

**THITIKORN PUBLIC COMPANY LIMITED  
AND ITS SUBSIDIARIES**

**Interim Financial Statements**

**For the Period Ended June 30, 2008**

**and Report of Certified Public Accountant**

***M.R. & ASSOCIATES CO., LTD.***

***Certified Public Accountant***

## **REVIEW REPORT OF CERTIFIED PUBLIC ACCOUNTANT**

To the Board of Directors of Thitikorn Public Company Limited

I have reviewed the consolidated balance sheet of Thitikorn Public Company Limited and its subsidiaries as at June 30, 2008, and the related consolidated statements of income for the three-month and six month periods ended June 30, 2008, changes in shareholders' equity and cash flows for the six-month period ended June 30, 2008. I have also reviewed the balance sheet of Thitikorn Public Company Limited as at June 30, 2008, and the related statements of income for the three-month and six-month periods ended June 30, 2008, changes in shareholders' equity and cash flows for the six-month period ended June 30, 2008. These financial statements are the responsibility of the Company's management as to their correctness and completeness of the presentation. My responsibility is to issue a report on these financial statements based on my review. The consolidated interim financial statements for the three-month and six-month periods ended June 30, 2007, of Thitikorn Public Company Limited and its subsidiaries, and the interim financial statements for the three-month and six-month period ended June 30, 2007, of Thitikorn Public Company Limited, were reviewed by other auditor in my office whose report dated August 9, 2007, stated that nothing has come to his attention that causes him to believe that the financial statements for the three-month and six-month periods ended June 30, 2007, are not presented fairly, in all material respects, in accordance with generally accepted accounting principles. The consolidated statements of income for the three-month and six month periods ended June 30, 2007, changes in shareholders' equity and cash flows for the six-month period ended June 30, 2007, of Thitikorn Public Company Limited and its subsidiaries and the statements of income for the three-month and six month periods ended June 30, 2007, changes in shareholders' equity and cash flows for the six-month period ended June 30, 2007, of Thitikorn Public Company Limited, which are presented for comparative purpose, are components of the restated consolidated interim financial statements and interim financial statements.

I conducted my review in accordance with auditing standards applicable to review engagement. This standard requires that I plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit in accordance with generally accepted auditing standards. Accordingly, I do not express an audit opinion on the reviewed financial statements.

Based on my review, nothing has come to my attention that causes me to believe that the accompanying financial statements for the three-month and six-month periods ended June 30, 2008, are not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

The consolidated financial statements of Thitikorn Public Company Limited and its subsidiaries and the financial statements of Thitikorn Public Company Limited for the year ended December 31, 2007 were audited by other auditor in my office whose report dated February 27, 2008, expressed an un qualified opinion on those statements. The consolidated balance sheet of Thitikorn Public Company Limited and its subsidiaries and the balance sheet of Thitikorn Public Company Limited as at December 31, 2007, which have been presented herein for comparative purpose, are components of the restated financial statements. I have not performed any audit procedures subsequent to the date of that report.

(Mr. Boonlert Kaewphanpurk)  
Certified Public Accountant  
Registration No. 4165

M.R. & ASSOCIATES CO., LTD.  
Bangkok  
August 11, 2008

**THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**BALANCE SHEETS**

**AS AT JUNE 30, 2008 AND DECEMBER 2007**

**A S S E T S**

	Notes	In Thousand Baht			
		Consolidated		The Company only	
		June 30,2008	December 31,2007	June 30,2008	December 31,2007
		“Unaudited” “Reviewed”	“Audited”	“Unaudited” “Reviewed”	“Audited”
<b>CURRENT ASSETS</b>					
Cash and cash equivalents		47,989	45,861	43,126	39,619
Trade accounts receivable					
Current portion of hire-purchase contract receivables-net	6	2,674,209	2,591,633	2,503,083	2,379,530
Other receivables-net	7	46,107	52,475	45,038	50,511
Receivables from and short-term loan to related parties	5	7,322	4,151	7,892	4,157
Short-term loan to others		-	1,000	-	-
Asset foreclosed - net	8	148,468	155,584	148,127	155,009
Other current assets		37,023	26,785	36,275	26,531
<b>Total current assets</b>		<b>2,961,118</b>	<b>2,877,489</b>	<b>2,783,541</b>	<b>2,655,357</b>
<b>NON – CURRENT ASSETS</b>					
Deposits pledged as collateral	9	25,000	25,000	-	-
Hire-purchase contract receivables net of current portion - net	6	2,348,035	2,227,017	2,126,356	1,989,114
Investments accounted for using the cost method	10	-	-	93,986	93,986
Long-term loans to others		24,324	22,640	24,324	22,640
Property, plant and equipment - net		103,147	101,055	91,956	89,560
Intangible assets - net		7,662	7,532	7,249	7,027
Deferred tax assets	13	122,490	117,852	93,510	90,069
Assets not used in operation		35,157	35,157	5,708	5,708
Other non - current assets		8,929	10,700	6,488	9,050
<b>Total non – current assets</b>		<b>2,674,744</b>	<b>2,546,953</b>	<b>2,449,577</b>	<b>2,307,154</b>
<b>TOTAL ASSETS</b>		<b>5,635,862</b>	<b>5,424,442</b>	<b>5,233,118</b>	<b>4,962,511</b>

The accompanying notes are an integral parts of these financial statements.

**THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**BALANCE SHEETS**

**AS AT JUNE 30, 2008 AND DECEMBER 2007**

**LIABILITIES AND SHAREHOLDERS' EQUITY**

	Notes	In Thousand Baht			
		Consolidated		The Company only	
		June 30,2008	December 31,2007	June 30,2008	December 31,2007
		“Unaudited” “Reviewed”	“Audited”	“Unaudited” “Reviewed”	“Audited”
<b>CURRENT LIABILITIES</b>					
Bank overdrafts and short-term loans from financial institutions	11	1,289,743	1,718,708	1,077,544	1,440,446
Trade accounts payable					
Related party	5	20,823	11,966	20,823	11,966
Other companies		70,997	59,546	70,997	59,546
Current portion of debentures		200,000	-	200,000	-
Payable to and short - term loans from related parties	5	2,700	1,995	183,560	183,047
Income tax payable		60,291	37,951	57,078	35,987
Deposits and advances from customers		160,028	175,554	152,601	168,728
Other current liabilities		66,802	61,899	62,411	55,888
<b>Total current liabilities</b>		<b>1,871,384</b>	<b>2,067,619</b>	<b>1,825,014</b>	<b>1,955,608</b>
<b>NON – CURRENT LIABILITIES</b>					
Long - term loans - net of current portion	12	1,200,000	600,000	1,200,000	600,000
Debentures- net of current portion		-	200,000	-	200,000
Other non - current liabilities		20,359	21,900	12,860	13,760
<b>Total non – current liabilities</b>		<b>1,220,359</b>	<b>821,900</b>	<b>1,212,860</b>	<b>813,760</b>
<b>Total liabilities</b>		<b>3,091,743</b>	<b>2,889,519</b>	<b>3,037,874</b>	<b>2,769,368</b>
<b>SHAREHOLDERS' EQUITY</b>					
Share capital- common shares, Baht 1 par value					
Authorized share capital -500,000,000 shares, Baht 1 par value		500,000	500,000	500,000	500,000
Issued and fully paid-up share capital					
- 500,000,000 shares, Baht 1 par value		500,000	500,000	500,000	500,000
Premiums on share capital		972,987	972,987	972,987	972,987
Retained earnings					
- Appropriated for legal reserve		50,000	50,000	50,000	50,000
- Unappropriated		1,021,132	1,011,936	672,257	670,156
<b>Total shareholders' equity</b>		<b>2,544,119</b>	<b>2,534,923</b>	<b>2,195,244</b>	<b>2,193,143</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>5,635,862</b>	<b>5,424,442</b>	<b>5,233,118</b>	<b>4,962,511</b>

The accompanying notes are an integral parts of these financial statements.

**THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF INCOME**  
**FOR THE THREE-MONTH PERIODS ENDED JUNE 30, 2008 AND 2007**

“UNAUDITED”  
“REVIEWED”

		In Thousand Baht			
		Consolidated		The Company only	
Note		2008	2007	2008	2007
<b>REVENUES</b>					
	Hire-purchase income	436,547	421,797	426,284	406,736
5	Other income	177,847	142,276	173,894	133,675
	<b>Total Revenues</b>	<b>614,394</b>	<b>564,073</b>	<b>600,178</b>	<b>540,411</b>
<b>EXPENSES</b>					
5	Selling and administrative expenses	321,657	323,737	313,533	308,783
	Bad debt and provision for doubtful accounts	148,277	113,215	146,712	112,478
	<b>Total Expenses</b>	<b>469,934</b>	<b>436,952</b>	<b>460,245</b>	<b>421,261</b>
	<b>PROFIT BEFORE INTEREST EXPENSE AND INCOME TAX</b>	<b>144,460</b>	<b>127,121</b>	<b>139,933</b>	<b>119,150</b>
5	Interest expense	26,067	36,128	27,236	35,650
	Income tax	29,729	23,889	28,454	20,911
	<b>NET PROFIT</b>	<b>88,664</b>	<b>67,104</b>	<b>84,243</b>	<b>62,589</b>
	<b>Earnings per share (Baht)</b>	<b>0.18</b>	<b>0.13</b>	<b>0.17</b>	<b>0.13</b>

**THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF INCOME**  
**FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2008 AND 2007**

“UNAUDITED”  
“REVIEWED”

