

**REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

**TO THE SHAREHOLDERS AND BOARD OF DIRECTORS  
AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED**

We have audited the consolidated balance sheets of AEON Thana Sinsap (Thailand) Public Company Limited and its subsidiaries and the separate balance sheets of AEON Thana Sinsap (Thailand) Public Company Limited as at February 20, 2010 and 2009, and the related consolidated and separate statements of income, changes in shareholders' equity and cash flows for the years then ended. These financial statements are the responsibility of the Company's management as to their correctness and completeness of the presentation. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the aforementioned consolidated and separate financial statements present fairly, in all material respects, the financial position of AEON Thana Sinsap (Thailand) Public Company Limited and its subsidiaries and of AEON Thana Sinsap (Thailand) Public Company Limited as at February 20, 2010 and 2009, and the results of operations and cash flows for the years then ended in conformity with generally accepted accounting principles.

**BANGKOK**  
April 9, 2010

Niti Jungnitnirundr  
Certified Public Accountant (Thailand)  
Registration No. 3809  
**DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.**

**AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**BALANCE SHEETS**

**AS AT FEBRUARY 20, 2010 AND 2009**

**BAHT**

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2010	2009	2010	2009
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and cash equivalents		1,520,499,180	2,160,399,830	1,476,996,515	2,074,978,521
Accounts receivable - net	5	32,460,141,839	29,455,585,787	31,460,949,077	28,250,181,214
Participation amount in Special Purpose Vehicle					
for Securitization due within one year	8	-	470,649,932	1,063,310,810	470,649,932
Subordinated lending due within one year	9	217,035,005	642,686,834	217,035,005	642,686,834
Other current assets					
Other receivable		149,878,806	178,240,589	167,178,484	210,198,555
Receivables per currency swap contracts	27.5	538,628,489	508,177,500	538,628,489	508,177,500
Others	6	90,668,316	72,863,929	90,668,316	72,863,929
		<u>779,175,611</u>	<u>759,282,018</u>	<u>796,475,289</u>	<u>791,239,984</u>
Total Current Assets		<u>34,976,851,635</u>	<u>33,488,604,401</u>	<u>35,014,766,696</u>	<u>32,229,736,485</u>
<b>NON-CURRENT ASSETS</b>					
Accounts receivable - net	5	1,132,402,810	990,695,712	1,132,402,810	990,695,712
Investments in subsidiaries	7.1	-	-	20,800	20,800
Other long-term investments					
Related companies	7.2	118,733,253	96,251,061	118,733,253	96,251,061
Other companies	7.3	20,800	20,800	20,800	20,800
		<u>118,754,053</u>	<u>96,271,861</u>	<u>118,754,053</u>	<u>96,271,861</u>
Participation in Special Purpose Vehicle					
for Securitization	8	-	-	195,814,892	1,408,426,284
Subordinated lending	9	744,000,000	1,114,000,000	744,000,000	1,114,000,000
Equipment - net	10	406,599,070	424,089,874	406,599,070	424,089,874
Intangible assets - net	11	872,250,380	822,642,588	872,250,380	822,642,588
Receivables per currency swap contracts	27.5	776,884,320	1,633,546,250	776,884,320	1,633,546,250
Other non-current assets	12	115,348,266	153,721,371	115,348,266	153,721,371
Total Non-Current Assets		<u>4,166,238,899</u>	<u>5,234,967,656</u>	<u>4,362,074,591</u>	<u>6,643,414,740</u>
<b>TOTAL ASSETS</b>		<u><u>39,143,090,534</u></u>	<u><u>38,723,572,057</u></u>	<u><u>39,376,841,287</u></u>	<u><u>38,873,151,225</u></u>

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

**AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**BALANCE SHEETS (CONTINUED)**

**AS AT FEBRUARY 20, 2010 AND 2009**

**BAHT**

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2010	2009	2010	2009
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
<b>CURRENT LIABILITIES</b>					
Short-term loans from financial institutions	13	4,846,225,102	5,490,000,000	4,846,225,102	5,490,000,000
Current portion of :					
Long-term loans	14	7,982,763,700	6,432,623,266	7,982,763,700	6,432,623,266
Long-term debentures	15	1,296,473,547	-	1,296,473,547	-
Accounts payable		532,574,217	281,153,726	532,574,217	281,153,726
Factoring payables		-	185,409	-	185,409
Other current liabilities					
Accrued income tax		201,087,038	210,003,574	177,327,303	182,209,556
Accrued interest expense		253,206,838	298,698,595	248,798,038	294,289,795
Accrued expenses - others		146,868,831	147,683,560	142,804,526	142,923,988
Other payable		151,392,462	188,891,998	417,443,255	375,500,756
Payables per currency swap contracts	27.5	61,229,044	24,056,617	61,229,044	24,056,617
Others		17,344,136	29,006,158	17,344,136	29,006,158
		<u>831,128,349</u>	<u>898,340,502</u>	<u>1,064,946,302</u>	<u>1,047,986,870</u>
Total Current Liabilities		<u>15,489,164,915</u>	<u>13,102,302,903</u>	<u>15,722,982,868</u>	<u>13,251,949,271</u>
<b>NON-CURRENT LIABILITIES</b>					
Long-term loans	14	16,193,661,830	17,398,704,807	16,193,661,830	17,398,704,807
Long-term debentures	15	1,535,295,135	2,838,480,405	1,535,295,135	2,838,480,405
Payables per currency swap contracts	27.5	68,772,700	9,664,500	68,772,700	9,664,500
Total Non-Current Liabilities		<u>17,797,729,665</u>	<u>20,246,849,712</u>	<u>17,797,729,665</u>	<u>20,246,849,712</u>
<b>TOTAL LIABILITIES</b>		<u>33,286,894,580</u>	<u>33,349,152,615</u>	<u>33,520,712,533</u>	<u>33,498,798,983</u>

**AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**BALANCE SHEETS (CONTINUED)**

**AS AT FEBRUARY 20, 2010 AND 2009**

**BAHT**

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2010	2009	2010	2009
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
(CONTINUED)					
SHAREHOLDERS' EQUITY					
SHARE CAPITAL	16				
Authorized share capital					
250,000,000 ordinary shares of Baht 1 each		250,000,000	250,000,000	250,000,000	250,000,000
Issued and paid-up share capital					
250,000,000 ordinary shares of Baht 1 each, fully paid		250,000,000	250,000,000	250,000,000	250,000,000
PREMIUM ON ORDINARY SHARE CAPITAL		478,000,000	478,000,000	478,000,000	478,000,000
UNREALIZED GAIN FROM REVALUATION					
ON INVESTMENTS	4.3 and 7.2	57,415,539	34,933,347	57,415,539	34,933,347
RETAINED EARNINGS					
Appropriated					
Legal reserve	17	25,000,000	25,000,000	25,000,000	25,000,000
Reserve for business expansion	16	3,750,000,000	3,100,000,000	3,750,000,000	3,100,000,000
Unappropriated		1,295,721,215	1,486,426,895	1,295,713,215	1,486,418,895
TOTAL COMPANY'S SHAREHOLDERS' EQUITY		5,856,136,754	5,374,360,242	5,856,128,754	5,374,352,242
MINORITY INTEREST		59,200	59,200	-	-
TOTAL SHAREHOLDERS' EQUITY		5,856,195,954	5,374,419,442	5,856,128,754	5,374,352,242
<b>TOTAL LIABILITIES AND</b>					
<b>SHAREHOLDERS' EQUITY</b>		39,143,090,534	38,723,572,057	39,376,841,287	38,873,151,225

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

**AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**STATEMENTS OF INCOME**

**FOR THE YEARS ENDED FEBRUARY 20, 2010 AND 2009**

**BAHT**

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2010	2009	2010	2009
<b>REVENUES</b>					
Credit card income	19	3,353,830,856	3,473,307,667	2,843,204,873	2,792,697,164
Loans income		4,073,136,744	4,311,631,718	4,073,136,744	4,311,631,718
Hire purchase income	19	1,172,765,989	1,333,444,955	1,172,765,989	1,333,444,955
Factoring income		-	121,047	-	121,047
Other income					
Bad debt recovery		614,617,580	454,504,814	564,055,894	416,965,031
Outsource collection service income		58,500,237	66,355,754	58,500,237	66,355,754
Gain on sale of fixed assets		516,102	3,056,121	516,102	3,056,121
Gain on sale of software		-	3,408,799	-	3,408,799
Gain on sale of investment		-	14,753,815	-	14,753,815
Others		127,861,596	173,584,974	122,987,669	154,908,205
		<u>801,495,515</u>	<u>715,664,277</u>	<u>746,059,902</u>	<u>659,447,725</u>
Total Revenues		<u>9,401,229,104</u>	<u>9,834,169,664</u>	<u>8,835,167,508</u>	<u>9,097,342,609</u>
<b>EXPENSES</b>					
Operating and administrative expenses		3,469,074,384	3,622,281,325	3,415,387,753	3,559,307,255
Directors and managements remuneration	20	49,097,570	73,657,362	49,097,570	73,657,362
Bad debts and doubtful accounts		<u>2,802,801,686</u>	<u>2,743,933,771</u>	<u>2,483,812,068</u>	<u>2,351,801,718</u>
Total Expenses		<u>6,320,973,640</u>	<u>6,439,872,458</u>	<u>5,948,297,391</u>	<u>5,984,766,335</u>
<b>INCOME BEFORE FINANCE COST</b>					
AND INCOME TAX		3,080,255,464	3,394,297,206	2,886,870,117	3,112,576,274
FINANCE COST		<u>1,691,438,578</u>	<u>1,738,641,864</u>	<u>1,545,146,578</u>	<u>1,508,353,858</u>
INCOME BEFORE INCOME TAX		1,388,816,886	1,655,655,342	1,341,723,539	1,604,222,416
INCOME TAX	21	<u>404,526,566</u>	<u>463,440,952</u>	<u>357,462,819</u>	<u>412,037,626</u>
<b>NET INCOME</b>		<u>984,290,320</u>	<u>1,192,214,390</u>	<u>984,260,720</u>	<u>1,192,184,790</u>
<b>PROFIT ATTRIBUTABLE TO</b>					
Equity holders of the parent		984,260,720	1,192,184,790	984,260,720	1,192,184,790
Minority interests		<u>29,600</u>	<u>29,600</u>	<u>-</u>	<u>-</u>
		<u>984,290,320</u>	<u>1,192,214,390</u>	<u>984,260,720</u>	<u>1,192,184,790</u>
<b>BASIC EARNINGS PER SHARE</b>	<b>BAHT</b>	3.94	4.77	3.94	4.77
<b>WEIGHTED AVERAGE NUMBER OF</b>					
<b>ORDINARY SHARES</b>	<b>SHARES</b>	250,000,000	250,000,000	250,000,000	250,000,000

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

**AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE YEARS ENDED FEBRUARY 20, 2010 AND 2009**

**BAHT**

CONSOLIDATED FINANCIAL STATEMENTS								
Notes	Issued and Paid-up Share Capital	Premium on Ordinary Shares	Unrealized gain from revaluation on investments	Appropriated Retained Earnings Legal Reserve	Reserve for Business Expansion	Unappropriated Retained Earnings	Minority Interest	Total Shareholders' Equity
<b>Beginning balance, February 21, 2008</b>	250,000,000	478,000,000	-	25,000,000	2,450,000,000	1,456,698,605	59,200	4,659,757,805
Available-for-sale investments								
Gain recognized in shareholders' equity	4.3	-	-	34,933,347	-	-	-	34,933,347
Total revenues recognized in shareholders' equity		-	-	34,933,347	-	-	-	34,933,347
Net income		-	-	-	-	1,192,184,790	29,600	1,192,214,390
Total revenues recognized during the year		-	-	34,933,347	-	1,192,184,790	29,600	1,227,147,737
Appropriation for the previous year:								
Reserve for business expansion	16	-	-	-	650,000,000	(650,000,000)	-	-
Dividend	16	-	-	-	-	(249,983,800)	(29,600)	(250,013,400)
Appropriation for the current year:								
Interim dividend	16	-	-	-	-	(262,472,700)	-	(262,472,700)
<b>Ending balance, February 20, 2009</b>		250,000,000	478,000,000	34,933,347	25,000,000	3,100,000,000	1,486,426,895	5,374,419,442

**AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)**  
**FOR THE YEARS ENDED FEBRUARY 20, 2010 AND 2009**

**BAHT**

CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)								
Notes	Issued and Paid-up Share Capital	Premium on Ordinary Shares	Unrealized gain from revaluation on investments	Appropriated Retained Earnings Legal Reserve	Reserve for Business Expansion	Unappropriated Retained Earnings	Minority Interest	Total Shareholders' Equity
<b>Beginning balance, February 21, 2009</b>	250,000,000	478,000,000	34,933,347	25,000,000	3,100,000,000	1,486,426,895	59,200	5,374,419,442
Available-for-sale investments								
Gain recognized in shareholders' equity	4,3	-	-	22,482,192	-	-	-	22,482,192
Total revenues recognized in shareholders' equity		-	-	22,482,192	-	-	-	22,482,192
Net income		-	-	-	-	984,260,720	29,600	984,290,320
Total revenues recognized during the year		-	-	22,482,192	-	984,260,720	29,600	1,006,772,512
Appropriation for the previous year:								
Reserve for business expansion	16	-	-	-	650,000,000	(650,000,000)	-	-
Dividend	16	-	-	-	-	(262,483,200)	(29,600)	(262,512,800)
Appropriation for the current year:								
Interim dividend	16	-	-	-	-	(262,483,200)	-	(262,483,200)
<b>Ending balance, February 20, 2010</b>		250,000,000	478,000,000	57,415,539	25,000,000	3,750,000,000	1,295,721,215	5,856,195,954

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

**AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE YEARS ENDED FEBRUARY 20, 2010 AND 2009**

**BAHT**

SEPARATE FINANCIAL STATEMENTS							
Notes	Issued and Paid-up Share Capital	Premium on Ordinary Shares	Unrealized gain from revaluation on investments	Appropriated Retained Earnings Legal Reserve	Reserve for Business Expansion	Unappropriated Retained Earnings	Total Shareholders' Equity
<b>Beginning balance, February 21, 2008</b>	250,000,000	478,000,000	-	25,000,000	2,450,000,000	1,456,690,605	4,659,690,605
Available-for-sale investments							
Gain recognized in shareholders' equity	4.3	-	34,933,347	-	-	-	34,933,347
Total revenues recognized in shareholders' equity		-	34,933,347	-	-	-	34,933,347
Net income		-	-	-	-	1,192,184,790	1,192,184,790
Total revenues recognized during the year		-	34,933,347	-	-	1,192,184,790	1,227,118,137
Appropriation for the previous year:							
Reserve for business expansion	16	-	-	-	650,000,000	(650,000,000)	-
Dividend	16	-	-	-	-	(249,983,800)	(249,983,800)
Appropriation for the current year:							
Interim dividend	16	-	-	-	-	(262,472,700)	(262,472,700)
<b>Ending balance, February 20, 2009</b>		250,000,000	34,933,347	25,000,000	3,100,000,000	1,486,418,895	5,374,352,242



**AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)**  
**FOR THE YEARS ENDED FEBRUARY 20, 2010 AND 2009**

**BAHT**

SEPARATE FINANCIAL STATEMENTS (CONTINUED)							
Notes	Issued and Paid-up Share Capital	Premium on Ordinary Shares	Unrealized gain from revaluation on investments	Appropriated Retained Earnings Legal Reserve	Reserve for Business Expansion	Unappropriated Retained Earnings	Total Shareholders' Equity
<b>Beginning balance, February 21, 2009</b>	250,000,000	478,000,000	34,933,347	25,000,000	3,100,000,000	1,486,418,895	5,374,352,242
Available-for-sale investments							
Gain recognized in shareholders' equity	4.3	-	22,482,192	-	-	-	22,482,192
Total revenues recognized in shareholders' equity		-	22,482,192	-	-	-	22,482,192
Net income		-	-	-	-	984,260,720	984,260,720
Total revenues recognized during the year		-	22,482,192	-	-	984,260,720	1,006,742,912
Appropriation for the previous year:							
Reserve for business expansion	16	-	-	-	650,000,000	(650,000,000)	-
Dividend	16	-	-	-	-	(262,483,200)	(262,483,200)
Appropriation for the current year:							
Interim dividend	16	-	-	-	-	(262,483,200)	(262,483,200)
<b>Ending balance, February 20, 2010</b>	250,000,000	478,000,000	57,415,539	25,000,000	3,750,000,000	1,295,713,215	5,856,128,754

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

**AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**STATEMENTS OF CASH FLOWS**

**FOR THE YEARS ENDED FEBRUARY 20, 2010 AND 2009**

**BAHT**

	<b>CONSOLIDATED</b>		<b>SEPARATE</b>	
	<b>FINANCIAL STATEMENTS</b>		<b>FINANCIAL STATEMENTS</b>	
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Income before income tax	1,388,816,886	1,655,655,342	1,341,723,539	1,604,222,416
Adjustments :				
Bad debts and doubtful accounts	2,802,801,686	2,743,933,771	2,483,812,068	2,351,801,718
Depreciation	159,152,295	171,109,481	159,152,295	171,109,481
Amortization of costs of software	271,269,582	241,051,418	271,269,582	241,051,418
Gain on sale of fixed assets	(516,102)	(3,056,121)	(516,102)	(3,056,121)
Gain on sale of software	-	(3,408,799)	-	(3,408,799)
Gain on sale of investments	-	(14,753,815)	-	(14,753,815)
Finance cost	1,691,438,578	1,738,641,864	1,545,146,578	1,508,353,858
Dividend income	(4,900,111)	(3,932,928)	(4,900,111)	(3,932,928)
	<u>6,308,062,814</u>	<u>6,525,240,213</u>	<u>5,795,687,849</u>	<u>5,851,387,228</u>
Operating assets (increase) decrease				
Accounts receivable	(8,112,068,273)	(16,049,764,911)	(15,008,109,388)	(18,976,978,371)
Other current assets	10,898,434	43,926,230	6,200,600	64,837,062
Other non-current assets	2,964,112	11,254,999	2,964,112	11,254,999
Operating liabilities increase (decrease)				
Accounts payable	251,420,491	(72,839,941)	251,420,491	(72,839,941)
Factoring payables	(185,410)	(2,116,147)	(185,410)	(2,116,147)
Other current liabilities	4,497,833	4,235,940	24,549,223	4,143,984
Cash paid for operations	(1,534,409,999)	(9,540,063,617)	(8,927,472,523)	(13,120,311,186)
Finance cost paid	(1,722,153,991)	(1,682,924,887)	(1,575,861,991)	(1,450,046,606)
Income tax paid	(413,443,102)	(458,618,518)	(362,345,072)	(404,349,731)
Net cash used in operating activities	<u>(3,670,007,092)</u>	<u>(11,681,607,022)</u>	<u>(10,865,679,586)</u>	<u>(14,974,707,523)</u>

**AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**STATEMENTS OF CASH FLOWS (CONTINUED)**

**FOR THE YEARS ENDED FEBRUARY 20, 2010 AND 2009**

**BAHT**

	<b>CONSOLIDATED</b>		<b>SEPARATE</b>	
	<b>FINANCIAL STATEMENTS</b>		<b>FINANCIAL STATEMENTS</b>	
	<b>2010</b>	<b>2009</b>	<b>2010</b>	<b>2009</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Cash payments for fixed assets acquisition	(106,583,945)	(122,284,345)	(106,583,945)	(122,284,345)
Cash payments for purchase of software	(350,036,051)	(304,549,252)	(350,036,051)	(304,549,252)
Cash proceeds from sale of fixed assets	1,662,133	34,704,653	1,662,133	34,704,653
Cash proceeds from sale of software	-	12,151,547	-	12,151,547
Cash payment for investment in related companies	-	(11,803,456)	-	(11,803,456)
Cash proceeds from sale of investment	-	14,753,841	-	14,753,841
Dividend received	4,900,111	3,932,928	4,900,111	3,932,928
Net cash used in investing activities	<u>(450,057,752)</u>	<u>(373,094,084)</u>	<u>(450,057,752)</u>	<u>(373,094,084)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Cash proceeds from sale of additional revolving				
receivables under securitization projects	2,599,703,364	8,834,453,513	9,837,264,902	12,202,670,256
Increase (decrease) in short-term loans from				
financial institutions	(643,700,000)	1,660,000,000	(643,700,000)	1,660,000,000
Cash proceeds from subordinated lending	795,651,830	448,806,257	795,651,830	448,806,257
Cash proceeds from long-term loans	7,180,755,000	6,839,250,000	7,180,755,000	6,839,250,000
Cash proceeds from long-term debenture	-	2,582,750,000	-	2,582,750,000
Cash payment for long-term loans	(5,227,250,000)	(5,584,650,000)	(5,227,250,000)	(5,584,650,000)
Cash payment for long-term debenture	(700,000,000)	(1,020,000,000)	(700,000,000)	(1,020,000,000)
Dividend paid	(524,996,000)	(512,486,100)	(524,966,400)	(512,456,500)
Net cash provided by financing activities	<u>3,480,164,194</u>	<u>13,248,123,670</u>	<u>10,717,755,332</u>	<u>16,616,370,013</u>
Net increase (decrease) in cash and cash equivalents	(639,900,650)	1,193,422,564	(597,982,006)	1,268,568,406
Cash and cash equivalents at beginning of the years	<u>2,160,399,830</u>	<u>966,977,266</u>	<u>2,074,978,521</u>	<u>806,410,115</u>
<b>Cash and cash equivalents at the end of the years</b>	<u><u>1,520,499,180</u></u>	<u><u>2,160,399,830</u></u>	<u><u>1,476,996,515</u></u>	<u><u>2,074,978,521</u></u>

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

**AEON THANA SINSAP (THAILAND) PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED FEBRUARY 20, 2010 AND 2009**

**1. OPERATIONS AND GENERAL INFORMATION**

The Company was registered as a limited company under the Civil and Commercial Code on September 18, 1992 and registered to be Public Company Limited with the Ministry of Commerce on August 7, 2001. The Company was listed on The Stock Exchange of Thailand on December 11, 2001. The Company's office is located at 388, 27<sup>th</sup> Floor, Exchange Tower, Sukhumvit Road, Klongtoey, Bangkok. The Company's main objective is to do the business in credit card, hire purchase and personal loans.

Aeon Credit Service Company Limited, incorporated in Japan, and ACS Capital Corporation Limited, incorporated in Thailand, are current major shareholders with 35.12% and 19.2% shareholding, respectively. Aeon Credit Service Company Limited is the ultimate parent company.

Eternal 3 Special Purpose Vehicle Company Limited (ESPT) and Eternal 4 Special Purpose Vehicle Company Limited (Eternal 4) are subsidiaries of the Company which were incorporated under the Civil and Commercial Code of Thailand, and under the Securitization law. ESPT and Eternal 4's main objectives are to operate as a special purpose juristic person in a securitization project and to engage in any activities for the purpose of implementing or facilitating the securitization in accordance with the securitization projects approved by the Office of the Securities and Exchange Commission of Thailand ("the SEC") on February 3, 2006 and June 21, 2007, respectively.

**2. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS**

- 2.1 The Company maintains its accounting records in Thai Baht and prepares its statutory financial statements in the Thai language in conformity with accounting standards and practices generally accepted in Thailand.
- 2.2 The consolidated and separate financial statements are prepared in compliance with the Notification of the Department of Commercial Registration regarding "The Brief Particulars in the Financial statements B.E. 2552" dated January 30, 2009, which are effective for financial periods beginning on or after January 1, 2009 onwards. These financial statements for the year ended February 20, 2009, presented herein for comparison, have been reclassified accordingly. In addition, these financial statements have been prepared in accordance with the Regulation of The Stock Exchange of Thailand (SET) date 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.
- 2.3 The consolidated financial statements for the years ended February 20, 2010 and 2009 included the accounts of Eternal 3 Special Purpose Vehicle Company Limited and Eternal 4 Special Purpose Vehicle Company Limited ("the subsidiaries") which the Company has holding of 26% of the subsidiaries' authorized share capital since December 21, 2005 and February 22, 2007 in accordance with the approved conditions required by the Office of the Securities and Exchange Commission of Thailand. Significant transactions and balances between the Company and the subsidiaries (see Note 24) have been eliminated.

The accounting period and significant accounting policies used for the financial statements of the subsidiaries are the same as those of the Company.

2.4 The Federation of Accounting Professions issued the Notification of Federation of Accounting Professions No. 12/2552 dated May 15, 2009 regarding the renumbering of Thai Accounting Standards (TASs) to be the same as International Accounting Standards. Therefore, the reference TASs in these financial statements for the year ended February 20, 2010 and 2009 have used the new numbers to be in accordance with such the Notification.

2.5 Accounting standards and financial reporting standards to be applied for the financial statements of periods beginning on or after January 1, 2009, are as follows:

- TAS 36 (Revised 2007) "Impairment of Assets"
- TFRS 5 (Revised 2007) "Non-current Assets Held for Sale and Discontinued Operations" (previously TAS No. 54)

The Company has adopted the above accounting standards and financial reporting standards which have no material impact on the Company's financial statements.

2.6 The Federation of Accounting Professions issued the Notification of Federation of Accounting Professions No. 16/2552 dated May 21, 2009 regarding the following accounting standards that were announced in the Royal Gazette, but not yet in effect for the year ended February 20, 2010:

Accounting Standards		Effective date
Accounting Framework (Revised 2007)		January 1, 2011
No. 20	Accounting for Government Grants and Disclosure of Government Assistance	January 1, 2012
No. 24 (Revised 2007)	Related Party Disclosures (previously No. 47)	January 1, 2011
No. 40	Investment Property	January 1, 2011

Certain accounting standards above will supersede previously issued accounting standards when they become effective. The Company's management has assessed the impact of these accounting standards, when they are effective, for financial periods beginning on or after such effective date and does not expect them to have a material effect on the Company's financial statements.

### 3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared on the historical cost except as disclosed in the accounting policies.

#### 3.1 Cash and cash equivalents

Cash and cash equivalents are cash on hand, deposits at financial institutions' saving accounts, current accounts and fixed accounts with original maturities within 3 months and excluding deposits at financial institutions used as collateral.

### 3.2 Accounts receivable

Account receivables are stated at the outstanding contract price after deducting unearned financing income and allowance for doubtful accounts.

### 3.3 Allowance for doubtful accounts and bad debts

The Company and subsidiaries' allowance for doubtful accounts have been complied with the notification of the Office of the Securities and Exchange Commission by fully providing for all receivables which are over 3 installments contractually past due. The Company has written off debts that are determined to be irrecoverable.

Furthermore, the Company and subsidiaries had set aside an additional allowance for doubtful accounts by taking into consideration the estimated collection losses on receivables at the end of the year. Such estimated losses are based on the Company's collection experience.

### 3.4 Troubled debt restructuring

For the debt restructuring by the modification of term of repayment to the debtor, the Company determines the loss arising from the revaluation of the book value of the debtor on the basis of the present value of the future cash flows to be received under the new conditions, using the minimum interest for prime customers in discounting. Any amount by which the newly determined book value is lower than the previous book value, including interest receivable, is recorded as a loss from restructuring in the statement of income.

Losses from troubled debt restructuring arising from reductions of principal and interest are included in the statement of income.

### 3.5 Securitization transaction

Since there are no Thai accounting standards in dealing with securitization transaction, the Company applied the following guidelines for accounting for securitizations:

#### 3.5.1 Securitization Projects which were approved by the SEC prior to February 3, 2006

For securitization transactions under the Projects which were approved by the SEC prior to February 3, 2006, the Company applied the US Accounting Standards, namely Financial Accounting Standard Board (FASB) Statement No. 140 regarding "Accounting for Transfers and Servicing of Financial Assets and Extinguishment of Liabilities".

A transfer of financial assets in which the transferor surrenders control over those assets is accounted for as a sale to the extent that consideration other than beneficial interests in the transferred assets is received in exchange. And such beneficial interests do not include other retained interests in the transferred assets.

Servicing assets and other retained interests in the transferred assets are measured by allocating the previous carrying amount between the assets sold, if any, and retained interests, if any, based on their relative fair values at the date of transfer, if practicable.

The qualifying special purpose entities shall not be consolidated in the financial statements of a transferor or its related.

### 3.5.2 Securitization Projects which were approved by the SEC since February 3, 2006

For securitization transactions under the Projects which were approved by the SEC since February 3, 2006, the Company recognized the sales of credit card receivables to a Special Purposes Vehicle (“Securitization Plan”), according to the approval conditions required by the Securities Exchange Commission of Thailand. The conditions related to the accounting treatment are as follows:

- (1) The Company will prepare its financial statements in accordance with the accounting standards and exposure draft of the accounting guideline issued by the Federation of Accounting Professions. Therefore, the Company will prepare its consolidated financial statements to combine the financial statements of Eternal 3 Special Purpose Vehicle Company Limited (ESPT) and Eternal 4 Special Purpose Vehicle Company Limited (Eternal 4).
- (2) The Company is able to derecognize the credit card receivables, which were transferred to the SPV, and the debentures under the securitization project in the amount that the risks and rewards on the receivables have been transferred to the debenture holders for both initial receivables transferred on the initial cut off date and additional revolving receivables transferred during the revolving periods.

For those receivables whose risks and rewards were not transferred to the debenture holders, the Company has recorded it as Subordinated Lending Account which is separately presented in the balance sheet.

In order to derecognize the credit card receivables and the debentures under the securitization project which the risks and rewards on the receivables have been transferred to the debenture holders, the Company has considered that the risks and rewards have been transferred when the transferor surrenders control over those assets to the transferee and accounted for as a sale to the extent that consideration other than beneficial interests in the transferred assets is received in exchange. And such beneficial interests do not include other retained interests in the transferred assets.

