



IFS Capital (Thailand)
Public Company Limited

IFS 405 / 2016

4th May 2016

Subject: Explanation of the Operating Results for Quarter 1/2016

To: The President
The Stock Exchange of Thailand

We, IFS Capital (Thailand) Public Company Limited, would like to submit herewith the Reviewed Financial Statements for the Quarter 1/2015 ended 31st March 2016 as certified by our auditor, Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd., and to clarify the significant variance of the operating results as follows:-


	(Unit : Million Baht)			
	For the 1 st Quarter ended 31 st March			
	2016	2015	Increase / (decrease)	% Change
Revenues				
Factoring Income	57.99	59.21	(1.22)	(2.06)
Hire Purchase Income	0.09	0.20	(0.11)	(53.12)
Finance Lease Income	5.49	7.18	(1.70)	(23.62)
Factoring Commission and Service Fee	19.45	19.98	(0.53)	(2.67)
Other Income	6.12	3.37	2.75	81.78
Total Revenues	89.14	89.94	(0.80)	(0.89)
Expenses				
Selling Expenses	3.47	3.73	(0.26)	(6.85)
Administration Expenses	20.74	17.80	2.93	16.48
Management Benefit Expenses	7.66	7.25	0.41	5.67
Allowance made (reversal) for Doubtful Accounts	(0.61)	8.09	(8.70)	(107.50)
Total Expenses	31.26	36.87	(5.61)	(15.21)
Profit before Finance Cost and Income Tax Expenses	57.88	53.07	4.81	9.06
Finance Cost	14.48	18.11	(3.63)	(20.05)
Profit before Income Tax Expenses	43.40	34.96	8.44	24.13
Income Tax	9.79	7.08	2.71	38.27
Net Profit	33.61	27.88	5.73	20.54

Quarterly to Quarterly Analysis

For the 1st quarter of 2016, the Company reported Net Profit of Baht 33.61 million, an increase of Baht 5.73 million or 20.54% from the same period last year. The reasons for the increase in the Company's Net Profit were lower provision for doubtful debts of Baht 8.70 million due to better credit risk management and higher net interest margin (NIM) of 12.16%

Please be informed accordingly.

Sincerely yours,


(Mr. Tan Ley Yen)
Director and CEO

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		
The Company Financial Statement			(In thousands)

	Quarter 1	
Status	Reviewed	
Ending	31 March	
Year	2016	2015
Net profit (loss)	33,607	27,880
EPS (baht)	0.07	0.06

Type of report	Unqualified opinion
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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

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**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, 2016 and the related statement of profit or loss and other 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
May 4, 2016

Nisakorn Songmanee
Certified Public Accountant (Thailand)
Registration No. 5035
DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2016

UNIT : BAHT

		"Unaudited"	
	Notes	As at	As at
		March 31,	December 31,
		2016	2015
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		281,560,416	227,228,991
Factoring receivables	5	2,643,776,155	2,745,463,284
Current portion of hire purchase receivables	6	2,419,420	3,671,467
Current portion of lease contract receivables	7	114,662,278	117,089,833
Inventory finance receivables	8	86,397,642	74,376,817
Amounts due from related companies	11	3,178	43,991
Other current assets		5,142,097	1,605,079
Total Current Assets		<u>3,133,961,186</u>	<u>3,169,479,462</u>
NON-CURRENT ASSETS			
Bank deposits held as collateral		154,934	154,168
Hire purchase receivables	6	59,898	259,267
Lease contract receivables	7	151,049,088	127,156,719
Plant and equipment		55,149,131	56,438,093
Investment property		31,669,741	32,104,981
Intangible assets		4,021,657	4,406,770
Deferred tax assets		53,428,075	55,315,275
Other non-current assets		590,450	466,670
Total Non-current Assets		<u>296,122,974</u>	<u>276,301,943</u>
TOTAL ASSETS		<u><u>3,430,084,160</u></u>	<u><u>3,445,781,405</u></u>

