

Headline: Reviewed Quarter 1 F/S (F45-1)

Security Symbol: IFS

Announcement Details

The Company Financial Statement (F45-1)

Company name	IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED		
Quarter	Quarter 1		
(In thousands)			
The Company Financial Statement			
	Quarter 1		
Status	Reviewed		
Ending	31 March		
Year	2014	2013	
Net profit (loss)	36,931	33,458	
EPS (baht)	0.08	0.07	
Type of report	Unqualified opinion		

Please see details in financial statements, auditor's report and remarks from SET SMART

"The company hereby certifies that the information above is correct and complete. In addition, the company has already reported and disseminated its financial statements in full via the SET Electronic Listed Company Information Disclosure (SET Portal), and has also submitted the original report to the Securities and Exchange Commission."

Signature _____
(Mr. Tan Ley Yen)
Director and CEO
Authorized to sign on behalf of the company

This announcement was prepared and disseminated by listed company or issuer through the electronic system which is provided for the purpose of dissemination of the information and related documents of listed company or issuer to the Stock Exchange of Thailand only. The Stock Exchange of Thailand has no responsibility for the correctness and completeness of any statements, figures, reports or opinions contained in this announcement, and has no liability for any losses and damages in any cases. In case you have any inquiries or clarification regarding this announcement, please directly contact listed company or issuer who made this announcement.

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

TO THE BOARD OF DIRECTORS

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED

We have reviewed the statement of financial position of IFS Capital (Thailand) Public Company Limited as at March 31, 2014 and the related statement of comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, and the condensed notes to the financial statements. The Company's management is responsible for the preparation and fair presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

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

Conclusion

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

BANGKOK
April 29, 2014

Chavala Tienpasertkij
Certified Public Accountant (Thailand)
Registration No. 4301
DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2014

UNIT : BAHT

	Notes	"Unaudited"	
		As at March 31, 2014	As at December 31, 2013
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4.2	270,756,903	306,469,635
Factoring receivable, net	5	2,529,210,152	2,744,078,652
Current portion of hire purchase receivable, net	6	8,569,304	11,098,022
Current portion of lease contract receivable, net	7	203,922,915	212,503,335
Inventory finance receivable, net	8	25,920,150	29,784,479
Amount due from a related company	16	19,200	19,000
Other current assets		15,620,738	18,027,693
Total Current Assets		3,054,019,362	3,321,980,816
NON-CURRENT ASSETS			
Bank deposits held as collateral	9	149,581	148,379
Hire purchase receivable, net	6	1,429,711	2,126,861
Lease contract receivable, net	7	216,050,065	250,072,462
Property, plant and equipment, net		28,292,429	28,036,599
Intangible assets , net		346,995	325,420
Deferred tax assets	10	55,435,242	55,760,712
Other non-current assets		307,150	373,150
Total Non-current Assets		302,011,173	336,843,583
TOTAL ASSETS		3,356,030,535	3,658,824,399

See condensed notes to the financial statements

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT MARCH 31, 2014

UNIT : BAHT

	Notes	"Unaudited"	
		As at March 31, 2014	As at December 31, 2013
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Short-term loans from financial institutions	11	1,795,000,000	2,155,000,000
Current portion of long-term loans	12	260,080,000	245,080,000
Amounts due to a related company	16	-	19,326
Other current liabilities		54,656,222	68,811,973
Total Current Liabilities		2,109,736,222	2,468,911,299
NON-CURRENT LIABILITIES			
Long-term loans	12	223,820,000	205,340,000
Employee benefits obligation	14	20,759,813	19,789,292
Total Non-Current Liabilities		244,579,813	225,129,292
TOTAL LIABILITIES		2,354,316,035	2,694,040,591

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT MARCH 31, 2014

UNIT : BAHT

	Notes	"Unaudited"	
		As at March 31, 2014	As at December 31, 2013
LIABILITIES AND SHAREHOLDERS' EQUITY			
(CONTINUED)			
SHAREHOLDERS' EQUITY			
SHARE CAPITAL			
Authorized share capital			
470,000,000 ordinary shares of Baht 1 each		470,000,000	470,000,000
Issued and paid-up share capital			
470,000,000 ordinary shares of Baht 1 each, fully paid-up		470,000,000	470,000,000
ADDITIONAL PAID-UP CAPITAL			
Premium on ordinary shares		31,746,399	31,746,399
RETAINED EARNINGS			
Appropriated			
Legal reserve		37,456,352	37,456,352
Unappropriated		462,511,749	425,581,057
TOTAL SHAREHOLDERS' EQUITY		1,001,714,500	964,783,808
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		3,356,030,535	3,658,824,399

