

**THITIKORN PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**

Interim Financial Information

For the Period Ended June 30, 2014

and Report on Review of Interim Financial Information

Performed by the Certified Public Accountant

M.R. & ASSOCIATES CO., LTD.

Certified Public Accountants

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION BY THE CERTIFIED PUBLIC ACCOUNTANT

To the Board of Directors of Thitikorn Public Company Limited

I have reviewed the accompanying consolidated financial statements of Thitikorn Public Company Limited and its subsidiaries, which comprise the consolidated statement of financial position as at June 30, 2014, and the related consolidated statements of comprehensive income for the three-month and six-month periods then ended, the consolidated statements of changes in shareholders' equity and cash flows for the six-month period then ended, and the condensed notes to the consolidated financial statements. I have also reviewed the accompanying separate financial statements of Thitikorn Public Company Limited, which comprise the statement of financial position as at June 30, 2014, and the related statements of comprehensive income for the three-month and six-month periods then ended, the statements of changes in shareholders' equity and cash flows for the six-month period then ended, and the condensed notes to the financial statements. Management is responsible for the preparation and presentation of this interim financial information in accordance with the Thai Accounting Standard No. 34 (Revised 2012) "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

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

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with the Thai Accounting Standard No. 34 (Revised 2012) "Interim Financial Reporting".

Other

The comparative consolidated statement of financial position of Thitikorn Public Company Limited and its subsidiaries as at December 31, 2013 and the comparative statement of financial position of Thitikorn Public Company Limited as at December 31, 2013 were audited by another auditor in my office whose report dated February 20, 2014 expressed an unmodified opinion on those statements. In addition, the comparative consolidated statements of comprehensive income for the three-month and six-month periods then ended June 30, 2013, consolidated statements of changes in shareholders' equity and cash flows for the six-month period then ended of Thitikorn Public Company Limited and its subsidiaries, and the comparative statements of comprehensive income for the three-month and six-month periods then ended June 30, 2013, statements of changes in shareholders' equity and cash flows for the six-month period then ended of Thitikorn Public Company Limited were reviewed by another auditor in my office whose report dated August 13, 2013 stated that nothing has come to his attention that causes him to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting".

(Mr. Akadet Pliensakul)
Certified Public Accountant
Registration No. 5389

M.R. & ASSOCIATES CO., LTD.
Bangkok
August 7, 2014

THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT JUNE 30, 2014 AND DECEMBER 31, 2013

ASSETS

		In Thousand Baht			
		Consolidated		The Company Only	
		June 30, 2014 (Reviewed)	December 31, 2013 (Audited)	June 30, 2014 (Reviewed)	December 31, 2013 (Audited)
Note		(Unaudited)	(Audited)	(Unaudited)	(Audited)
CURRENT ASSETS					
	Cash and cash equivalents	107,358	100,427	53,935	78,191
	Trade receivables				
	- Current portion of hire-purchase contract receivables - net	3, 4	4,282,177	4,367,260	3,786,754
	- Other receivables		58,156	83,668	54,968
	Receivables from and short-term loan to related parties	3	-	-	1,157,457
	Current portion of long-term loans to other parties		5,000	5,000	5,000
	Merchandises		4,348	17,008	4,348
	Asset foreclosed - net	5	293,175	314,868	293,175
	Other current assets		56,808	81,967	56,361
	Total Current Assets		4,807,022	4,970,198	5,411,998
NON-CURRENT ASSETS					
	Restricted deposits at financial institutions		25,000	25,000	-
	Hire-purchase contract receivables - net	3, 4	4,314,646	4,691,563	3,610,432
	Investments in subsidiaries accounted for using the cost method		-	-	283,212
	Long-term loans to other parties - net		80,218	90,697	80,218
	Property, plant and equipment - net		173,388	161,650	163,000
	Goodwill		83,640	83,640	-
	Intangible assets - net		9,756	8,216	9,659
	Deferred tax assets	7	159,896	150,274	147,394
	Property for lease - net		20,336	20,537	-
	Assets not used in operations		14,282	14,282	5,708
	Other non-current assets		38,072	51,376	9,946
	Total Non-Current Assets		4,919,234	5,297,235	4,309,569
	TOTAL ASSETS		9,726,256	10,267,433	9,721,567

The accompanying condensed notes are an integral part of these financial statement.

THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT JUNE 30, 2014 AND DECEMBER 31, 2013

LIABILITIES AND SHAREHOLDERS' EQUITY

		In Thousand Baht			
		Consolidated		The Company Only	
		June 30,	December 31,	June 30,	December 31,
		2014	2013	2014	2013
		(Reviewed)		(Reviewed)	
Note		(Unaudited)	(Audited)	(Unaudited)	(Audited)
CURRENT LIABILITIES					
	Bank overdrafts and short-term borrowings from financial institutions	615,536	1,218,669	615,521	1,210,915
	Trade payables - other parties	111,505	94,055	111,505	94,055
	Current portion of long-term loans	1,100,000	1,600,000	1,100,000	1,600,000
6	Current portion of debentures	-	500,000	-	500,000
3	Payables to and short-term loans from related parties	1,363	1,258	644,755	730,057
	Income tax payable	7,542	4,156	-	-
	Deposits and advances from customers	106,873	107,075	104,367	104,571
	Accrued expenses and other current liabilities	144,532	166,431	110,817	126,307
	Total Current Liabilities	2,087,351	3,691,644	2,686,965	4,365,905
NON-CURRENT LIABILITIES					
	Long-term loans - net of current portion	800,000	800,000	800,000	800,000
6	Debentures - net of current portion	2,920,000	1,720,000	2,920,000	1,720,000
9	Liability for post-employment benefits	33,162	28,566	27,519	22,722
	Other non-current liabilities	11,565	13,305	8,029	9,057
	Total Non-Current Liabilities	3,764,727	2,561,871	3,755,548	2,551,779
	Total Liabilities	5,852,078	6,253,515	6,442,513	6,917,684
SHAREHOLDERS' EQUITY					
	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
	Premium on shares	972,987	972,987	972,987	972,987
	Retained earnings				
	- Appropriated for legal reserve	50,000	50,000	50,000	50,000
	- Unappropriated	2,351,191	2,490,931	1,756,067	1,911,567
	Total Shareholders' Equity	3,874,178	4,013,918	3,279,054	3,434,554
	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	9,726,256	10,267,433	9,721,567	10,352,238

The accompanying condensed notes are an integral part of these financial statement.

THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIODS ENDED JUNE 30, 2014 AND 2013

(REVIEWED)
(UNAUDITED)

		In Thousand Baht			
		Consolidated		The Company Only	
Note		2014	2013	2014	2013
REVENUES					
	Hire-purchase income	713,671	739,598	696,140	718,698
	Sales of merchandises	5,304	10,947	5,304	10,947
	Other income	209,323	201,972	318,811	388,051
	Total Revenues	928,298	952,517	1,020,255	1,117,696
EXPENSES					
	Cost of sales	5,329	10,549	5,329	10,549
	Selling expenses	413	283	413	283
	Administrative expenses	496,551	526,778	601,804	704,266
	Bad debt and provision for doubtful accounts	366,136	268,405	363,196	266,788
	Finance costs	59,747	55,473	62,960	58,271
	Total Expenses	928,176	861,488	1,033,702	1,040,157
	PROFIT (LOSS) BEFORE INCOME TAX EXPENSE	122	91,029	(13,447)	77,539
	Tax Income	(3,626)	(14,885)	(10,076)	(17,539)
	PROFIT (LOSS) FOR THE PERIOD	3,748	105,914	(3,371)	95,078
	Other Comprehensive Income	-	-	-	-
	TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	3,748	105,914	(3,371)	95,078
	Basic Earnings (Loss) per share (Baht)	0.01	0.21	(0.01)	0.19

The accompanying condensed notes are an integral part of these financial statement.

THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2014 AND 2013

(REVIEWED)
(UNAUDITED)

		In Thousand Baht			
		Consolidated		The Company Only	
Note		2014	2013	2014	2013
REVENUES					
	Hire-purchase income	1,450,113	1,481,476	1,414,806	1,440,252
	Sales of merchandises	12,753	19,804	12,753	19,804
	Other income	405,486	415,088	621,857	780,731
	Total Revenues	1,868,352	1,916,368	2,049,416	2,240,787
EXPENSES					
	Cost of sales	12,677	18,854	12,677	18,854
	Selling expenses	707	748	707	748
	Administrative expenses	965,414	934,102	1,171,504	1,282,904
	Bad debt and provision for doubtful accounts	699,139	555,821	691,552	553,494
	Finance costs	115,788	104,524	122,077	109,989
	Total Expenses	1,793,725	1,614,049	1,998,517	1,965,989
	PROFIT BEFORE INCOME TAX EXPENSE	74,627	302,319	50,899	274,798
	Tax Income	(628)	(7,022)	(8,596)	(11,886)
	PROFIT FOR THE PERIOD	75,255	309,341	59,495	286,684
	Other Comprehensive Income	-	-	-	-
	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	75,255	309,341	59,495	286,684
	Basic Earnings per share (Baht)	0.15	0.62	0.12	0.57

The accompanying condensed notes are an integral part of these financial statement.

THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2014 AND 2013

(REVIEWED)
(UNAUDITED)

		In Thousand Baht				
		Consolidated				
		Retained Earnings				
		Issued and	Appropriated			
		Fully Paid-up	Premium on	for Legal		
		Share Capital	Shares	Reserve	Unappropriated	Total
	Note					
Beginning Balance as at January 1, 2014		500,000	972,987	50,000	2,490,931	4,013,918
Dividends paid	8	-	-	-	(214,995)	(214,995)
Total comprehensive income for the period		-	-	-	75,255	75,255
Balance as at June 30, 2014		<u>500,000</u>	<u>972,987</u>	<u>50,000</u>	<u>2,351,191</u>	<u>3,874,178</u>
Beginning Balance as at January 1, 2013		500,000	972,987	50,000	2,277,253	3,800,240
Dividends paid	8	-	-	-	(215,018)	(215,018)
Total comprehensive income for the period		-	-	-	309,341	309,341
Balance as at June 30, 2013		<u>500,000</u>	<u>972,987</u>	<u>50,000</u>	<u>2,371,576</u>	<u>3,894,563</u>

The accompanying condensed notes are an integral part of these financial statement.

THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2014 AND 2013

(REVIEWED)
(UNAUDITED)

		In Thousand Baht				
		The Company Only				
				Retained Earnings		
		Issued and		Appropriated		
		Fully Paid-up	Premium on	for Legal		
		Share Capital	Shares	Reserve	Unappropriated	Total
	Note					
Beginning Balance as at January 1, 2014		500,000	972,987	50,000	1,911,567	3,434,554
Dividends paid	8	-	-	-	(214,995)	(214,995)
Total comprehensive income for the period		-	-	-	59,495	59,495
Balance as at June 30, 2014		<u>500,000</u>	<u>972,987</u>	<u>50,000</u>	<u>1,756,067</u>	<u>3,279,054</u>
Beginning Balance as at January 1, 2013		500,000	972,987	50,000	1,752,584	3,275,571
Dividends paid	8	-	-	-	(215,018)	(215,018)
Total comprehensive income for the period		-	-	-	286,684	286,684
Balance as at June 30, 2013		<u>500,000</u>	<u>972,987</u>	<u>50,000</u>	<u>1,824,250</u>	<u>3,347,237</u>

The accompanying condensed notes are an integral part of these financial statement.

THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2014 AND 2013

(REVIEWED)
(UNAUDITED)

	In Thousand Baht			
	Consolidated		The Company Only	
	2014	2013	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before income tax expense	74,627	302,319	50,899	274,798
Adjustments				
Depreciation and amortization	24,245	18,845	22,965	17,710
Expenses for post-employment benefits	5,066	1,398	5,003	1,119
Unrealized loss on exchange rate	165	2,644	165	2,644
Bad debt and provision for doubtful accounts	699,139	555,821	691,552	553,494
Increase in allowance for diminution in value of asset foreclosed	4,698	39,360	5,837	39,253
Gain on sales of equipment	(555)	(2,083)	(555)	(1,774)
Dividend income	-	-	(200,323)	(349,358)
Interest income	(4,515)	(4,397)	(28,598)	(32,826)
Interest expense	115,788	104,524	122,077	109,989
(Increase) Decrease in operating assets :				
Trade receivables - hire-purchase contract receivables	(237,139)	(1,058,943)	(380,801)	(1,007,406)
Trade receivables - other	25,512	8,447	23,480	8,198
Other receivables from related parties	-	-	(7)	(5)
Merchandises	7,962	7,152	12,660	7,152
Asset foreclosed	21,693	(145,849)	15,856	(145,494)
Other current assets	12,554	(15,940)	26,215	(14,350)
Other non-current assets	35,835	(2,647)	406	(2,646)
Increase (Decrease) in operating liabilities :				
Trade payables - other parties	17,450	124,834	17,450	101,375
Other payables to related parties	105	(462)	(98,546)	147,810
Deposits and advances from customers	(202)	(25,983)	(204)	(27,205)
Accrued expenses and other current liabilities	(12,308)	(34,638)	(7,119)	(31,471)
Liability for post-employment benefits	(470)	(1,944)	(206)	(1,237)
Other non-current liabilities	(1,740)	(632)	(1,028)	(317)
	787,910	(128,174)	277,178	(350,547)
Income tax paid	(15,698)	(16,281)	(641)	(15,384)
Net Cash Provided by (Used in) Operating Activities	772,212	(144,455)	276,537	(365,931)
CASH FLOWS FROM INVESTING ACTIVITIES				
Increase in short-term loans to related party	-	-	(79,000)	(188,500)
Collections from short-term loans to related party	-	-	223,500	134,000
Increase in long-term loans to other parties	(26,215)	(114,983)	(26,215)	(114,983)
Collections from long-term loans to other parties	36,694	85,094	36,694	85,094
Purchases of fixed assets	(34,557)	(29,142)	(34,557)	(29,142)
Proceeds from sales of equipment	1,414	3,506	1,414	3,197
Purchases of intangible assets	(2,757)	(1,290)	(2,757)	(1,290)
Interest received	4,679	4,507	29,413	32,924
Dividends received	-	-	280,559	209,972
Net Cash Provided by (Used in) Investing Activities	(20,742)	(52,308)	429,051	131,272

THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS (Continued)
FOR THE SIX-MONTH PERIODS ENDED JUNE 30, 2014 AND 2013

(REVIEWED)
(UNAUDITED)

	In Thousand Baht			
	Consolidated		The Company Only	
	2014	2013	2014	2013
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase (Decrease) in bank overdrafts and short-term borrowings from financial institutions	(603,298)	684,217	(595,559)	718,249
Increase in short-term loans from related party	-	-	46,100	35,900
Repayments of short-term loans from related party	-	-	(32,850)	(19,820)
Repayment of long-term loan	(500,000)	-	(500,000)	-
Issuance of debentures	1,200,000	-	1,200,000	-
Redemption of debentures	(500,000)	(200,000)	(500,000)	(200,000)
Interest paid	(126,246)	(107,526)	(132,540)	(112,972)
Dividends paid	(214,995)	(215,018)	(214,995)	(215,018)
Net Cash Provided by (Used in) Financing Activities	(744,539)	161,673	(729,844)	206,339
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	6,931	(35,090)	(24,256)	(28,320)
Cash and Cash Equivalents at Beginning of Period	100,427	100,023	78,191	64,366
CASH AND CASH EQUIVALENTS AT END OF PERIOD	107,358	64,933	53,935	36,046
Supplementary disclosures of cash flow information				
a. Cash and cash equivalents at end of period				
Cash in hand	9,084	23,926	7,906	22,179
Current accounts at banks	25,285	19,617	17,523	11,916
Savings deposits at banks	72,989	12,980	28,506	1,951
Short-term investment in promissory notes	-	8,410	-	-
Total	107,358	64,933	53,935	36,046
b. Non-cash transactions				
Purchases of fixed assets by means of payables	867	3,954	867	3,954
Accrued dividend income	-	-	102,127	139,386

The accompanying condensed notes are an integral part of these financial statement.

THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to Financial Statements

June 30, 2014 and 2013 (Reviewed) (Unaudited)

And December 31, 2013 (Audited)

1. BASIS FOR THE PREPARATION OF INTERIM FINANCIAL INFORMATION

The accompanying interim financial information is prepared on a condensed basis and in accordance with The Thai Accounting Standard No. 34 (revised 2012) “Interim Financial Reporting” including interpretations and guidelines promulgated by the Federation of Accounting Professions, applicable rules and regulations of the Securities and Exchange Commission.

The accompanying interim financial information is prepared as updated information to the financial statements for the year ended December 31, 2013 with an emphasis on the more current information about activities, events and situations, not a duplicate of information previously reported. This interim financial information should therefore be read in conjunction with the financial statements for the year ended December 31, 2013.

For convenience of the readers, an English translation of the interim financial information is prepared from the Thai language interim financial information that is issued for domestic financial reporting purposes.

The consolidated financial statements for the three-month and six-month periods ended June 30, 2014 and 2013, which are a component of this interim financial information, and the consolidated financial statements for the year ended December 31, 2013, 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	Paid-up Share Capital (In Thousand Baht)		Percentage of Direct Holdings (%)	
		June 30, 2014	December 31, 2013	June 30, 2014	December 31, 2013
C. V. A. Co., Ltd.	Hire-purchase motorcycle business and related services	50,000	50,000	99.99	99.99
Chayapak Co., Ltd.	Hire-purchase automobile business	40,000	40,000	99.99	99.99
TK Debt Services Co., Ltd.	Debt collection and forfeiture services	223,375	223,375	99.99	99.99

All significant intercompany transactions between the Company and its subsidiaries were eliminated in the preparation of the consolidated financial statements.

Starting from January 1, 2014, the Company and its subsidiaries have adopted the revision and issuance of new Thai Accounting Standards (TAS), Thai Financial Reporting Standards (TFRS), Thai Accounting Interpretation (TIC), and Thai Financial Reporting Interpretation (TFRIC) which have been effective from the accounting period starting on or after January 1, 2014.

