

EASY BUY Public Company Limited

Interim financial statements
for the three-month period ended
31 March 2013

and

Independent auditor's report on review of interim financial
information



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Independent Auditor's Report on Review of Interim Financial Information

To the Board of Directors of EASY BUY Public Company Limited

I have reviewed the accompanying statement of financial position of EASY BUY Public Company Limited as at 31 March 2013; the statements of comprehensive income, changes in equity and cash flows for the three-month period ended 31 March 2013; and condensed notes ("interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

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

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

(Siripen Sukcharoenyingyong)
Certified Public Accountant
Registration No. 3636

KPMG Phoomchai Audit Ltd.
Bangkok
10 May 2013

EASY BUY Public Company Limited

Statements of financial position

		31 March	31 December
Assets	Note	2013	2012
		(Unaudited)	
		(in thousand Baht)	
<i>Current assets</i>			
Cash and cash equivalents		407,148	554,290
Loan receivables due within one year	4	28,638,634	28,287,847
Other receivables		333,344	361,993
Total current assets		29,379,126	29,204,130
<i>Non-current assets</i>			
Loan receivables	4	225,362	251,852
Leasehold improvements and equipment		385,842	348,205
Intangible assets		35,347	34,443
Deferred tax assets	6	584,944	524,797
Other non-current assets		67,151	73,878
Total non-current assets		1,298,646	1,233,175
Total assets		30,677,772	30,437,305

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

EASY BUY Public Company Limited

Statements of financial position

		31 March 2013 (Unaudited)	31 December 2012
Liabilities and equity	Note		
<i>(in thousand Baht)</i>			
Current liabilities			
Short-term loans from financial institutions	3, 7	1,350,000	2,421,000
Trade accounts payable		17,819	13,451
Other payables	3	409,877	495,707
Current portion of long-term loans			
from financial institutions	3, 7	3,702,789	2,161,724
Current portion of debenture	7	498,861	1,498,343
Income tax payable		623,374	410,562
Total current liabilities		6,602,720	7,000,787
Non-current liabilities			
Long-term loans from financial institutions	3, 7	10,428,439	11,398,086
Debenture	7	7,313,814	6,315,300
Employee benefit obligations		24,727	22,152
Provision for demolished cost of			
leasehold improvements		50,175	46,904
Other non-current liabilities		467	467
Total non-current liabilities		17,817,622	17,782,909
Total liabilities		24,420,342	24,783,696
Equity			
Share capital	8		
Authorised share capital		3,900,000	3,900,000
Issued and paid-up share capital		3,900,000	3,900,000
Retained earnings			
Appropriated to legal reserve		127,380	127,380
Unappropriated		2,230,050	1,626,229
Total equity		6,257,430	5,653,609
Total liabilities and equity		30,677,772	30,437,305

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

EASY BUY Public Company Limited
Statements of comprehensive income (Unaudited)

		Three month period ended	
		31 March	
	<i>Note</i>	2013	2012
		<i>(in thousand Baht)</i>	
<i>Income</i>			
Income from personal loans		2,029,367	1,924,340
Income from installment loans		8,976	11,527
Other income		277,918	241,451
Total income		2,316,261	2,177,318
<i>Expenses</i>			
Operating expenses		154,867	152,702
Administrative expenses		491,241	436,406
Bad debts and doubtful accounts expenses	4	612,641	589,658
Finance costs	3	301,026	308,417
Total expenses		1,559,775	1,487,183
Profit before income tax expense		756,486	690,135
Income tax expense		(152,665)	(165,946)
Profit and total comprehensive income for the period		603,821	524,189
Basic earnings per share (Baht)	10	1.55	1.34

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

EASY BUY Public Company Limited

Statements of changes in equity (Unaudited)

	Issued and paid-up share capital	Retained earnings		Total equity
		Appropriated to legal reserve	Unappropriated	
Three-month period ended 31 March 2012				
		<i>(in thousand Baht)</i>		
Balance at 1 January 2012	300,000	30,000	3,796,007	4,126,007
Profit and total comprehensive income for the period	-	-	524,189	524,189
Balance at 31 March 2012	300,000	30,000	4,320,196	4,650,196
Three-month period ended 31 March 2013				
Balance at 1 January 2013	3,900,000	127,380	1,626,229	5,653,609
Profit and total comprehensive income for the period	-	-	603,821	603,821
Balance at 31 March 2013	3,900,000	127,380	2,230,050	6,257,430