See condensed notes to the financial statements

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2014
"UNAUDITED"

			UNIT : BAHT	
	Notes	2014	2013	
REVENUES				
Factoring income		58,630,374	58,757,129	
Hire purchase income		332,281	274,446	
Finance lease income		10,934,855	12,460,450	
Factoring commission and service fees		19,569,257	19,009,545	
Other income		3,824,119	3,975,845	
Total Revenues		93,290,886	94,477,415	
EXPENSES				
Selling expenses		4,199,034	4,193,850	
Administrative expenses		18,842,465	15,694,652	
Management benefit expenses	16	7,412,488	7,089,910	
Allowance for doubtful accounts (Reversal)		(3,448,246)	2,575,967	
Total Expenses		27,005,741	29,554,379	
INCOME BEFORE FINANCE COST AND				
INCOME TAX EXPENSES		66,285,145	64,923,036	
FINANCE COST		20,146,460	23,338,499	
INCOME BEFORE INCOME TAX EXPENSES		46,138,685	41,584,537	
INCOME TAX EXPENSE	15	9,207,993	8,126,350	
PROFIT FOR THE PERIODS		36,930,692	33,458,187	
OTHER COMPREHENSIVE INCOME				
Unrealized gain on investments		-	9,558	
OTHER COMPREHENSIVE INCOME FOR THE PERIODS,				
NET OF TAX		-	9,558	
TOTAL COMPREHENSIVE INCOME FOR THE PERIODS		36,930,692	33,467,745	
BASIC EARNINGS PER SHARE	BAHT	0.08	0.07	
WEIGHTED AVERAGE NUMBER OF				
ORDINARY SHARES	SHARES	470,000,000	470,000,000	

See condensed notes to the financial statements

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2014
"UNAUDITED"

UNIT : BAHT

	Issued and paid-up share capital	Premium on Ordinary Shares	Retained earnings Appropriated Legal reserve	Unappropriated	Other Component of Equity	Total equity
Beginning balance as at January 1, 2013	470,000,000	31,746,399	31,202,363	359,127,091	(9,558)	892,066,295
Changes during the period						
Total comprehensive income	-	-	-	33,458,187	9,558	33,467,745
Ending balance as at March 31, 2013	<u>470,000,000</u>	<u>31,746,399</u>	<u>31,202,363</u>	<u>392,585,278</u>	<u>-</u>	<u>925,534,040</u>
Beginning balance as at January 1, 2014	470,000,000	31,746,399	37,456,352	425,581,057	-	964,783,808
Changes during the period						
Total comprehensive income	-	-	-	36,930,692	-	36,930,692
Ending balance as at March 31, 2014	<u>470,000,000</u>	<u>31,746,399</u>	<u>37,456,352</u>	<u>462,511,749</u>	<u>-</u>	<u>1,001,714,500</u>

Notes to the financial statements form an integral part of these statements

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED
STATEMENT OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2014
"UNAUDITED"

UNIT : BAHT

	Notes	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax expenses		46,138,685	41,584,537
Adjustments for :			
Allowance for doubtful accounts (reversal)		(3,448,246)	2,575,967
(Gain) loss from sales of fixed assets/write-off fixed assets		(154,206)	2
Gain from sales of investment		-	(31,498)
Interest expenses		19,817,035	23,155,475
Employment benefits expense		970,521	932,155
Depreciation and amortization		1,046,458	1,319,635
		<u>64,370,247</u>	<u>69,536,273</u>
Operating assets (increase) decrease			
Factoring receivable		217,488,234	(73,290,705)
Hire purchase receivable		3,269,176	(1,816,417)
Lease contract receivable		43,356,431	898,272
Inventory finance receivable		3,895,919	(964,541)
Amount due from a related company		(200)	(12,090)
Other current assets		2,406,955	97,363
Fixed deposits pledged as collateral		(1,202)	(1,372)
Non-other current assets		66,000	(70,000)
Operating liabilities increase (decrease)			
Amount due to a related company		(19,326)	-
Other current liabilities		(22,862,725)	12,886,416
Cash paid for operating activities		<u>311,969,509</u>	<u>7,263,199</u>
Interest expense paid		(19,961,981)	(22,775,799)
Net cash provided by (used in) operating activities		<u>292,007,528</u>	<u>(15,512,600)</u>

