

ACAP ADVISORY PUBLIC COMPANY LIMITED

**INTERIM CONSOLIDATED AND
COMPANY FINANCIAL STATEMENTS (UNAUDITED)**

30 JUNE 2010

AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

To the Shareholders and the Board of Directors of ACAP Advisory Public Company Limited

I have reviewed the accompanying consolidated and company balance sheets as at 30 June 2010, and the consolidated and company statements of income for the three-month and six-month periods ended 30 June 2010 and 2009, and the consolidated and company statements of changes in shareholders' equity and cash flows for the six-month periods ended 30 June 2010 and 2009 of ACAP Advisory Public Company Limited and its subsidiaries and of ACAP Advisory Public Company Limited, respectively. The Company's management is responsible for the correctness and completeness of information in these interim financial statements. My responsibility is to issue a report on these interim financial statements based on my reviews.

I conducted my reviews in accordance with the standard on auditing applicable to review engagements. This standard requires that I plan and perform the reviews to obtain a moderate assurance as to whether the interim financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit, and accordingly, I do not express an audit opinion.

Based on my reviews, nothing has come to my attention that causes me to believe that the interim consolidated and company financial statements referred to above are not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

I have audited the consolidated and company financial statements for the year ended 31 December 2009 of ACAP Advisory Public Company Limited and its subsidiaries and of ACAP Advisory Public Company Limited respectively, in accordance with generally accepted auditing standards and expressed unqualified opinion on those statements in my report dated 23 February 2010. The consolidated and company balance sheets as at 31 December 2009, presented herewith for comparative purposes, are part of the consolidated and company financial statements which I have audited and issued a report thereon as stated above, and I have not performed any other auditing procedures subsequent to the date of that report.

Boonlert Kamolchanokkul
Certified Public Accountant (Thailand) No. 5339
PricewaterhouseCoopers ABAS Limited

Bangkok
11 August 2010

ACAP Advisory Public Company Limited

Balance Sheets

As at 30 June 2010 and 31 December 2009

	Notes	Consolidated		Company	
		Unaudited 30 June 2010 Baht'000	Audited 31 December 2009 Baht'000	Unaudited 30 June 2010 Baht'000	Audited 31 December 2009 Baht'000
Assets					
Current assets					
Cash and cash equivalents		1,291,071	1,438,982	134,361	245,098
Short-term investments		23,115	51,861	-	11,831
Accounts and notes receivable, net		16,953	18,495	142	105
Current portion of investment in non-performing assets, net	6	962,971	615,406	-	-
Current portion of loans to non-performing assets, net	7	429,829	354,062	-	-
Current portion of loans to consumers and interests receivable, net	8	94,001	113,237	-	-
Accounts receivable - related companies	14 iv	1,304	4,282	17,891	21,327
Amount due from related companies	14 iv	12,532	21,992	13,068	5,948
Short-term loan to related companies	14 v	-	-	11,100	4,800
Current portion of loan to related companies	14 v	-	-	45,556	46,333
Other current assets, net		160,554	103,686	9,008	1,475
Total current assets		2,992,330	2,722,003	231,126	336,917
Non-current assets					
Investment in non-performing assets, net	6	2,483,027	3,572,131	-	-
Loans to non-performing assets, net	7	703,743	660,749	-	-
Loans to consumers and interests receivable, net	8	11,775	20,999	-	-
Long term loan to related companies	14 v	-	-	38,065	41,484
Investment in subsidiary companies	9	-	-	973,265	973,265
Other long-term investment		1,789	1,840	-	-
Building improvement and equipment, net	11	89,105	80,600	56,506	33,249
Intangible assets, net	11	23,506	34,464	4,881	4,715
Goodwill, net	11	363	2,538	-	-
Other non-current assets, net		18,457	20,605	4,234	4,059
Total non-current assets		3,331,765	4,393,926	1,076,951	1,056,772
Total assets		6,324,095	7,115,929	1,308,077	1,393,689

Director _____ Director _____

Date _____

The notes on pages 11 to 23 are an integral part of these interim financial statements.

ACAP Advisory Public Company Limited
Balance Sheets (Cont'd)
As at 30 June 2010 and 31 December 2009

	Notes	Consolidated		Company	
		Unaudited 30 June 2010 Baht'000	Audited 31 December 2009 Baht'000	Unaudited 30 June 2010 Baht'000	Audited 31 December 2009 Baht'000
Liabilities and shareholders' equity					
Current liabilities					
Accounts and notes payable		49	769	-	-
Amount due to related companies	14 iv	96,798	14,069	1,559	6,910
Current portion of long-term loans from financial institutions		3,230,555	3,406,602	-	-
Current portion of financial lease contract	10	8,499	3,536	7,898	2,346
Other current liabilities		157,019	310,329	8,534	99,192
Total current liabilities		3,492,920	3,735,305	17,991	108,448
Non-current liabilities					
Liabilities under financial lease contract, net	10	15,782	3,191	15,782	3,191
Long-term loans from financial institutions		377,197	740,721	-	-
Long-term loans from related companies	14 vi	1,707,234	1,778,709	760,000	760,000
Total non-current liabilities		2,100,213	2,522,621	775,782	763,191
Total liabilities		5,593,133	6,257,926	793,773	871,639
Shareholders' equity					
Share capital					
Authorised, issued and paid-up share capital					
125,000,000 ordinary shares of Baht 1 each		125,000	125,000	125,000	125,000
Premium on share capital		337,742	337,742	337,742	337,742
Unrealised gain on change in fair value of investment		-	1,307	-	1,307
Currency translation differences		(1,573)	(1,889)	-	-
Retained earnings					
Appropriated		12,500	12,500	12,500	12,500
Unappropriated		257,293	383,343	39,062	45,501
Total shareholders' equity		730,962	858,003	514,304	522,050
Minority interest of subsidiaries		-	-	-	-
Total shareholders' equity and minority interest of subsidiaries		730,962	858,003	514,304	522,050
Total liabilities and shareholders' equity		6,324,095	7,115,929	1,308,077	1,393,689

The notes on pages 11 to 23 are an integral part of these interim financial statements.