		In Thousand Baht			
		Consolidated		The Company only	
Notes		2008	2007	2008	2007
<b>REVENUES</b>					
	Hire-purchase income	876,821	842,695	855,175	810,349
5	Other income	352,528	273,756	344,098	254,707
	<b>Total Revenues</b>	<b>1,229,349</b>	<b>1,116,451</b>	<b>1,199,273</b>	<b>1,065,056</b>
<b>EXPENSES</b>					
5	Selling and administrative expenses	689,951	633,340	671,482	605,458
	Bad debt and provision for doubtful accounts	262,386	218,225	258,084	214,224
	<b>Total Expenses</b>	<b>952,337</b>	<b>851,565</b>	<b>929,566</b>	<b>819,682</b>
<b>PROFIT BEFORE INTEREST</b>					
<b>EXPENSE AND INCOME TAX</b>		277,012	264,886	269,707	245,374
5	Interest expense	51,285	66,437	53,107	65,537
13	Income tax	56,531	51,056	54,499	45,063
<b>NET PROFIT</b>		<b>169,196</b>	<b>147,393</b>	<b>162,101</b>	<b>134,774</b>
<b>Earnings per share (Baht)</b>		<b>0.34</b>	<b>0.29</b>	<b>0.32</b>	<b>0.27</b>

**THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2008 AND 2007**

“UNAUDITED”  
“REVIEWED”

		In Thousand Baht				
		Consolidated				
		Retained earnings				
	Note	Issued and fully paid-up share capital	Premiums on share capital	Appropriated for legal reserve	Unappropriated	Total
<b>Balance as at January 1, 2008,</b>		500,000	972,987	50,000	1,011,936	2,534,923
Dividends paid	14	-	-	-	(160,000)	(160,000)
Net profit		-	-	-	169,196	169,196
<b>Balance as at June 30, 2008</b>		<u>500,000</u>	<u>972,987</u>	<u>50,000</u>	<u>1,021,132</u>	<u>2,544,119</u>
<b>Balance as at January 1, 2007</b>		500,000	972,987	50,000	874,087	2,397,074
Dividends paid	14	-	-	-	(150,000)	(150,000)
Net profit		-	-	-	147,393	147,393
<b>Balance as at June 30, 2007</b>		<u>500,000</u>	<u>972,987</u>	<u>50,000</u>	<u>871,480</u>	<u>2,394,467</u>

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



**THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2008 AND 2007**

“UNAUDITED”  
“REVIEWED”

		In Thousand Baht				
		The Company only				
		Retained earnings				
Note	Issued and fully paid-up share capital	Premiums on share capital	Appropriated for legal reserve	Unappropriated	Total	
	500,000	972,987	50,000	670,156	2,193,143	
Dividends paid	-	-	-	(160,000)	(160,000)	
Net profit	-	-	-	162,101	162,101	
<b>Balance as at June 30, 2008</b>	<b>500,000</b>	<b>972,987</b>	<b>50,000</b>	<b>672,257</b>	<b>2,195,244</b>	
	500,000	972,987	50,000	546,374	2,069,361	
Dividends paid	-	-	-	(150,000)	(150,000)	
Net profit	-	-	-	134,774	134,774	
<b>Balance as at June 30, 2007</b>	<b>500,000</b>	<b>972,987</b>	<b>50,000</b>	<b>531,148</b>	<b>2,054,135</b>	

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

**THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2008 AND 2007**

“UNAUDITED”

“REVIEWED”

	In Thousand Baht			
	Consolidated		The Company Only	
	2008	2007	2008	2007
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit before tax	225,727	198,449	216,600	179,837
Adjustments				
Depreciation and amortization	15,786	13,990	14,825	12,828
Unrealized loss (gain) on exchange rate	709	(1,766)	709	(1,766)
Bad debt and provision for doubtful accounts	262,386	218,225	258,084	214,224
Loss on decline in value (Reversal of loss) of assets foreclosed	(2,598)	15,780	(2,766)	15,463
Gain on sales of fixed assets	(711)	(750)	(431)	(600)
Interest expense	51,285	66,437	53,107	65,537
Decrease (Increase) in operating assets :				
Hire-purchase contract receivables	(457,228)	(156,716)	(510,563)	(278,471)
Other trade accounts receivable	(2,420)	7,521	(2,849)	6,808
Receivables from related parties	(3,171)	(1,111)	(3,735)	(874)
Assets foreclosed	9,714	(55,554)	9,648	(54,876)
Other current assets	(10,202)	(5,671)	(9,738)	(5,767)
Other non-current assets	1,771	399	2,562	815
Increase (Decrease) in operating liabilities :				
Trade accounts payable- related party	8,857	-	8,857	-
Trade accounts payable- other companies	11,451	-	11,451	-
Payables to related parties	705	483	3,561	713
Deposits and advances from customers	(15,526)	35,522	(16,127)	38,147
Other current liabilities	6,783	3,217	8,404	5,883
Other non-current liabilities	(1,541)	(1,650)	(900)	(908)
Cash generated from operation	101,777	336,805	40,699	196,993
Interest paid	(53,166)	(66,984)	(55,035)	(66,199)
Income tax paid	(38,828)	(49,466)	(36,850)	(48,165)
<b>Net Cash Provided by (Used in) Operating Activities</b>	<b>9,783</b>	<b>220,355</b>	<b>(51,186)</b>	<b>82,629</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Decrease in short-term loans to others	1,000	500	-	-
Decrease in short-term loans to related party	-	-	-	1,000
Increase in long-term loans to others	(1,684)	(2,900)	(1,684)	(2,900)
Increase in deposits pledged as collateral	-	(1,000)	-	-
Purchases of fixed assets	(17,473)	(16,837)	(16,908)	(16,837)
Proceeds from sale of fixed assets	1,636	1,596	1,356	1,446
Purchases of intangible assets	(1,460)	(553)	(1,460)	(553)
<b>Net Cash Used in Investing Activities</b>	<b>(17,981)</b>	<b>(19,194)</b>	<b>(18,696)</b>	<b>(17,844)</b>

**THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENTS OF CASH FLOWS (CONTINUED)**  
**FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2008 AND 2007**

“UNAUDITED”

“REVIEWED”

	In Thousand Baht			
	Consolidated		The Company Only	
	2008	2007	2008	2007
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Increase (Decrease) in bank overdrafts and short-term loans from financial institutions	(429,674)	298,902	(363,611)	432,558
Proceeds from long-term loans	600,000	300,000	600,000	300,000
Repayments of long-term loans	-	(70,000)	-	(70,000)
Redemption of debentures	-	(45,000)	-	(45,000)
Increase (Decrease) in short-term loans from related parties	-	-	(3,000)	2,500
Dividends paid	(160,000)	(150,000)	(160,000)	(150,000)
<b>Net Cash Provided by Financing Activities</b>	<b>10,326</b>	<b>333,902</b>	<b>73,389</b>	<b>470,058</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>2,128</b>	<b>535,063</b>	<b>3,507</b>	<b>534,843</b>
<b>Cash and Cash Equivalents-Beginning of Period</b>	<b>45,861</b>	<b>40,352</b>	<b>39,619</b>	<b>34,213</b>
<b>CASH AND CASH EQUIVALENTS-END OF PERIOD</b>	<b>47,989</b>	<b>575,415</b>	<b>43,126</b>	<b>569,056</b>

# THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## Notes to Interim Financial Statements

June 30, 2008 and 2007 (Reviewed)

And December 31, 2007 (Audited)

The financial statements were authorized for issue by the directors on August 11, 2008.

### 1. BASIS FOR INTERIM FINANCIAL STATEMENT PREPARATION

These interim financial statements are prepared in accordance with the Accounting Standard No. 41 “Interim Financial Reporting” and Regulations of The Stock Exchange of Thailand (SET) relating to accounting.

The interim financial statements are prepared as updated information to the financial statements for the year ended December 31, 2007 with an emphasis on the more current information about activities, events and situations, not a duplicate of information previously reported. These interim financial statements should therefore be read in conjunction with the financial statements for the year ended December 31, 2007.

The accompanying financial statements are prepared in Thai Baht and in the Thai language in conformity with generally accepted accounting principles in Thailand. The accompanying financial statements are intended to present the financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in Thailand.

For the convenience of the reader, an English translation of financial statements has been prepared from the statutory Thai language financial statements which are issued for domestic reporting purposes.

The consolidated financial statements as at June 30, 2008 and December 31, 2007, include the accounts of The Company and its subsidiaries which the Company has controlling power or directly and indirectly holdings on those subsidiaries as follows:

Name of Companies	Type of business	In Thousand Baht		Percentage of	
		Paid-up share capital		direct and indirect holdings (%)	
		June 30,2008	December 31,2007	June 30,2008	December 31,2007
C. V. A. Co.,Ltd.	Hire-purchase Motorcycle business	50,000	50,000	99.99	99.99
Chayapak Co.,Ltd.	Hire-purchase Automobile business	40,000	40,000	99.99	99.99

All significant intercompany transactions between the Company and its subsidiaries included in the consolidated financial statements have been eliminated.

### 2. EFFECTIVE ACCOUNTING STANDARDS

The Federation of Accounting Professions (FAP) has issued Notifications 38/2550 and 62/2550 regarding accounting standards. The notifications mandate the use of the following new accounting standards.