Servicing assets and other retained interests in the transferred assets are measured by allocating the previous carrying amount between the assets sold, if any, and retained interests, if any, based on their relative fair values at the date of transfer, if practicable.

### 3.6 Investments

Available-for-sale securities are stated at fair value. The fair value of equity securities which are listed securities are estimated by using the bidding prices at the Stock Exchange on the last business day of the year.

Securities for general investment are stated at cost, less allowances for impairment (if any).

Investments in subsidiaries in the separate financial statements are accounted for by the cost method.

Gain or loss on the change in fair value of available-for-sale securities is presented as an item in shareholders' equity. In case impairment in value of investment has occurred, the resultant loss for all classification of investment is recognized in the statement of income.

Cost of securities sold are determined by the weighted average method.

### 3.7 Equipment

Equipment is stated at cost less accumulated depreciation.

Depreciation is calculated by the straight-line method, based on the estimated useful life of the assets of 3-5 years.

### 3.8 Intangible assets

Intangible assets are computer software which is amortized by the straight-line method over the estimated useful lives of 5 years.

### 3.9 Foreign currency transactions

Transactions during the year denominated in foreign currencies are translated into Baht at the rates of exchange ruling on the transaction dates. Monetary assets and liabilities at the balance sheet date denominated in foreign currencies are translated into Baht at the reference exchange rate announced by Bank of Thailand at that date. Gains or losses on exchange arising on settlements or translations are recognized as income or expense when incurred.

### 3.10 Financial instruments

The Company entered into Interest Rate Swap Agreements, Cross Currency Swap Agreements, and Cross Currency Interest Rate Swap Agreements in asset and liability management activities to control exposure to fluctuations in interest and foreign exchange rates.

Income or expense from Interest Rate Swap Agreements used to manage interest rate exposures are recognized as adjustments to interest income or expense in the statement of income.

Gains or losses on Cross Currency Swap Agreements designated as hedges of existing assets and liabilities are recognized as income or expense in the statement of income.

Amounts to be paid and received are offset in the balance sheet.

The Company and its subsidiaries have no policy to speculate in or engage in the trading of any derivative financial instruments.



3.11 Recognition of revenues and expenses

Interest income from purposed loan (since February 21, 2008) and hire-purchase receivable (since February 21, 2008) are recognized on an accrual basis which is calculated by the effective interest method.

Interest income from purposed loan (before February 20, 2008) and hire-purchase receivable (before February 20, 2008) are recognized on an accrual basis which is calculated by the sum of the installment digits method.

Interest income from credit card receivable and personal loan are recognized on an accrual basis.

The Company has stopped recognizing income from debtors who are over 3 consecutive installments contractually past due by stopping income recognition of such receivables since the 4th installment, in accordance with the notification of the Office of the Securities and Exchange Commission ("the SEC") dated April 30, 2004 regarding "The Opinion on Provision for Doubtful Accounts for Consumer Finance Business".

Other income and expenses are recognized on an accrual basis.

3.12 Provident fund

The contribution for employee provident fund is recorded as expenses when incurred.

3.13 Income tax

Income tax expense is based on tax paid and accrued for the year.

3.14 Basic earnings per share

Basic earnings per share are calculated by dividing the net income for the year by the number of weighted average ordinary shares outstanding during the year. In the case of a capital increase, the number of shares is weighted according to time of registration of the paid-up share capital increase. The Company did not have any common share equivalents outstanding which would have dilutive effects on earnings per share.

3.15 Significant use of accounting judgments and estimations

In the application of the Company's accounting policies described above, the management is required to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the reporting period. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Although these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates. Significant accounting estimates are as follows:

(1) Allowance for doubtful accounts and bad debts

The determination of the additional allowance for doubtful accounts from the notification of the Office of the Securities and Exchange Commission requires the use of various assumptions and judgments by the management, which includes the estimated collection losses on receivables, based on the Company's collection experience. The management reviews these estimates and assumptions on a regular basis.

(2) Fair value of financial instruments

For the disclosures of fair value of financial instrument, management's considerable judgment is necessarily required in estimation of fair value. Accordingly, the estimated fair value presented herein is not necessarily indicative of the amount that could be realized in a current market exchange. The use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value.

**4. SUPPLEMENTARY DISCLOSURES OF CASH FLOW INFORMATION**

Non-cash items for the years ended February 20, 2010 and 2009 are as follows

4.1 Cash paid for purchase equipment and costs of software for the years ended February 20, are as follows:

	<b>CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS</b>	
	<b>2010</b>	<b>2009</b>
	<b>Baht</b>	<b>Baht</b>
Investment in cost of equipment		
Liabilities recorded - brought forward	14,324,652	19,420,087
Purchase of equipment	142,807,522	133,034,278
Decrease in deposits for equipment	(27,587,355)	(15,845,368)
	<u>129,544,819</u>	<u>136,608,997</u>
<u>Less</u> Cash payments for purchase of equipment and deposits for equipment	<u>(106,583,945)</u>	<u>(122,284,345)</u>
Liabilities recorded - carried forward	<u>22,960,874</u>	<u>14,324,652</u>
Investment in costs of software		
Liabilities recorded - brought forward	43,902,527	20,918,419
Investment in costs of software	320,877,374	327,533,360
	<u>364,779,901</u>	<u>348,451,779</u>
<u>Less</u> Cash payments for investment in costs of software	<u>(350,036,051)</u>	<u>(304,549,252)</u>
Liabilities recorded - carried forward	<u>14,743,850</u>	<u>43,902,527</u>

4.2 During the years ended February 20, 2010 and 2009, the Company had non-cash item relating to sale of credit card receivables that the Company sold additional revolving credit card receivables during the revolving period which was net settled by the Seller Participation Account of Baht 619,950,514 and Baht 772,546,170, respectively, instead of cash receipt.

4.3 As at February 20, 2010 and 2009, the Company recorded unrealized gain from revaluation on available-for-sales security of Baht 22,482,192 and Baht 34,933,347, respectively.

## 5. ACCOUNTS RECEIVABLE - NET

### 5.1 Accounts receivable - net as at February 20, consist of:

CONSOLIDATED FINANCIAL STATEMENTS						
	2010			2009		
	Due within	Due after	Total	Due within	Due after	Total
	1 year	1 year		1 year	1 year	
	Baht	Baht	Baht	Baht	Baht	Baht
Hire-purchase receivable						
Hire-purchase and accrued						
interest receivable	5,534,963,253	814,977,362	6,349,940,615	5,600,827,083	775,389,270	6,376,216,353
<u>Less</u> Unearned financing income	(580,459,504)	(88,569,824)	(669,029,328)	(536,680,207)	(80,657,375)	(617,337,582)
	4,954,503,749	726,407,538	5,680,911,287	5,064,146,876	694,731,895	5,758,878,771
<u>Less</u> Allowance for doubtful						
accounts	(115,813,713)	-	(115,813,713)	(177,607,406)	-	(177,607,406)
Hire-purchase and accrued						
interest receivable - net	4,838,690,036	726,407,538	5,565,097,574	4,886,539,470	694,731,895	5,581,271,365
Loans receivable						
Loans and accrued interest						
receivable	18,406,937,288	405,995,272	18,812,932,560	17,722,853,686	295,963,817	18,018,817,503
<u>Less</u> Allowance for doubtful						
accounts	(567,381,002)	-	(567,381,002)	(452,167,387)	-	(452,167,387)
Loans and accrued interest						
receivable - net	17,839,556,286	405,995,272	18,245,551,558	17,270,686,299	295,963,817	17,566,650,116
Credit card receivable						
Credit card and accrued						
interest receivable	9,979,797,541	-	9,979,797,541	7,527,648,318	-	7,527,648,318
<u>Less</u> Allowance for doubtful						
accounts	(197,902,024)	-	(197,902,024)	(229,769,030)	-	(229,769,030)
Credit card and accrued						
interest receivable - net	9,781,895,517	-	9,781,895,517	7,297,879,288	-	7,297,879,288
Factoring receivable						
Factoring and accrued						
interest receivable	-	-	-	480,730	-	480,730
<u>Less</u> Deferred income	-	-	-	-	-	-
Factoring and accrued						
interest receivable - net	-	-	-	480,730	-	480,730
<b>Total accounts receivable - net</b>	<b>32,460,141,839</b>	<b>1,132,402,810</b>	<b>33,592,544,649</b>	<b>29,455,585,787</b>	<b>990,695,712</b>	<b>30,446,281,499</b>

As at February 20, 2010 and 2009, Participation in Eternal 3 Special Purpose Vehicle for Securitization Account of Baht 1,063,310,810 and Baht 1,280,479,856, respectively which are non-subordinated and ranked in order of priority pari passu with payment in principal in respect of the debentures of subsidiary, are included are credit card receivables in the consolidated financial statements (see Note 8).

As at February 20, 2010 and 2009, Participation in Eternal 4 Special Purpose Vehicle for Securitization Account of Baht 195,814,892 and Baht 127,946,428, respectively which are non-subordinated and ranked in order of priority pari passu with payment in principal in respect of the debentures of subsidiary, are included in credit card receivables in the consolidated financial statements (see Note 8).

SEPARATE FINANCIAL STATEMENTS						
	2010			2009		
	Due within	Due after	Total	Due within	Due after	Total
	1 year	1 year		1 year	1 year	
	Baht	Baht	Baht	Baht	Baht	Baht
Hire-purchase receivable						
Hire-purchase and accrued						
interest receivable	5,534,963,253	814,977,362	6,349,940,615	5,600,827,083	775,389,270	6,376,216,353
<u>Less</u> Unearned financing income	(580,459,504)	(88,569,824)	(669,029,328)	(536,680,207)	(80,657,375)	(617,337,582)
	4,954,503,749	726,407,538	5,680,911,287	5,064,146,876	694,731,895	5,758,878,771
<u>Less</u> Allowance for doubtful						
accounts	(115,813,713)	-	(115,813,713)	(177,607,406)	-	(177,607,406)
Hire-purchase and accrued						
interest receivable - net	4,838,690,036	726,407,538	5,565,097,574	4,886,539,470	694,731,895	5,581,271,365
Loans receivable						
Loans and accrued interest						
receivable	18,406,937,288	405,995,272	18,812,932,560	17,722,853,686	295,963,817	18,018,817,503
<u>Less</u> Allowance for doubtful						
accounts	(567,381,002)	-	(567,381,002)	(452,167,387)	-	(452,167,387)
Loans and accrued interest						
receivable - net	17,839,556,286	405,995,272	18,245,551,558	17,270,686,299	295,963,817	17,566,650,116
Credit card receivable						
Credit card and accrued						
interest receivable	8,923,600,205	-	8,923,600,205	6,232,527,509	-	6,232,527,509
<u>Less</u> Allowance for doubtful						
accounts	(140,897,450)	-	(140,897,450)	(140,052,794)	-	(140,052,794)
Credit card and accrued						
interest receivable - net	8,782,702,755	-	8,782,702,755	6,092,474,715	-	6,092,474,715
Factoring receivable						
Factoring and accrued						
interest receivable	-	-	-	480,730	-	480,730
<u>Less</u> Deferred income	-	-	-	-	-	-
Factoring and accrued						
interest receivable - net	-	-	-	480,730	-	480,730
<b>Total accounts receivable - net</b>	<b>31,460,949,077</b>	<b>1,132,402,810</b>	<b>32,593,351,887</b>	<b>28,250,181,214</b>	<b>990,695,712</b>	<b>29,240,876,926</b>

- 5.2 Hire-purchase and loan receivables as at February 20, are classified by revenue recognition policies as follows (see Note 3.11):

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS						
	2010			2009		
	Effective rate	Sum-of-digit	Total	Effective rate	Sum-of-digit	Total
	Method	Method		Method	Method	
	Baht	Baht	Baht	Baht	Baht	Baht
Hire-purchase receivable						
Hire-purchase and accrued interest receivable	6,205,977,112	143,963,503	6,349,940,615	5,301,312,126	1,074,904,227	6,376,216,353
<u>Less</u> Unearned financing income	<u>(660,953,408)</u>	<u>(8,075,920)</u>	<u>(669,029,328)</u>	<u>(526,897,705)</u>	<u>(90,439,877)</u>	<u>(617,337,582)</u>
	5,545,023,704	135,887,583	5,680,911,287	4,774,414,421	984,464,350	5,758,878,771
<u>Less</u> Allowance for doubtful accounts	<u>(97,391,840)</u>	<u>(18,421,873)</u>	<u>(115,813,713)</u>	<u>(109,147,668)</u>	<u>(68,459,738)</u>	<u>(177,607,406)</u>
Hire-purchase and accrued interest receivable - net	<u>5,447,631,864</u>	<u>117,465,710</u>	<u>5,565,097,574</u>	<u>4,665,266,753</u>	<u>916,004,612</u>	<u>5,581,271,365</u>
Loans receivable						
Loans and accrued interest receivable	18,796,205,541	16,727,019	18,812,932,560	17,745,295,136	273,522,367	18,018,817,503
<u>Less</u> Allowance for doubtful accounts	<u>(564,233,966)</u>	<u>(3,147,036)</u>	<u>(567,381,002)</u>	<u>(425,094,922)</u>	<u>(27,072,465)</u>	<u>(452,167,387)</u>
Loan and accrued interest receivable - net	<u>18,231,971,575</u>	<u>13,579,983</u>	<u>18,245,551,558</u>	<u>17,320,200,214</u>	<u>246,449,902</u>	<u>17,566,650,116</u>

- 5.3 Quality of assets

Accounts receivable as at February 20, are classified by aging as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2010	2009	2010	2009
	Baht	Baht	Baht	Baht
Less than 3 months	33,697,443,220	30,586,180,071	32,698,250,458	29,380,775,498
3 months up	<u>776,198,168</u>	<u>719,645,251</u>	<u>719,193,594</u>	<u>629,929,015</u>
Total	34,473,641,388	31,305,825,322	33,417,444,052	30,010,704,513
<u>Less</u> Allowance for doubtful accounts	<u>(881,096,739)</u>	<u>(859,543,823)</u>	<u>(824,092,165)</u>	<u>(769,827,587)</u>
Total accounts receivable - net	<u>33,592,544,649</u>	<u>30,446,281,499</u>	<u>32,593,351,887</u>	<u>29,240,876,926</u>

- 5.4 Troubled debt restructuring

For the year ended February 20, 2010, the Company had recognized interest income on restructured debts totaling Baht 1.35 million.