ACAP Advisory Public Company Limited
Statements of Income (Unaudited)

For the three-month periods ended 30 June 2010 and 2009

	Notes	Consolidated		Company	
		Unaudited 30 June 2010 Baht'000	Unaudited 30 June 2009 Baht'000	Unaudited 30 June 2010 Baht'000	Unaudited 30 June 2009 Baht'000
Revenues					
Service income	14 i	36,124	36,035	33,189	38,702
Interest income from non-performing asset management		67,579	119,432	-	-
Interest income from loans to consumers		8,550	40,471	-	-
Other income	14 i	57,585	59,143	18,332	11,670
Total revenues		169,838	255,081	51,521	50,372
Expenses					
Cost of services, assets management and loans		46,448	46,343	12,607	12,510
Administrative expenses	12, 14 ii	51,931	74,918	21,856	23,937
Management remunerations		7,536	8,369	7,536	8,369
Total expenses		105,915	129,630	41,999	44,816
Profit before finance costs and income tax		63,923	125,451	9,522	5,556
Finance costs	14 iii	29,410	35,190	11,466	124
Profit (loss) before income tax		34,513	90,261	(1,944)	5,432
Income tax		1,666	2,618	71	1,303
Net profit (loss) for the period		32,847	87,643	(2,015)	4,129
Attributable to:					
Equity holders of the Company		32,847	80,297	(2,015)	4,129
Minority interest in subsidiaries		-	7,346	-	-
Earnings per share for profit (loss) attributable to the equity holders of the Company (expressed in Baht per share)					
Basic earnings (loss) per share	5	0.26	0.64	(0.02)	0.03

The notes on pages 11 to 23 are an integral part of these interim financial statements.

ACAP Advisory Public Company Limited
Statements of Income (Unaudited)

For the six-month periods ended 30 June 2010 and 2009

	Notes	Consolidated		Company	
		Unaudited 30 June 2010 Baht'000	Unaudited 30 June 2009 Baht'000	Unaudited 30 June 2010 Baht'000	Unaudited 30 June 2009 Baht'000
Revenues					
Service income	14 i	73,380	65,676	72,473	78,035
Interest income from non-performing asset management		141,141	220,883	-	-
Interest income from loans to consumers		21,440	96,590	-	-
Other income	14 i	135,173	138,609	27,469	18,197
Total revenues		371,134	521,758	99,942	96,232
Expenses					
Cost of services, assets management and loans		84,797	91,444	24,887	23,822
Administrative expenses	12, 14 ii	267,475	338,153	43,727	43,579
Management remunerations		15,113	15,064	15,113	15,064
Total expenses		367,385	444,661	83,727	82,465
Profit before finance costs and income tax		3,749	77,097	16,215	13,767
Finance costs	14 iii	126,454	56,634	22,583	259
Profit (loss) before income tax		(122,705)	20,463	(6,368)	13,508
Income tax		3,345	4,521	71	3,031
Net profit (loss) for the period		(126,050)	15,942	(6,439)	10,477
Attributable to:					
Equity holders of the Company		(126,050)	35,263	(6,439)	10,477
Minority interest in subsidiaries		-	(19,321)	-	-
Earnings per share for profit (loss) attributable to the equity holders of the Company (expressed in Baht per share)					
Basic earnings (loss) per share	5	(1.01)	0.28	(0.05)	0.08

The notes on pages 11 to 23 are an integral part of these interim financial statements.

ACAP Advisory Public Company Limited
Statements of Changes in Shareholders' Equity (Unaudited)
For the six-month periods ended 30 June 2010 and 2009

	Consolidated (Unaudited)								
	Equity holders of the Company								
	Issued and paid-up share capital Baht'000	Premium on share capital Baht'000	Unrealised gain on change in fair value of investment Baht'000	Currency translation differences from subsidiary in oversea Baht'000	Retained earnings		Total Baht'000	Minority interest Baht'000	Total Baht'000
					Appropriated Baht'000	Unappropriated Baht'000			
Opening balance as at 1 January 2010	125,000	337,742	1,307	(1,889)	12,500	383,343	858,003	-	858,003
Unrealised loss on change in fair value of investment	-	-	(1,307)	-	-	-	(1,307)	-	(1,307)
Currency translation differences	-	-	-	316	-	-	316	-	316
Net loss for the period	-	-	-	-	-	(126,050)	(126,050)	-	(126,050)
Ending balance as at 30 June 2010	125,000	337,742	-	(1,573)	12,500	257,293	730,962	-	730,962

	Consolidated (Unaudited)								
	Equity holders of the Company								
	Issued and paid-up share capital Baht'000	Premium on share capital Baht'000	Unrealised gain on change in fair value of investment Baht'000	Currency translation differences from subsidiary in oversea Baht'000	Retained earnings		Total Baht'000	Minority interest Baht'000	Total Baht'000
					Appropriated Baht'000	Unappropriated Baht'000			
Opening balance as at 1 January 2009	125,000	337,742	-	(557)	12,500	333,394	808,079	934,998	1,743,077
Currency translation differences	-	-	-	(395)	-	-	(395)	-	(395)
Unrealised gain for the period	-	-	1,726	-	-	-	1,726	-	1,726
Dividend paid	-	-	-	-	-	(62,500)	(62,500)	-	(62,500)
Net loss for the period	-	-	-	-	-	35,263	35,263	(19,321)	15,942
Ending balance as at 30 June 2009	125,000	337,742	1,726	(952)	12,500	306,157	782,173	915,677	1,697,850

The notes on pages 11 to 23 are an integral part of these interim financial statements.