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

EASY BUY Public Company Limited

Statements of cash flows (Unaudited)

	Three month period ended 31 March	
	2013	2012
	<i>(in thousand Baht)</i>	
<i>Cash flows from operating activities</i>		
Profit for the period	603,821	524,189
<i>Adjustments for</i>		
Depreciation and amortisation	25,269	24,640
Finance costs	301,026	308,417
Bad debt and doubtful accounts	612,641	589,658
Allowance for decline in value of repossessed assets	-	10
Employee benefit obligations	2,575	827
(Gain) loss on disposal of equipment and intangible assets	(403)	1,630
Income tax expense	152,665	165,946
	<u>1,697,594</u>	<u>1,615,317</u>
<i>Changes in operating assets and liabilities</i>		
Loan receivables	(936,937)	(953,083)
Other receivables	17,278	(31,907)
Other non-current assets	18,097	(13,995)
Trade accounts payable	4,368	(1,973)
Other payables	(81,450)	(55,923)
Other non-current liabilities	108	(1,095)
Finance costs paid	(315,868)	(361,154)
Cash generated from operating activities	<u>403,190</u>	<u>196,187</u>
Income tax paid	<u>-</u>	<u>(12)</u>
Net cash from operating activities	<u>403,190</u>	<u>196,175</u>
<i>Cash flows from investing activities</i>		
Purchase of leasehold improvements and equipment	(44,575)	(23,682)
Sale of equipment	775	39
Purchase of intangible assets	(1,932)	(856)
Net cash used in investing activities	<u>(45,732)</u>	<u>(24,499)</u>

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

EASY BUY Public Company Limited

Statements of cash flows (Unaudited)

	Three month period ended	
	31 March	
	2013	2012
	<i>(in thousand Baht)</i>	
<i>Cash flows from financing activities</i>		
Decrease in short-term loans from financial institutions	(1,071,000)	(1,036,000)
Proceeds from long-term loans from financial institutions	1,085,400	2,970,000
Repayment of long-term loans from financial institutions	(519,000)	(3,066,760)
Proceeds from issuing debenture	1,000,000	1,840,000
Repayment of debenture	<u>(1,000,000)</u>	<u>-</u>
Net cash provided by (used in) financing activities	<u>(504,600)</u>	<u>707,240</u>
 Net increase (decrease) in cash and cash equivalents	 (147,142)	 878,916
Cash and cash equivalents at 1 January	<u>554,290</u>	<u>578,784</u>
Cash and cash equivalents as at 31 March	<u><u>407,148</u></u>	<u><u>1,457,700</u></u>

Non-cash transaction

During the three-month period ended 31 March 2013, the Company acquired leasehold improvements and equipment totalling Baht 57.7 million (2012 : Baht 23.7 million) and cash payments of Baht 44.6 million (2012 : Baht 23.7 million) were made to purchase leasehold improvements and equipment.

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

EASY BUY Public Company Limited
Notes to the interim financial statements
For the three-month period ended 31 March 2013 (Unaudited)

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EASY BUY Public Company Limited
Notes to the interim financial statements
For the three-month period ended 31 March 2013 (Unaudited)

These notes form an integral part of the interim financial statements.

The interim financial statements issued for Thai regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 10 May 2013.

1 General information

EASY BUY Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 5th Floor, Sathorn Square Office Tower, 98 North Sathorn Road, Silom, Bangrak, Bangkok.

The immediate parent company during the financial period was ACOM Co., Ltd. which is incorporated in Japan.

The principal businesses of the Company are consumer finance business representing personal loans and installment loans.

2 Basis of preparation of the interim financial statements

(a) Statement of compliance

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard (TAS) No. 34 (revised 2009) *Interim Financial Reporting*; guidelines promulgated by the Federation of Accounting Professions (FAP); and applicable rules and regulations of the Thai Securities and Exchange Commission.

The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2012. They do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company for the year ended 31 December 2012.

The FAP has issued the following new and revised TFRS relevant to the Company’s operations and effective for accounting periods beginning on or after 1 January 2013:

TFRS	Topic
TAS 21 (revised 2009)	The Effects of Changes in Foreign Exchange Rates
TFRS 8	Operating Segments

The adoption of these new and revised TFRS did not have any impact on accounting policies and financial position or performance of the Company.

