

ACAP ADVISORY PUBLIC COMPANY LIMITED

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

30 SEPTEMBER 2011

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 statements of financial position as at 30 September 2011, and the consolidated and company statements of comprehensive income for the three-month and nine-month periods ended 30 September 2011 and 2010, and the consolidated and company statements of changes in shareholders' equity and cash flows for the nine-month periods ended 30 September 2011 and 2010 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 2010 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 24 February 2011. The consolidated and company statements of financial position as at 31 December 2010, 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 Ltd.

Bangkok
11 November 2011

ACAP Advisory Public Company Limited
Statement of Financial Position
As at 30 September 2011 and 31 December 2010

	Notes	Consolidated		Company	
		Unaudited 30 September 2011 Baht'000	Audited 31 December 2010 Baht'000	Unaudited 30 September 2011 Baht'000	Audited 31 December 2010 Baht'000
Assets					
Current assets					
Cash and cash equivalents		954,319	990,545	51,984	106,839
Short-term investments		15,145	23,173	15,145	-
Accounts and notes receivable, net		31,098	24,866	11,444	2
Current portion of investment in non-performing assets, net	7	138,626	1,203,134	-	-
Current portion of loans to non-performing assets, net	8	155,688	907,632	-	-
Loans to consumers and interests receivable, net	9	-	53,323	-	-
Accounts receivable - related companies	15 iv	-	2,845	2,408	10,467
Amount due from related companies	15 iv	3,369	7,606	3,233	7,719
Short-term loans to related companies, net	15 v	-	-	10,000	5,000
Current portion of long-term loans to related companies	15 v	-	-	9,766	39,753
Other current assets, net		677,623	649,308	7,336	5,594
Total current assets		1,975,868	3,862,432	111,316	175,374
Non-current assets					
Investment in non-performing assets, net	7	625,100	656,970	-	-
Loans to non-performing assets, net	8	114,935	91,507	-	-
Long-term loan to related companies	15 v	-	-	32,294	21,047
Investment in subsidiary companies	10	-	-	944,208	938,865
Long-term investments		1,718	1,662	-	-
Building improvement and equipment, net	12	55,808	75,924	43,612	52,181
Intangible assets, net	12	7,610	13,378	3,871	4,478
Other non-current assets, net		20,373	14,707	8,143	5,127
Total non-current assets		825,544	854,148	1,032,128	1,021,698
Total assets		2,801,412	4,716,580	1,143,444	1,197,072

Director _____ Director _____

Date _____

The notes to the interim financial statements on pages 11 to 26 are an integral part of these interim financial statements.

ACAP Advisory Public Company Limited
Statement of Financial Position (Cont'd)
As at 30 September 2011 and 31 December 2010

	Notes	Consolidated		Company	
		Unaudited 30 September 2011 Baht'000	Audited 31 December 2010 Baht'000	Unaudited 30 September 2011 Baht'000	Audited 31 December 2010 Baht'000
Liabilities and shareholders' equity					
Current liabilities					
Accounts and notes payable		-	16,419	-	-
Amount due to related companies	15 iv	73,165	88,942	41,149	2,032
Short-term loans from related companies	15 vi	-	-	20,000	-
Current portion of long-term loans from financial institutions	17	239,747	1,270,226	-	-
Current portion of long-term loan from related company	15 vi	466,779	501,620	-	-
Current portion of financial lease contracts	11	6,380	7,596	6,380	7,596
Other current liabilities	17	121,459	742,078	2,489	5,555
Total current liabilities		907,530	2,626,881	70,018	15,183
Non-current liabilities					
Liabilities under financial lease contract, net	11	10,030	12,732	10,030	12,732
Long-term loans from financial institutions	17	-	332,348	-	-
Long-term loans from related companies	15 vi	1,103,498	1,103,498	760,000	760,000
Other non-current liabilities	3	17,780	-	7,369	-
Total non-current liabilities		1,131,308	1,448,578	777,399	772,732
Total liabilities		2,038,838	4,075,459	847,417	787,915
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
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
Retained earning (deficit)					
Appropriated		12,500	12,500	12,500	12,500
Unappropriated		288,960	167,475	(179,215)	(66,085)
Other components of equity		(3,616)	(1,596)	-	-
Equity attributable to owners of the parent		760,586	641,121	296,027	409,157
Non-controlling interests		1,988	-	-	-
Total shareholders' equity		762,574	641,121	296,027	409,157
Total liabilities and shareholders' equity		2,801,412	4,716,580	1,143,444	1,197,072

The notes to the interim financial statements on pages 11 to 26 are an integral part of these interim financial statements.