ACAP Advisory Public Company Limited
Statements of Changes in Shareholders' Equity (Cont'd) (Unaudited)
For the six-month periods ended 30 June 2010 and 2009

	Company (Unaudited)					
	Issued and paid-up share capital Baht'000	Premium on share capital Baht'000	Unrealised gain on change in fair value of investment Baht'000	Retained earnings		Total Baht'000
				Appropriated	Unappropriated	
				Baht'000	Baht'000	
Opening balance as at 1 January 2010	125,000	337,742	1,307	12,500	45,501	522,050
Unrealised gain for the period	-	-	(1,307)	-	-	(1,307)
Net loss for the period	-	-	-	-	(6,439)	(6,439)
Closing balance as at 30 June 2010	125,000	337,742	-	12,500	39,062	514,304

	Company (Unaudited)					
	Issued and paid-up share capital Baht'000	Premium on share capital Baht'000	Unrealised gain on change in fair value of investment Baht'000	Retained earnings		Total Baht'000
				Appropriated	Unappropriated	
				Baht'000	Baht'000	
Opening balance as at 1 January 2009	125,000	337,742	-	12,500	70,637	545,879
Unrealised gain for the period	-	-	1,726	-	-	1,726
Dividend paid	-	-	-	-	(62,500)	(62,500)
Net income for the period	-	-	-	-	10,477	10,477
Closing balance as at 30 June 2009	125,000	337,742	1,726	12,500	18,614	495,582

The notes on pages 11 to 23 are an integral part of these interim financial statements.

ACAP Advisory Public Company Limited
Statements of Cash Flows (Unaudited)
For the six-month periods ended 30 June 2010 and 2009

	Consolidated		Company	
	Unaudited 30 June 2010 Baht'000	Unaudited 30 June 2009 Baht'000	Unaudited 30 June 2010 Baht'000	Unaudited 30 June 2009 Baht'000
Cash flows from operating activities				
Profit (loss) before income tax	(122,705)	20,463	(6,368)	13,508
Adjustment for:				
Depreciation and amortisation	34,939	64,829	5,478	4,379
Interest income	(167,041)	(323,757)	(5,477)	(2,134)
Interest expenses	125,945	56,325	22,095	-
Interest expenses from hire-purchase and finance lease contracts	509	309	488	259
Dividend income	-	-	(9,649)	-
Loss on impairment of investment in non-performing assets (reversal)	(31,218)	72,601	-	-
Bad debt and doubtful accounts of loan to customers (reversal)	(88,056)	(43,346)	-	-
Bad debt and doubtful account of loans to non-performing assets (reversal)	181,056	(26,508)	-	-
Loss from restructuring in loan to non-performing assets and investment in non-performing assets	2,503	5,390	-	-
(Gain) loss on sale/impairment/write off assets	(2,992)	19,878	(1,696)	-
Loss on foreign currencies translation	(12,498)	83	629	427
Profit (loss) from operating activities before changes in operating assets and liabilities	(79,558)	(153,733)	5,500	16,439
(Increase) decrease in operating assets				
Accounts and notes receivable	1,542	(3,599)	(37)	(34)
Investment in non-performing assets	57,622	25,116	-	-
Loans to non-performing assets	386,146	296,398	-	-
Loans to consumers	100,728	309,287	-	-
Accounts receivable-related companies	2,978	33,429	3,436	28,269
Amount due from related companies	9,460	(1,348)	(4,401)	2,818
Other receivables	1,901	14,989	-	-
Other current assets	(28,642)	(24,137)	(6,062)	(1,422)
Other non-current assets	5,845	(40,380)	(175)	-
Increase (decrease) in operating liabilities				
Accounts and notes payable	(720)	(4,529)	(4,273)	(15)
Amount due to related companies	(311)	1,801	(23,173)	1,659
Other current liabilities	(159,555)	(78,573)	(66,376)	70

The notes on pages 11 to 23 are an integral part of these interim financial statements.