In addition to the above new and revised TFRS, as at 31 March 2013 the FAP had issued a number of new interpretations which are effective for financial statements beginning on or after 1 January 2014 and have not been adopted in the preparation of these interim financial statements. Those new interpretations that are relevant to the Company’s operations are disclosed in note 13.

Accounting policies and methods of computation applied in these interim financial statements are consistent with those applied in the financial statements for the year ended 31 December 2012.

EASY BUY Public Company Limited
Notes to the interim financial statements
For the three-month period ended 31 March 2013 (Unaudited)

(b) Functional and presentation currency

The interim financial statements are presented in Thai Baht, which is the Company's functional currency. All financial information presented in Thai Baht has been rounded in the notes to the financial statements to the nearest thousand unless otherwise stated.

(c) Use of estimates and judgements

The preparation of interim financial statements in conformity with Thai Financial Reporting Standards (TFRS) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these interim financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2012.

3 Related parties

For the purposes of these financial statements, parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decision, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationships with related parties were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
ACOM Co., Ltd.	Japan	Parent company, 71% shareholding
ACOM (U.S.A.) Inc.	The United States of America	Related party, wholly owned by the parent company
The Bank of Tokyo-Mitsubishi UFJ, Bangkok branch	Japan	Financial institution in group of Mitsubishi UFJ Financial Group (MUFG), 40.20% shareholding in parent company
Mitsubishi UFJ Trust and Banking Corporation, Singapore branch	Japan	Financial institution in group of Mitsubishi UFJ Financial Group (MUFG), 40.20% shareholding in parent company
GCT Management (Thailand) Ltd.	Thailand	Shareholder, 25% shareholding
Key management personnel	Japan, Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Company

EASY BUY Public Company Limited
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The pricing policies for particular types of transactions are explained further below:

Transactions	Pricing policies
<i>Finance costs</i>	
Interest expense	as agreed in contracts
Guarantee fee	as agreed in contracts

Significant transactions for the three-month periods ended 31 March 2013 and 2012 with related parties were as follows:

<i>Three-month period ended 31 March</i>	2013 (in thousand Baht)	2012
Parent		
Guarantee fee	10,097	10,664
Other related parties		
Interest expense	91,134	98,948
Key management personnel		
Key management personnel compensation	20,777	16,731

Balances as at 31 March 2013 and 31 December 2012 with related parties were as follows:

<i>Long-term loans from financial institutions</i>	31 March 2013 (in thousand Baht)	31 December 2012
Other related parties		
Mitsubishi UFJ Trust and Banking Corporation, Singapore branch - JPY 6,050 million (31 December 2012 : JPY 6,050 million)	2,243,669	2,243,669
The Bank of Tokyo-Mitsubishi UFJ, Bangkok branch	3,900,000	3,900,000
ACOM (U.S.A.) Inc. - USD 52 million (31 December 2012 : USD 52 million)	1,614,730	1,614,730
Less long-term loan issuance cost	(8,241)	(9,472)
Total	7,750,158	7,748,927
Less current portion	(2,795,245)	(1,117,270)
Net	4,954,913	6,631,657

As at 31 March 2013, loans from related parties bear interest at rates ranging from 2.29% per annum to 6.67% per annum (31 December 2012: 2.29% per annum to 6.67% per annum).

Movements during the three-month periods ended 31 March 2013 and 2012 of loans to related parties were as follows:

<i>Three-month period ended 31 March</i>	2013 (in thousand Baht)	2012
Short-term loans		
Other related party		
At 1 January	-	600,000
Increase	-	600,000
Decrease	-	(600,000)
At 31 March	-	600,000

EASY BUY Public Company Limited
Notes to the interim financial statements
For the three-month period ended 31 March 2013 (Unaudited)

Three-month period ended 31 March

2013 2012
(in thousand Baht)

Long-term loans

Other related parties

At 1 January

7,758,399 8,064,379

Decrease

- (382,760)

Less long-term loan issuance cost

(8,241) (13,234)

At 31 March

7,750,158 7,668,385

Accrued finance costs

31 March 31 December
2013 2012
(in thousand Baht)

Accrued interest expense

Other related parties

The Bank of Tokyo-Mitsubishi UFJ, Bangkok branch

46,108 30,981

Mitsubishi UFJ Trust and Banking Corporation, Singapore branch

9,128 35,417

ACOM (U.S.A.) Inc.