ACAP Advisory Public Company Limited
Statements of Comprehensive Income (Unaudited)
For the three-month periods ended 30 September 2011 and 2010

	Notes	Consolidated		Company	
		Unaudited 30 September 2011 Baht'000	Unaudited 30 September 2010 Baht'000	Unaudited 30 September 2011 Baht'000	Unaudited 30 September 2010 Baht'000
Revenues					
Service income	15 i	41,063	43,900	23,249	38,788
Interest income from non-performing asset management		46,608	40,677	-	-
Interest income from loans to consumers		-	6,500	-	-
Other income	15 i	22,894	76,705	3,431	426,073
Total revenues		110,565	167,782	26,680	464,861
Expenses					
Cost of services, assets management and loans		28,801	58,198	8,914	12,118
Administrative expenses	13, 15 ii	48,101	109,164	42,543	24,150
Management remunerations		5,991	7,795	5,991	7,795
Total expenses		82,893	175,157	57,448	44,063
Profit (loss) before finance costs and income tax		27,672	(7,375)	(30,768)	420,798
Finance costs	15 iii	(9,396)	3,720	13,584	11,838
Profit (loss) before income tax		37,068	(11,095)	(44,352)	408,960
Income tax	14	1,803	625	-	-
Net profit (loss) for the period		35,265	(11,720)	(44,352)	408,960
Other comprehensive income (loss)					
Exchange differences on translating financial statement		(2,370)	(249)	-	-
Losses on remeasuring available-for-sale investments		-	-	-	-
Total comprehensive income (loss) for the period, net of tax		(2,370)	(249)	-	-
Total comprehensive income (loss) for the period		32,895	(11,969)	(44,352)	408,960
Profit (loss) attributable to:					
Shareholders of the parent		37,625	(11,720)	(44,352)	408,960
Non-controlling interests		(2,360)	-	-	-
		35,265	(11,720)	(44,352)	408,960
Total comprehensive income (loss) attributable to:					
Shareholders of the parent		36,050	(11,969)	(44,352)	408,960
Non-controlling interests		(3,155)	-	-	-
		32,895	(11,969)	(44,352)	408,960
Earning (loss) per share (expressed in Baht per share)					
Basic earnings (loss) per share	6	<u>0.30</u>	<u>(0.09)</u>	<u>(0.35)</u>	<u>3.27</u>

The notes to the interim financial statements on pages 11 to 26 are an integral part of these interim financial statements.

ACAP Advisory Public Company Limited
Statements of Comprehensive Income (Unaudited)
For the nine-month periods ended 30 September 2011 and 2010

	Notes	Consolidated		Company	
		Unaudited 30 September 2011 Baht'000	Unaudited 30 September 2010 Baht'000	Unaudited 30 September 2011 Baht'000	Unaudited 30 September 2010 Baht'000
Revenues					
Service income	15 i	122,069	117,280	69,210	111,261
Interest income from non-performing asset management		80,532	181,817	-	-
Interest income from loans to consumers		-	27,940	-	-
Gain from sale of loans and receivables	18	242,177	-	-	-
Other income	15 i	50,191	211,879	11,119	453,542
Total revenues		494,969	538,916	80,329	564,803
Expenses					
Cost of services, assets management and loans		92,161	142,996	29,957	37,005
Administrative expenses	13, 15 ii	258,565	376,639	102,067	67,878
Management remunerations		21,334	22,907	21,332	22,907
Total expenses		372,060	542,542	153,356	127,790
Profit (loss) before finance costs and income tax		122,909	(3,626)	(73,027)	437,013
Finance costs	15 iii	(1,229)	130,174	40,103	34,421
Profit (loss) before income tax		124,138	(133,800)	(113,130)	402,592
Income tax	14	5,013	3,970	-	71
Net profit (loss) for the period		119,125	(137,770)	(113,130)	402,521
Other comprehensive income (loss)					
Exchange differences on translating financial statement		(2,815)	67	-	-
Losses on remeasuring available-for-sale investments		-	(1,307)	-	(1,307)
Other comprehensive income (loss) for the period, net of tax		(2,815)	(1,240)	-	(1,307)
Total comprehensive income (loss) for the period		116,310	(139,010)	(113,130)	401,214
Profit (loss) attributable to:					
Shareholders of the parent		121,485	(137,770)	(113,130)	402,521
Non-controlling interests		(2,360)	-	-	-
		119,125	(137,770)	(113,130)	402,521
Total comprehensive income (loss) attributable to:					
Shareholders of the parent		119,465	(139,010)	(113,130)	401,214
Non-controlling interests		(3,155)	-	-	-
		116,310	(139,010)	(113,130)	401,214
Earning (loss) per share (expressed in Baht per share)					
Basic earnings (loss) per share	6	0.97	(1.10)	(0.91)	3.22

The notes to the interim financial statements on pages 11 to 26 are an integral part of these interim financial statements.