The aforesaid adoption of new and revised TAS and TFRS as well as TIC and TFRIC did not have any material effect on the Company and its subsidiaries.

THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
June 30, 2014 and 2013 (Reviewed) (Unaudited)
And December 31, 2013 (Audited)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Company and its subsidiaries applied significant accounting policies and methods of computation to the preparation of interim financial information for the three-month and six-month periods ended June 30, 2014 and 2013 which are similar to those applied to the preparation of financial statements for the year ended December 31, 2013 except (a) the adoption of new and revised TAS and TFRS as well as TIC and TFRIC as discussed in Note 1 that are effective for the accounting period beginning on or after January 1, 2014 which had no any material effect and (b) additional accounting policies for the current investment in mutual fund whereby the Company has intention to hold not exceeding 1 year as investment in available-for-sale securities. The Company states this investment at fair value which is computed based on net asset value of the mutual fund and recognizes the change in value of such investment as other comprehensive income or loss in the statement of comprehensive income and as a separate item in shareholders' in equity. When investment is sold or disposed, the cumulative gain or loss previously recognized in shareholders' equity is recognized as profit or loss in statement of comprehensive income. The Company uses the weighted average method in computation of the cost of investment sold. However, the Company purchased and entirely sold such investment during the three-month and six-month periods ended June 30, 2014.

3. TRANSACTIONS WITH RELATED PARTIES

Significant transactions with related parties for the three-month and six-month periods ended June 30, 2014 and 2013 are as follows:

	Consolidated (In Thousand Baht)			
	Three-Month Periods		Six-Month Periods	
	2014	2013	2014	2013
Rental and service charges				
Related companies	8,380	7,649	16,759	15,413
Management fee				
Related companies	2,250	2,550	5,100	5,100
Utility expenses				
Related companies	1,240	1,203	2,365	2,337
Stationery expense				
Related companies	578	777	1,113	1,265
Other expenses				
Related companies	2,787	3,933	5,981	7,176
Key management's remunerations				
Short-term benefits	5,074	4,231	10,558	8,955
Post-employment benefits	296	119	592	239
Total	5,370	4,350	11,150	9,194
Purchase of fixed assets				
Related companies	-	604	-	8,279
Purchase for hire-purchases				
Related companies	92,370	307,703	233,727	528,634

THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
June 30, 2014 and 2013 (Reviewed) (Unaudited)
And December 31, 2013 (Audited)

	The Company Only (In Thousand Baht)			
	Three-Month Periods		Six-Month Periods	
	2014	2013	2014	2013
Interest income				
Subsidiaries	11,926	14,546	24,385	28,782
Other income				
Subsidiaries	48	42	80	83
Dividend income				
Subsidiaries	102,127	176,913	200,323	349,358
Rental and service charges				
Related companies	7,479	6,748	14,957	13,611
Management fee				
Related companies	1,800	1,800	3,600	3,600
Utility expenses				
Related companies	1,112	1,130	2,109	2,175
Stationery expense				
Related companies	566	774	1,079	1,261
Other expenses				
Related companies	1,982	1,569	4,085	3,227
Service expenses				
Subsidiaries	132,851	207,537	263,621	410,048
Key management's remunerations				
Short-term benefits	5,074	4,231	10,558	8,955
Post-employment benefits	296	119	592	239
Total	5,370	4,350	11,150	9,194
Interest expense				
Subsidiaries	3,215	2,807	6,293	5,487
Purchase of fixed assets				
Related companies	-	604	-	8,279
Purchase for hire-purchases				
Related companies	-	307,703	-	528,634

During the three-month period ended June 30, 2014, the Company sold its hire-purchase contract receivables to a subsidiary at price equivalent to the carrying amount whereby the outstanding balance of such receivables amounted to approximately Baht 25.2 million which was fully provided allowance for doubtful accounts as of the sales date.

THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
June 30, 2014 and 2013 (Reviewed) (Unaudited)
And December 31, 2013 (Audited)

Significant outstanding balances with related parties as at June 30, 2014 and December 31, 2013 are as follows:

	In Thousand Baht			
	Consolidated		The Company Only	
	June 30, 2014	December 31, 2013	June 30, 2014	December 31, 2013
Receivables and short-term loan				
Accrued income				
Subsidiaries	-	-	105,957	186,862
Short-term loan				
Subsidiaries (Interest rate at 4.25 - 4.375% p.a. in 2014 and 4.375% p.a. in 2013)	-	-	1,051,500	1,196,000
Total	-	-	1,157,457	1,382,862
Payables and short-term loan				
Accrued expenses				
Subsidiaries	-	-	342,968	441,615
Related companies	1,363	1,258	1,297	1,202
Total	1,363	1,258	344,265	442,817
Short-term loan				
Subsidiaries (Interest rate at 4.25 - 4.375% p.a. in 2014 and 4.375% p.a. in 2013)	-	-	300,490	287,240
Total	1,363	1,258	644,755	730,057