ACAP Advisory Public Company Limited
Statements of Cash Flows (Cont'd) (Unaudited)
For the six-month periods ended 30 June 2010 and 2009

	Notes	Consolidated		Company	
		Unaudited 30 June 2010 Baht'000	Unaudited 30 June 2009 Baht'000	Unaudited 30 June 2010 Baht'000	Unaudited 30 June 2009 Baht'000
Cash flows from operating activities (Cont'd)					
Cash generated from operation before interest and					
income tax receive (paid)		297,436	374,721	(95,561)	47,784
Interest income received		181,279	324,513	2,845	2,511
Interest paid excluding finance lease contracts		(44,438)	(76,306)	(22,216)	-
Income tax paid		(2,970)	(14,068)	(4,755)	(10,249)
Net cash provided by (used in) operating activities		431,307	608,860	(119,687)	40,046
Cash flows from investing activities					
Cash paid for short-term investment		-	(40,030)	-	-
Cash paid for short-term loan to related companies	14 v	-	-	(7,500)	(3,000)
Cash paid for building improvement, equipment and intangible assets		(12,804)	(3,534)	(9,067)	(1,174)
Cash paid for long-term investment		-	(9,744)	-	(9,744)
Cash received from disposal of short-term investment		28,760	11,219	11,845	-
Cash received from short-term loan to related companies	14 v	-	-	1,200	1,500
Cash received from long-term loan to related companies	14 v	-	-	4,197	5,055
Cash received from disposal of building improvement, equipment and intangible assets		6,138	-	1,776	-
Dividend received from related party		-	-	9,649	10,018
Net cash provided by (used in) investing activities		22,094	(42,089)	12,100	2,655
Cash flows from financing activities					
Cash paid on long-term loans from related companies	14 vi	(71,475)	(220,877)	-	-
Cash paid for long-term loans from financial institutions		(526,077)	(172,234)	-	-
Cash paid for liabilities under financial lease contracts		(3,409)	(4,186)	(2,799)	(1,491)
Dividend paid to shareholders		-	(62,500)	-	(62,500)
Net cash used in financing activities		(600,961)	(459,797)	(2,799)	(63,991)

The notes on pages 11 to 23 are an integral part of these interim financial statements.

ACAP Advisory Public Company Limited
Statements of Cash Flows (Cont'd) (Unaudited)
For the six-month periods ended 30 June 2010 and 2009

	Consolidated		Company	
	Unaudited	Unaudited	Unaudited	Unaudited
	30 June	30 June	30 June	30 June
	2010	2009	2010	2009
	Baht'000	Baht'000	Baht'000	Baht'000
Net increase (decrease) in cash and cash equivalents	(147,560)	106,974	(110,386)	(21,290)
Cash and cash equivalents at beginning of the period	1,438,982	1,783,293	245,098	110,083
Exchange gains on cash	(351)	(4)	(351)	(4)
Cash and cash equivalents at end of the period	1,291,071	1,890,263	134,361	88,789
Non-cash transactions				
Purchase equipment under financial lease contracts	20,454	-	20,454	-
Restructuring investment in non-performing assets to be loans to non-performing assets	688,466	149,451	-	-
Foreclosed asset acquired through foreclosure	26,669	44,960	-	-

The notes on pages 11 to 23 are an integral part of these interim financial statements.

1 General information

ACAP Advisory Public Company Limited (the “Company”) is a public limited company incorporated and resident in Thailand. The address of the Company’s registered office is as follows:

195 Empire Tower 2-3, 22nd floor, South Sathorn Road, Yanawa, Sathorn, Bangkok

The Company is registered as a listed company in the Market for Alternative Investment (MAI) in Thailand. For reporting purposes, the Company and its subsidiaries are referred to as the Group.

The principal business operations of the Group are financial advisory, non-performing assets management and consumer lendings.

The interim consolidated and company financial statements were authorised for issue by the Board of Directors on 11 August 2010.

The interim consolidated and company financial statements have been reviewed but not audited.

2 Basis of preparation

These interim consolidated and company financial statements are prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Accounting Standards (TAS) issued under the Accounting Professions Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission. The primary financial statements (i.e., balance sheets, statements of income, changes in shareholders’ equity and cash flows) are prepared in the full format as required by the Securities and Exchange Commission. The notes to the financial statements are prepared in a condensed format according to Thai Accounting Standard 34 (revised 2007), “Interim Financial Reporting” and additional notes are presented as required by the Securities and Exchange Commission under the Securities and Exchange Act., B.E. 2535.

An English version of the consolidated and company interim financial statements have been prepared from the interim financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim financial statements shall prevail.

3 Summary of significant accounting policies

The accounting policies used in the preparation of the interim financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2009.

New accounting standards, new financial reporting standards, amendments to accounting standards and accounting framework

a) Accounting framework

The amendments of accounting framework was announced by the Federation of Accounting Professions on 9 April 2010 and endorsed by the Government Gazette on 26 May 2010 with effect on 26 May 2010.

3 Summary of significant accounting policies (Cont'd)

New accounting standards, new financial reporting standards, amendments to accounting standards and accounting framework (Cont'd)

b) New accounting standards, new financial reporting standards and amendments to accounting standards

The following new accounting standards, new financial reporting standards and amendments to accounting standards were announced by the Federation of Accounting Professions on 9 April 2010 and endorsed by the Government Gazette on 26 May 2010 and are mandatory for the accounting periods beginning on or after 1 January 2011 and 1 January 2013, but the Group has not early adopted them:

Effective for the period beginning on or after 1 January 2011

TAS 1 (Revised 2009)	Presentation of Financial Statements
TAS 2 (Revised 2009)	Inventories
TAS 7 (Revised 2009)	Statement of Cash Flows
TAS 8 (Revised 2009)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (Revised 2009)	Events after the Reporting Period
TAS 11 (Revised 2009)	Construction Contracts
TAS 17 (Revised 2009)	Leases
TAS 23 (Revised 2009)	Borrowing Costs
TAS 24 (Revised 2009)	Related Party Disclosures
TAS 27 (Revised 2009)	Consolidated and Separate Financial Statements
TAS 28 (Revised 2009)	Investments in Associates
TAS 29	Financial Reporting in Hyperinflationary Economies
TAS 31 (Revised 2009)	Interests in Joint Ventures
TAS 33 (Revised 2009)	Earnings per Share
TAS 34 (Revised 2009)	Interim Financial Reporting
TAS 36 (Revised 2009)	Impairment of Assets
TAS 37 (Revised 2009)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (Revised 2009)	Intangible Assets
TAS 40 (Revised 2009)	Investment Property
TFRS 5 (Revised 2009)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6	Exploration for and Evaluation of Mineral Resources