The Company had the following outstanding debts

	CONSOLIDATED FINANCIAL STATEMENTS			
	As at February 20, 2010		As at February 20, 2009	
	Number of	Amount	Number of	Amount
	debtors	Baht	debtors	Baht
Restructured accounts receivable	2,154	89,044,964	-	-
Non-restructured accounts receivable	<u>2,928,449</u>	<u>34,384,596,426</u>	<u>3,118,430</u>	<u>31,305,825,322</u>
Total accounts receivable	<u>2,930,603</u>	<u>34,473,641,390</u>	<u>3,118,430</u>	<u>31,305,825,322</u>

	SEPARATE FINANCIAL STATEMENTS			
	As at February 20, 2010		As at February 20, 2009	
	Number of	Amount	Number of	Amount
	debtors	Baht	debtors	Baht
Restructured accounts receivable	2,154	89,044,964	-	-
Non-restructured accounts receivable	2,723,672	33,328,399,088	2,873,259	30,010,704,513
Total accounts receivable	2,725,826	33,417,444,052	2,873,259	30,010,704,513

As at February 20, 2010, the Company had no commitment to provide additional loans to its restructured debtors after debt restructuring.

## 5.5 Allowance for doubtful accounts

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2010	2009	2010	2009
	Baht	Baht	Baht	Baht
Beginning balances	859,543,823	727,011,978	769,827,587	641,248,103
Bad debts and doubtful accounts	2,802,801,686	2,743,933,771	2,483,812,068	2,351,801,718
Bad debts written off	(2,781,248,770)	(2,611,401,926)	(2,429,547,490)	(2,223,222,234)
Ending balances	881,096,739	859,543,823	824,092,165	769,827,587

## 5.6 Transfers of financial assets (see Note 29.1)

The Company entered into the Receivables Sale and Purchase Agreements with four (4) Special Purposes Vehicle Companies, which were incorporated under the Civil and Commercial Code of Thailand to be special purpose vehicles (SPV) under the Royal Enactment on Special Purpose Juristic Persons for Securitization B.E. 2540 (1997). Under securitization plan which was approved by the Office of the Securities and Exchange Commission, the Company sold an amount of revolving receivables and the SPV also appointed the Company to act as the servicer responsible for collecting payments from its obligor under the Receivables Sale and Purchase Agreements and Servicing Agreements.

Details of aforementioned sales of receivables are summarized as follows:

		ESPV*	ECC**	ESPT***	ETERNAL 4****
Selling date		February 17, 2004	February 16, 2005	February 6, 2006	June 25, 2007
Type of transferred receivables		Hire Purchase Receivable	Credit Card Receivable	Credit Card Receivable	Credit Card Receivable
Revolving period		February 2004 - November 2007 (approximately)	February 2005 - January 2010 (approximately)	February 2006 - January 2011 (approximately)	June 2007 - May 2012 (approximately)
<b>Initial sales of receivables</b>					
Net book value of initial receivables	Baht	1,999,999,755	2,956,800,085	2,782,514,549	3,038,017,234
Proceeds from transfer of the right of receivables	Baht	1,482,499,755	2,000,000,000	2,280,000,000	2,205,000,000
Subordinated lendings (see Note 9)	Baht	517,500,000	816,000,000	370,000,000	744,000,000
Minimum seller participation - pari passu with debentures (see Note 8)	Baht	-	140,800,000	132,500,000	88,470,000
Number of contracts		306,192	213,872	181,389	178,751
Average principal amount outstanding	Baht	6,532	13,825	15,340	16,996
Average principal amount as at the time of origination	Baht	8,542	-	-	-
Interest rate		-	18% p.a.	18% p.a.	18% p.a.
Weighted average nominal interest rate		12.04% p.a.	-	-	-
Weighted average originate term to maturity		11.87 months	-	-	-
Weighted average remaining term to maturity		9.45 months	-	-	-

\* Eternal Special Purpose Vehicle Company Limited

\*\* Eternal Credit Card Special Purpose Vehicle Company Limited

\*\*\* Eternal 3 Special Purpose Vehicle Company Limited (Subsidiary)

\*\*\*\* Eternal 4 Special Purpose Vehicle Company Limited (Subsidiary)

The Company does not recognize other assets obtained in the transfer of financial assets including retained interests on the financial statements because it is not practical to estimate their reasonable fair values.

Other related information is summarized as follows:

(1) Eternal Special Purpose Vehicle Company Limited (ESPV)

During the revolving period under securitization, the ESPV will apply collections received from purchased hire-purchase receivables to purchase additional offered eligible receivables from the Company under the condition specified in the agreement. The purchase price of the offered receivables to be sold will be equal to the total net book value of such offered receivables.

The Company has an option and has to buy back Excess Defaulted Receivables from the ESPV. Excess Defaulted Receivables are receivables having any amount unpaid for an aggregate of three or more Delinquency Cut-off Date, the 20<sup>th</sup> of each calendar month, and not been charged-off and the principal amount of which are not covered by the positive difference between (a) cash income received by the ESPV from the purchased receivables and (b) the interest payable on the debenture and certain expenses of the ESPV incurred in connection with the securitization transaction. Such option will expire if it is not exercised on each monthly purchase date. If the Company does not exercise the option or having exercised the option fails to repurchase all such excess defaulted receivables from the ESPV, such non-exercise or failure shall constitute a trigger event.

Under the Receivables Sales Agreement, Conditions to the repurchase of the Receivables from the ESPV during or at the end of the securitization transaction are as follows:

1. when the receivables sold are ineligible receivables
2. an option to repurchase the excess defaulted receivables
3. an option to repurchase the defaulted receivables
4. an option to repurchase, subject to the applicable law, all remaining Purchased Receivables from the ESPV if the cost of servicing the Purchased Receivables exceeds the benefits for doing so (Clean-up call)
5. an option to repurchase, subject to the applicable law, all remaining Purchased Receivables from the ESPV as a result of a change in Thai tax law after the Closing Date which would make the seller having to indemnify the ESPV against certain tax liabilities.

On May 12, 2008, ESPV redeemed all debentures and the Company repurchased all outstanding receivables from ESPV which led to the end of the ESPV's securitization project. As at February 20, 2010, ESPV is in the process of dissolution.

- (2) Eternal Credit Card Special Purpose Vehicle Company Limited (ECC), Eternal 3 Special Purpose Vehicle Company Limited (ESPT) and Eternal 4 Special Purpose Vehicle Company Limited (Eternal 4)

During the life of the securitization projects, the Company may repurchase the Purchased Receivables from ECC, ESPT and Eternal 4 in the following circumstances:

1. When the Company has breached its representations and warranties with respect to the Purchased Receivables which are ineligible. The Company is obliged to repurchase such ineligible receivables on the next Monthly Purchase Date.
2. On a Monthly Purchase Date, the Company may exercise its option to repurchase any Purchased Receivables which become a defaulted receivable on the Collection Period End Date immediately preceding such Monthly Purchase Date.
3. The Company may exercise the Clean up Call Option for repurchase of remaining Purchased Receivables as a Servicer.
4. The Company may exercise the Tax Redemption Option for repurchase of remaining Purchased Receivables.

On February 10, 2010, ECC redeemed the remaining debentures and subordinated lending and the Company repurchased all outstanding receivables from ECC which led to the end of the ECC's securitization project. As at February 20, 2010, ECC is in the process of dissolution.



The key financial information of Special Purpose Vehicle Companies as of February 20, 2010 and 2009, and for the years ended February 20, 2010 and 2009, is summarized as follows:

	2010			
	ESPV Baht	ECC Baht	ESPT* Baht	ETERNAL 4* Baht
<b>As of February 20,</b>				
Total assets	8,665,856	16,634,719	2,084,325,257	3,171,825,054
Total liabilities	8,621,856	10,833,652	2,084,281,257	3,171,781,054
Total shareholders' equity	44,000	5,801,067	44,000	44,000
<b>For the year ended February 20,</b>				
Total income	652	452,205,826	573,474,793	610,923,494
Bad debts and doubtful accounts	-	104,927,852	147,531,677	171,457,941
Other operating expenses	31,450	135,808,279	157,598,830	176,539,150
Interest expenses	-	129,196,116	116,996,771	223,958,927
Income tax	-	16,728,251	40,262,542	6,801,205
Net income (loss)	(30,798)	65,545,328	111,084,973	32,166,271
	2009 **			
	ESPV Baht	ECC Baht	ESPT* Baht	ETERNAL 4* Baht
<b>As of February 20,</b>				
Total assets	8,996,654	2,179,813,678	2,501,442,795	3,130,830,431
Total liabilities	8,952,654	2,174,012,610	2,501,398,795	3,130,786,431
Total shareholders' equity	44,000	5,801,068	44,000	44,000
<b>For the year ended February 20,</b>				
Total income	19,740,116	573,697,585	677,079,892	696,205,336
Bad debts and doubtful accounts	7,088,947	135,750,274	187,224,194	204,907,859
Other operating expenses	5,221,629	174,960,879	186,300,455	203,179,993
Interest expenses	11,077,339	157,141,669	206,423,413	218,131,935
Income tax	-	26,801,313	28,912,888	22,490,438
Net income (loss)	(3,647,799)	79,043,450	68,218,942	47,495,111

\* Eternal 3 Special Purpose Vehicle Company Limited (ESPT) and Eternal 4 Special Purpose Vehicle Company Limited (ETERNAL4) are the Company's subsidiaries (see Note 1)

\*\* Financial information has been changed following the financial statements which have been audited.

For the years ended February 20, 2010 and 2009, transactions relating to the transfer of financial assets under the securitization projects are summarized as follows:

	<b>2010 Million Baht</b>	<b>2009 Million Baht</b>
Transfers of future credit card receivables (at book value)		
- Credit card receivable (ECC)	2,600	3,368
- Credit card receivable (ESPT)	3,403	4,007
- Credit card receivable (Eternal 4)	3,835	4,828
	<u>9,838</u>	<u>12,203</u>
Cash collection on behalf of Special Purpose Vehicles (SPV)		
- Hire-purchase receivable (ESPV)	-	241
- Credit card receivable (ECC)	3,256	4,143
- Credit card receivable (ESPT)	4,133	4,800
- Credit card receivable (Eternal 4)	4,699	5,414
	<u>12,088</u>	<u>14,598</u>
Servicing income on cash collection from the SPV		
- Hire-purchase receivable (ESPV)	-	4
- Credit card receivable (ECC)	107	139
- Credit card receivable (ESPT)	132	156
- Credit card receivable (Eternal 4)	149	171
	<u>388</u>	<u>470</u>

As at February 20, 2010 and 2009, the outstanding receivables sold to Special Purpose Vehicles and managed by the Company are classified by aging as follows:

	<b>2010 Million Baht</b>	<b>2009 Million Baht</b>
Credit card receivables (included accrued interest income) - ECC		
Less than 3 months	-	2,115
3 months up	-	32
	<u>-</u>	<u>2,147</u>
<u>Less</u> Allowance for doubtful accounts	<u>-</u>	<u>(32)</u>
	<u>-</u>	<u>2,115</u>
Credit card receivables (included accrued interest income) - ESPT		
Less than 3 months	2,005	2,375
3 months up	26	43
	<u>2,031</u>	<u>2,418</u>
<u>Less</u> Allowance for doubtful accounts	<u>(26)</u>	<u>(43)</u>
	<u>2,005</u>	<u>2,375</u>

	<b>2010</b>	<b>2009</b>
	<b>Million</b>	<b>Million</b>
	<b>Baht</b>	<b>Baht</b>
Credit card receivables (included accrued interest income) - Eternal 4		
Less than 3 months	2,179	2,676
3 months up	31	47
	<u>2,210</u>	<u>2,723</u>
<u>Less</u> Allowance for doubtful accounts	<u>(31)</u>	<u>(47)</u>
	<u>2,179</u>	<u>2,676</u>
<b>Total</b>	<b><u>4,184</u></b>	<b><u>7,166</u></b>

## 6. OTHER CURRENT ASSETS - OTHERS

As at February 20, other current assets - others consist of the following:

	<b>CONSOLIDATED AND SEPARATE</b>	
	<b>FINANCIAL STATEMENTS</b>	
	<b>2010</b>	<b>2009</b>
	<b>Baht</b>	<b>Baht</b>
Prepaid expenses	36,264,719	33,905,715
Refundable value-added-tax	14,892,691	-
Value-added-tax not yet due	34,092,304	31,882,933
Advance payment	<u>5,418,602</u>	<u>7,075,281</u>
<b>Total</b>	<b><u>90,668,316</u></b>	<b><u>72,863,929</u></b>

## 7. OTHER LONG-TERM INVESTMENTS

As at February 20, other long-term investments consist of:

7.1 Investments in subsidiaries as at February 20 consist of:

	<b>SEPARATE FINANCIAL STATEMENTS</b>			
	<b>2010</b>		<b>2009</b>	
	<b>% of</b>	<b>Cost</b>	<b>% of</b>	<b>Cost</b>
	<b>Ownership</b>	<b>Baht</b>	<b>Ownership</b>	<b>Baht</b>
Eternal 3 Special Purpose Vehicle Company Limited	26.00	10,400	26.00	10,400
Eternal 4 Special Purpose Vehicle Company Limited	26.00	<u>10,400</u>	26.00	<u>10,400</u>
		<u>20,800</u>		<u>20,800</u>

7.2 Long-term investments in related companies as at February 20 consist of:

CONSOLIDATED AND SEPARATE								
FINANCIAL STATEMENTS								

7.3 Long-term investments in other companies as at February 20 consist of:

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS			
	2010		2009	
	% of Ownership	Cost Baht	% of Ownership	Cost Baht
Eternal SPV Company Limited	26.00	10,400	26.00	10,400
Eternal Credit Card SPV Company Limited	26.00	10,400	26.00	10,400
		<u>20,800</u>		<u>20,800</u>

## 8. PARTICIPATION IN SPECIAL PURPOSE VEHICLES FOR SECURITIZATION

Participation in Special Purpose Vehicles for securitization as at February 20, is as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	2010	2009	2010	2009
	Baht	Baht	Baht	Baht
Eternal Credit Card Special Purpose Vehicle Company Limited	-	470,649,932	-	470,649,932
Eternal 3 Special Purpose Vehicle Company Limited (see Note 24.2.1)	-	-	1,063,310,810	1,280,479,856
Eternal 4 Special Purpose Vehicle Company Limited (see Note 24.2.1)	-	-	195,814,892	127,946,428
	<u>-</u>	<u>470,649,932</u>	<u>1,259,125,702</u>	<u>1,879,076,216</u>
<u>Less</u> Current portion of Participation amounts in Special Purpose Vehicles for securitization	<u>-</u>	<u>(470,649,932)</u>	<u>(1,063,310,810)</u>	<u>(470,649,932)</u>
<b>Participation in Special Purpose Vehicle For Securitization</b>	<u>-</u>	<u>-</u>	<u>195,814,892</u>	<u>1,408,426,284</u>

The Company entered into Credit Card Sales and Purchase Agreements with Eternal Credit Card Special Purpose Vehicle Company Limited (ECC), Eternal 3 Special Purpose Vehicle Company Limited (ESPT) and Eternal 4 Special Purpose Vehicle Company Limited (Eternal 4) under securitization projects. On the contract dates, the Company received partial payments from ECC, ESPT and Eternal 4 with seller participation account under securitization projects of Baht 140,800,085, Baht 132,514,549 and Baht 89,017,233, respectively, which are non-subordinated and ranked in order of priority pari passu with payments of principal in respect of the debentures. The aggregate seller participation account will increase from partial payments of such Special Purpose Vehicle Companies for purchase of Future Receivables and Additional Receivable when such Special Purpose Vehicle Companies' net cash flow generated by the Purchased Receivables is insufficient. Participation account would be reduced in order to repurchase ineligible receivables and receive the excess cash from such Special Purpose Vehicle Companies. However, the Company has to retain such Participation Minimum Amount on ECC, ESPT and Eternal 4 not less than 5%, 5% and 3% of the aggregate of the outstanding principal amount of the debentures and the subordinated loan, respectively, of which such amount will be repaid by cash approximately within 2010, 2011 and 2012, respectively, or when this project ends (see Note 5.6).

