For nine-month period 2016, the Company had consolidated operating income of 1,979 million baht, and reported net profit attributed to owners of the parent of 1,567 million baht, decreasing by 237 million baht or 13% y-y, due to the Company recorded extra revenue from gain on sales of written-off account receivable an amount of 300 million baht in last year. In the third quarter 2016, the Company reported net profit attributed to owners of the parent of 480 million baht, decreased by 70 million baht or 13% y-y. Earnings per share (EPS) for the nine-month and the third quarter of 2016 were 6.27 baht per share and 1.92 baht per share respectively. Therefore, when excluding both gain on sale of written off account receivables, our net profit in Q3/2016 increased 9% from the same period of last year.

## **2. Financial Status**

#### **Total Assets**

As of November 30, 2016, the Company had 73,523 million baht of consolidated total assets, showing an increase of 1,072 million baht or 1% from the end of fiscal year 2015. Mainly, the assets were attributed to the portfolio of net accounts receivable, which was 87% of total assets.

#### **-Accounts Receivable**

As of November 30, 2016, the Company had consolidated accounts receivable of 66,579 million baht, increasing by 5% from that of 63,302 million baht at the end of fiscal year 2015, driven by credit card

receivable. These can be categorized by credit card business of 28,841 million baht, increasing by 14%, loans business of 36,173 million baht, hire purchase business of 1,432 million baht, decreasing by 13% and others of 133 million baht.

As of November 30, 2016, the Company provided allowance for doubtful accounts of 2,439 million baht or 3.66% of total accounts receivable. This is same level as at Q2/2016 and decreased from 3.81% at the end of previous fiscal year. The percentage account receivable 3 months overdue or non-performing loan ratio was 2.94%, decreased from 2.96% as in Q2/2016 and 3.3% at the end of previous fiscal year. For the third quarter of 2016, the Company has set aside higher allowance for doubtful accounts to reserve for economic uncertainty and natural disaster such as floods. As a result, the coverage ratio of allowance for doubtful accounts to accounts receivable overdue more than 3 months (NPLs) was 125% in Q3/2016, increased from 115% at the end of fiscal year 2015.

#### **Liabilities**

As of November 30, 2016, the Company consolidated total liabilities were 60,592 million baht, showing an increase of 398 million baht or 1% from the end of fiscal year 2015. In the third quarter 2016, the Company reported 57,892 million baht, increasing by 1% from the end of fiscal year 2015. The portion of long-term borrowings was 38,072 million baht or 66% of total borrowings.

On December 21, 2016, the Company has issued two tranches of debentures for public offering at the amount of 2,000 million baht; (1) Tranche 1: The term of the debenture is 3 years and interest at the fixed rate of 2.73% per annum (2) Tranche 2: The term of the debenture is 5 years and interest at the fixed rate of 3.48% per annum.

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.

#### **Shareholder Equity**

As of November 30, 2016, the Company's shareholder equity reached 12,931 million baht, showing an increase of 674 million baht or 5% from the end of fiscal year 2015. Consequently, Book value as of November 30, 2016 was 51.7 baht per share, increasing from that of 49 baht per share as of February 29, 2016.

For nine month of 2016, the Company recorded return on equity (ROE) at 16.6% and return on asset (ROA) at 2.9% and equity ratio of 17.6%. Debt to Equity ratio as of November 30, 2016 decreased to 4.7 times from 4.9 times as of February 29, 2016.



(Translation)

No. 01/2017

January 12, 2017

President

The Stock Exchange of Thailand

Re: Notification of the Resolution of the Board of Directors' Meeting No. 1/2017

We, AEON Thana Sinsap (Thailand) Public Company Limited (“Company”), hereby reported the resolutions passed at the meeting of the Board of Directors No. 1/2017 held on January 12, 2017, from 10:05 a.m. as follows:

1. Acknowledge the Company's performance for the third quarter ended November 30, 2016;
2. Unanimously approved the reviewed financial statements of the Company for the third quarter and nine-month period ended November 30, 2016;

Please be informed accordingly

Yours sincerely,

Kiyoyasu Asanuma  
Managing Director