Significant movements of loans from and loans to related parties during the period are as follows:

	The Company Only (In Thousand Baht)			
	December 31, 2013	Increase	Decrease	June 30, 2014
Short-term loans to subsidiary				
Chayapak Company Limited	1,196,000	79,000	223,500	1,051,500
Short-term loans from subsidiary				
C.V.A. Company Limited	287,240	46,100	32,850	300,490

As at June 30, 2014 and December 31, 2013, the Company has been guarantor for the short-term loan credit facilities granted by a local bank to Chayapak Co., Ltd. amounting to Baht 600 million. There is no intercompany charge on this guarantee.

THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
June 30, 2014 and 2013 (Reviewed) (Unaudited)
And December 31, 2013 (Audited)

4. HIRE-PURCHASE CONTRACT RECEIVABLES - NET

	Consolidated (In Thousand Baht)					
	June 30, 2014			December 31, 2013		
	Total	Current	Long-term	Total	Current	Long-term
Hire-purchase contract receivables	12,871,959	7,103,834	5,768,125	13,554,343	7,322,807	6,231,536
Less Unearned income	(3,644,309)	(2,401,037)	(1,243,272)	(3,930,807)	(2,570,982)	(1,359,825)
Net	9,227,650	4,702,797	4,524,853	9,623,536	4,751,825	4,871,711
Less Allowance for doubtful accounts	(630,827)	(420,620)	(210,207)	(564,713)	(384,565)	(180,148)
Net	<u>8,596,823</u>	<u>4,282,177</u>	<u>4,314,646</u>	<u>9,058,823</u>	<u>4,367,260</u>	<u>4,691,563</u>

	The Company Only (In Thousand Baht)					
	June 30, 2014			December 31, 2013		
	Total	Current	Long-term	Total	Current	Long-term
Hire-purchase contract receivables	11,465,425	6,501,215	4,964,210	12,031,231	6,681,693	5,349,538
Less Unearned income	(3,519,487)	(2,341,257)	(1,178,230)	(3,808,975)	(2,505,464)	(1,303,511)
Net	7,945,938	4,159,958	3,785,980	8,222,256	4,176,229	4,046,027
Less Allowance for doubtful accounts	(548,752)	(373,204)	(175,548)	(514,319)	(342,087)	(172,232)
Net	<u>7,397,186</u>	<u>3,786,754</u>	<u>3,610,432</u>	<u>7,707,937</u>	<u>3,834,142</u>	<u>3,873,795</u>

Hire-purchase contract receivables at June 30, 2014 and December 31, 2013 are aged by outstanding installment payments of each contract as follows:

	In Thousand Baht			
	Consolidated		The Company Only	
	June 30, 2014	December 31, 2013	June 30, 2014	December 31, 2013
Current	5,969,505	6,489,723	4,985,007	5,359,454
Overdue 1 month	1,406,131	1,414,393	1,303,392	1,302,278
Overdue 2 - 3 months	1,364,695	1,297,761	1,279,137	1,223,963
Overdue 4 - 6 months	317,440	292,897	296,724	267,305
Overdue 7 - 12 months	94,436	74,529	63,640	57,308
Overdue longer than 12 months	75,443	54,233	18,038	11,948
Total	9,227,650	9,623,536	7,945,938	8,222,256
Less Allowance for doubtful accounts	(630,827)	(564,713)	(548,752)	(514,319)
Net	<u>8,596,823</u>	<u>9,058,823</u>	<u>7,397,186</u>	<u>7,707,937</u>

The Company and its subsidiaries determine their allowance for doubtful accounts in line with the 2013 policy. Such policy is not compliance with the accounting guidance for determining the allowance of doubtful accounts for consumer finance business which was mutually defined by the Securities and Exchange Commission (SEC) and the Institute of Certified Accountants and Auditors of Thailand (ICAAT). However, based on the statistic information for the past three years (2011 - 2013), the Company and its subsidiaries had an average actual bad debt less than provision for doubtful accounts computed based on such basis defined by SEC and ICAAT. As at June 30, 2014, the Company and its subsidiaries had allowance for doubtful accounts at 6.84% (6.91% for the Company only) of total hire-purchase contract receivables before deducting the allowance of doubtful accounts.

THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
June 30, 2014 and 2013 (Reviewed) (Unaudited)
And December 31, 2013 (Audited)

5. ASSET FORECLOSED - NET

	In Thousand Baht			
	Consolidated		The Company Only	
	June 30, 2014	December 31, 2013	June 30, 2014	December 31, 2013
Balance outstanding within one year	418,821	449,811	418,821	449,811
Balance outstanding longer than one year	35,046	21,051	35,046	19,912
Total	453,867	470,862	453,867	469,723
Less Allowance for diminution in value	(160,692)	(155,994)	(160,692)	(154,855)
Net	293,175	314,868	293,175	314,868

6. DEBENTURES

	In Thousand Baht			
	Consolidated		The Company Only	
	June 30, 2014	December 31, 2013	June 30, 2014	December 31, 2013
Debentures	2,920,000	2,220,000	2,920,000	2,220,000
Less Current portion	-	(500,000)	-	(500,000)
Net	2,920,000	1,720,000	2,920,000	1,720,000

On August 27, 2010, the Company issued another series of debentures to specific investors amounting to Baht 300 million (divided into 300,000 units at Baht 1,000 per unit) and bears interest at 3.9% p.a. with maturity in 2015. Interest is payable semi-annually.

On January 28, 2011, the Company issued another series of debentures to specific investors amounting to Baht 250 million (divided into 250,000 units at Baht 1,000 per unit) and bears interest at 4.04% p.a. with maturity in 2016. Interest is payable semi-annually.

On May 27, 2011, the Company issued another series of debentures to institutional investors and/or large investors amounting to Baht 300 million (divided into 300,000 units at Baht 1,000 per unit) and bears interest at 3.92% p.a. in 1st - 3rd year and interest at 5.00% p.a. in 4th - 5th year with maturity in 2016. Interest is payable quarterly.

On June 30, 2011, the Company issued another series of debentures to institutional investors and/or large investors amounting to Baht 500 million (divided into 500,000 units at Baht 1,000 per unit) and bears interest at 4.35% p.a. with maturity in 2014. Interest is payable semi-annually.

On November 6, 2012, the Company issued another series of debentures to specific investors amounting to Baht 300 million (divided into 300,000 units at Baht 1,000 per unit) and bears interest at 4.2% p.a. with maturity in 2016. Interest is payable semi-annually.

On July 19, 2013, the Company issued another series of debentures to institutional investors and/or large investors amounting to Baht 570 million (divided into 570,000 units at Baht 1,000 per unit) and bears interest at 3.98% p.a. with maturity in 2016. Interest is payable semi-annually.

On March 26, 2014, the Company issued another series of debentures to institutional investors and/or large investors amounting to Baht 900 million (divided into 900,000 units at Baht 1,000 per unit) and bears interest at 4% p.a. with maturity in 2017. Interest is payable semi-annually.

THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
June 30, 2014 and 2013 (Reviewed) (Unaudited)
And December 31, 2013 (Audited)

On April 30, 2014, the Company issued another series of debentures to specific investors amounting to Baht 100 million (divided into 100,000 units at Baht 1,000 per unit) and bears interest at 4% p.a. with maturity in 2017. Interest is payable semi-annually.

On May 9, 2014, the Company issued another series of debentures to specific investors amounting to Baht 200 million (divided into 200,000 units at Baht 1,000 per unit) and bears interest at 3.63% p.a. with maturity in 2016. Interest is payable quarterly.

Under the conditions of the issuances of debentures, the Company has to comply with the specified conditions as shown below:

1. To maintain Debt-to-Equity ratio at the rate not exceeding 7:1
2. To maintain dividend payment ratio not exceeding 60% of net profit

7. INCOME TAX AND DEFERRED TAX ASSETS / LIABILITIES

Corporate income tax recorded as (income) expense for the three-month and six month periods ended June 30, 2014 and 2013 consists of:

	Three-Month Periods (In Thousand Baht)			
	Consolidated		The Company Only	
	2014	2013	2014	2013
Income tax computed from accounting profit	25	18,206	(2,689)	15,508
Effects from non-deductible expenses	13,739	3,545	12,916	3,420
Effects from additional deductible expenses or non-taxable income	(9,965)	(33,270)	(10,227)	(32,882)
Income tax on taxable profit	3,799	(11,519)	-	(13,954)
Adjustment to tax payable in respect of previous periods	3,141	-	-	-
Increase in deferred tax assets	(10,566)	(3,366)	(10,076)	(3,585)
Income tax presented in statement of comprehensive income	<u>(3,626)</u>	<u>(14,885)</u>	<u>(10,076)</u>	<u>(17,539)</u>