Effective for the period beginning on or after 1 January 2013

TAS 12	Income taxes
TAS 20 (Revised 2009)	Accounting for Government Grants and Disclosure of Government Assistance

The Company's management has determined that the new accounting standards, new financial reporting standards and amendments to accounting standards will not significantly impact the financial statements being presented except TAS 12 Income taxes in which will have an impact on deferred tax assets, deferred tax liabilities and income tax expenses that the Company's management will have to assess the amounts and record on the financial statements. However, management has not yet assessed the impact and adopt in the current period interim financial statements.

Costs that are incurred unevenly during the financial year are anticipated or deferred in the interim report only if it would also be appropriate to anticipate or defer such costs at the end of the financial year.

ACAP Advisory Public Company Limited
Condensed Notes to the Interim Consolidated and Company Financial Statements (Unaudited)
For the six-month periods ended 30 June 2010 and 2009

4 Segment information

Primary reporting format - financial information by business segment

	Consolidated				
	Advisory and Investment Banking Baht'000	Non-Performing Asset ("NPA") Management Baht'000	Consumer Finance Baht'000	Eliminate Baht'000	Total Baht'000
For the three-month period ended 30 June 2010					
Revenues					
Revenue from operation	8,098	100,436	61,304	-	169,838
Revenue from inter-segment	5,183	33,853	11,921	(50,957)	-
Total revenues	<u>13,281</u>	<u>134,289</u>	<u>73,225</u>	<u>(50,957)</u>	<u>169,838</u>
Segment expenses	<u>12,025</u>	<u>38,750</u>	<u>86,360</u>	<u>(31,220)</u>	<u>105,915</u>
Operating profit (loss)	<u>1,256</u>	<u>95,539</u>	<u>(13,135)</u>	<u>(19,737)</u>	<u>63,923</u>

	Consolidated				
	Advisory and Investment Banking Baht'000	Non-Performing Asset ("NPA") Management Baht'000	Consumer Finance Baht'000	Eliminate Baht'000	Total Baht'000
For the three-month period ended 30 June 2009					
Revenues					
Revenue from operation	7,652	152,565	94,864	-	255,081
Revenue from inter-segment	13,506	(4,443)	-	(9,063)	-
Total revenues	<u>21,158</u>	<u>148,122</u>	<u>94,864</u>	<u>(9,063)</u>	<u>255,081</u>
Segment expenses	<u>12,083</u>	<u>36,869</u>	<u>78,998</u>	<u>1,680</u>	<u>129,630</u>
Operating profit (loss)	<u>9,075</u>	<u>111,253</u>	<u>15,866</u>	<u>(10,743)</u>	<u>125,451</u>

	Consolidated				
	Advisory and Investment Banking Baht'000	Non-Performing Asset ("NPA") Management Baht'000	Consumer Finance Baht'000	Eliminate Baht'000	Total Baht'000
For the six-month period ended 30 June 2010					
Revenues					
Revenue from operation	15,114	209,476	146,544	-	371,134
Revenue from inter-segment	10,606	55,571	24,476	(90,653)	-
Total revenues	<u>25,720</u>	<u>265,047</u>	<u>171,020</u>	<u>(90,653)</u>	<u>371,134</u>
Segment expenses	<u>23,606</u>	<u>312,527</u>	<u>88,362</u>	<u>(57,110)</u>	<u>367,385</u>
Operating profit (loss)	<u>2,114</u>	<u>(47,480)</u>	<u>82,658</u>	<u>(33,543)</u>	<u>3,749</u>

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4 Segment information (Cont'd)

	Consolidated				Total Baht'000
	Advisory and Investment Banking Baht'000	Non-Performing Asset ("NPA") Management Baht'000	Consumer Finance Baht'000	Eliminate Baht'000	
For the six-month period ended 30 June 2009					
Revenues					
Revenue from operation	9,267	289,727	222,764	-	521,758
Revenue from inter-segment	13,562	6,727	-	(20,289)	-
Total revenues	22,829	296,454	222,764	(20,289)	521,758
Segment expenses	17,133	193,785	261,262	(27,519)	444,661
Operating profit (loss)	5,696	102,669	(38,498)	7,230	77,097

5 Basic earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the net profit (loss) for the period attributable to equity holders by the weighted average number of ordinary shares in issue during the period (2010 and 2009: 125,000,000 shares).

There is no dilutive share issued for the six-month periods ended 30 June 2010 and 2009.