On February 10, 2010, ECC redeemed the remaining participation in special purpose vehicle for securitization (see Note 5.6).

## 9. SUBORDINATED LENDING

Subordinated lendings entered with Special Purpose Vehicles as at February 20, are as follows:

	CONSOLIDATED AND SEPARATE	
	FINANCIAL STATEMENTS	
	2010	2009
	Baht	Baht
Subordinated lending		
Eternal Credit Card Special Purpose Vehicle Company Limited (ECC)	-	642,686,834
Eternal 3 Special Purpose Vehicle Company Limited (ESPT) (see Note 24.2.1)	217,035,005	370,000,000
Eternal 4 Special Purpose Vehicle Company Limited (Eternal 4) (see Note 24.2.1)	744,000,000	744,000,000
	961,035,005	1,756,686,834
<u>Less</u> Current portion of subordinated lendings	<u>(217,035,005)</u>	<u>(642,686,834)</u>
<b>Subordinated lendings - net</b>	<b>744,000,000</b>	<b>1,114,000,000</b>

- On February 16, 2005, the Company entered into the subordinated bridging loan agreement with Eternal Credit Card Special Purpose Vehicle Company Limited (ECC) amounting to Baht 816,000,000 for the purpose of partial payment of the Initial Credit Card Receivables from ECC under the provision of the Receivable Sale Agreement (see Note 5.6). The interest is paid on the monthly basis at the rate of 5% per annum. Subsequently, such bridging loan was refinanced to be subordinated term loan in August 2005 in accordance with such Bridging Loan Agreement. The term loan is due in the year 2010 and the interest is paid on the monthly basis at the rate of 15% per annum. The Company received partial repayment of such subordinated lending on April 10, 2008.

Subsequently, on February 10, 2010, ECC redeemed the remaining subordinated lending (see Note 5.6).

- On February 6, 2006, the Company entered into the subordinated bridging loan agreement with Eternal 3 Special Purpose Vehicle Company Limited (ESPT) amounting to Baht 370,000,000 for the purpose of partial payment of the Initial Credit Card Receivables from ESPT under the provision of the Receivable Sale Agreement (see Note 5.6). The interest is paid on the monthly basis at the rate of 15% per annum. Subsequently, such bridging loan was refinanced to be subordinated term loan in July 2006 in accordance with such Bridging Loan Agreement. The term loan is due in the year 2011 and the interest is paid on the monthly basis at the rate of 15% per annum. The Company received partial repayment of such subordinated lending on March 10, 2009.
- On June 25, 2007, the Company entered into the subordinated bridging loan agreement with Eternal 4 Special Purpose Vehicle Company Limited (Eternal 4) amounting to Baht 744,000,000 for the purpose of partial payment of the Initial Credit Card Receivables from Eternal 4 under the provision of the Receivable Sale Agreement (see Note 5.6). The interest is paid on the monthly basis at the rate of 15% per annum. Subsequently, such bridging loan was refinanced to be subordinated term loan in September 2007 in accordance with such Bridging Loan Agreement. The term loan is due in the year 2012 and the interest is paid on the monthly basis at the rate of 15% per annum.

## 10. EQUIPMENT - NET

Equipment - net as at February 20, consists of the following:

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS				
	Balance as at February 20, 2009 Baht	Additions Baht	Disposals Baht	Balance as at February 20, 2010 Baht
Cost:				
Furniture and office equipment	1,465,225,814	142,807,522	(29,935,854)	1,578,097,482
Total	1,465,225,814	142,807,522	(29,935,854)	1,578,097,482
Accumulated depreciation:				
Furniture and office equipment	(1,041,135,940)	(159,152,295)	28,789,823	(1,171,498,412)
Total	(1,041,135,940)	(159,152,295)	28,789,823	(1,171,498,412)
Total equipment - net	424,089,874			406,599,070

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS				
	Balance as at February 20, 2008 Baht	Additions Baht	Disposals Baht	Balance as at February 20, 2009 Baht
Cost:				
Furniture and office equipment	1,391,007,872	133,034,278	(58,816,336)	1,465,225,814
Total	1,391,007,872	133,034,278	(58,816,336)	1,465,225,814
Accumulated depreciation:				
Furniture and office equipment	(897,194,263)	(171,109,481)	27,167,804	(1,041,135,940)
Total	(897,194,263)	(171,109,481)	27,167,804	(1,041,135,940)
Total equipment - net	493,813,609			424,089,874

	2010 Baht	2009 Baht
Depreciation for the years ended February 20,	159,152,295	171,109,481

As at February 20, 2010 and 2009, the costs of fully depreciated assets still in use are Baht 765.4 million and Baht 745.5 million, respectively.

# 11. INTANGIBLE ASSETS - NET

Intangible assets - net as at February 20, consist of the following:

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS					
	Balance as at February 20, 2009	Additions	Disposals/ Write-off	Transfer In (Transfer Out)	Balance as at February 20, 2010
	Baht	Baht	Baht	Baht	Baht
<b>Cost:</b>					
Computer software	1,612,013,009	257,700,506	(2,516,766)	109,409,877	1,976,606,626
Computer software under installation	99,619,152	63,176,868	-	(109,409,877)	53,386,143
Total Cost	<u>1,711,632,161</u>	<u>320,877,374</u>	<u>(2,516,766)</u>	<u>-</u>	<u>2,029,992,769</u>
<b>Accumulated amortization:</b>					
Computer software	(888,989,573)	(271,269,582)	2,516,766	-	(1,157,742,389)
Total accumulated amortization	<u>(888,989,573)</u>	<u>(271,269,582)</u>	<u>2,516,766</u>	<u>-</u>	<u>(1,157,742,389)</u>
<b>Intangible assets- net</b>	<u>822,642,588</u>				<u>872,250,380</u>

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS					
	Additions February 20, 2008	Additions	Disposals/ Write-off	Transfer In (Transfer Out)	Balance as at February 20, 2009
	Baht	Baht	Baht	Baht	Baht
<b>Cost:</b>					
Computer software	1,237,616,474	314,711,403	(17,794,048)	77,479,180	1,612,013,009
Computer software under installation	164,276,375	12,821,957	-	(77,479,180)	99,619,152
Total Cost	<u>1,401,892,849</u>	<u>327,533,360</u>	<u>(17,794,048)</u>	<u>-</u>	<u>1,711,632,161</u>
<b>Accumulated amortization:</b>					
Computer software	(656,989,455)	(241,051,418)	9,051,300	-	(888,989,573)
Total accumulated amortization	<u>(656,989,455)</u>	<u>(241,051,418)</u>	<u>9,051,300</u>	<u>-</u>	<u>(888,989,573)</u>
<b>Intangible assets- net</b>	<u>744,903,394</u>				<u>822,642,588</u>

	2010 Baht	2009 Baht
Amortization for the years ended February 20,	<u>271,269,582</u>	<u>241,051,418</u>



## 12. OTHER NON-CURRENT ASSETS

Other non-current assets as at February 20, consist of the following:

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS	
	2010	2009
	Baht	Baht
Deposits	84,333,219	111,507,586
Prepaid commission expenses	25,717,411	29,094,511
Deferred expenses	5,297,636	13,119,274
<b>Total</b>	<b>115,348,266</b>	<b>153,721,371</b>

## 13. SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

Short-term loans from financial institutions as at February 20, are short-term loans from various financial institutions in the form of unsecured promissory notes. The details are as follows:

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS					
	2010			2009		
	Interest rate %	Foreign Currency	Baht Equivalent	Interest rate %	Foreign Currency	Baht Equivalent
Loan in USD currency	1.55 - 2.00	18,942,000	631,225,102	-	-	-
Loan in THB currency	1.65 - 1.77		4,215,000,000	3.25 - 4.87		5,490,000,000
<b>Total</b>			<b>4,846,225,102</b>			<b>5,490,000,000</b>

## 14. LONG-TERM LOANS

The Company entered into long-term loan agreements and issued bills of exchange in THB and foreign currencies as follows:

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS			
	As at February 20, 2010		As at February 20, 2009	
	Foreign Currencies	Baht Equivalent	Foreign Currencies	Baht Equivalent
Repayable within fiscal year ending				
February 20, 2010				
- Loan in JPY currency				
Interest rate (p.a.)				
• 2.00%	-	-	Yen 1,500,000,000	573,085,500
• JPY-LIBOR 6M + 0.40%	-	-	Yen 6,000,000,000	2,292,342,000
		<b>-</b>		<b>2,865,427,500</b>

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

	As at February 20, 2010		As at February 20, 2009	
	Foreign Currencies	Baht Equivalent	Foreign Currencies	Baht Equivalent
- Loan in THB currency				
Interest rate (p.a.)				
● THBFIX 6M + 0.40%		-		500,000,000
● THBFIX 6M + 0.75%		-		1,000,000,000
● THBFIX 6M + 0.80%		-		370,000,000
● THBFIX 6M + 0.60%		-		1,000,000,000
		<hr/>		<hr/>
		-		2,870,000,000
		<hr/>		<hr/>
- Bill of exchange in THB currency				
Interest rate (p.a.)				
● 4.30%		-		700,000,000
		<hr/>		<hr/>
		-		700,000,000
		<hr/>		<hr/>
		-		6,435,427,500
<u>Less</u> Loan issuance cost		-		(2,804,234)
		<hr/>		<hr/>
		-		6,432,623,266
		<hr/>		<hr/>
Repayable within fiscal year ending				
February 20, 2011				
- Loan in JPY currency				
Interest rate (p.a.)				
● JPY-BBA-LIBOR + 0.54%	Yen 3,000,000,000	1,104,039,000	Yen 3,000,000,000	1,146,171,000
● 1.851%	Yen 2,000,000,000	736,026,000	Yen 2,000,000,000	764,114,000
● 1.970%	Yen 1,000,000,000	368,013,000	Yen 1,000,000,000	382,057,000
● JPY LIBOR 6M + 0.65%	Yen 2,000,000,000	736,026,000	Yen 2,000,000,000	764,114,000
● 1.71%	Yen 2,500,000,000	920,032,500	Yen 2,500,000,000	955,142,500
		<hr/>		<hr/>
		3,864,136,500		4,011,598,500
		<hr/>		<hr/>
- Loan in THB currency				
● THBFIX 6M + 0.64%		300,000,000		300,000,000
● 4.595%		1,500,000,000		1,500,000,000
● 4.75%		300,000,000		300,000,000
● 5.20%		200,000,000		200,000,000
● 5.25%		500,000,000		500,000,000
● THBFIX 6M + 0.45%		750,000,000		750,000,000
● THBFIX 6M + 0.10%		570,000,000		570,000,000
		<hr/>		<hr/>
		4,120,000,000		4,120,000,000
		<hr/>		<hr/>
		7,984,136,500		8,131,598,500
<u>Less</u> Loan issuance cost		(1,372,800)		(3,640,094)
		<hr/>		<hr/>
		7,982,763,700		8,127,958,406
		<hr/>		<hr/>
Repayable within fiscal year ending				
February 20, 2012				
- Loan in JPY currency				
Interest rate (p.a.)				
● JPY- LIBOR 6M + 0.50%	Yen 3,500,000,000	1,288,045,500	Yen 3,500,000,000	1,337,199,500
● JPY- LIBOR 6M + 0.40%	Yen 4,250,000,000	1,564,055,250	Yen 4,250,000,000	1,623,742,250
● JPY- LIBOR 6M + 0.75%	Yen 2,500,000,000	920,032,500	Yen 2,500,000,000	955,142,500
● 1.905%	Yen 2,000,000,000	736,026,000	Yen 2,000,000,000	764,114,000
		<hr/>		<hr/>
		4,508,159,250		4,680,198,250
		<hr/>		<hr/>

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

As at February 20, 2010					As at February 20, 2009						
			Foreign		Baht				Foreign		Baht
			Currencies		Equivalent				Currencies		Equivalent
- Loan in THB currency											
Interest rate (p.a.)											
● THBFIX 6M + 0.414%					500,000,000						500,000,000
● THBFIX 6M + 0.10%					300,000,000						300,000,000
● 4.95%					100,000,000						100,000,000
					900,000,000						900,000,000
					5,408,159,250						5,580,198,250
<u>Less</u> Loan issuance cost					(4,859,079)						(8,410,104)
					5,403,300,171						5,571,788,146
Repayable within fiscal year ending											
February 20, 2013											
- Loan in USD currency											
Interest rate (p.a.)											
● USD-LIBOR 6M + 0.50%			USD	58,000,000	1,932,797,800						-
● USD-LIBOR 6M + 0.50%			USD	15,200,000	506,526,320						-
					2,439,324,120						-
- Loan in THB currency											
Interest rate (p.a.)											
● THBFIX 6M + 0.10%					570,000,000						570,000,000
● THBFIX 6M + 0.45%					700,000,000						700,000,000
● THBFIX 6M + 0.60%					1,100,000,000						1,100,000,000
● THBFIX 6M + 1.50%					1,450,000,000						-
● 5.30%					1,000,000,000						-
					4,820,000,000						2,370,000,000
- Loan in JPY currency											
Interest rate (p.a.)											
● JPY- LIBOR 6M + 1.50%			Yen	5,250,000,000	1,932,068,250						-
					1,932,068,250						-
					9,191,392,370						2,370,000,000
<u>Less</u> Loan issuance cost					(52,738,798)						-
					9,138,653,572						2,370,000,000
Repayable within fiscal year ending											
February 20, 2014											
- Loan in JPY currency											
Interest rate (p.a.)											
● JPY- LIBOR 6M + 0.50%			Yen	3,500,000,000	1,288,045,500	Yen 3,500,000,000				1,337,199,500	
					1,288,045,500						1,337,199,500
<u>Less</u> Loan issuance cost					(6,337,413)						(8,241,245)
					1,281,708,087						1,328,958,255
Repayable within fiscal year ending											
February 20, 2015											
- Loan in THB currency											
Interest rate (p.a.)											
● THBFIX 6M + 0.60%					370,000,000						-
					370,000,000						-
Total					24,176,425,530						23,831,328,073
<u>Less</u> Current portion of long-term loans					(7,982,763,700)						(6,432,623,266)
Total long-term loans - net					16,193,661,830						17,398,704,807