See condensed notes to the financial statements

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT MARCH 31, 2016

UNIT : BAHT

	Notes	"Unaudited" As at March 31, 2016	As at December 31, 2015
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES			
Short-term loans from financial institutions	9	1,975,000,000	2,010,000,000
Current portion of long-term loans	10	155,260,000	172,100,000
Amounts due to a related company	11	55,078	50,041
Other current liabilities		69,242,987	43,396,270
Total Current Liabilities		<u>2,199,558,065</u>	<u>2,225,546,311</u>
NON-CURRENT LIABILITIES			
Long-term loans	10	79,000,000	103,500,000
Employee benefits obligation		28,503,115	27,319,067
Total Non-current Liabilities		<u>107,503,115</u>	<u>130,819,067</u>
TOTAL LIABILITIES		<u>2,307,061,180</u>	<u>2,356,365,378</u>
SHAREHOLDERS' EQUITY			
SHARE CAPITAL			
Authorized share capital			
470,000,000 ordinary shares of Baht 1 each		<u>470,000,000</u>	<u>470,000,000</u>
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		47,000,000	47,000,000
Unappropriated		574,276,581	540,669,628
TOTAL SHAREHOLDERS' EQUITY		<u>1,123,022,980</u>	<u>1,089,416,027</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		<u>3,430,084,160</u>	<u>3,445,781,405</u>

See condensed notes to the financial statements

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2016
"UNAUDITED"

UNIT : BAHT

	Notes	2016	2015
REVENUES			
Factoring income		57,994,548	59,213,741
Hire purchase income		93,703	199,888
Finance lease income		5,485,361	7,181,232
Factoring commission and service fees		19,445,381	19,978,790
Other income		6,121,952	3,367,724
Total Revenues		<u>89,140,945</u>	<u>89,941,375</u>
EXPENSES			
Selling expenses		3,474,438	3,730,116
Administrative expenses		20,736,846	17,803,244
Management benefit expenses	11	7,657,051	7,246,290
Allowance for doubtful accounts		(606,743)	8,089,711
Total Expenses		<u>31,261,592</u>	<u>36,869,361</u>
INCOME BEFORE FINANCE COST AND			
INCOME TAX EXPENSES		57,879,353	53,072,014
FINANCE COST		<u>14,480,457</u>	<u>18,110,776</u>
INCOME BEFORE INCOME TAX EXPENSES		43,398,896	34,961,238
INCOME TAX EXPENSE		<u>9,791,943</u>	<u>7,081,524</u>
PROFIT FOR THE PERIODS		<u><u>33,606,953</u></u>	<u><u>27,879,714</u></u>
BASIC EARNINGS PER SHARE	BAHT	0.07	0.06
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 SHAREHOLDERS' EQUITY
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2016
"UNAUDITED"

UNIT : BAHT

	Issued and Paid-up Share Capital	Premium on Ordinary Shares	Retained Earnings Appropriated Legal Reserve	Unappropriated	Total Shareholders' Equity
Beginning balance as at					
January 1, 2015	470,000,000	31,746,399	44,362,189	493,341,971	1,039,450,559
Changes during the period					
Total comprehensive income	-	-	-	27,879,714	27,879,714
Ending balance as at					
March 31, 2015	<u>470,000,000</u>	<u>31,746,399</u>	<u>44,362,189</u>	<u>521,221,685</u>	<u>1,067,330,273</u>
Beginning balance as at					
January 1, 2016	470,000,000	31,746,399	47,000,000	540,669,628	1,089,416,027
Changes during the period					
Total comprehensive income	-	-	-	33,606,953	33,606,953
Ending balance as at					
March 31, 2016	<u>470,000,000</u>	<u>31,746,399</u>	<u>47,000,000</u>	<u>574,276,581</u>	<u>1,123,022,980</u>

See condensed notes to the financial statements

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED
STATEMENT OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2016
"UNAUDITED"

UNIT : BAHT

	Notes	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax expenses		43,398,896	34,961,238
Adjustments for :			
Allowance for doubtful accounts (reversal)		(733,067)	8,089,711
Bad debts written off		126,324	-
Interest expenses		14,371,741	17,920,769
Employment benefits expense		1,184,048	1,066,539
Depreciation and amortization		2,228,353	1,673,904
		<u>60,576,295</u>	<u>63,712,161</u>
Operating assets (increase) decrease			
Factoring receivable		101,811,407	21,871,870
Hire purchase receivable		1,476,990	1,494,739
Lease contract receivable		(21,108,355)	30,690,507
Inventory finance receivable		(11,920,393)	3,322,624
Amount due from a related company		40,813	3,934
Other current assets		(3,537,018)	837,613
Fixed deposits pledged as collateral		(766)	(1,013)
Non-other current assets		(123,780)	(39,600)
Operating liabilities increase (decrease)			
Amount due to a related company		5,037	-
Other current liabilities		18,411,785	(16,971,938)
Cash paid for operating activities		145,632,015	104,920,897
Interest expense paid		(14,881,303)	(18,015,997)
Net cash provided by operating activities		<u>130,750,712</u>	<u>86,904,900</u>

IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2016
"UNAUDITED"

UNIT : BAHT

	Notes	2016	2015
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash paid for purchases of fixed assets	4.1	(34,721)	(64,188,400)
Cash paid for purchases of intangible assets	4.2	(44,566)	(3,368,655)
Net cash used in investing activities		<u>(79,287)</u>	<u>(67,557,055)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash paid for short-term loans			
to financial institutions		(2,870,000,000)	(3,125,000,000)
Cash received from short-term loans			
from financial institutions		2,835,000,000	3,225,000,000
Cash paid for long-term loans			
to financial institutions		(41,340,000)	(66,020,000)
Net cash provided by (used in) financing activities		<u>(76,340,000)</u>	<u>33,980,000</u>
Net increase in cash and cash equivalents		54,331,425	53,327,845
Cash and cash equivalents at beginning of the period		<u>227,228,991</u>	<u>172,565,524</u>
Cash and cash equivalents at end of the period	4.3	<u><u>281,560,416</u></u>	<u><u>225,893,369</u></u>

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, 2016
“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 are 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 40.89% 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.

Subsequently, on June 18, 2015, the Company had applied for a permission to operate a business under annex 3 (21): service businesses of office rental including utility and facility with other company and on September 23, 2015, the Company had obtained the approval from the Department of Business Development.

2. BASIS FOR PREPARATION OF THE INTERIM FINANCIAL STATEMENTS

- 2.1 These interim financial statements are prepared in Thai Baht and in compliance with Thai Accounting Standard No. 34 (Revised 2015) “Interim Financial Reporting” and accounting practices generally accepted in Thailand. The Company presents the condensed notes to interim financial statements and the additional information is disclosed in accordance with the regulations of the Office of the Securities and Exchange Commission.

- 2.2 The statements of financial position as at December 31, 2015, presented herein for comparison, have been derived from the financial statements of the Company for the year then ended which had been previously audited.
- 2.3 The unaudited results of operations presented in the three-month period ended March 31, 2016 are not necessarily an indication nor anticipation of the operating results for the full year.
- 2.4 Certain financial information which is normally included in the annual financial statements prepared in accordance with TFRS, but which is not required for interim reporting purposes, has been omitted. In addition, the interim financial statements for the three-month period ended March 31, 2016 should be read in conjunction with the audited financial statements for the year ended December 31, 2015.
- 2.5 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.
- 2.6 Thai Financial Reporting Standards affecting the presentation and/or disclosure in the current year financial statements

The Federation of Accounting Professions has issued the Notifications regarding Thai Financial Reporting Standards (TFRSs) which are effective for the financial statements for the period beginning on or after January 1, 2016 onwards, as follow:

Thai Accounting Standards (“TAS”)

TAS 1 (Revised 2015)	Presentation of Financial Statements
TAS 2 (Revised 2015)	Inventories
TAS 7 (Revised 2015)	Statement of Cash Flows
TAS 8 (Revised 2015)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (Revised 2015)	Events after the Reporting Period
TAS 11 (Revised 2015)	Construction Contracts
TAS 12 (Revised 2015)	Income Taxes
TAS 16 (Revised 2015)	Property, Plant and Equipment
TAS 17 (Revised 2015)	Leases
TAS 18 (Revised 2015)	Revenue
TAS 19 (Revised 2015)	Employee Benefits
TAS 20 (Revised 2015)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (Revised 2015)	The Effects of Changes in Foreign Exchange Rate
TAS 23 (Revised 2015)	Borrowing Costs
TAS 24 (Revised 2015)	Related Party Disclosures
TAS 26 (Revised 2015)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (Revised 2015)	Separate Financial Statements
TAS 28 (Revised 2015)	Investments in Associates and Joint Ventures
TAS 29 (Revised 2015)	Financial Reporting in Hyperinflationary Economies
TAS 33 (Revised 2015)	Earnings per Share
TAS 34 (Revised 2015)	Interim Financial Reporting
TAS 36 (Revised 2015)	Impairment of Assets
TAS 37 (Revised 2015)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (Revised 2015)	Intangible assets

Thai Accounting Standards (“TAS”) (continued)

TAS 40 (Revised 2015)	Investment Property
TAS 41	Agriculture

Thai Financial Reporting Standards (“TFRS”)