6 Investments in non-performing assets

The movements in the investments in non-performing assets can be analysed as follows:

	Unaudited Consolidated Baht'000
For the six-month period ended 30 June 2010	
Beginning balance	4,187,537
Repayment	(84,291)
Transfer to loans to non-performing assets	
- Transfer of investments	(688,466)
- Reversal of allowance for impairment of investments	177,530
Additional allowance for impairment during the period	(146,312)
Closing balance	3,445,998

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7 Loans to non-performing assets

The movements in the loans to non-performing assets can be analysed as follows:

	Unaudited Consolidated Baht'000
For the six-month period ended 30 June 2010	
Beginning net book balance	1,014,811
Repayment	(386,146)
Loss from restructuring	(2,503)
Transfer from investments in non-performing assets	
- Transfer from investments	688,466
- Allowance for impairment of transferred investments	(177,530)
Additional allowance for doubtful accounts during the period	(3,526)
Closing net book balance	<u>1,133,572</u>

8 Loans to consumers and interest receivable, net

Outstanding loans to consumers and interest receivable can be analysed as follows:

	Consolidated	
	Unaudited 30 June 2010 Baht'000	Audited 31 December 2009 Baht'000
Overdue less 3 months	117,674	256,567
Overdue more than 3 months	93,934	113,709
Total	211,608	370,276
<u>Less</u> Allowance for doubtful accounts	(105,832)	(236,040)
	<u>105,776</u>	<u>134,236</u>
Current portion	94,001	113,237
Non-current portion	11,775	20,999
	<u>105,776</u>	<u>134,236</u>

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9 Investment in subsidiary companies

List of subsidiaries as at 30 June 2010 are as follow:

Company's name	Company		Percentage of investment
	Country of establishment	Type of business	
ACAP Asset Management Co., Ltd.	Thailand	Non-performing assets management	99.99
STAR Asset Management Ltd.	Thailand	Non-performing assets management	83.44
ACAP Corporate Services Co., Ltd.	Thailand	Financial advisory	99.99
Global Service Center Co., Ltd.	Thailand	Asset rental service	99.99
ACAP Consulting Co., Ltd.	Thailand	Legal advisory	99.99
ACAP (Malaysia) Sdn. Bhd.	Malaysia	Non-performing assets management	99.99
Capital OK Co., Ltd.	Thailand	Consumers Finance	99.99
Subsidiary held by subsidiary (Capital OK Co., Ltd.)			
Professional Collection Co., Ltd.	Thailand	Collection services	99.99

10 Obligation under long term lease contracts

	Consolidated		Company	
	Unaudited 30 June 2010 Baht'000	Audited 31 December 2009 Baht'000	Unaudited 30 June 2010 Baht'000	Audited 31 December 2009 Baht'000
Minimum lease payments obligation under long-term lease contracts	27,128	7,228	26,519	6,009
<u>Less</u> Deferred interest	(2,847)	(501)	(2,839)	(472)
	<u>24,281</u>	<u>6,727</u>	<u>23,680</u>	<u>5,537</u>
Current portion due within one year	8,499	3,536	7,898	2,346
Non-current portion due after one year	15,782	3,191	15,782	3,191
	<u>24,281</u>	<u>6,727</u>	<u>23,680</u>	<u>5,537</u>

11 Capital expenditures

	Consolidated			Company	
	Building improvement and equipment Baht'000	Intangible assets Baht'000	Goodwill Baht'000	Building improvement and equipment Baht'000	Intangible assets Baht'000
For the six-month period ended 30 June 2010 - Unaudited					
Opening net book amount	80,600	34,464	2,538	33,249	4,715
Additions	32,564	702	-	29,039	482
Disposals, net	(1,844)	(100)	-	(620)	-
Reversal for impairment	3,623	-	-	-	-
Depreciation charge/ amortisation	(25,838)	(11,560)	(2,175)	(5,162)	(316)
Ending net book amount	<u>89,105</u>	<u>23,506</u>	<u>363</u>	<u>56,506</u>	<u>4,881</u>

12 Administrative expenses

Administrative expenses in the consolidated statement of income for the three-month and six-month periods ended 30 June 2010 included the reversal of bad debt and doubtful accounts, which decreased in administrative expenses of a subsidiary amounting to Baht 16 million and Baht 122 million, respectively (30 June 2009: it was a reversal in expense amounting to Baht 61 million and Baht 44 million for the three-month and six-month periods, respectively).

13 Income taxes

The group interim income tax expense is accrued based on actual profit for the period because of nature of business which is difficult for the management to estimate the expected total annual earnings.

14 Related party transactions

As at 30 June 2010, the major shareholders of the Company are Dr. Vivat Vitoontien and family which hold 49.19% of total registered share capital (31 December 2009: Dr. Vivat Vitoontien and family and Orix Corporation hold 36.39% and 20.00% of total registered share capital respectively). The list of investment in subsidiaries are set out in Note 9.

Pricing policy

Fees charged for services in management of non-performing assets for subsidiaries and related companies are as follows:

- Revenue from service-base fee is chargeable basing on agreed basis which is calculated from budget expenses.
- Revenue from service-collection fee are chargeable basing on agreed basis at 7% - 10% of collected money after deduction of related direct expenses.

Other income is per normal business similar of other customers. Interest income/expense incurred from borrowings, cost of services and administrative expenses are carried out at the agreed rate as per contracts.