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2014
"UNAUDITED"

		UNIT : BAHT	
	Notes	2014	2013
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash paid for purchases of fixed assets	4.1	(1,311,131)	(89,807)
Cash paid for purchases of intangible assets		(43,335)	(57,780)
Cash received from sale of fixed assets		154,206	-
Cash received from sale of investment		-	169,434
Net cash provided by (used in) investing activities		(1,200,260)	21,847
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash received from short-term loans		-	35,000,000
Cash paid for short-term loan		(360,000,000)	-
Cash paid for long-term loan		(66,520,000)	(82,680,000)
Cash received from long-term loans		100,000,000	-
Net cash provided by financing activities		(326,520,000)	(47,680,000)
Net decrease in cash and cash equivalents		(35,712,732)	(63,170,753)
Cash and cash equivalents at beginning of the period		306,469,635	277,798,111
Cash and cash equivalents at end of the period		270,756,903	214,627,358

See condensed notes to the financial statements

**IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED
CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2014
“UNAUDITED”**

1. GENERAL INFORMATION AND THE COMPANY’S OPERATION

The Company was incorporated in March 1991, under the laws of Thailand and registered as a Public Company Limited with the Ministry of Commerce on April 18, 2007. The Company’s office is located at 20th floor Lumpini Tower, 1168/55 Rama IV Road, Tungmahamek, Sathorn, Bangkok. The principal business activities of the Company are factoring, hire purchase and leasing businesses.

The major shareholders as at March 31, 2014 and December 31, 2013 were IFS Capital Holdings (Thailand) Limited with 36.64% and IFS Capital Limited (registered in Singapore) with 36.49% shareholdings. The major shareholder of IFS Capital Limited is Phillip Asset Pte. Ltd. (registered in Singapore) with 40.40% shareholding.

The Company has been foreign and submitted the request to do business under Section 17 of the Foreign Business Act B.E. 2542 and obtained the license of foreign business operations dated July 3, 2009 from the Department of Business Development to do business in category 3 (21) service business as follows:

- 1) Factoring
- 2) Leasing and hire purchase businesses only to the existing customers committed under the leasing and hire purchase agreements

Thus, the Company has to comply with the conditions specified in the certificate of foreign business operations.

On November 27, 2009, the Company had reapplied for a permission to operate a business under annex 3 (21): service businesses of leasing and hire purchase of vehicles and machineries used in industry, tools used in transport of goods, vessels and carriages used in agriculture to new clients and on April 8, 2010, the Company had obtained the approval from the Department of Business Development.

2. BASIS FOR PREPARATION OF THE INTERIM FINANCIAL STATEMENTS

The Company’s financial statements have been prepared in accordance with the Thai Accounting Standard (TAS) No. 1 (Revised 2009) “Presentation of Financial Statements”, and the Regulation of The Stock Exchange of Thailand (SET) dated January 22, 2001, regarding the preparation and submission of financial statements and reports for the financial position and results of operations of the listed companies B.E. 2544 and the Notification of the Department of Business Development dated September 28, 2011 regarding “The Brief Particulars in the Financial Statement B.E. 2554”.

Certain financial information which is normally included in the financial statements prepared in accordance with Thai Financial Reporting Standards, which is not required for interim reporting purposes, has been omitted. Therefore, the interim financial statements should be read in conjunction with the financial statements and notes thereto included in the audited financial statements for the year ended December 31, 2013.

The statements of financial position as at December 31, 2013, presented herein for comparison, has been derived from the financial statements of the Company for the year then ended which have already been audited.

The results of operations presented in the three-month period ended March 31, 2014, are not necessarily an indication nor anticipation of the operating results for the full year.