TFRS 2 (Revised 2015)	Share - Based Payment
TFRS 3 (Revised 2015)	Business Combinations
TFRS 4 (Revised 2015)	Insurance Contracts
TFRS 5 (Revised 2015)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (Revised 2015)	Exploration for and Evaluation of Mineral Assets
TFRS 8 (Revised 2015)	Operating Segments
TFRS 10 (Revised 2015)	Consolidated Financial Statements
TFRS 11 (Revised 2015)	Joint Arrangements
TFRS 12 (Revised 2015)	Disclosure of Interests in Other Entities
TFRS 13 (Revised 2015)	Fair Value Measurement

Thai Accounting Standards Interpretations (“TSI”)

TSI 10 (Revised 2015)	Government Assistance - No Specific Relation to Operating Activities
TSI 15 (Revised 2015)	Operating Leases - Incentives
TSI 25 (Revised 2015)	Income Taxes - Change in the Tax Status of an Enterprise or its Shareholders
TSI 27 (Revised 2015)	Evaluating the Substance of Transactions in the Legal Form of a Lease
TSI 29 (Revised 2015)	Disclosure - Service Concession Arrangements
TSI 31 (Revised 2015)	Revenue - Barter Transactions Involving Advertising Services
TSI 32 (Revised 2015)	Intangible Assets - Web Site Costs

Thai Financial Reporting Standard Interpretations (“TFRI”)

TFRI 1 (Revised 2015)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRI 4 (Revised 2015)	Determining whether an Arrangement contains a Lease
TFRI 5 (Revised 2015)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRI 7 (Revised 2015)	Applying the Restatement Approach under IAS 29 (Revised 2015) Financial Reporting in Hyperinflationary Economies
TFRI 10 (Revised 2015)	Interim Financial Reporting and Impairment
TFRI 12 (Revised 2015)	Service Concession Arrangements
TFRI 13 (Revised 2015)	Customer Loyalty Programmes
TFRI 14 (Revised 2015)	TAS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TFRI 15 (Revised 2015)	Agreements for the Construction of Real Estate
TFRI 17 (Revised 2015)	Distributions of Non-cash Assets to Owners
TFRI 18 (Revised 2015)	Transfers of Assets from Customers
TFRI 20 (Revised 2015)	Stripping Costs in the Production Phase of a Surface Mine
TFRI 21	Levies

Conceptual Framework for Financial Reporting

Conceptual Framework for Financial Reporting (Revised 2015)

Guideline on Accounting

Guideline on Accounting regarding Recognition and Measurement of Bearer Plants

Above TFRSs have no material impact on these financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements have been prepared based on the basis, accounting policies and method of computation consistent with those used in the financial statements for the year ended December 31, 2015, except the adoption of new and revised Thai Financial Reporting Standards as described in Note 2.

4. SUPPLEMENTARY DISCLOSURE OF CASH FLOWS INFORMATION

4.1 Plant and equipment for the three-month periods ended March 31, 2016 and 2015 are as follows:

	2016 Baht	2015 Baht
Other payable - plant and equipment, beginning balance (included in other current liabilities)	-	-
<u>Add</u> Purchases of plant and equipment	75,702	64,320,010
<u>Less</u> Cash paid for purchases of plant and equipment	<u>(34,721)</u>	<u>(64,188,400)</u>
Other payable - plant and equipment, ending balance (included in other current liabilities)	<u>40,981</u>	<u>131,610</u>

4.2 Intangible assets for the three-month periods ended March 31, 2016 and 2015 are as follows:

	2016 Baht	2015 Baht
Other payable - intangible assets, beginning balance (included in other current liabilities)	44,566	2,439,600
<u>Add</u> Purchases of intangible assets	43,335	929,055
<u>Less</u> Cash paid for purchases of intangible assets	<u>(44,566)</u>	<u>(3,368,655)</u>
Other payable - intangible asset, ending balance (included in other current liabilities)	<u>43,335</u>	<u>-</u>

4.3 Cash and cash equivalents as at March 31, 2016 and 2015 consist of the following:

	2016 Baht	2015 Baht
Cash on hand	30,000	30,000
Cash at banks - current accounts	10,317,397	12,612,397
Cash at banks - savings accounts	<u>271,213,019</u>	<u>213,250,972</u>
	<u>281,560,416</u>	<u>225,893,369</u>

5. FACTORING RECEIVABLE

Factoring receivable as at March 31, 2016 and December 31, 2015 consist of the following:

	2016 Baht	2015 Baht
Factoring receivable	3,459,624,289	3,545,848,422
<u>Less</u> Allowance for doubtful accounts (*)	<u>(118,568,089)</u>	<u>(118,692,367)</u>
	3,341,056,200	3,427,156,055
<u>Less</u> Factoring payable	<u>(697,280,045)</u>	<u>(681,692,771)</u>
Factoring receivable, net	<u>2,643,776,155</u>	<u>2,745,463,284</u>

(*) As at March 31, 2016 and December 31, 2015, 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 3,520,905 and Baht 5,639,761, respectively.