ACAP Advisory Public Company Limited

Statements of Changes in Shareholders' Equity (Unaudited)

For the nine-month periods ended 30 September 2011 and 2010

	Consolidated (Unaudited)								
	Equity attributable to shareholders of the parent								
	Issued and paid-up share capital Baht'000	Premium on share capital Baht'000	Retained earnings		Other components of equity		Total shareholders of the parent Baht'000	Non-controlling interests Baht'000	Total shareholders' equity Baht'000
			Appropriated	Unappropriated	Unrealised gain on change in fair value of investment Baht'000	Currency translation differences from subsidiary in overseas Baht'000			
Baht'000			Baht'000	Baht'000	Baht'000				
Opening balance as at 1 January 2011	125,000	337,742	12,500	167,475	-	(1,596)	641,121	-	641,121
Issued share capital	-	-	-	-	-	-	-	5,143	5,143
Total comprehensive income (loss) for the period	-	-	-	121,485	-	(2,020)	119,465	(3,155)	116,310
Ending balance as at 30 September 2011	125,000	337,742	12,500	288,960	-	(3,616)	760,586	1,988	762,574

	Consolidated (Unaudited)								
	Equity attributable to shareholders of the parent								
	Issued and paid-up share capital Baht'000	Premium on share capital Baht'000	Retained earnings		Other components of equity		Total shareholders of the parent Baht'000	Non-controlling interests Baht'000	Total shareholders' equity Baht'000
			Appropriated	Unappropriated	Unrealised gain on change in fair value of investment Baht'000	Currency translation differences from subsidiary in overseas Baht'000			
Baht'000			Baht'000	Baht'000	Baht'000				
Opening balance as at 1 January 2010	125,000	337,742	12,500	383,343	1,307	(1,889)	858,003	-	858,003
Total comprehensive income (loss) for the period	-	-	-	(137,770)	(1,307)	67	(139,010)	-	(139,010)
Ending balance as at 30 September 2010	125,000	337,742	12,500	245,573	-	(1,822)	718,993	-	718,993

The notes to the interim financial statements on pages 11 to 26 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 nine-month periods ended 30 September 2011 and 2010

	Company (Unaudited)					Total shareholders' equity Baht'000
	Issued and paid-up share capital Baht'000	Premium on share capital Baht'000	Retained earning (deficit)		Other components of equity	
			Appropriated	Unappropriated	Unrealised gain on change in fair value of investment	
			Baht'000	Baht'000	Baht'000	
Opening balance as at 1 January 2011	125,000	337,742	12,500	(66,085)	-	409,157
Total comprehensive loss for the period	-	-	-	(113,130)	-	(113,130)
Closing balance as at 30 September 2011	<u>125,000</u>	<u>337,742</u>	<u>12,500</u>	<u>(179,215)</u>	<u>-</u>	<u>296,027</u>

	Company (Unaudited)					Total shareholders' equity Baht'000
	Issued and paid-up share capital Baht'000	Premium on share capital Baht'000	Retained earnings		Other components of equity	
			Appropriated	Unappropriated	Unrealised gain on change in fair value of investment	
			Baht'000	Baht'000	Baht'000	
Opening balance as at 1 January 2010	125,000	337,742	12,500	45,501	1,307	522,050
Total comprehensive loss for the period	-	-	-	402,521	(1,307)	401,214
Closing balance as at 30 September 2010	<u>125,000</u>	<u>337,742</u>	<u>12,500</u>	<u>448,022</u>	<u>-</u>	<u>923,264</u>

The notes to the interim financial statements on pages 11 to 26 are an integral part of these interim financial statements.

ACAP Advisory Public Company Limited

Statements of Cash Flows (Unaudited)