The preparation of financial statements in conformity with Thai Financial Reporting Standards requires management to exercise judgment in order to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent assets and liabilities. The actual results may differ from those estimates.

Adoption of new and revised Thai Financial Reporting Standards

Since January 1, 2014, the Company has adopted the new and revised Thai Financial Reporting Standards (TFRSs) issued by the Federation of Accounting Professions, which are effective for the financial statements for the periods beginning on or after January 1, 2014 onwards, in preparation and presentation of interim financial statements as follow:

Thai Accounting Standards (“TAS”)

TAS 1 (Revised 2012)	Presentation of Financial Statements
TAS 7 (Revised 2012)	Statement of Cash Flows
TAS 12 (Revised 2012)	Income Taxes
TAS 17 (Revised 2012)	Leases
TAS 18 (Revised 2012)	Revenue
TAS 19 (Revised 2012)	Employee Benefits
TAS 21 (Revised 2012)	The Effects of Changes in Foreign Exchange Rates
TAS 24 (Revised 2012)	Related Party Disclosures
TAS 28 (Revised 2012)	Investments in Associates
TAS 31 (Revised 2012)	Interests in Joint Venture
TAS 34 (Revised 2012)	Interim Financial Reporting
TAS 36 (Revised 2012)	Impairment of Assets
TAS 38 (Revised 2012)	Intangible assets

Thai Financial Reporting Standards (“TFRS”)

TFRS 2 (Revised 2012)	Share - Based Payments
TFRS 3 (Revised 2012)	Business Combinations
TFRS 5 (Revised 2012)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8 (Revised 2012)	Operating Segments

Thai Accounting Standards Interpretations (“TSI”)

TSI 15	Operating Leases - Incentives
TSI 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSI 29	Disclosure - Service Concession Arrangements
TSI 32	Intangible Assets - Web Site Costs

Thai Financial Reporting Standard Interpretations (“TFRI”)

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

Guideline on Accounting

Guideline on Accounting regarding Stock Dividend

Such TFRSs have no significant impact on the Company’s financial statements.

Thai Financial Reporting Standards announced but not yet effective

The Federation of Accounting Professions has issued the Notifications regarding Thai Financial Reporting Standards (TFRSs), which have been announced in the Royal Gazette and effective for the accounting periods beginning on or after January 1, 2016, as follows:

Thai Financial Reporting Standards (“TFRS”)

TFRS 4	Insurance Contracts
--------	---------------------

The Company’s management will adopt the above TFRSs relevant to the Company in the preparation of the Company’s financial statements when they become effective. The Company’s management has assessed the effects of these TFRSs and believes that they will not have any significant impact on the financial statements for the period in which they are initially applied.

3. SIGNIFICANT ACCOUNTING POLICIES

The Company used the same accounting policies and calculation method in these interim financial statements consistent with the financial statements for the year ended December 31, 2013.

4. SUPPLEMENTARY DISCLOSURE OF CASH FLOWS INFORMATION

4.1 Property, plant and equipment for the three-month periods ended March 31, 2014 and 2013 are as follows:

	2014	2013
	Baht	Baht
Other payable - equipments, beginning balance (included in other current liabilities)	30,603	-
<u>Add</u> Purchases of equipment	1,280,528	157,321
<u>Less</u> Cash paid for purchases of equipment	<u>(1,311,131)</u>	<u>(89,807)</u>
Other payable - equipment, ending balance (included in other current liabilities)	<u>-</u>	<u>67,514</u>

4.2 Cash and cash equivalents as at March 31, 2014 and December 31, 2013 consist of the following:

	2013 Baht	2013 Baht
Cash on hand	30,000	30,000
Cash at banks - current accounts	11,015,250	34,248,156
Cash at banks - savings accounts	<u>259,711,653</u>	<u>272,191,479</u>
	<u>270,756,903</u>	<u>306,469,635</u>

5. FACTORING RECEIVABLE, NET

Factoring receivable, net as at March 31, 2014 and December 31, 2013 consist of the following:

	2014 Baht	2012 Baht
Factoring receivable	3,314,528,856	3,545,827,716
<u>Less</u> Allowance for doubtful accounts (*)	<u>(102,013,152)</u>	<u>(104,632,886)</u>
	3,212,515,704	3,441,194,830
<u>Less</u> Factoring payable	<u>(683,305,552)</u>	<u>(697,116,178)</u>
Factoring receivable, net	<u>2,529,210,152</u>	<u>2,744,078,652</u>

(*) As at March 31, 2014 and December 31, 2013, the Company has provided for the allowance for doubtful accounts on a collective basis for factoring receivable which were classified as normal and overdue for less than 3 months which amounted to Baht 1,797,015 and Baht 2,059,604, respectively.