Factoring receivable as at March 31, 2016 and December 31, 2015 were classified by aging as follows:

	2016 Baht	2015 Baht
Current	2,440,592,863	2,528,118,337
Overdue :		
Not more than 3 months	895,057,231	879,756,207
Over 3 months but not more than 6 months	11,053,860	8,704,262
Over 6 months but not more than 12 months	-	1,337,008
More than 12 months	-	33,169,902
Debtors subject to legal proceedings	112,920,335	94,762,706
	<u>3,459,624,289</u>	<u>3,545,848,422</u>

6. HIRE PURCHASE RECEIVABLE

Hire purchase receivable as at March 31, 2016 and December 31, 2015 consist of the following:

	2016 Baht	2015 Baht
Outstanding contract price	2,587,970	4,158,664
<u>Less</u> Unearned financing income	<u>(102,660)</u>	<u>(196,364)</u>
	2,485,310	3,962,300
<u>Less</u> Allowance for doubtful accounts (*)	<u>(5,992)</u>	<u>(31,566)</u>
	2,479,318	3,930,734
Due within one year	2,521,470	3,861,491
<u>Less</u> Unearned financing income	<u>(102,050)</u>	<u>(190,024)</u>
Current portion of hire purchase receivable, net	2,419,420	3,671,467
Hire purchase receivable, net	<u>59,898</u>	<u>259,267</u>

(*) As at March 31, 2016 and December 31, 2015, 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 5,992 and Baht 31,566, respectively.

Aging of hire purchase receivable as at March 31, 2016 and December 31, 2015 were classified by aging as follows:

	2016 Baht	2015 Baht
Current	<u>2,485,310</u>	<u>3,962,300</u>

7. LEASE CONTRACT RECEIVABLE

Lease contract receivable as at March 31, 2016 and December 31, 2015 consist of the following:

	2016 Baht	2015 Baht
Outstanding contract price	475,247,066	443,016,887
<u>Less</u> Deposits on long-term lease contracts	(170,008,295)	(163,373,667)
<u>Less</u> Unearned financing income	<u>(33,042,843)</u>	<u>(28,429,323)</u>
	272,195,928	251,213,897
<u>Less</u> Allowance for doubtful accounts (*)	<u>(6,484,562)</u>	<u>(6,967,345)</u>
	<u>265,711,366</u>	<u>244,246,552</u>
Due within one year	190,127,658	197,561,354
<u>Less</u> Deposits on long-term lease contracts	(56,698,190)	(64,500,949)
<u>Less</u> Unearned financing income	<u>(18,767,190)</u>	<u>(15,970,572)</u>
Current portion of lease contract receivable, net	<u>114,662,278</u>	<u>117,089,833</u>
Lease contract receivable, net	<u>151,049,088</u>	<u>127,156,719</u>

(*) As at March 31, 2016 and December 31, 2015, 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 642,124 and Baht 1,961,457, respectively.

Lease contract receivable as at March 31, 2016 and December 31, 2015 were classified by aging as follows:

	2016 Baht	2015 Baht
Current	246,706,726	224,800,532
Overdue :		
Not more than 3 months	6,442,261	4,206,030
Over 3 months but not more than 6 months	451,271	11,604,599
Over 6 months but not more than 12 months	8,680,055	4,685,598
Debtors subject to legal proceedings	<u>9,915,615</u>	<u>5,917,138</u>
	<u>272,195,928</u>	<u>251,213,897</u>

8. INVENTORY FINANCE RECEIVABLE

Inventory finance receivable as at March 31, 2016 and December 31, 2015 consist of the following:

	2016 Baht	2015 Baht
Inventory finance receivable	99,119,546	87,199,153
<u>Less</u> Allowance for doubtful accounts (*)	<u>(12,721,904)</u>	<u>(12,822,336)</u>
Inventory finance receivable, net	<u>86,397,642</u>	<u>74,376,817</u>

(*) As at December 31, 2015, 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 100,432 (as at March 31, 2016: Nil).