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14 Related party transactions (Cont'd)

The following significant transactions were carried out with related parties:

i) Service income

	Consolidated		Company	
	Unaudited 2010 Baht'000	Unaudited 2009 Baht'000	Unaudited 2010 Baht'000	Unaudited 2009 Baht'000
For the three-month periods ended 30 June				
Service income				
Base fee				
- ACAP Asset Management Co., Ltd.	-	-	7,905	10,808
- Star Asset Management Ltd.	-	-	6,673	8,936
- Inter Capital Alliance Asset Management Co., Ltd.	15,270	14,268	15,270	14,268
Collection fee				
- ACAP Asset Management Co., Ltd.	-	-	561	274
- Star Asset Management Ltd.	-	-	(106)	190
- Inter Capital Alliance Asset Management Co., Ltd.	1,132	1,664	1,132	1,664
Professional fee				
- ACAP Asset Management Co., Ltd.	-	-	240	240
- Star Asset Management Ltd.	-	-	540	810
- Inter Capital Alliance Asset Management Co., Ltd.	1,421	3,204	-	-
Other service fee				
- Capital OK Co., Ltd.	-	-	358	-
- Profession Collection Co., Ltd.	-	-	35	-
- Global Service Center Co., Ltd.	-	-	5	-
Total service income	17,823	19,136	32,613	37,190
Other income				
Accounting and financial service income				
- Global Service Center Co., Ltd.	-	-	1,125	4,220
- Capital OK Co., Ltd.	-	-	2,250	4,500
- Profession Collection Co., Ltd.	-	-	1,125	-
Sharing expense income				
- ACAP Consulting Co., Ltd.	-	-	3	5
- Star Asset management Ltd.	-	-	-	1
Interest income				
- ACAP Asset Management Co., Ltd.	-	-	137	(266)
- Star Asset Management Ltd.	-	-	660	953
- ACAP Consulting Co., Ltd.	-	-	14	30
- Global Service Center Co., Ltd.	-	-	-	10
- ACAP Corporate Services Co., Ltd.	-	-	14	-
Dividend income				
- ACAP (Malaysia) Sdn. Bhd.	-	-	9,649	-
Total other income	-	-	14,977	9,453

ACAP Advisory Public Company Limited
Condensed Notes to the Interim Consolidated and Company Financial Statements (Unaudited)
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14 Related party transactions (Cont'd)

i) Service income (Cont'd)

	Consolidated		Company	
	Unaudited 2010 Baht'000	Unaudited 2009 Baht'000	Unaudited 2010 Baht'000	Unaudited 2009 Baht'000
For the six-month periods ended 30 June				
Service income				
Base fee				
- ACAP Asset Management Co., Ltd.	-	-	18,797	20,964
- Star Asset Management Ltd.	-	-	13,418	18,527
- Inter Capital Alliance Asset Management Co., Ltd.	30,997	28,349	30,997	28,349
Collection fee				
- ACAP Asset Management Co., Ltd.	-	-	1,548	1,036
- Star Asset Management Ltd.	-	-	(292)	336
- Inter Capital Alliance Asset Management Co., Ltd.	4,228	4,847	4,228	4,847
Professional fee				
- ACAP Asset Management Co., Ltd.	-	-	480	480
- Star Asset Management Ltd.	-	-	1,120	1,620
- Inter Capital Alliance Asset Management Co., Ltd.	2,907	4,614	-	-
Other service fee				
- Capital OK Co., Ltd.	-	-	716	-
- Profession Collection Co., Ltd.	-	-	70	-
- Global Service Center Co., Ltd.	-	-	5	-
Total service income	38,132	37,810	71,087	76,159
Other income				
Accounting and financial service income				
- Global Service Center Co., Ltd.	-	-	2,250	4,520
- Capital OK Co., Ltd.	-	-	4,500	9,000
- Profession Collection Co., Ltd.	-	-	2,250	-
Sharing expense income				
- ACAP Consulting Co., Ltd.	-	-	8	16
- Star Asset management Ltd.	-	-	1	2
Interest income				
- ACAP Asset Management Co., Ltd.	-	-	456	(266)
- Star Asset Management Ltd.	-	-	2,220	1,202
- ACAP Consulting Co., Ltd.	-	-	20	59
- Global Service Center Co., Ltd.	-	-	-	30
- ACAP Corporate Services Co., Ltd.	-	-	22	-
Dividend income				
- ACAP (Malaysia) Sdn. Bhd.	-	-	9,649	-
Total other income	-	-	21,376	14,563

ACAP Advisory Public Company Limited
Condensed Notes to the Interim Consolidated and Company Financial Statements (Unaudited)
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14 Related party transactions (Cont'd)

ii) Expenses

	Consolidated		Company	
	Unaudited 2010 Baht'000	Unaudited 2009 Baht'000	Unaudited 2010 Baht'000	Unaudited 2009 Baht'000
For the three-month periods ended 30 June				
Cost of service				
Professional fee				
- ACAP Consulting Co., Ltd.	-	-	480	540
Total cost of service	-	-	480	540
Administrative expenses				
Rental and maintenance equipment				
- Global Service Center Co., Ltd.	-	-	1,800	2,626
Total administrative expenses	-	-	1,800	2,626
For the six-month periods ended 30 June				
Cost of service				
Professional fee				
- ACAP Consulting Co., Ltd.	-	-	1,000	1,080
Total cost of service	-	-	1,000	1,080
Administrative expenses				
Rental and maintenance equipment				
- Global Service Center Co., Ltd.	-	-	3,600	5,722
Bank charge				
- Standard Bank Asia Ltd.	-	160	-	-
Total administrative expenses	-	160	3,600	5,722