To manage risk that might occur from the fluctuation in currency and interest rate, the Company has entered into interest rate swap agreements, cross currency swap agreements and cross currency interest rate swap agreements to hedge its debts as follows:

**As at February 20, 2010**

Principal to be Received	Interest rate to be received	Principal to be paid Baht	Interest rate to be paid %	Period
JPY 2,500,000,000	1.71%	771,250,000	5.40	Aug 18, 2008 - Aug 18, 2010
JPY 2,000,000,000	1.851%	592,200,000	4.91	Sep 7, 2007 - Sep 7, 2010
JPY 1,000,000,000	1.970%	298,000,000	5.02	Sep 11, 2007 - Sep 13, 2010
JPY 3,000,000,000	JPY-BBA-LIBOR + 0.54%	1,053,000,000	6.97	Nov 10, 2005 - Sep 30, 2010
THB 300,000,000	THBFIX 6M + 0.64%	300,000,000	6.91	Nov 10, 2005 - Sep 30, 2010
THB 570,000,000	THBFIX 6M + 0.10%	570,000,000	4.84	Nov 22, 2007 - Nov 22, 2010
JPY 2,000,000,000	JPY-LIBOR 6M + 0.65%	613,000,000	5.43	Jan 8, 2008 - Jan 11, 2011
THB 750,000,000	THBFIX 6M + 0.45%	750,000,000	4.70	Jan 21, 2008 - Jan 21, 2011
THB 300,000,000	THBFIX 6M + 0.10%	300,000,000	4.14	Mar 31, 2008 - Mar 31, 2011
JPY 3,500,000,000	JPY-LIBOR 6M + 0.50%	1,076,250,000	6.24	Jun 20, 2008 - Jun 20, 2011
JPY 4,250,000,000	JPY-LIBOR 6M + 0.4%	1,317,500,000	5.95	Jul 29, 2008 - Jul 29, 2011
THB 500,000,000	THBFIX 6M + 0.414%	500,000,000	4.99	Aug 6, 2007 - Aug 8, 2011
JPY 2,000,000,000	1.905%	698,000,000	4.71	Oct 15, 2008 - Oct 17, 2011
JPY 2,500,000,000	JPY-LIBOR 6M + 0.75%	900,000,000	4.54	Nov 20, 2008 - Nov 21, 2011
THB 500,000,000	THBFIX 6M + 0.60%	500,000,000	5.52	Feb 21, 2007 - Feb 21, 2012
THB 1,450,000,000	THBFIX 6M + 1.50%	1,450,000,000	4.30	Apr 9, 2009 - Apr 9, 2012
THB 400,000,000	THBFIX 6M + 0.45%	400,000,000	4.75	Jun 25, 2007 - Jun 25, 2012
JPY 5,250,000,000	JPY-LIBOR 6M + 1.50%	1,885,275,000	4.88	Aug 7, 2009 - Aug 7, 2012
THB 600,000,000	THBFIX 6M + 0.60%	600,000,000	5.485	Sep 2, 2008 - Sep 2, 2012
THB 300,000,000	THBFIX 6M + 0.45 %	300,000,000	5.10	Sep 11, 2007 - Sep 11, 2012
THB 570,000,000	THBFIX 6M + 0.10%	570,000,000	5.10	Sep 13, 2007 - Sep 13, 2012
USD 58,000,000	USD-LIBOR 6M + 0.50%	1,970,840,000	3.53	Sep 30,2009 - Sep 28, 2012
USD 15,200,000	USD-LIBOR 6M + 0.50%	504,640,000	3.70	Feb 16,2010 - Feb 19, 2013
JPY 3,500,000,000	JPY-LIBOR 6M + 0.50%	1,076,250,000	6.61	Jun 20, 2008 - Jun 20, 2013
THB 370,000,000	THBFIX 6M + 0.60%	370,000,000	4.80	Aug 11, 2009 - Aug 11, 2014

**As at February 20, 2009**

<b>Principal to be received</b>	<b>Interest rate to be received</b>	<b>Principal to be paid Baht</b>	<b>Interest rate to be paid %</b>	<b>Period</b>
THB 370,000,000	THBFIX 6M + 0.80%	370,000,000	6.60	Aug 11, 2006 - Aug 11, 2009
JPY 1,500,000,000	2.00%	484,050,000	6.725	Aug 18, 2006 - Aug 18, 2009
THB 1,000,000,000	THBFIX 6M + 0.60%	1,000,000,000	5.75	Nov 20, 2006 - Nov 20, 2009
JPY 6,000,000,000	JPY-LIBOR 6M + 0.40%	1,873,200,000	5.67	Nov 20, 2006 - Nov 20, 2009
THB 500,000,000	THBFIX 6M + 0.40%	500,000,000	5.45	Feb 6, 2007 - Feb 8, 2010
THB 1,000,000,000	THBFIX 6M + 0.75%	1,000,000,000	5.35	Feb 19, 2007 - Feb 19, 2010
JPY 2,500,000,000	1.71%	771,250,000	5.40	Aug 18, 2008 - Aug 18, 2010
JPY 2,000,000,000	1.851%	592,200,000	4.91	Sep 7, 2007 - Sep 7, 2010
JPY 1,000,000,000	1.970%	298,000,000	5.02	Sep 11, 2007 - Sep 13, 2010
JPY 3,000,000,000	JPY-BBA-LIBOR + 0.54%	1,053,000,000	6.97	Nov 10, 2005 - Sep 30, 2010
THB 300,000,000	THBFIX 6M + 0.64%	300,000,000	6.91	Nov 10, 2005 - Sep 30, 2010
THB 570,000,000	THBFIX 6M + 0.10%	570,000,000	4.84	Nov 22, 2007 - Nov 22, 2010
JPY 2,000,000,000	JPY-LIBOR 6M + 0.65%	613,000,000	5.43	Jan 8, 2008 - Jan 11, 2011
THB 750,000,000	THBFIX 6M + 0.45%	750,000,000	4.70	Jan 21, 2008 - Jan 21, 2011
THB 300,000,000	THBFIX 6M + 0.10%	300,000,000	4.14	Mar 31, 2008 - Mar 31, 2011
JPY 3,500,000,000	JPY-LIBOR 6M + 0.50%	1,076,250,000	6.24	Jun 20, 2008 - Jun 20, 2011
JPY 4,250,000,000	JPY-LIBOR 6M + 0.40%	1,317,500,000	5.95	Jul 29, 2008 - Jul 29, 2011
THB 500,000,000	THBFIX 6M + 0.414%	500,000,000	4.99	Aug 6, 2007 - Aug 8, 2011
JPY 2,000,000,000	1.905 %	698,000,000	4.71	Oct 15, 2008 - Oct 17, 2011
JPY 2,500,000,000	JPY-LIBOR 6M + 0.75%	900,000,000	4.54	Nov 20, 2008 - Nov 21, 2011
THB 500,000,000	THBFIX 6M + 0.60%	500,000,000	5.52	Feb 21, 2007 - Feb 21, 2012
THB 400,000,000	THBFIX 6M + 0.45%	400,000,000	4.75	Jun 25, 2007 - Jun 25, 2012
THB 600,000,000	THBFIX 6M + 0.60%	600,000,000	5.485	Sep 2, 2008 - Sep 2, 2012
THB 300,000,000	THBFIX 6M + 0.45 %	300,000,000	5.10	Sep 11, 2007 - Sep 11, 2012
THB 570,000,000	THBFIX 6M + 0.10%	570,000,000	5.10	Sep 13, 2007 - Sep 13, 2012
JPY 3,500,000,000	JPY-LIBOR 6M + 0.50%	1,076,250,000	6.61	Jun 20, 2008 - Jun 20, 2013

## 15. LONG-TERM DEBENTURES

As at February 20, 2010 and 2009, long-term debentures represent unsubordinated and unsecured debentures which the details are as follows:

								CONSOLIDATED AND SEPARATE	
								FINANCIAL STATEMENTS	
Issue date	Maturity date	No. of units	Currency	Par value per unit	Amount	Interest rate %	Term of interest Payment	2010 Baht	2009 Baht
15/07/05	15/07/10	300,000	THB	1,000	300,000,000	4.94	Semi-annual	300,000,000	300,000,000
25/08/08	25/08/10	1,000,000	THB	1,000	1,000,000,000	4.59	Semi-annual	1,000,000,000	1,000,000,000
25/08/08	25/08/12	1,000,000	THB	1,000	1,000,000,000	5.20	Semi-annual	1,000,000,000	1,000,000,000
19/12/08	19/12/11	15	JPY	100,000,000	1,500,000,000	JPY-TIBOR 6M + 0.45	Semi-annual	552,019,500	573,085,500
								2,852,019,500	2,873,085,500
<u>Less</u> Debenture issuance cost								(20,250,818)	(34,605,095)
								2,831,768,682	2,838,480,405
<u>Less</u> Current portion of long-term debentures								(1,296,473,547)	-
<b>Long-term debentures - net</b>								<b>1,535,295,135</b>	<b>2,838,480,405</b>

- (1) On June 9, 2005, the Annual General Meeting of shareholders of 2005 had the resolution for the Issuance and Offering of unsubordinated and unsecured debentures in THB currency to offer for sale to general public and/ or specific investors and/or institutional investors. An issuing amount of the debentures is not exceeded Baht 5 billion equivalent amount and a tenor is not more than 5 years from each issuance date. Interest rate depends on market at time of offer and issuance. Authorized directors shall be empowered to consider conditions and other details for the issue and offering of the bonds. The Company had partially issued debenture in June and July 2005 in total of Baht 1,320 million.

In June and July 2008, the Company partially repaid debentures amounting to Baht 500 million and Baht 520 million, respectively. Remaining debenture amounting to Baht 300 million will be due on July 15, 2010.

Subsequently, on August 25, 2008, the Company has issued and offered additional debenture under the remaining balance as follows:

- Tranche 1 debentures issued and offered to general investors amounting to Baht 1,000 million with interest rate of 4.59% per annum, payable on semi-annual basis, and will be due on August 25, 2010. Such debenture is guaranteed by a bank in Japan.
- Tranche 2 debentures issued and offered to general investors amounting to Baht 1,000 million with interest rate of 5.20% per annum, payable on semi-annual basis, and will be due on August 25, 2012. Such debenture is guaranteed by a bank in Japan and Japan Bank for International Cooperation ("JBIC").

- (2) On June 18, 2008, the Annual General Meeting of shareholders of 2008 had the resolution for the Issuance and Offering of unsubordinated and unsecured debentures in JPY currency to offer for sale to specific investors and/or institutional investors. An issuing amount of the debentures is not to exceed Baht 3 billion equivalent amount and a tenor is not more than 5 years from each issuance date. Interest rate depends on market at time of offer and issuance. Authorized directors shall be empowered to consider conditions and other details for the issue and offering of the bonds.

Subsequently, on December 19, 2008, the Company has partially issued and offered debenture amounting to JPY 1,500 million to a bank in Japan with interest rate of JPY - TIBOR 6 month plus 0.45% per annum, payable on semi-annual basis, and will be due on December 19, 2011. Such debenture is guaranteed by the same bank.

- (3) On June 17, 2009, the Company's Annual General meeting of shareholders of 2009 had the resolution for the issuance and offering of debentures in an issuing amount not exceeding Baht 3 billion. The currency, tenor, interest rate and other conditions will be considered and approved by the Board of Director's Meeting later when the Company is ready for the issuance and offering of debentures.

To manage risk that might occur from the fluctuation in currency and interest rate of long-term debenture in foreign currency, the Company has entered into cross currency and interest rate swap contract to hedge its debt as follows:

Principal to be received	Interest rate to be received %	Principal to be paid Baht	Interest rate to be paid %	Period
JPY 1,500,000,000	JPY-TIBOR 6M + 0.45	582,750,000	2.88	Dec 19, 2008 - Dec 19, 2011

- (4) On February 6, 2006 and June 25, 2007, Eternal 3 Special Purpose Vehicle Co., Ltd. and Eternal 4 Special Purpose Vehicle Co., Ltd., the Company's subsidiaries, issued the debentures of Baht 2,280,000,000 and Baht 2,205,000,000, respectively, under the Securitization projects. Cash flow from a pool of credit card receivables will be used to make payments under the Debentures. Interest on the Debentures will be payable monthly commencing on March 10, 2006 and August 10, 2007, respectively.

On February 10, 2008 Eternal 3 Special Purpose Vehicle Co., Ltd. repaid partially debenture of Baht 1,500 million. As at February 20, 2010 and 2009, the subsidiaries' debentures are as follows:

Debenture Classes	Maturity date	Amount Baht	Interest rate %	2010 Baht	2009 Baht
<b>Eternal 3 Special Purpose Vehicle Co, Ltd.</b>					
Class A-2	February 10, 2011	500,000,000	5.88	500,000,000	500,000,000
Class B	Amortizing basis following February 10, 2011	120,000,000	6.13	120,000,000	120,000,000
Class C	Amortizing basis following February 10, 2011	160,000,000	6.33	160,000,000	160,000,000
				<u>780,000,000</u>	<u>780,000,000</u>
<b>Eternal 4 Special Purpose Vehicle Co, Ltd.</b>					
Class A-1	July 10, 2010	1,500,000,000	4.39	1,500,000,000	1,500,000,000
Class A-2	July 10, 2012	500,000,000	4.76	500,000,000	500,000,000
Class B	Amortizing basis following July 10, 2012	205,000,000	4.76	205,000,000	205,000,000
				<u>2,205,000,000</u>	<u>2,205,000,000</u>
				<u>2,985,000,000</u>	<u>2,985,000,000</u>

Such subsidiaries' debentures are eliminated against credit card receivables in the consolidated financial statements.

## **16. SHAREHOLDERS' EQUITY**

At the Annual General Meeting of shareholders held on June 18, 2008, the shareholders had the resolution to approve the following significant matters:

- The appropriation of the net income of Baht 650,000,000 as a reserve for business expansion.
- The declaration of final dividends for the fiscal year 2007 at the rate of Baht 1.00 per share amounting to Baht 250,000,000. The aforementioned shareholders included 16,200 shares of foreign shareholders who had no right to receive dividend in accordance with regulation of Thailand Securities Depository, thus the Company paid dividend to shareholders amounting to Baht 249,983,800 on June 30, 2008.

On September 26, 2008, the board of directors' meeting passed a resolution to declare interim dividends for the 2008 fiscal year at the rate of Baht 1.05 per share amounting to Baht 262,500,000. The aforementioned shareholders include 26,000 shares of foreign shareholders who had no right to receive dividend in accordance with regulation of Thailand Securities Depository, thus the Company paid dividend to shareholders amounting to Baht 262,472,700 on October 24, 2008. Such interim dividends were subsequently approved by the Company's shareholders on June 17, 2009.