7,927 9,417

Total

63,163 75,815

Accrued guarantee fee

Parent

ACOM Co., Ltd.

3,382 3,619

Total

66,545 79,434

Significant agreements with related parties

Guarantee fee agreements

The Company entered into agreements with ACOM Co., Ltd., a parent company, which such company has guaranteed the financial institutions due performance of obligations by the Company under loan agreements and derivatives with those financial institutions. In consideration thereof, the Company is committed to pay guarantee fee based on certain percentage of the outstanding balances of loans and derivatives as stipulated in the agreement unless the Company gives prior notice in writing for termination of the agreements.

Cross currency and interest rate swap agreements

The Company entered into the agreement with The Bank of Tokyo-Mitsubishi UFJ, Bangkok branch, to hedge financial liabilities denominated in foreign currencies and the volatility of interest rate by swapping the foreign currency and interest rate as specified in the agreements.

EASY BUY Public Company Limited
Notes to the interim financial statements
For the three-month period ended 31 March 2013 (Unaudited)

4 Loan receivables

	Personal loan receivables	31 March 2013 Installment loan receivables	Total (in thousand Baht)	Personal loan receivables	31 December 2012 Installment loan receivables	Total
Due within one year						
Loan receivables	30,512,731	241,481	30,754,212	30,171,744	231,989	30,403,733
Less unearned interest income	(42,075)	(23,621)	(65,696)	(51,299)	(23,319)	(74,618)
allowance for doubtful accounts	(2,041,581)	(8,301)	(2,049,882)	(2,031,893)	(9,375)	(2,041,268)
Net	28,429,075	209,559	28,638,634	28,088,552	199,295	28,287,847
Due over one year						
Loan receivables	233,019	78,449	311,468	295,741	67,066	362,807
Less unearned interest income	(27,101)	(7,993)	(35,094)	(37,936)	(8,344)	(46,280)
allowance for doubtful accounts	(48,641)	(2,371)	(51,012)	(62,215)	(2,460)	(64,675)
Net	157,277	68,085	225,362	195,590	56,262	251,852
Total	28,586,352	277,644	28,863,996	28,284,142	255,557	28,539,699
		2013			2012	
			(in thousand Baht)			
Bad debts and doubtful accounts expenses for three-month period ended 31 March	611,518	1,123	612,641	587,602	2,056	589,658

EASY BUY Public Company Limited
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Aging analyses for loan receivables were as follow:

	Personal loan receivables	31 March 2013 Installment loan receivables	Total <i>(in thousand Baht)</i>	Personal loan receivables	31 December 2012 Installment loan receivables	Total
Not yet due	28,963,061	313,746	29,276,807	28,536,450	291,401	28,827,851
Overdue payment periods						
Less than 3 periods	1,083,909	3,036	1,086,945	1,295,763	4,849	1,300,612
3 - 5 periods	697,950	3,127	701,077	634,251	2,805	637,056
6 - 12 periods	830	21	851	1,021	-	1,021
	<u>30,745,750</u>	<u>319,930</u>	<u>31,065,680</u>	<u>30,467,485</u>	<u>299,055</u>	<u>30,766,540</u>
Less unearned interest income	(69,176)	(31,614)	(100,790)	(89,235)	(31,663)	(120,898)
Total	30,676,574	288,316	30,964,890	30,378,250	267,392	30,645,642
Less allowance for doubtful accounts	<u>(2,090,222)</u>	<u>(10,672)</u>	<u>(2,100,894)</u>	<u>(2,094,108)</u>	<u>(11,835)</u>	<u>(2,105,943)</u>
Net	28,586,352	277,644	28,863,996	28,284,142	255,557	28,539,699

EASY BUY Public Company Limited
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For the three-month period ended 31 March 2013 (Unaudited)

As at 31 March 2013 and 31 December 2012, personal loan receivables comprised the following:

	31 March 2013	31 December 2012
	<i>(in thousand Baht)</i>	
Revolving loan receivables	29,585,950	29,186,019
Minimum payment loan receivables	731,376	764,493
Term loan receivables	428,424	516,973
Total	<u>30,745,750</u>	<u>30,467,485</u>

Revolving loans are repayable at any time subject to a minimum monthly payment of from 3.5% to 8.0% of the outstanding balances, as specified in the loan agreements. The Company classifies the total balance of revolving loan receivables within current assets.