TAS 25 (revised 2007)	Cash Flow Statements
TAS 29 (revised 2007)	Leases
TAS 31 (revised 2007)	Inventories
TAS 33 (revised 2007)	Borrowing Costs
TAS 35 (revised 2007)	Presentation of Financial Statements
TAS 39 (revised 2007)	Accounting Policies, Changes in Accounting Estimates and Errors

**THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**Notes to Interim Financial Statements (Continued)**  
**June 30, 2008 and 2007 (Reviewed)**  
**And December 31, 2007 (Audited)**

TAS 41 (revised 2007)	Interim Financial Reporting
TAS 43 (revised 2007)	Business Combinations
TAS 49 (revised 2007)	Construction Contracts
TAS 51	Intangible Assets

These accounting standards will become effective for the financial statements for fiscal years beginning on or after January 1, 2008. The Managements of the Company and its subsidiaries have assessed the effect of these revised accounting standards and believes that they will not have any significant impact on the financial statements of the Company and its subsidiaries.

### **3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying interim financial statements have been prepared in accordance with generally accepted accounting principles. Accounting policies that have been applied in the preparation of the interim financial statements for the three-month and six-month periods ended June 30, 2008 are similar to those which have been applied to the financial statements for the year ended December 31, 2007 except for changes in accounting policy to recognize interest income on hire – purchase (see Note 4).

### **4. CHANGES IN ACCOUNTING POLICIES**

#### **Interest income from hire-purchase**

Prior to 2008, the Company and its subsidiaries recognize interest income on hire-purchase as unearned interest income in each installment period based on the sum-of-digits method. Starting from January 1, 2008, the Company and its subsidiaries change their accounting policy to recognize interest income on hire-purchase as unearned interest income in each installment period based on the effective interest rate method for new hire-purchase agreements made starting from 2008 by the change of Thai Accounting Standard No. 29- Accounting for Lease (revised 2007). Such change in accounting has no effect to the 2007 financial statements presented herewith for comparative purpose.

### **5. TRANSACTIONS WITH RELATED PARTIES**

A portion of the Company’s assets, liabilities, revenues, costs and expenses arose from transactions with related companies. Related parties are those parties controlled by the Company, directly or indirectly or significant influence, to govern the financial and operating policies of the Company.

Type of relationship with its related parties are as follows:

<u>Name of Companies</u>	<u>Type of business</u>	<u>Type of relationship</u>
C. V. A. Company Limited	Hire-purchase motorcycle	Subsidiary
Chayapak Company Limited	Hire-purchase automobile	Subsidiary
S. P. International Co., Ltd.	Sale automobile and management service	Co directors & shareholders
S. P. Building Co., Ltd.	Property business	Co directors & shareholders
S. P. Suzuki Public Co., Ltd.	Sale motorcycle	Co directors & shareholders
Zinphol Company Limited	Dealer of motorcycle and hire-purchase business	Subsidiary of S.P.Suzuki Public Co.,Ltd.
Lexus Co., Ltd.	Sale automobile	Co directors & shareholders
Toyota Pathumthani Toyota’s Dealer Co.,Ltd.	Sale automobile and management service	Co directors & shareholders
Napas Co.,Ltd.	Transportation service	Co directors & shareholders in subsidiary

**THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**Notes to Interim Financial Statements (Continued)**  
**June 30, 2008 and 2007 (Reviewed)**  
**And December 31, 2007 (Audited)**

Pricing policies for each transactions are described as follows:

Type of Transaction	Pricing policies
Service income	Negotiated price
Interest income	MOR
Stationery income	Cost
Other income	Cost
Rental and service	Contract price
Management fee	Contract price
Utility expenses	Cost
Sales promotion expense	Negotiated price
Collection fee	Negotiated price
Stationery fee	Cost
Other expenses	Market price
Service expense	Negotiated price
Interest expense	MOR
Loss on disposal of assets	Market price
Purchase for hire-purchase	Market price
Purchase of fixed assets	Market price

Significant revenues and expenses derived from transactions with related parties for the three-month and the six-month periods ended June 30, 2008 and 2007 are summarized as follows:

	In Thousand Baht			
	Consolidated			
	For the three-month periods ended June 30		For the six-month periods ended June 30	
	2008	2007	2008	2007
<b>Other income</b>				
S.P. Suzuki Public Company Limited	6,625	5,097	11,204	5,278
Zinphol Company Limited	351	76	659	157
	<u>6,976</u>	<u>5,173</u>	<u>11,863</u>	<u>5,435</u>
<b>Rental and service</b>				
S.P. International Company Limited	<u>4,009</u>	<u>3,810</u>	<u>8,019</u>	<u>7,192</u>
<b>Management fee</b>				
S.P. International Company Limited	<u>2,250</u>	<u>2,250</u>	<u>4,500</u>	<u>4,500</u>
<b>Utility expenses</b>				
S.P. International Company Limited	<u>598</u>	<u>769</u>	<u>1,458</u>	<u>1,055</u>
<b>Sales promotion</b>				
Zinphol Company Limited	<u>3,775</u>	<u>-</u>	<u>6,782</u>	<u>-</u>
<b>Collection fee</b>				
Zinphol Company Limited	<u>116</u>	<u>-</u>	<u>176</u>	<u>-</u>



**THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**
**Notes to Interim Financial Statements (Continued)**
**June 30, 2008 and 2007 (Reviewed)**
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	In Thousand Baht			
	The Company Only			
	For the three-month periods ended June 30		For the six-month periods ended June 30	
	2008	2007	2008	2007
<b>Management fee</b>				
S.P. International Company Limited	1,500	900	3,000	1,800
<b>Utility expenses</b>				
S.P. International Company Limited	553	705	1,361	963
<b>Sales promotion expenses</b>				
Zinphol Company Limited	3,775	-	6,782	-
<b>Collection fee</b>				
Zinphol Company Limited	116	-	176	-
<b>Stationery fee</b>				
S.P. International Company Limited	430	460	840	878
S.P. Suzuki Public Company Limited	112	-	249	-
	542	460	1,089	878
<b>Other expenses</b>				
S.P. Suzuki Public Company Limited	1,367	410	2,290	871
S.P. International Company Limited	950	799	1,979	1,473
Napas Co.,Ltd.	10	9	64	9
Toyota Pathumthani Toyota's Dealer Co.,Ltd.	-	-	-	9
	2,327	1,218	4,333	2,362
<b>Service expense</b>				
C.V.A. Company Limited	12,872	5,896	25,368	11,559
<b>Interest expense</b>				
C.V.A. Company Limited	3,106	3,536	6,177	7,083
Chayapak Company Limited	94	-	232	-
	3,200	3,536	6,409	7,083
<b>Loss on disposal of assets foreclosed</b>				
Zinphol Company Limited	-	492	58	904
<b>Purchases for hire-purchase</b>				
Zinphol Company Limited	133,341	-	217,285	-
S.P. Suzuki Public Company Limited	4,368	379	6,123	379
Lexus Co.,Ltd.	-	-	-	9,931
	137,709	379	223,408	10,310
<b>Purchases of fixed assets</b>				
S.P. International Company Limited	-	-	6,795	-
Toyota Pathumthani Toyota's Dealer Co.,Ltd.	-	-	-	1,222
	-	-	6,795	1,222



**THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**Notes to Interim Financial Statements (Continued)**

**June 30, 2008 and 2007 (Reviewed)**

**And December 31, 2007 (Audited)**

Significant outstanding balances with its related companies as at June 30, 2008 and December 31, 2007 are summarized as follows :

	In Thousand Baht			
	Consolidated		The Company Only	
	June 30,2008	December 31,2007	June 30,2008	December 31,2007
<b>Receivables and short-term loan</b>				
<b>Accrued income</b>				
S.P. Suzuki Public Company Limited	7,068	3,829	7,068	3,829
Zinphol Company Limited	254	322	39	322
Chayapak Company Limited	-	-	783	2
C.V.A. Company Limited	-	-	2	4
	<u>7,322</u>	<u>4,151</u>	<u>7,892</u>	<u>4,157</u>
<b>Trade accounts payable</b>				
Zinphol Company Limited	<u>20,823</u>	<u>11,966</u>	<u>20,823</u>	<u>11,966</u>
<b>Payables and short-term loan</b>				
<b>Accrued expenses</b>				
Zinphol Company Limited	1,555	1,265	1,555	1,265
S.P. International Company Limited	871	639	820	612
S.P. Suzuki Public Company Limited	274	91	274	91
C.V.A. Company Limited	-	-	5,907	3,069
Chayapak Company Limited	-	-	4	10
	<u>2,700</u>	<u>1,995</u>	<u>8,560</u>	<u>5,047</u>
<b>Short – term loan</b>				
C.V.A. Company Limited				
(Interest rate at 7.125 – 7.50% p.a in 2008 and 7.125 – 7.75% p.a in 2007)	-	-	175,000	178,000
	<u>2,700</u>	<u>1,995</u>	<u>183,560</u>	<u>183,047</u>

The significant movements of loans from related party during the period are as follows: -

	In Thousand Baht			
	The Company Only			
	December 31,2007	Increase	Decrease	June 30,2008
<b>Short-term loan from subsidiary</b>				
C.V.A. Company Limited	<u>178,000</u>	<u>26,000</u>	<u>29,000</u>	<u>175,000</u>

**THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
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**6. HIRE - PURCHASE CONTRACT RECEIVABLES - NET**

As at June 30, 2008 and December 31, 2007, the Company and its subsidiaries have outstanding balances of hire-purchase contract receivables as follows :