At the Annual General Meeting of shareholders held on June 17, 2009, the shareholders had the resolution to approve the following significant matters:

- The appropriation of the net income of Baht 650,000,000 as a reserve for business expansion.
- The declaration of final dividends for the fiscal year 2008 at the rate of Baht 1.05 per share amounting to Baht 262,500,000. The aforementioned shareholders included 16,000 shares of foreign shareholders who had no right to receive dividend in accordance with regulation of Thailand Securities Depository, thus the Company paid dividend to shareholders amounting to Baht 262,483,200 on June 30, 2009.

On September 24, 2009, the Board of Directors' meeting passed a resolution to declare interim dividends for the 2009 fiscal year at the rate of Baht 1.05 per share amounting to Baht 262,500,000. The aforementioned shareholders include 16,000 shares of foreign shareholders who had no right to receive dividend in accordance with regulation of Thailand Securities Depository, thus the Company paid dividend to shareholders amounting of Baht 262,483,200 on October 20, 2009.

## **17. LEGAL RESERVE**

Pursuant to the Public Limited Companies Act. B.E. 2535 (1992), the Company must allocate to a reserve fund from the annual net profit, not less than five percent of the annual net profit deducted by the total accumulated loss brought forward (if any) until the reserve fund reaches an amount of not less than ten percent of the registered capital.

As at February 20, 2010 and 2009, the Company's statutory reserve equals to 10% of the registered share capital.



## 18. CAPITAL MANAGEMENT

The Company's objective in managing capital is to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders.

Monitoring the capital of the Company is conducted in accordance with the covenant on financial ratio stipulated in loan agreements.

The Company has been granted the license to operate the non-finance institution personal loan from the Ministry of Finance. The Company must have authorized share capital at least Baht 50 million.

The Company has policy to pay dividend at least 30% of net profit. The dividend payment is subject to the resolution of the shareholders' meeting after the board of director's approval.

## 19. REVENUE RELATING TO SECURITIZATION TRANSACTION

Revenue relating to securitization transaction incurred from sales of hire purchase and credit card receivables is included in Hire Purchase and Credit Card Income for presentation.

For the years ended February 20, 2010 and 2009, the details of revenues from securitization transaction consist of the following:

	CONSOLIDATED FINANCIAL STATEMENTS	
	2010 Baht	2009 Baht
Credit Card Income		
Interest income from subordinated lending (see Note 9)	81,344,061	107,941,669
Revenue from seller participation in Special Purpose Vehicle	7,269,184	833,094
Dividend from investment in Special Purpose Vehicle	65,515,727	78,934,293
Servicing income	107,211,074	138,925,433
Total	<u>261,340,046</u>	<u>326,634,489</u>
Hire Purchase Income		
Interest income from subordinated lending (see Note 9)	-	10,241,818
Dividend from investment in Special Purpose Vehicle	-	4,480,533
Servicing income	-	4,239,033
Total	<u>-</u>	<u>18,961,384</u>
	SEPARATE FINANCIAL STATEMENTS	
	2010 Baht	2009 Baht
Credit Card Income		
Interest income from subordinated lending (see Note 9)	237,148,885	275,499,477
Revenue from seller participation in Special Purpose Vehicle	46,128,058	27,542,629
Dividend from investment in Special Purpose Vehicles	208,737,370	194,618,746
Servicing income	387,662,423	465,431,810
Total	<u>879,676,736</u>	<u>963,092,662</u>
Hire Purchase Income		
Interest income from subordinated lending (see Note 9)	-	10,241,818
Dividend from investment in Special Purpose Vehicle	-	4,480,533
Servicing income	-	4,239,033
Total	<u>-</u>	<u>18,961,384</u>

## 20. DIRECTORS AND MANagements' REMUNERATION

Directors' remuneration represents the benefits paid to the Company's directors in accordance with Section 90 of the Public Limited Companies Act. Managements' remuneration represents cash remuneration as salaries and bonus paid to the Company's managements.

For the years ended February 20, 2010, and 2009, directors and managements' remuneration are as follows:

	CONSOLIDATED AND SEPARATE	
	FINANCIAL STATEMENTS	
	2010	2009
	Baht	Baht
Managements remuneration	40,157,570	64,242,362
Directors remuneration	8,940,000	9,415,000
	<u>49,097,570</u>	<u>73,657,362</u>

Directors' remuneration for the years 2010 and 2009 was approved by the ordinary shareholders' meeting of the Company held on June 17, 2009 and June 18, 2008, respectively.

## 21. CORPORATE INCOME TAX

According to the Royal Decree No. 475 B.E. 2551 issued under the Revenue Code regarding the corporate income tax rate deduction effective on August 7, 2008, the corporate income tax for listed companies in the Stock Exchange of Thailand has been reduced from 30% to 25% of net profit which does not exceed Baht 300 million. This will remain in effect for three consecutive accounting periods beginning on or after January 1, 2008. Therefore, the Company has used such tax rates for the corporate income tax calculations for the years ended February 20, 2010 and 2009 to conform to such tax rate change.

## 22. PROVIDENT FUND

The Company has set up a contributory provident fund. The contribution from employees is deducted from the monthly salaries, with the Company matching the individual's contribution. The Company registered its provident fund in accordance with the Provident Fund Act. B.E. 2530 (1987) on June 1, 1999. This provident fund is managed by an authorized fund manager.

For the years ended February 20, 2010 and 2009, the Company contributed Baht 5,146,013 and Baht 4,645,529, respectively, to the provident fund and recorded them as expenses.

## 23. EXPENSES BY NATURE

Net profit for the years ended February 20, 2010 and 2009 have been arrived at after deducting the following significant expenses:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2010	2009	2010	2009
	Baht	Baht	Baht	Baht
Directors' and management remuneration	49,097,570	73,657,362	49,097,570	73,657,362
Staff costs	698,405,105	753,098,083	698,405,105	753,098,083
Marketing expenses	466,037,190	534,884,143	466,037,190	534,884,143
Equipment expenses	434,965,469	472,976,516	434,965,469	472,976,516
Depreciation and amortization	430,421,877	412,160,899	430,421,877	412,160,899
Communication expenses	279,033,913	325,749,486	279,033,913	325,749,486
Premises expenses	287,499,951	281,512,764	287,499,951	281,512,764
Outsource collection expenses	367,267,593	269,797,845	347,636,000	246,942,399
Special business tax & duty stamp	199,417,232	192,058,415	170,590,498	158,550,681
Bad debts and doubtful accounts	2,802,801,686	2,743,933,771	2,483,812,068	2,351,801,718
Finance cost	1,691,438,578	1,738,641,864	1,545,146,578	1,508,353,858

## 24. TRANSACTIONS WITH RELATED PARTIES

The consolidated and the separate financial statements include certain transactions with the subsidiaries and related parties. The relationship may be by shareholding or the companies may have the same group of shareholders or directors. The consolidated and the separate financial statements reflect the effects of these transactions on the basis determined by the Company, the subsidiaries and the related parties which are as follows:

### 24.1 Investments in subsidiaries

Related parties	Relationship	SEPARATE FINANCIAL STATEMENTS					
		As at			As at		
		February 20,			February 20,		
		2010			2009		
		Paid-up	%	Cost	Dividend	Cost	Dividend
		Capital	Ownership		Received		Received
		Baht		Baht	Baht	Baht	Baht
Eternal 3 Special Purpose Vehicle Company Limited	Subsidiary	40,000	26.0	10,400	111,070,172	10,400	68,204,142
Eternal 4 Special Purpose Vehicle Company Limited	Subsidiary	40,000	26.0	10,400	32,151,471	10,400	47,480,311
				<u>20,800</u>	<u>143,221,643</u>	<u>20,800</u>	<u>115,684,453</u>

## 24.2 Business transaction with related parties

### 24.2.1 Balances with related parties

Related parties	Relationship	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		As at February 20,		As at February 20,	
		2010	2009	2010	2009
		Baht	Baht	Baht	Baht
<b>Other Current Assets - other accounts receivable</b>					
Eternal 3 Special Purpose Vehicle Company Limited	Subsidiary	-	-	-	10,959,933
Eternal 4 Special Purpose Vehicle Company Limited	Subsidiary	-	-	18,651,834	20,998,032
Aeon Credit Service Company Limited	Major shareholder and two common directors	5,406	-	5,406	-
ACS Capital Corporation Limited	Shareholder and four common directors	61,804	107,000	61,804	107,000
Aeon (Thailand) Co., Ltd.	Holding shares and two common directors	344,732	4,226,885	344,732	4,226,885
ACS Insurance Broker (Thailand) Co., Ltd.	Three common directors	367,423	1,275,042	367,423	1,275,042
ACS Servicing (Thailand) Co., Ltd.	One common director	40,966	-	40,966	-
ACS Life Insurance Broker (Thailand) Co., Ltd.	Three common directors	230,403	2,156,309	230,403	2,156,309
		<u>1,050,734</u>	<u>7,765,236</u>	<u>19,702,568</u>	<u>39,723,201</u>
<b>Other Non-Current Assets</b>					
Aeon (Thailand) Co., Ltd.	Holding shares and two common directors	190,500	190,500	190,500	190,500
<b>Participation in Special Purpose Vehicle for Securitization (Note 8)</b>					
Eternal 3 Special Purpose Vehicle Company Limited	Subsidiary	-	-	1,063,310,810	1,280,479,856
Eternal 4 Special Purpose Vehicle Company Limited	Subsidiary	-	-	195,814,892	127,946,428
		<u>-</u>	<u>-</u>	<u>1,259,125,702</u>	<u>1,408,426,284</u>

Related parties	Relationship	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		As at February 20,		As at February 20,	
		2010	2009	2010	2009
		Baht	Baht	Baht	Baht
<b>Subordinated lending (Note 9)</b>					
Eternal 3 Special Purpose Vehicle Company Limited	Subsidiary	217,035,005	370,000,000	217,035,005	370,000,000
Eternal 4 Special Purpose Vehicle Company Limited	Subsidiary	744,000,000	744,000,000	744,000,000	744,000,000
		<u>961,035,005</u>	<u>1,114,000,000</u>	<u>961,035,005</u>	<u>1,114,000,000</u>
<b>Accounts payable</b>					
Aeon (Thailand) Co., Ltd.	Holding shares and two common directors	5,915,713	2,155,125	5,915,713	2,155,125
ACS Insurance Broker (Thailand) Co., Ltd.	Three common directors	44,699,718	42,507,159	44,699,718	42,507,159
ACS Life Insurance Broker (Thailand) Co., Ltd.	Three common directors	24,201,180	26,789,401	24,201,180	26,789,401
Jay Mart Public Company Limited	One common director	2,758,115	-	2,758,115	-
		<u>77,574,726</u>	<u>71,451,685</u>	<u>77,574,726</u>	<u>71,451,685</u>
<b>Accounts payable - other</b>					
Eternal 3 Special Purpose Vehicle Company Limited	Subsidiary	-	-	45,337,143	35,256,380
Eternal 4 Special Purpose Vehicle Company Limited	Subsidiary	-	-	220,713,649	151,352,378
Aeon Credit Service Company Limited	Major shareholder and two common directors	1,479,038	1,614,198	1,479,038	1,614,198
ACS Insurance Broker (Thailand) Co., Ltd.	Three common directors	3,196,008	2,240,393	3,196,008	2,240,393
ACS Capital Corporation Limited	Shareholder and four common directors	159,695	-	159,695	-
ACS Servicing (Thailand) Co., Ltd.	One common director	25,664,515	25,904,184	25,664,515	25,904,184
		<u>30,499,256</u>	<u>29,758,775</u>	<u>296,550,048</u>	<u>216,367,533</u>
<b>Accrued expenses - other</b>					
ACS Insurance Broker (Thailand) Co., Ltd.	Three common directors	15,197	-	15,197	-
Jay Mart Public Company Limited	One common director	427,600	379,920	427,600	379,920
		<u>442,797</u>	<u>379,920</u>	<u>442,797</u>	<u>379,920</u>

## 24.2.2 Transactions with related parties

Related parties	Relationship	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		For the years ended		For the years ended	
		February 20,		February 20,	
		2010	2009	2010	2009
		Baht	Baht	Baht	Baht
<b>Credit card income</b>					
Aeon (Thailand) Co., Ltd.	Holding shares and two common directors	696,964	461,108	696,964	461,108
<b>Revenue relating to securitization transaction</b>					
Eternal 3 Special Purpose Vehicle Company Limited	Subsidiary	-	-	313,036,782	299,945,908
Eternal 4 Special Purpose Vehicle Company Limited	Subsidiary	-	-	305,299,908	336,512,265
		<u>-</u>	<u>-</u>	<u>618,336,690</u>	<u>636,458,173</u>

		CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		For the years ended		For the years ended	
		February 20,		February 20,	
Related parties	Relationship	2010	2009	2010	2009
		Baht	Baht	Baht	Baht
Other income					
ACS Capital Corporation Limited	Shareholder and four common directors	26,400,000	26,400,000	26,400,000	26,400,000
ACS Life Insurance Broker (Thailand) Co., Ltd.	Three common directors	4,800,000	5,100,000	4,800,000	5,100,000
ACS Servicing (Thailand) Co., Ltd.	One common director	7,200,000	6,719,045	7,200,000	6,719,045
ACS Insurance Broker (Thailand) Co., Ltd.	Three common directors	9,885,493	9,092,176	9,885,493	9,092,176
ACS Credit Management Company Limited	Holding shares and one common director	2,204,910	1,911,540	2,204,910	1,911,540
AEON Credit Service (M) Sdn. Bhd.	Holding shares and one common director	2,695,200	2,021,387	2,695,200	2,021,387
		<u>53,185,603</u>	<u>51,244,148</u>	<u>53,185,603</u>	<u>51,244,148</u>
Operating and administrative expenses					
Collection service fee					
ACS Servicing (Thailand) Co., Ltd.	One common director	272,611,720	245,644,046	272,611,720	245,644,046
Others					
Aeon Credit Service Company Limited	Major shareholder and two common directors	49,415,755	36,474,202	49,415,755	36,474,202
Aeon (Thailand) Co., Ltd.	Holding shares and two common directors	4,173,492	3,440,647	4,173,492	3,440,647
ACS Capital Corporation Limited	Shareholder and four common directors	16,303,665	16,064,971	16,303,665	16,064,971
Jay Mart Public Company Limited	One common director	9,223,083	6,826,498	9,223,083	6,826,498
ACS Servicing (Thailand) Co., Ltd.	One common director	2,658,462	2,293,584	2,658,462	2,293,584
Aeon Credit Technology System (Philippines)	Holding shares and one common director	4,662,421	-	4,662,421	-
		<u>359,048,598</u>	<u>310,743,948</u>	<u>359,048,598</u>	<u>310,743,948</u>
Dividend payment					
Aeon Credit Service Company Limited	Major shareholder and two common directors	184,380,000	179,990,000	184,380,000	179,990,000
ACS Capital Corporation Limited	Shareholder and four common directors	100,800,000	98,400,000	100,800,000	98,400,000
		<u>285,180,000</u>	<u>278,390,000</u>	<u>285,180,000</u>	<u>278,390,000</u>
Purchase Intangible assets					
Aeon Credit Technology System (Philippines)	Holding shares and one common director	8,572,878	-	8,572,878	-

- For the years ended February 20, 2010 and 2009, other income includes the management and operating fee charged to ACS Capital Corporation Limited, ACS Insurance Broker (Thailand) Co., Ltd., ACS Life Insurance Broker (Thailand) Co., Ltd. and ACS Servicing (Thailand) Co., Ltd. at the rates of Baht 950,000 per month, Baht 300,000 per month, Baht 300,000 per month and Baht 400,000 per month, respectively, and for the computer fee at the rates of Baht 1,000,000 per month, Baht 100,000 per month, Baht 100,000 per month, and Baht 200,000 per month, respectively, and charged to ACS Capital Corporation Limited for marketing support fee at the rate of Baht 200,000 per month and the marketing research fee at the rate of Baht 50,000 per month. Revenues relating to securitization transactions are determined by the Company and the related parties in accordance with securitization project (see Notes 5.6 and 19).
- Collection service fee paid to ACS Servicing (Thailand) Co., Ltd. is based on general market price and in the normal course of business.
- Technical assistant fee is paid to Aeon Credit Service Company Limited as stated in the agreement.
- Pricing policy for other operating and administrative expenses is determined by the Company and related parties based on the cost plus basis.