Minimum payment loans are loans which the borrowers have the option to repay in full at any time or by monthly installments of not less than the minimum payment of from 3.0% to 8.0% of the total loan amount, as specified in the loan agreements. The Company classifies the total balance of minimum payment loan receivables within current assets.

Term loan receivables are repayable by monthly installments, as specified in the loan agreements. The Company classifies the balance of term loan receivables within current and non-current assets. As 31 March 2013, this monthly repayment amount repayable within one year was Baht 152.8 million (31 December 2012: Baht 169.0 million).

As at 31 March 2013, the Company had loan receivables which were overdue for over three payment periods of Baht 701.9 million (31 December 2012: Baht 638.1 million) on which the Company has continued to recognise the interest income. The Company recognised income on such loan receivables for the three-month periods ended 31 March 2013 amounting to Baht 40.4 million (2012: Baht 38.4 million) against which full allowance for doubtful accounts has been made.

Loan receivables of the Company as at 31 March 2013 and 31 December 2012 were denominated entirely in Thai Baht.

5 Leasehold improvements and equipment

During the three-month period ended 31 March 2013, the Company acquired furniture, fixtures and office equipment at the total cost of Baht 57.7 million (2012: Baht 23.7 million).

EASY BUY Public Company Limited
Notes to the interim financial statements
For the three-month period ended 31 March 2013 (Unaudited)

6 Deferred tax

Movements in total deferred tax assets and liabilities during the three-month periods ended 31 March 2013 and 2012 were as follows:

	At 1 January 2013	(Charged)/ Credited to Profit or loss (in thousand Baht)	At 31 March 2013
<i>Deferred tax assets</i>			
Loan and other receivables (allowance for doubtful accounts)	421,189	(1,010)	420,179
Loan receivables (bad debt written-off)	82,012	(6,813)	75,199
Employee benefit obligations	4,430	515	4,945
Provision for demolished costs of leasehold improvements	4,388	332	4,720
Long-term loans from financial institutions (cross currency swap)	18,462	65,752	84,214
Others	5,105	600	5,705
Total	535,586	59,376	594,962
<i>Deferred tax liabilities</i>			
Debenture and long-term loan issuance cost	(10,789)	771	(10,018)
Total	(10,789)	771	(10,018)
Net	524,797	60,147	584,944

EASY BUY Public Company Limited
Notes to the interim financial statements
For the three-month period ended 31 March 2013 (Unaudited)

7 Interest-bearing liabilities

	31 March 2013				31 December 2012			
	Short-term loans from financial institutions	Long-term loans	Debenture	Total <i>(in thousand Baht)</i>	Short-term loans from financial institutions	Long-term loans	Debenture	Total
<i>Current</i>								
Principal	1,350,000	3,710,378	500,000	5,560,378	2,421,000	2,167,270	1,500,000	6,088,270
Less debenture and long-term loan issuance cost	-	(7,589)	(1,139)	(8,728)	-	(5,546)	(1,657)	(7,203)
Net	1,350,000	3,702,789	498,861	5,551,650	2,421,000	2,161,724	1,498,343	6,081,067
<i>Non-current</i>								
Principal	-	10,443,420	7,340,000	17,783,420	-	11,420,128	6,340,000	17,760,128
Less debenture and long-term loan issuance cost	-	(14,981)	(26,186)	(41,167)	-	(22,042)	(24,700)	(46,742)
Net	-	10,428,439	7,313,814	17,742,253	-	11,398,086	6,315,300	17,713,386
Total	1,350,000	14,131,228	7,812,675	23,293,903	2,421,000	13,559,810	7,813,643	23,794,453
- Secured	1,350,000	13,631,228	5,999,145	20,980,373	2,421,000	11,945,080	6,996,995	21,363,075
- Unsecured	-	500,000	1,813,530	2,313,530	-	1,614,730	816,648	2,431,378
Total	1,350,000	14,131,228	7,812,675	23,293,903	2,421,000	13,559,810	7,813,643	23,794,453

EASY BUY Public Company Limited
Notes to the interim financial statements
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The currency denomination of interest-bearing liabilities is as follows:

	31 March 2013	31 December 2012
	<i>(in thousand Baht)</i>	
Thai Baht (THB)	18,850,104	19,936,054
United States Dollars	2,200,130	1,614,730
Japanese Yen	2,243,669	2,243,669
Total	23,293,903	23,794,453

As at 31 March 2013, above liabilities bear interest at the rates ranging from 2.29% per annum to 6.67% per annum (31 December 2012: 2.29% per annum to 6.67% per annum).