	In Thousand Baht					
	Consolidated					
	June 30, 2008			December 31, 2007		
	Total	Current	Long-term	Total	Current	Long-term
Hire-purchase contract receivables	7,552,618	4,469,815	3,082,803	7,110,731	4,283,213	2,827,518
Less Unearned income	(2,132,897)	(1,477,021)	(655,876)	(1,914,991)	(1,388,264)	(526,727)
	5,419,721	2,992,794	2,426,927	5,195,740	2,894,949	2,300,791
Less Allowance for doubtful accounts	(397,477)	(318,585)	(78,892)	(377,090)	(303,316)	(73,774)
Net	<u>5,022,244</u>	<u>2,674,209</u>	<u>2,348,035</u>	<u>4,818,650</u>	<u>2,591,633</u>	<u>2,227,017</u>

	In Thousand Baht					
	The Company Only					
	June 30, 2008			December 31, 2007		
	Total	Current	Long-term	Total	Current	Long-term
Hire-purchase contract receivables	6,992,666	4,165,604	2,827,062	6,489,584	3,937,180	2,552,404
Less Unearned income	(2,059,608)	(1,431,584)	(628,024)	(1,833,858)	(1,337,184)	(496,674)
	4,933,058	2,734,020	2,199,038	4,655,726	2,599,996	2,055,730
Less Allowance for doubtful accounts	(303,619)	(230,937)	(72,682)	(287,082)	(220,466)	(66,616)
Net	<u>4,629,439</u>	<u>2,503,083</u>	<u>2,126,356</u>	<u>4,368,644</u>	<u>2,379,530</u>	<u>1,989,114</u>

Hire-purchase contract receivables as at June 30, 2008 and December 31, 2007 are aged by outstanding installment payments of each contract as follows:

	In Thousand Baht			
	Consolidated		The Company Only	
	June 30, 2008	December 31, 2007	June 30, 2008	December 31, 2007
Not yet due	3,547,923	3,362,127	3,306,785	3,106,959
Past due 1 month	805,270	766,218	756,489	708,857
Past due 2-3 months	717,869	693,495	665,087	622,253
Past due 4-6 months	147,497	167,029	113,094	124,353
Past due 7-12 months	49,049	69,498	25,227	34,593
Past due over 12 months	152,113	137,373	66,376	58,711
Total	<u>5,419,721</u>	<u>5,195,740</u>	<u>4,933,058</u>	<u>4,655,726</u>

The Company and its subsidiaries determine their provision for doubtful accounts in line with the 2007 policy. Such policy is not compliance with the accounting guidance for making of provision of doubtful accounts for consumer finance business which was mutual defined by the Securities and Exchange Commission (SEC) and the Institute of Certified Accountants and Auditors of Thailand. However, by the statistic information during the past 3 years (2005 – 2007), the Company and its subsidiaries had an average actual less than doubtful accounts based on such basis while its allowance for doubtful accounts was made at 7.56% of hire-purchase contract receivables – net. As at June 30, 2008, the Company and its subsidiaries had allowance for doubtful accounts at 7.33% of hire-purchase contract receivables – net.

**THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
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**7. OTHER TRADE ACCOUNTS RECEIVABLE-NET**

As at June 30, 2008 and December 31, 2007, the Company and its subsidiaries have outstanding balances of other trade account receivables as follows :

	In Thousand Baht			
	Consolidated		The Company Only	
	June 30, 2008	December 31, 2007	June 30, 2008	December 31, 2007
Others trade accounts receivable	47,530	53,898	45,803	51,276
Less Allowance for doubtful accounts	(1,423)	(1,423)	(765)	(765)
Net	<u>46,107</u>	<u>52,475</u>	<u>45,038</u>	<u>50,511</u>

The balances of other trade accounts receivable are classified by aging as follows:

	In Thousand Baht			
	Consolidated		The Company Only	
	June 30, 2008	December 31, 2007	June 30, 2008	December 31, 2007
Outstanding				
Not more than 3 months	46,107	52,475	45,038	50,511
3 - 6 months	-	-	-	-
6 - 12 months	-	-	-	-
More than 12 months	1,423	1,423	765	765
Total	47,530	53,898	45,803	51,276
Less: Allowance for doubtful accounts	1,423	1,423	765	765
Other trade accounts receivable - net	<u>46,107</u>	<u>52,475</u>	<u>45,038</u>	<u>50,511</u>

**THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**Notes to Interim Financial Statements (Continued)**  
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**8. ASSETS FORECLOSED – NET**

As at June 30, 2008 and December 31, 2007, the outstanding balance of assets foreclosed of the Company and its subsidiaries are as follows :

	In Thousand Baht			
	Consolidated		The Company Only	
	June 30, 2008	December 31, 2007	June 30, 2008	December 31, 2007
Portion due within one year	212,098	222,263	211,611	221,442
Over one year	6,503	6,052	5,615	5,432
	218,601	228,315	217,226	226,874
Less Allowance for declining in value	(70,133)	(72,731)	(69,099)	(71,865)
Net	148,468	155,584	148,127	155,009

**9. DEPOSITS PLEDGED AS COLLATERAL**

As at June 30, 2008 and December 31, 2007, the subsidiaries used their fixed deposits of Baht 25 million to secure their overdrafts lines.