Inventory finance receivable as at March 31, 2016 and December 31, 2015 were classified by aging as follows:

	2016 Baht	2015 Baht
Current	86,397,642	74,477,249
Debtors subject to legal proceedings	<u>12,721,904</u>	<u>12,721,904</u>
	<u>99,119,546</u>	<u>87,199,153</u>

9. SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

Short-term loans from financial institutions as at March 31, 2016 and December 31, 2015 consist of the following:

	2016 Baht	2015 Baht
Promissory notes	<u>1,975,000,000</u>	<u>2,010,000,000</u>

As at March 31, 2016 and December 31, 2015, the company have short-term loans from financial institutions bearing interest rates at 2.60% to 3.05% per annum and 2.62% to 3.35% per annum, respectively.

10. LONG-TERM LOANS

Long-term loans as at March 31, 2016 and December 31, 2015 consist of the following:

	2016 Baht	2015 Baht
Long-term loan	234,260,000	275,600,000
Current portion of long-term loan	(155,260,000)	(172,100,000)
	<u>79,000,000</u>	<u>103,500,000</u>

As at March 31, 2016 and December 31, 2015, the company entered into long-term loans with several financial institutions at the floating interest rates 3.46% to 4.40% p.a. and 3.48% to 4.63% p.a. respectively, and are repayable quarterly installments, the last installment of such loans fall due in March 2018.

11. 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, 2016 and December 31, 2015 consist of the following:

	Relationship	2016 Baht	2015 Baht
Amount due from related companies			
IFS Capital Limited	Major Shareholder company	3,178	43,791
IFS Capital Holdings (Thailand) Limited	Related company	-	200
		<u>3,178</u>	<u>43,991</u>
Amount due to a related company			
IFS Capital Limited	Major Shareholder company	<u>55,078</u>	<u>50,041</u>

Significant transactions with related parties for the three-month periods ended March 31, 2016 and 2015 are as follows:

	2016 Baht	2015 Baht
Management benefit expenses		
Short-term benefits	7,221,200	6,851,730
Post-employment benefits	423,343	385,052
Other long-term benefits	12,508	9,508
	<u>7,657,051</u>	<u>7,246,290</u>

12. COMMITMENTS

As at March 31, 2016 and December 31, 2015, the Company has the committed credit facility agreements with financial institutions for general corporate funding requirements as follows:

	As at March 31, 2016 Baht	As at December 31, 2015 Baht
Total credit facilities	<u>4,617,000,000</u>	<u>4,721,000,000</u>

As at March 31, 2016 and December 31, 2015, the Company has utilized the letter of credit amounting to Baht 7.29 million and Baht 17.60 million, respectively, for factoring, hire purchase and leasing contract. However, as at March 31, 2016 and December 31, 2015, the Company has unused such credit facilities with banks totaling Baht 1,926 million and Baht 1,877 million, respectively.

13. 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, 2016 and 2015, 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, 2016 and 2015 were as follow:

	For the three-month period ended March 31, 2016				For the three-month period ended March 31, 2015			
	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	77,440	5,579	-	83,019	79,192	7,381	-	86,573
Other income	5,281	841	-	6,122	3,294	74	-	3,368
Total income	82,721	6,420	-	89,141	82,486	7,455	-	89,941
Allowance for doubtful accounts (reversal)	(225)	(382)	-	(607)	8,540	(450)	-	8,090
Selling and administrative expenses	29,573	2,296	-	31,869	26,394	2,385	-	28,779
Total operation expenses	29,348	1,914	-	31,262	34,934	1,935	-	36,869
Net income before finance cost and income tax	53,373	4,506	-	57,879	47,552	5,520	-	53,072
Finance cost	13,438	1,042	-	14,480	16,610	1,501	-	18,111
Income tax expenses	7,745	2,047	-	9,792	5,877	1,204	-	7,081
Net income for the periods	32,190	1,417	-	33,607	25,065	2,815	-	27,880
Total assets	2,730,174	268,191	431,719	3,430,084	2,819,840	248,177	377,764	3,445,781

14. EVENT AFTER THE REPORTING PERIOD

On April 22, 2016, the ordinary Shareholder's meeting passed a resolution to pay dividend of Baht 0.1383 per share on 470,000,000 shares, totaling Baht 65 million. Such dividend will be paid on May 19, 2016.

15. APPROVAL FOR ISSUANCE OF THE FINANCIAL STATEMENTS

These financial statements have been approved for issue by the authorized director of the Company on May 4, 2016.