Cross currency and interest rate swap agreements

Thai Baht

As at 31 March 2013, the Company had interest rate swap agreements with local branch of the foreign related bank and local bank totaling Baht 2,300 million (31 December 2012 : Baht 3,300 million) to hedge the volatility of interest rate by paying interest fixed rates as specified in the agreement in exchange for floating rates.

Japanese Yen

As at 31 March 2013, the Company had cross currency and interest rate swap agreements to hedge financial liabilities denominated in foreign currencies and the volatility of interest rate by paying the interest in Baht in fixed rate as specified in the agreement in exchange for interest payable in JPY semi-annually. The cross currency agreements were as follows:

- a local branch of the foreign bank totaling JPY 1,700 million by swapping to Baht 617.3 million (31 December 2012 : swapping JPY 1,700 million to Baht 617.3 million).
- various branches of the local banks totaling JPY 4,350 million by swapping to Baht 1,626.4 million (31 December 2012 : swapping JPY 4,350 million to Baht 1,626.4 million).

United States Dollars

As at 31 March 2013, the Company had cross currency and interest rate swap agreements to hedge financial liabilities denominated in foreign currencies and the volatility of interest rate and paying the interest in Baht in fixed rate as specified in the agreement in exchange for interest payable in USD semi-annually. The cross currency agreements were as follows:

- a local branch of the foreign related bank and the local bank totaling USD 52 million by swapping to Baht 1,614.7 million (31 December 2012 : swapping USD 52 million to Baht 1,614.7 million).
- A local branch of the foreign banks totaling USD 20 million by swapping to Baht 585.4 million.

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Debentures

Debentures as at 31 March 2013 and 31 December 2012 were as follows:

	Issuance date	Maturity date	Tranch Number	Secured/ Unsecured	Unit	Par value	31 March 2013 <i>(in thousand Baht)</i>	31 December 2012
1	30 September 2009	15 March 2013	1st	Secured	1,000,000	1,000	-	1,000,000
2	23 December 2011	23 December 2013	1st	Secured	500,000	1,000	500,000	500,000
		23 December 2014	2nd	Secured	500,000	1,000	500,000	500,000
		23 December 2015	3rd	Secured	500,000	1,000	500,000	500,000
3	30 March 2012	27 February 2015	1st	Secured	500,000	1,000	500,000	500,000
		29 February 2016	2nd	Secured	1,000,000	1,000	1,000,000	1,000,000
		27 February 2015	3rd	Unsecured	340,000	1,000	340,000	340,000
4	13 July 2012	12 June 2015	1st	Secured	1,020,000	1,000	1,020,000	1,020,000
		12 February 2016	2nd	Secured	2,000,000	1,000	2,000,000	2,000,000
		12 June 2015	3rd	Unsecured	480,000	1,000	480,000	480,000
5	14 March 2013	14 March 2016	1st	Unsecured	1,000,000	1,000	1,000,000	-
							<u>7,840,000</u>	<u>7,840,000</u>
<i>Less</i> debenture issuance cost							<u>(27,325)</u>	<u>(26,357)</u>
							<u>7,812,675</u>	<u>7,813,643</u>
<i>Less</i> current portion							<u>(498,861)</u>	<u>(1,498,343)</u>
Debenture – net							<u>7,313,814</u>	<u>6,315,300</u>