**10. INVESTMENTS ACCOUNTED FOR USING THE COST METHOD**

	In Thousand Baht					
	The Company Only					
	Paid-up share capital		Percentage of Holdings		Investments	
	June 30, 2008	December 31, 2007	June 30, 2008	December 31, 2007	June 30, 2008	December 31, 2007
C.V.A. Company Limited	50,000	50,000	99.99	99.99	49,993	49,993
Chayapak Company Limited	40,000	40,000	99.99	99.99	43,993	43,993
					93,986	93,986

**11. BANK OVERDRAFTS AND SHORT – TERM LOANS FROM FINANCIAL INSTITUTIONS**

	In Thousand Baht			
	Consolidated		The Company Only	
	June 30,2008	December 31,2007	June 30,2008	December 31,2007
Bank overdrafts	17,789	75,438	15,590	73,176
Short – term loans	1,271,954	1,643,270	1,061,954	1,367,270
Total	1,289,743	1,718,708	1,077,544	1,440,446

As at June 30,2008, the Company and its subsidiaries had credit facilities with several financial institutions which consisted of overdrafts lines of Baht 196 million, short – term loans are in Thai Baht of Baht 3,785 million and foreign currency of USD 1.39 million, bearing interest at 3.35% - 3.90% per annum.

**THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
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The credit facilities obtained from financial institutions are secured by fixed deposits of the related persons of the Company.

Bank overdrafts of subsidiaries were guaranteed by fixed deposits. (see Note 9)

**12. LONG – TERM LOANS**

	In Thousand Baht			
	Consolidated		The Company only	
	June 30, 2008	December 31, 2007	June 30, 2008	December 31, 2007
Loans	1,200,000	600,000	1,200,000	600,000

In May 2008, the Company entered into a long-term loan agreement with a local financial institution, amounting to Baht 600 million. This loan bears interest at fixed rate and the interest is repayable monthly while the loan principal is repayable in May 2011.

**13. CORPORATE INCOME TAX / DEFERRED TAX ASSETS AND LIABILITIES**

Corporate income tax recorded as (income) expenses for the six-month periods ended June 30, 2008 and 2007, consists of:

	In Thousand Baht			
	Consolidated		The Company only	
	June 30, 2008	June 30, 2007	June 30, 2008	June 30, 2007
Income tax on taxable income	61,168	58,630	57,940	51,537
Decrease (Increase) in deferred income tax	(4,637)	(7,574)	(3,441)	(6,474)
Income tax as presented in the statements of income	<u>56,531</u>	<u>51,056</u>	<u>54,499</u>	<u>45,063</u>

Deferred tax assets and liabilities presented in balance sheets as at June 30, 2008 and December 31, 2007 consist of: -

	In Thousand Baht			
	Consolidated		The Company only	
	June 30, 2008	December 31, 2007	June 30, 2008	December 31, 2007
Deferred tax assets:				
Effects from non-deductible items from				
- Allowance for doubtful accounts	104,905	99,626	76,235	72,103
- Allowance for decline in value of assets foreclosed	17,585	18,226	17,275	17,966
	<u>122,490</u>	<u>117,852</u>	<u>93,510</u>	<u>90,069</u>
Deferred tax liabilities:	-	-	-	-
Net	<u>122,490</u>	<u>117,852</u>	<u>93,510</u>	<u>90,069</u>

## **THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

### **Notes to Interim Financial Statements (Continued)**

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#### **14. DIVIDENDS PAID**

At the Shareholders' Meeting held on April 23, 2008, the shareholders approved the dividend payment for the year 2007 for 500 million shares at Baht 0.32 per share, amounting to Baht 160 million. The payment was made on May 15, 2008.

At the Shareholders' Meeting held on April 23, 2007, the shareholders approved the dividend payment for the year 2006 for 500 million shares at Baht 0.30 per share, amounting to Baht 150 million. The payment was made on May 17, 2007.

#### **15. SEGMENT INFORMATION**

The Company and its subsidiaries operate mainly in hire-purchase on automobile and motorcycle as a single industry, and are carried on in Thailand as a single geographic area. Accordingly, there is no segment financial information to be presented.

#### **16. COMMITMENT**

As of June 30, 2008, the Company and its subsidiaries had lease and service agreements for office premise and branches for a period of 3 to 12 years. Under the agreements, the Company and its subsidiaries are committed to pay annual rental and service fee of Baht 26 million.

#### **17. RECLASSIFICATION OF ACCOUNTS**

Certain accounts in 2007 were reclassified to conform with those in the 2008 financial statements.