#### 24.3 Lease and service agreements

As at February 20, the Company has lease and service agreements with a related party as follows:

		CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS			
Related party	Relationship	Remaining period		Remaining expenses	
		2010	2009	2010	2009
				Baht	Baht
Office rental and service					
Aeon (Thailand) Co., Ltd.	Holding shares and two common directors	21/2/10 – 28/2/10	21/2/09 - 30/6/09	14,950	226,737

Prices and conditions are the same as Aeon (Thailand) Co., Ltd. offered to other third parties.

## 25. LONG-TERM OPERATING LEASE AND SERVICE AGREEMENTS

As at February 20, 2010 and 2009, the Company has long-term lease and service agreements with other third parties as follows:

Type	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS			
	2010		2009	
	Rental amount		Rental amount	
	Within 1 year Baht	Over 1 to 5 years Baht	Within 1 year Baht	Over 1 to 5 years Baht
Office rental and Service	103,677,104	41,540,850	61,876,017	21,974,716
Equipment lease	79,691,229	93,258,165	126,193,999	60,197,620

## **26. FINANCIAL INFORMATION BY SEGMENT**

The operation of the Company consists of credit given for hire purchase, personal loans, credit card and factoring business. The results of operation of these activities are measured as a single segment. In addition, these activities are carried out in Thailand.

As a result, revenues, operating profits and total assets as reflected in these financial statements pertain to the aforementioned industry segment and geographical area.

## **27. DISCLOSURE OF INFORMATION RELATING TO FINANCIAL INSTRUMENTS**

The Company presents and discloses financial instruments in accordance with the Thai Accounting Standard No. 32 regarding “Presentation and Disclosure of Financial Instruments” (previously No.48).

The Company entered into Interest Rate Swap Agreements, Cross Currency Swap Agreements, and Cross Currency Interest Rate Swap Agreements in asset and liability management activities to control exposure to fluctuations in interest and foreign exchange rates. The Company does not hold derivatives for trading purposes.

### **27.1 Accounting policies**

Details of significant accounting policies are disclosed in Note 3.

### **27.2 Credit risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company and subsidiaries. Concentrations of the credit risk with respect to trade receivables are limited due to the large number of customers comprising the customer base, and their dispersion across different geographic regions. However, the Company and subsidiaries have adopted the policy to prevent this risk by performing credit analysis from customers’ information and following up on customer status consistently.

In the case of recognized financial assets, the carrying amount of the assets recorded in the balance sheet, net of a portion of allowance for doubtful accounts, represents the Company’s maximum exposure to credit risk.

### **27.3 Interest rate risk**

Interest rate risk arises from a potential for a change in interest rates to have an adverse effect on the Company and subsidiaries in the current reporting period and in future years.

The Company did not have interest rate fluctuation risk as all of the loans carrying floating interest rate have been hedged. Details of cross currency and interest rate swaps are disclosed in Notes 14 and 15.

The subsidiaries did not have interest rate fluctuation risk as all of the loans carry fixed rates.



#### 27.4 Foreign exchange risk

Foreign exchange risk arises from the change in foreign currency exchange rate to have an adverse effect on the Company in the current reporting period and in future years. The Company did not anticipate any foreign exchange risk which may have a material effect on the result of operations as all the transactions in foreign currency have been hedged by entering into cross currency swap agreements.

In addition, in order to manage risk from fluctuation in currency and interest rate, the Company has entered into various cross currency and interest rate swap agreements to hedge its long-term debts as disclosed in Notes 14 and 15.

#### 27.5 Estimated fair value of financial instruments

Thai Accounting Standard No. 32, “Financial Instruments : Disclosure and Presentation” (previously No.48), requires certain fair value disclosures. Considerable judgment is necessarily required in estimation of fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amount that could be realized in a current market exchange.

The use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value. The following methods and assumptions were used by the Company in estimating fair value of financial instruments.

Cash and cash equivalents : fixed deposits used as collateral, accounts receivable, short-term loans from financial institutions, accounts payable and factoring payable; almost carrying values outstanding balance approximate their fair values due to short period maturity.

Other long-term investments : based on amount recognized in the balance sheet. .

Subordinated lending : the management believes that the approximate fair value of subordinated lending is based on the amounts recognized in the balance sheet because there is no equivalent subordinated lending in the market for reference.

Long-term loans : the fair values of long-term loans bearing floating rate of interest are based on the amount recognized in the balance sheet. The fair values of long-term loans and debentures bearing fixed rates of interest are estimated based on the discounted cash flows using average current interest rate over remaining period to maturity.

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS			
	As at February 20, 2010		As at February 20, 2009	
	Carrying value	Fair value	Carrying value	Fair value
	Baht	Baht	Baht	Baht
Long-term loans bearing fixed interest rate	6,360,097,500	5,687,843,736	6,738,513,000	5,695,388,079
Long-term debentures bearing fixed interest rate	2,852,019,500	2,944,667,334	2,873,085,500	2,956,843,447

The Company has entered into various cross currency and interest rate swap contracts to reduce foreign exchange risk and interest rate risk associated with foreign currency loans.

As at February 20, 2010 and 2009, the carrying amount and estimated fair value of receivables and/or payables per currency swap contracts are as followings

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS 2010				
	Less than 1 year Baht	Carrying amount 1 - 5 years Baht	Total Baht	Fair value Gain (loss) Baht
<b>Receivable per currency swap</b>				
Cross Currency Swap Agreements	362,621,500	38,026,000	400,647,500	271,606,264
Cross Currency Interest Rate Swap Agreements	176,006,989	738,858,320	914,865,309	127,270,359
	<u>538,628,489</u>	<u>776,884,320</u>	<u>1,315,512,809</u>	<u>398,876,623</u>
<b>Payable per currency swap</b>				
Cross Currency Interest Rate Swap Agreements	2,018,548	68,772,700	70,791,248	(97,513,515)
Interest Rate Swap Agreements	59,210,496	-	59,210,496	(305,327,386)
	<u>61,229,044</u>	<u>68,772,700</u>	<u>130,001,744</u>	<u>(402,840,901)</u>
CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS 2009				
	Less than 1 year Baht	Carrying amount 1 - 5 years Baht	Total Baht	Fair value Gain (loss) Baht
<b>Receivable per currency swap</b>				
Cross Currency Swap Agreements	89,035,500	505,977,500	595,013,000	442,802,918
Cross Currency Interest Rate Swap Agreements	419,142,000	1,127,568,750	1,546,710,750	682,078,141
	<u>508,177,500</u>	<u>1,633,546,250</u>	<u>2,141,723,750</u>	<u>1,124,881,059</u>
<b>Payable per currency swap</b>				
Cross Currency Interest Rate Swap Agreements	-	9,664,500	9,664,500	(8,242,871)
Interest Rate Swap Agreements	24,056,617	-	24,056,617	(386,459,759)
	<u>24,056,617</u>	<u>9,664,500</u>	<u>33,721,117</u>	<u>(394,702,630)</u>

## 28. CREDIT FACILITIES AND LETTER OF GUARANTEE

- 28.1 As at February 20, 2010 and 2009, the Company has the committed and unsecured revolving credit facility agreements with various financial institutions for general corporate funding requirements. The details are as follows:

As at February 20, 2010	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS	
	Revolving credit facilities	
	Currency	Amount
May 20, 2009 - May 20, 2010	Baht	400,000,000
August 21, 2009 - August 21, 2010	Baht	370,000,000

As at February 20, 2009	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS	
	Revolving credit facilities	
	Currency	Amount
May 12, 2008 - May 11, 2009	Baht	550,000,000
August 21, 2008 - August 21, 2009	Baht	370,000,000

As at February 20, 2010 and 2009, such credit facilities are unused by the Company.

- 28.2 As at February 20, 2010 and 2009, the Company has bank's letter of guarantees issued to suppliers for guarantee payment of Baht 6,600,000 and Baht 6,900,000, respectively.
- 28.3 As at February 20, 2010 and 2009, the Company has unused overdraft facilities with various banks totaling Baht 95,000,000. Such overdraft facilities are unsecured.

As at February 20, 2010 and 2009, the overdraft facilities are unused by the Company.

## 29. IMPORTANT AGREEMENTS RELATING TO SECURITIZATION TRANSACTION

- 29.1 Receivables Sale Agreements (See Note 5.6)

29.1.1 The Company entered into the Receivables Sale Agreement with the Eternal Special Purpose Vehicle Company Limited (ESPV), on February 17, 2004. Such agreement sets out the procedures and terms in respect of the sale and purchase of the Initial Hire-purchase Receivables on the Closing Date and of additional Offered Receivables on each Purchase Date including the rights, obligations and responsibilities of both parties. In addition, the Receivables Sale Agreement also sets out the terms and conditions in respect of the resale and repurchase of the Excess Defaulted Receivables on each Monthly Purchase Date, as well as in respect of the resale and repurchase of the Purchased Receivables on each Monthly Allocation Date in the event they are Ineligible Receivables or following the exercise by the Seller of the option to repurchase, during the Amortization Period, the Purchased Receivables which became Defaulted Receivables during the immediately preceding Collection Period or following the exercise by the Servicer of the Clean-up Call or the exercise by the Seller of the repurchase option as a result of a change in Thai tax law.

On May 12, 2008, ESPV redeemed all debentures and the Company repurchased all outstanding receivables from ESPV which led to the end of the ESPV's securitization project. As at February 20, 2010, ESPV is in the process of dissolution.

- 29.1.2 The Company entered into the Receivables Sale and Purchase Agreements with Eternal Credit Card Special Purpose Vehicle Company Limited (ECC), Eternal 3 Special Purpose Vehicle Company Limited (ESPT), and Eternal 4 Special Purpose Vehicle Company Limited (Eternal 4), on February 16, 2005, February 6, 2006 and June 25, 2007, respectively. Such agreements set out the procedures and terms in respect of the sale and purchase of the Initial Receivables on the Closing Date, for Future Receivables on each Purchase Date and for Additional Receivables on each Monthly Purchase Date including the rights, obligations and responsibilities of both parties. The Receivables Sale and Purchase Agreements also set out the terms and conditions in respect of the resale and repurchase of the Ineligible Receivables and Defaulted Receivables.

On February 10, 2010, ECC redeemed the remaining debentures and subordinated lending and the Company repurchased all outstanding receivables from ECC which led to the end of the ECC's securitization project. As at February 20, 2010, ECC is in the process of dissolution.

## 29.2 Servicing Agreements

- 29.2.1 The Company entered into the Servicing Agreement with the ESPV on February 17, 2004. Based on such agreement, the ESPV appointed the Company (as a transferor and servicer) to provide certain administration services (including record-keeping and producing written reports relating to the Collections), to act as the collection agent and other services for hire-purchase receivables in relation to the Purchased Receivables. In addition, the Servicing Agreement also set out other relevant terms, such as the scope of the services, the payment of service fees, the termination of the appointment of the Servicer and the Back-up Servicer, and the appointment of the substitute servicer.

Due to the end of the ESPV's securitization project on May 12, 2008 (see Note 5.6), this agreement between ESPV and the Company was terminated on the same date.

- 29.2.2 The Company entered into the Servicing Agreements with the ECC, ESPT (the subsidiary), and Eternal4 (the subsidiary), on February 16, 2005, February 6, 2006, and June 25, 2007, respectively. Based on such agreements, the ECC and the subsidiaries appointed the Company (as a transferor and servicer) to provide certain administration services (including record-keeping and producing written reports relating to the Collections), to act as the collection agent and other services for credit card receivables in relation to the Purchased Receivables. In addition, the Servicing Agreement also set out other relevant terms, such as the scope of the services, the payment of service fees, the termination of the appointment of the Servicer and the Back-up Servicer, and the appointment of the substitute servicer.

Due to the end of the ECC's securitization project on February 20, 2010 (see Note 5.6), this agreement between ECC and the Company was terminated on the same date.

### 30. RECLASSIFICATIONS

Certain reclassifications have been made to the consolidated and separate financial statements for the year ended February 20, 2009 to conform to the classifications used in the consolidated and separate financial statements for the year ended February 20, 2010 as follows:

Account	CONSOLIDATED FINANCIAL STATEMENTS Baht	SEPARATE FINANCIAL STATEMENTS Baht	Previous presentation	Current presentation
<b>Balance sheet</b>				
Current portion of Participation amounts in Special Purpose Vehicles for securitization due within one year	470,649,932	470,649,932	Participation amounts in Special Purpose Vehicles for securitization	Current portion of Participation amounts in Special Purpose Vehicles for securitization due within one year
Current portion of subordinated lending due within one year	642,686,834	642,686,834	Subordinated lending	Current portion of subordinated lending due within one year
Accounts receivable - Revenue Department	3,313,883	3,313,883	Other current assets	Other receivables
Withholding income tax	19,523,282	19,356,123	Other current assets	Offset with accrued Income tax
Loan issuance cost	2,804,234	2,804,234	Other non-current assets	Offset with current portion of long-term loan
Loan issuance cost	20,291,443	20,291,443	Other non-current assets	Offset with long-term loans
Debenture issuance cost	34,605,095	34,605,095	Other non-current assets	Offset with long-term debentures
Payables per currency swap contracts	24,056,617	24,056,617	Accrued interest expense	Payables per currency swap contracts
<b>Statement of income</b>				
Directors and managements remuneration	73,657,362	73,657,362	Administrative expenses	Directors and managements remuneration
Gain on sale of fixed assets	3,408,799	3,408,799	Other income	Gain on sale of fixed assets

### 31. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved for issuing by the Company's authorized director on April 9, 2010.