ACAP Advisory Public Company Limited
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14 Related party transactions (Cont'd)

iii) Interest expense

	Consolidated		Company	
	Unaudited 2010 Baht'000	Unaudited 2009 Baht'000	Unaudited 2010 Baht'000	Unaudited 2009 Baht'000
For the three-month periods ended 30 June				
- Standard Bank Plc.	18,522	27,623	-	-
- Standard Bank Asia Ltd.	-	3,812	-	-
- Capital OK Co., Ltd.	-	-	11,108	-
	<u>18,522</u>	<u>31,435</u>	<u>11,108</u>	<u>-</u>
	Consolidated		Company	
	Unaudited 2010 Baht'000	Unaudited 2009 Baht'000	Unaudited 2010 Baht'000	Unaudited 2009 Baht'000
For the six-month periods ended 30 June				
- Standard Bank Plc.	97,303	40,668	-	-
- Standard Bank Asia Ltd.	-	5,131	-	-
- Capital OK Co., Ltd.	-	-	22,095	-
	<u>97,303</u>	<u>45,799</u>	<u>22,095</u>	<u>-</u>

iv) Outstanding balances arising from sales/purchases of services

	Consolidated		Company	
	Unaudited 30 June 2010 Baht'000	Audited 31 December 2009 Baht'000	Unaudited 30 June 2010 Baht'000	Audited 31 December 2009 Baht'000
Accounts receivable - related companies				
- ACAP Asset Management Co., Ltd.	-	-	702	1,734
- Star Asset Management Ltd.	-	-	1,848	3,642
- ACAP Corporate Services Co., Ltd.	-	-	8,000	8,000
- Inter Capital Alliance Asset Management Co., Ltd.	1,304	4,282	1,304	2,551
- Capital OK Co., Ltd.	-	-	802	1,500
- Global Service Center Co., Ltd.	-	-	4,855	3,900
- Professional Collection Co., Ltd.	-	-	380	-
	<u>1,304</u>	<u>4,282</u>	<u>17,891</u>	<u>21,327</u>
Amount due from related companies				
- ACAP Asset Management Co., Ltd.	-	-	216	1,041
- Star Asset Management Ltd.	-	-	5,687	1,017
- ACAP Corporate Services Co., Ltd.	-	-	750	762
- ACAP (Malaysia) Sdn. Bhd.	-	-	68	82
- Inter Capital Alliance Asset Management Co., Ltd.	6,347	3,047	6,347	3,046
- Standard Bank Plc.	6,185	18,945	-	-
	<u>12,532</u>	<u>21,992</u>	<u>13,068</u>	<u>5,948</u>

ACAP Advisory Public Company Limited
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14 Related party transactions (Cont'd)

iv) Outstanding balances arising from sales/purchases of services (Cont'd)

	Consolidated		Company	
	Unaudited 30 June 2010 Baht'000	Audited 31 December 2009 Baht'000	Unaudited 30 June 2010 Baht'000	Audited 31 December 2009 Baht'000
Amount due to related companies				
- Standard Bank Plc.	96,632	13,593	-	-
- ORIX Corporation Co., Ltd.	-	-	-	1,152
- Global Service Center Co. Ltd.	-	-	-	4,273
- Professional Collection Co., Ltd.	-	-	-	64
- Star Asset Management Ltd.	-	-	941	945
- Inter Capital Alliance Asset Management Co., Ltd.	166	476	165	476
- Capital OK Co., Ltd.	-	-	366	-
- ACAP Asset Management Co., Ltd.	-	-	87	-
	<u>96,798</u>	<u>14,069</u>	<u>1,559</u>	<u>6,910</u>

v) Loans to related parties

For the six-month period ended 30 June 2010, the Company has loan to subsidiaries as follows:

	Company			
	Short-term loans			
	Opening balance Baht'000	Addition during the period Baht'000	Repayment during the period Baht'000	Ending balance Baht'000
ACAP Consulting Co., Ltd.	1,800	2,000	(500)	3,300
ACAP Corporate Services Co., Ltd.	3,000	5,500	(700)	7,800
Total	<u>4,800</u>	<u>7,500</u>	<u>(1,200)</u>	<u>11,100</u>
	Company			
	Long-term loans			
	Opening balance Baht'000	Addition during the period Baht'000	Repayment during the period Baht'000	Ending balance Baht'000
<u>Current portion of long-term loans</u>				
ACAP Asset Management Co., Ltd.	<u>46,333</u>	<u>-</u>	<u>(777)</u>	<u>45,556</u>
<u>Long-term loans</u>				
Star Asset Management Ltd.	<u>41,484</u>	<u>-</u>	<u>(3,419)</u>	<u>38,065</u>

Due to the Company jointly lent loans to subsidiary for purchasing investment in non-performing assets with other borrowers, which are related companies or financial institution, the criteria of loan repayment, interest and incentive fee calculation were carried out at variable rate of return.

14 Related party transactions (Cont'd)

vi) Loans from related parties

During the six-month period ended 30 June 2010, the Company has loan from related parties as follows:

Counterparty	Consolidated			
	Opening balance Baht'000	Additions during the period Baht'000	Repayment during the period Baht'000	Ending balance Baht'000
Long-term loans				
Standard Bank Plc.	1,778,709	-	(71,475)	1,707,234
Counterparty	Company			
	Opening balance Baht'000	Additions during the period Baht'000	Repayment during the period Baht'000	Ending balance Baht'000
Capital OK Co., Ltd.	760,000	-	-	760,000

15 Commitments and contingencies

For the six-month period ended 30 June 2010, there were no significant changes in commitments and contingent liabilities, including other contracts from the year ended 31 December 2009 except for foreign currency forward contracts which the movements in the foreign currency forward contracts can be analysed as follows:

	Notional amount	
	Foreign currency USD Million	Million Baht
For the six-month period ended 30 June 2010 (Unaudited)		
Beginning net book balance	23.6	790
Addition during the period	1.8	57
Settlement during the period	(13.8)	(460)
Closing net book balance	11.6	387