Factoring receivable as at March 31, 2014 and December 31, 2013 were classified by aging as follows:

	2014 Baht	2013 Baht
Current	2,296,776,014	2,317,230,760
Over due :		
Less than 3 months	912,669,839	1,129,667,028
3 - 6 months	29,089,187	10,087,235
9 - 12 months	99,572	-
Restructuring	11,846,439	14,419,793
Debtors subject to legal proceedings	<u>64,047,805</u>	<u>74,422,900</u>
	<u>3,314,528,856</u>	<u>3,545,827,716</u>

6. HIRE PURCHASE RECEIVABLE, NET

Hire purchase receivable, net as at March 31, 2014 and December 31, 2013 consist of the following:

	2014 Baht	2013 Baht
Outstanding contract price	10,615,515	14,216,973
<u>Less</u> Unearned financing income	<u>(536,596)</u>	<u>(868,878)</u>
	10,078,919	13,348,095
<u>Less</u> Allowance for doubtful accounts (*)	<u>(79,904)</u>	<u>(123,212)</u>
	<u>9,999,015</u>	<u>13,224,883</u>
Due within one year	9,081,935	11,894,705
<u>Less</u> Unearned financing income	<u>(512,631)</u>	<u>(796,683)</u>
Current portion of hire purchase receivable, net	<u>8,569,304</u>	<u>11,098,022</u>
Hire purchase receivable, net	<u>1,429,711</u>	<u>2,126,861</u>

(*) As at March 31, 2014 and December 31, 2013, the Company has provided for the allowance for doubtful accounts, on a collective basis for hire purchase receivable which were classified as normal and overdue for less than 3 months which amounted to Baht 79,904 and Baht 123,213, respectively.

Aging of hire purchase receivable as at March 31, 2014 and December 31, 2013 were classified by aging as follows:

	2014 Baht	2013 Baht
Current	8,109,250	13,348,095
Less than 3 months	<u>1,969,669</u>	<u>-</u>
	<u>10,078,919</u>	<u>13,348,095</u>

7. LEASE CONTRACT RECEIVABLE, NET

Lease contract receivable, net as at March 31, 2014 and December 31, 2013 consist of the following:

	2014 Baht	2013 Baht
Outstanding contract price	706,685,192	767,539,921
<u>Less</u> Deposits on long-term lease contracts	(226,830,658)	(236,477,481)
<u>Less</u> Unearned financing income	<u>(50,646,758)</u>	<u>(58,498,233)</u>
	429,207,776	472,564,207
<u>Less</u> Allowance for doubtful accounts (*)	<u>(9,234,796)</u>	<u>(9,988,410)</u>
	<u>419,972,980</u>	<u>462,575,797</u>
Due within one year	275,089,727	282,945,725
<u>Less</u> Deposits on long-term lease contracts	(40,394,826)	(34,664,781)
<u>Less</u> Unearned financing income	<u>(30,771,986)</u>	<u>(35,777,609)</u>
Current portion of lease contract receivable, net	<u>203,922,915</u>	<u>212,503,335</u>
Lease contract receivable, net	<u><u>216,050,065</u></u>	<u><u>250,072,462</u></u>

(*) As at March 31, 2014 and December 31, 2013, the Company has provided for the allowance for doubtful accounts on a collective basis for lease contract receivable which were classified as normal and overdue for less than 3 months which amounted to Baht 3,356,075 and Baht 4,309,689, respectively.