	Six-Month Periods (In Thousand Baht)			
	Consolidated		The Company Only	
	2014	2013	2014	2013
Income tax computed from accounting profit	14,925	60,464	10,180	54,960
Effects from non-deductible expenses	17,207	13,679	15,477	13,449
Effects from additional deductible expenses or non-taxable income	(26,279)	(69,595)	(25,657)	(68,409)
Income tax on taxable profit	5,853	4,548	-	-
Adjustment to tax payable in respect of previous periods	3,141	-	-	-
Increase in deferred tax assets	(9,622)	(11,570)	(8,596)	(11,886)
Income tax presented in statement of comprehensive income	<u>(628)</u>	<u>(7,022)</u>	<u>(8,596)</u>	<u>(11,886)</u>

THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
June 30, 2014 and 2013 (Reviewed) (Unaudited)
And December 31, 2013 (Audited)

Deferred tax assets and liabilities presented in the statements of financial position as at June 30, 2014 and December 31, 2013 consist of:

	In Thousand Baht			
	Consolidated		The Company Only	
	June 30, 2014	December 31, 2013	June 30, 2014	December 31, 2013
<i>Deferred tax assets</i>				
Effects from non-deductible items from				
- Allowance for doubtful accounts	121,125	113,362	109,752	103,283
- Allowance for diminution in value of asset foreclosed	32,138	31,199	32,138	30,971
- Liability for post-employment benefits	6,633	5,713	5,504	4,544
Total	159,896	150,274	147,394	138,798
<i>Deferred tax liabilities</i>				
Net	-	-	-	-
	159,896	150,274	147,394	138,798

8. DIVIDENDS

At the general shareholders' meeting held on April 24, 2014, the shareholders unanimously approved the Company to pay dividends for the 2013 operations at Baht 0.43 per share totalling Baht 215 million. The Company paid such dividends to the shareholders on May 15, 2014.

At the general shareholders' meeting held on April 23, 2013, the shareholders unanimously approved the Company to pay the final dividends for the 2012 operations at Baht 0.43 per share totalling Baht 215 million. The Company paid such dividends to the shareholders on May 9, 2013.

9. LIABILITY FOR POST-EMPLOYMENT BENEFITS

The Company and its subsidiaries have obligations on post-employment benefits which were reassessed and recomputed by the qualified actuary during the six-month period ended June 30, 2014. Movements of liability for post-employment benefits for the six-month period ended June 30, 2014 are as follows:

	In Thousand Baht	
	Consolidated	The Company Only
Liability for post-employment benefits as at January 1, 2014	28,566	22,722
Current service cost	1,180	1,034
Interest cost	779	644
Actuarial loss (gain)	3,107	3,325
Expense recognized in statement of comprehensive income	5,066	5,003
Employee benefits paid during the period	(470)	(206)
Liability for post-employment benefits as at June 30, 2014	33,162	27,519

THITIKORN PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to Financial Statements (Continued)
June 30, 2014 and 2013 (Reviewed) (Unaudited)
And December 31, 2013 (Audited)

Significant assumptions used in calculation of liability for post-employment benefits as at June 30, 2014 are as follows:

- Discount rate	4.58% p.a. (4.41% p.a. as at December 31, 2013)
- Salary escalation rate	4.89% p.a. (4.13% p.a. as at December 31, 2013)
- Employee turnover rate	0% - 67% p.a. (0% - 16% p.a. as at December 31, 2013)
- Disability rate	10% of Thai Mortality Table (2008) (not changed from December 31, 2013)
- Mortality rate	100% of Thai Mortality Table (2008) (50% as at December 31, 2013)

10. SIGNIFICANT INFORMATION CLASSIFIED BY OPERATING SEGMENT

Balance sheet and statement of income are significant financial and core information of the Company and its subsidiaries that are provided regularly to the highest authority in decision-making operation and also used in evaluation of financial performances of the segments. However, the Company and its subsidiaries have a single core operating segment (which is internal reporting segment) by product which is hire-purchase on automobile and motorcycle for general retail customers as well as by geographic area which is Thailand only. Accordingly, the accompanying interim financial information does not include information relating to the information on products, geographic areas, and key customers.

11. COMMITMENTS

As at June 30, 2014,

- a. The Company and its subsidiaries had commitments on lease and service agreements for office premises and branches for periods of 1 to 10 years. Under the terms of such agreements, the Company and its subsidiaries are committed to pay annual rental and service fees amounting to approximately Baht 53.1 million.
- b. The Company had commitments on improvement of the leased buildings amounting to approximately Baht 6.0 million.

12. APPROVAL OF THE INTERIM FINANCIAL INFORMATION

The accompanying interim financial information has been approved to be issued by the Company's Audit Committee's meeting on August 7, 2014.