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8 Share capital

*Three-month period ended
31 March*

<i>31 March</i>	Par value per share (in Baht)	2013		2012	
		Number	Baht (thousand share/thousand Baht)	Number	Baht
<i>Authorised</i>					
At 1 January					
- ordinary shares	10	<u>390,000</u>	<u>3,900,000</u>	<u>30,000</u>	<u>300,000</u>
<i>At 31 March</i>					
- ordinary shares	10	<u>390,000</u>	<u>3,900,000</u>	<u>30,000</u>	<u>300,000</u>
<i>Issued and paid</i>					
At 1 January					
- ordinary shares	10	<u>390,000</u>	<u>3,900,000</u>	<u>30,000</u>	<u>300,000</u>
<i>At 31 March</i>					
- ordinary shares	10	<u>390,000</u>	<u>3,900,000</u>	<u>30,000</u>	<u>300,000</u>

Issue of ordinary shares

At the extraordinary shareholders' meeting held on 18 October 2012, the shareholders unanimously approved to increase the Company's authorized share capital from Baht 300 million (30,000,000 shares at Baht 10 par value) to Baht 3,900 million (390,000,000 shares at Baht 10 par value) by the issuance of 360,000,000 new common shares at a ratio of 1 existing share to 12 stock dividend with a par value of Baht 10 per share. The Company registered the increase in share capital with the Ministry of Commerce on 31 October 2012.

9 Segment information

The Company's operations are consumer finance business representing personal loans and installment loans as integrated and complementary activities that constitute one line of business. Consequently, management considers that it has only one business segment. Moreover, the Company operates in the domestic market; consequently, management determines that it has only one geographical segment.

10 Basic earnings per share

During the year of 2012, the Company issued the stock dividend (as set out in note 8). The Company has restated the number of ordinary shares used in the computation of basic earnings per share for the three-month period ended 31 March 2012 from 30,000,000 shares to 390,000,000 shares by adjusting to give effect to the stock dividends granted to the existing shareholders at a ratio of 1 existing share to 12 stocks dividend assuming the stock dividends occurred on 1 January 2012. As a result, the basic earnings per share of the financial statements for the three-month period ended 31 March 2012 was changed from Baht 17.47 per share to Baht 1.34 per share. This was made in order to reflect the change in numbers of all issued common shares.

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The calculations of basic earnings per share for the three-month periods ended 31 March 2013 and 2012 were based on the profit for the periods attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the periods as follows:

	2013 (in thousand Baht / thousand shares)	2012 (in thousand Baht / thousand shares)
Profit attributable to ordinary shareholders of the Company (basic)	<u>603,821</u>	<u>524,189</u>
Number of ordinary shares outstanding at 1 January	390,000	30,000
Effect of stock dividend issued on 31 October 2012	<u>-</u>	<u>360,000</u>
Number of ordinary shares outstanding (basic)	<u>390,000</u>	<u>390,000</u>
Basic earnings per share (basic) (in Baht)	<u>1.55</u>	<u>1.34</u>

11 Commitments with non-related parties

	31 March 2013	31 December 2012
	(in thousand Baht)	
Capital commitments		
Leasehold improvements	5,180	39,191
Furniture, fixtures and office equipment	-	202
Software	-	1,471
Total	<u>5,180</u>	<u>40,864</u>
Non-cancellable operating lease commitments		
Within one year	162,642	161,993
After one year but within five years	241,311	253,975
After five years	11,291	3,174
Total	<u>415,244</u>	<u>419,142</u>

The Company entered into several lease agreements covering office premises, vehicles and computer equipment for periods of from one to nine years. In consideration thereof, the Company is committed to pay rental fee at various annual rental rates as specified in the agreements.

12 Events after the reporting period

At the annual general meeting of the shareholders meeting of the Company held on 23 April 2013, the shareholders approved the appropriation of dividend of Baht 0.75 per share, amounting to Baht 292.5 million. The dividend was paid to shareholder on 30 April 2013.

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13 Thai Financial Reporting Standards (TFRS) not yet adopted

The Company has not adopted the new interpretations that have been issued as of the reporting date but are not yet effective. Those new interpretations that are applicable to the Company, which become effective for annual financial periods beginning on or after 1 January in the year indicated in the following table, are as follows:

TFRS	Topic	Year effective
TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities	2014
TFRIC 4	Determining whether an Arrangement contains a Lease	2014
TFRIC 13	Customer Loyalty Programmes	2014

Management expects to adopt and apply these new interpretations in accordance with the FAP's announcement and has made a preliminary assessment of the potential initial impact on the Company's financial statements of these new interpretations and expects that there will be no material impact on the financial statements in the period of initial application.