Lease contract receivable as at March 31, 2014 and December 31, 2013 were classified by aging as follows:

	2014 Baht	2013 Baht
Current	396,896,533	428,335,834
Over due :		
Less than 3 months	15,865,577	32,616,084
3 - 6 months	5,181,902	-
6 - 12 months	-	2,933,568
Debtors subject to legal proceedings	<u>11,263,764</u>	<u>8,678,721</u>
	<u><u>429,207,776</u></u>	<u><u>472,564,207</u></u>

8. INVENTORY FINANCE RECEIVABLE, NET

Inventory finance receivable, net as at March 31, 2014 and December 31, 2013 consist of the following:

	2014 Baht	2013 Baht
Inventory finance receivable	38,686,474	42,582,393
<u>Less</u> Allowance for doubtful accounts (*)	<u>(12,766,324)</u>	<u>(12,797,914)</u>
Inventory finance receivable, net	<u>25,920,150</u>	<u>29,784,479</u>

(*) As at March 31, 2014 and December 31, 2013, the Company has provided for the allowance for doubtful accounts on a collective basis for inventory finance receivable which were classified as normal and overdue for less than 3 months which amounted to Baht 44,420 and Baht 76,010, respectively.

Inventory finance receivable as at March 31, 2014 and December 31, 2013 were classified by aging as follows:

	2014 Baht	2013 Baht
Current	25,964,570	29,860,489
Over due :		
Less than 3 months	10,000,000	10,000,000
Debtors subject to legal proceedings	<u>2,721,904</u>	<u>2,721,904</u>
	<u>38,686,474</u>	<u>42,582,393</u>

9. BANK DEPOSIT HELD AS COLLATERAL

As at March 31, 2014 and December 31, 2013, fixed deposit at bank of Baht 149,581 and Baht 148,379, respectively, have been pledged with a bank as security for issuing bank guarantees by a bank on behalf of the Company.

10. DEFERRED TAX ASSETS

Deferred tax assets as at March 31, 2014 and 2013 consist of tax effects from the following items:

	As at December 31, 2013 Baht	Transactions recognized in the statement of comprehensive income Baht	Transaction recognized in the Equity Baht	As at March 31, 2014 Baht
Allowance for doubtful accounts	25,508,485	(689,650)	-	24,818,835
Bad debt in process of litigation	4,432,658	-	-	4,432,658
Assets from lease contract	21,861,710	170,076	-	22,031,786
Employment benefits obligation	<u>3,957,859</u>	<u>194,104</u>	-	<u>4,151,963</u>
	<u>55,760,712</u>	<u>(325,470)</u>	<u>-</u>	<u>55,435,242</u>

	As at December 31, 2012	Transactions recognized in the statement of comprehensive income	Transaction recognized in the Equity	As at March 31, 2013
	Baht	Baht	Baht	Baht
Allowance for doubtful accounts	17,693,791	466,797	-	18,160,588
Bad debt in process of litigation	4,926,648	383,540	-	5,310,188
Assets from lease contract	11,256,933	3,164,214	-	14,421,147
Unrealized gain on the change in value of investments				
- available-for-sale securities	2,389	-	(2,389)	-
Employment benefits obligation	4,340,855	186,431	-	4,527,286
	<u>38,220,616</u>	<u>4,200,982</u>	<u>(2,389)</u>	<u>42,419,209</u>

11. SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

Short-term loans from financial institutions as at March 31, 2014 and December 31, 2013 consist of the following:

	2014 Baht	2013 Baht
Promissory notes	1,795,000,000	2,155,000,000

As at March 31, 2014 and December 31, 2013, the company have short-term loans from financial institutions bearing interest rates at 3.25% - 3.85% per annum and 3.40% - 3.85% per annum, respectively.

12. LONG-TERM LOANS

Long-term loans as at March 31, 2014 and December 31, 2013 consist of the following:

	2014 Baht	2013 Baht
Long-term loan	483,900,000	450,420,000
Current portion of long-term loan	<u>(260,080,000)</u>	<u>(245,080,000)</u>
	<u>223,820,000</u>	<u>205,340,000</u>

As at March 31, 2014 and December 31, 2013, the company entered into long-term loans with several financial institutions at the floating interest rates 4.05% to 4.88% p.a. and 4.10% to 5.30% p.a. respectively, and are repayable quarterly installments, the last installment of such loans fall due in March 2017.

13. PROVIDENT FUND

The Company has a contributory staff provident fund for its employees who apply to join after one year's service which has been registered as the provident fund in accordance with the Provident Fund Act B.E. 2530 (1987).

For the three-month periods ended March 31, 2014 and 2013, the Company's contributions included in selling and administrative expenses in the statement of comprehensive income amount to Baht 0.80 million and Baht 0.66 million, respectively.

14. EMPLOYEE BENEFITS OBLIGATION

The Company calculated employee benefits obligation by using actuarial technique. The assumptions at the reporting date consist of the following:

	2014	2013
Discount rate (%)	4.18	4.18
Resignation rate (%) depending on age group of employees	4, 6, 9	4, 6, 9
Salary increase (%)	10	10
Retirement age (years)	60	60

Employee benefits obligation for the period ended March 31, 2014 and December 31, 2013 consist of the following:

	As at March 31, 2014 Baht	As at December 31, 2013 Baht
Provision for severance pay (see Note 14.1)	18,994,836	18,128,863
Provision for long service awards (see Note 14.2)	1,764,977	1,660,429
	<u>20,759,813</u>	<u>19,789,292</u>

14.1 Provision for severance pay

Change in the present value of provision for severance pay as at March 31, 2014 and December 31, 2013 are as follows:

	As at March 31, 2014 Baht	As at December 31, 2013 Baht
Present value of provision for severance pay, beginning balance	18,128,863	19,061,707
Cost of service - current period	676,533	2,366,689
Finance cost	189,440	632,424
Actuarial gains	-	(3,931,957)
Present value of provision for severance pay, ending balance	<u>18,994,836</u>	<u>18,128,863</u>

Provision for severance pay for the three-month periods ended March 31, 2014 and 2013 are as follows;

	2014 Baht	2013 Baht
Cost of service - current period	676,533	590,046
Finance cost	189,440	190,617
	<u>865,973</u>	<u>780,663</u>

14.2 Provision for long service awards

Change in the present value of provision for long service awards for the period ended March 31, 2014 and December 31, 2013 are as follows:

	As at March 31, 2014 Baht	As at December 31, 2013 Baht
Present value of provision for long service awards, beginning balance	1,660,429	2,642,565
Cost of service - current period	87,198	326,792
Finance cost	17,350	64,340
Benefits paid during the period	-	(270,000)
Actuarial gains	-	(1,103,268)
Present value of provision for long service awards, ending balance	<u>1,764,977</u>	<u>1,660,429</u>

Provision for long service awards for the three-month periods ended March 31, 2014 and 2013 are as follows:

	2014 Baht	2013 Baht
Cost of service - current period	87,198	125,066
Finance Cost	17,350	26,426
	<u>104,548</u>	<u>151,492</u>

15. INCOME TAX EXPENSE

Income tax expense for the three-month periods ended March 31, 2014 and 2013 consist of the following:

	2014 Baht	2013 Baht
Income tax expense from taxable income per income tax return	8,882,523	12,327,332
Deferred tax expense relating to the origination and reversal of temporary differences	<u>325,470</u>	<u>(4,200,982)</u>
Income tax per the statements of income	<u>9,207,993</u>	<u>8,126,350</u>

The reconciliation between income tax - income (expense) and accounting income for the three-month periods ended March 31, 2014 and 2013 are follows:

	2014 Baht	2013 Baht
Accounting income before tax	<u>46,138,685</u>	<u>41,584,537</u>
Income tax at 20%	9,227,737	8,316,907
Tax effect of non-deductible expenses (benefits)	<u>(19,744)</u>	<u>(190,557)</u>
Income tax per the statements of income	9,207,993	8,126,350
Deferred tax income (expense) relating to the origination and reversal of temporary differences	<u>(325,470)</u>	<u>4,200,982</u>
Income tax expenses from taxable income	<u>8,882,523</u>	<u>12,327,332</u>

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

The Company used tax rates of 20% for the corporate income tax calculation for the three-month periods ended March 31, 2014 and 2013 and the deferred tax calculation as at March 31, 2014 and 2013.

16. RELATED PARTY TRANSACTIONS

The accompanying financial statements include certain transactions with related companies. The relationship may be that of shareholding or the companies may have the same group of shareholders or directors. The financial statements reflect the effects of these transactions in the normal business practice, and the price rates, interest rates, terms and conditions are considered to be at arms length, for related party as at the date received by the Board or the shareholders approved.

Balance with related companies as at March 31, 2014 and December 31, 2013 consist of the following:

	Relationship	2014 Baht	2013 Baht
Amount due from a related company			
IFS Capital Limited	Major Shareholder company	19,000	19,000
IFS Capital Holding (Thailand) Limited	Major Shareholder company	200	-
		<u>19,200</u>	<u>19,000</u>
Amount due to a related company			
IFS Capital Limited	Major Shareholder company	-	19,326

Significant transactions with related parties for the three-month periods ended March 31, 2014 and 2013 are as follows:

	2014 Baht	2013 Baht
Management benefit expenses		
Short-term benefits	7,039,700	6,764,700
Post-employment benefit	362,942	309,134
Other long-term benefits	9,846	16,076
	<u>7,412,488</u>	<u>7,089,910</u>

17. COMMITMENTS

As at March 31, 2014 and December 31, 2013, the Company has the committed credit facility agreements with financial institutions for general corporate funding requirements as follows:

	As at March 31, 2014 Baht	As at December 31, 2013 Baht
Total credit facilities	4,853,000,000	4,855,000,000

As at March 31, 2014 and December 31, 2013, the Company has utilized the letter of credit amounting to Baht 16.48 million and Baht 13.63 million, respectively, for factoring, hire purchase and leasing contract. However, as at March 31, 2014 and December 31, 2013, the Company has unused such credit facilities with banks totaling Baht 2,067 million and Baht 1,795 million respectively.

18. FINANCIAL INFORMATION BY SEGMENT

The business segment results are prepared based on the Management of the company. The operating results by business segment provided to Chief Operating Decision Maker to make decisions about allocating resources to, and assessing the performance of, operating segments is measured in accordance with Thai Financial Reporting Standard.

The business segments are described below:

Factoring business: is a short term loan that provides liquidity to the business immediately and enables the business to increase its turnover in the form of buying accounts receivable. The factoring facility is applicable to both domestic and international sales.

Hire purchase and Leasing business: are long term loans for invested in business industry.

Others: encompasses a range of activities from corporate decisions, income and expenses not attributed to the business segments described.

For the three-month periods ended March 31, 2014 and 2013, there is no revenue from a single external customer contributed 10% or more to the Company's total revenue.

The financial statements by business segment for the three-month periods ended March 31, 2014 and 2013 were as follow:

	For the three-month period ended March 31, 2014				For the three-month period ended March 31, 2013			
	Factoring business	Hire purchase and Leasing business	Others	Total	Factoring business	Hire purchase and Leasing business	Others	Total
	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Income from operations	78,200	11,267	-	89,467	77,767	12,735	-	90,502
Other income	3,597	227	-	3,824	3,725	250	-	3,975
Total income	81,797	11,494	-	93,291	81,492	12,985	-	94,477
Allowance for doubtful accounts (reversal)	(2,620)	(828)	-	(3,448)	444	2,132	-	2,576
operation expenses	26,702	3,752	-	30,454	23,270	3,708	-	26,978
Total operation expenses	24,082	2,924	-	27,006	23,714	5,840	-	29,554
Net income before finance cost and income tax	57,715	8,570	-	66,285	57,778	7,145	-	64,923
Finance cost	17,664	2,482	-	20,146	20,131	3,208	-	23,339
Income tax expenses	7,790	1,418	-	9,208	8,559	(433)	-	8,126
Net income for the years	32,261	4,670	-	36,931	29,088	4,370	-	33,458
Total assets	2,555,130	429,972	370,928	3,365,030	2,755,849	516,843	312,580	3,585,272

19. EVENT AFTER THE REPORTING PERIOD

On April 8, 2014, the ordinary Shareholder's meeting passed a resolution to pay dividend of Baht 0.135 per share on 470,000,000 shares, totaling Baht 63.45 million. Such dividend will be paid on May 6, 2014.

20. APPROVAL FOR ISSUANCE OF THE FINANCIAL STATEMENTS

These financial statements have been approved for issue by the authorized director of the Company on April 29, 2014.