For the nine-month periods ended 30 September 2011 and 2010

	Consolidated		Company	
	Unaudited 30 September 2011 Baht'000	Unaudited 30 September 2010 Baht'000	Unaudited 30 September 2011 Baht'000	Unaudited 30 September 2010 Baht'000
Cash flows from operating activities				
Profit (loss) before income tax	124,138	(133,800)	(113,130)	402,592
Adjustment for:				
Depreciation and amortisation	23,395	51,814	9,731	8,578
Interest income	(91,523)	(212,080)	(1,747)	(6,231)
Interest expenses	(2,018)	129,323	39,314	33,597
Interest expenses from finance lease contracts	789	851	789	824
Dividend income	-	-	-	(429,649)
Restructuring provision (reversal)	-	(33,693)	-	-
Loss on impairment of investment in non-performing assets (reversal)	(14,073)	(26,684)	-	-
Bad debt and doubtful accounts of loans to customers (reversal)	-	(85,853)	-	-
Bad debt and doubtful accounts of loans to non-performing assets (reversal)	(8,074)	187,359	-	-
Loss from restructuring in loan to non-performing assets and investment in non-performing assets	23,157	2,938	-	-
(Gain) loss on disposal/impairment/write-off assets	1,031	1,333	29,109	(1,696)
(Gain) loss on foreign currencies translation	6,440	725	506	2,294
Provision for retirement benefits and other liabilities	3 6,614	-	4,457	-
Profit (loss) from operating activities before changes in operating assets and liabilities	69,876	(117,767)	(30,971)	10,309
(Increase) decrease in operating assets				
Accounts and notes receivable	(6,232)	(1,216)	(11,442)	(1,450)
Investment in non-performing assets	1,022,153	59,001	-	-
Loans to non-performing assets	782,912	475,548	-	-
Loans to consumers	53,323	126,017	-	-
Accounts receivable-related companies	2,845	732	8,059	9,126
Amount due from related companies	4,237	8,012	4,390	1,455
Other current assets	36,777	9,950	380	(4,050)
Other non-current assets	757	6,463	(833)	(129)
Increase (decrease) in operating liabilities				
Accounts and notes payable	(16,419)	(770)	-	(4,273)
Amount due to related companies	(704)	(8,104)	(195)	(21,906)
Other current liabilities	(634,360)	(93,060)	(3,066)	(69,667)

The notes to the interim financial statements on pages 11 to 26 are an integral part of these interim financial statements.

ACAP Advisory Public Company Limited
Statements of Cash Flows (Cont'd) (Unaudited)
For the nine-month periods ended 30 September 2011 and 2010

	Notes	Consolidated		Company	
		Unaudited 30 September 2011 Baht'000	Unaudited 30 September 2010 Baht'000	Unaudited 30 September 2011 Baht'000	Unaudited 30 September 2010 Baht'000
Cash flows from operating activities (Cont'd)					
Cash generated from (used in) operation					
before interest and income tax received (paid)		1,315,165	464,806	(33,678)	(80,585)
Interest income received		59,862	234,444	1,863	3,436
Interest paid excluding finance lease contracts		(11,148)	(49,212)	-	(22,216)
Income tax paid		(4,953)	(6,132)	(2,141)	(6,119)
Net cash provided by (used in) operating activities		1,358,926	643,906	(33,956)	(105,484)
Cash flows from investing activities					
Cash paid for short-term loan to related companies	15 v	-	-	(27,500)	(7,500)
Cash paid for long-term loan to related companies	15 v	-	-	(10,893)	-
Cash paid for investment in subsidiaries	10	-	-	(15,893)	(6,600)
Cash paid for short-term investments		(16,134)	-	(16,134)	-
Cash paid for building improvement, equipment and intangible assets		(4,504)	(20,228)	(396)	(10,589)
Cash received from disposal of short-term investment		23,373	28,745	-	11,845
Cash received from short-term loan to related companies	15 v	-	-	4,100	7,100
Cash received from long-term loan to related companies	15 v	-	-	29,987	7,693
Cash received from disposal of building improvement, equipment and intangible assets		5,403	5,081	1,576	1,776
Cash received from issuance of share capital received from non-controlling interests		5,143	-	-	-
Dividend received from related companies		-	-	-	429,649
Net cash provided by (used in) investing activities		13,281	13,598	(35,153)	433,374
Cash flows from financing activities					
Cash received from issuing convertible loan		3,431	-	-	-
Cash received from short-term loan from related companies	15 vi	-	-	20,000	-
Cash paid on long-term loans from related companies	15 vi	(34,841)	(132,477)	-	-
Cash paid for long-term loans from financial institutions	17	(1,371,672)	(581,141)	-	-
Cash paid for liabilities under financial lease contracts		(5,874)	(5,713)	(5,874)	(4,799)
Net cash used in provided by (used in) financing activities		(1,408,956)	(719,331)	14,126	(4,799)

The notes to the interim financial statements on pages 11 to 26 are an integral part of these interim financial statements.

ACAP Advisory Public Company Limited
Statements of Cash Flows (Cont'd) (Unaudited)
For the nine-month periods ended 30 September 2011 and 2010

	Consolidated		Company	
	Unaudited	Unaudited	Unaudited	Unaudited
	30 September	30 September	30 September	30 September
	2011	2010	2011	2010
	Baht'000	Baht'000	Baht'000	Baht'000
Net increase (decrease) in cash and cash equivalents	(36,749)	(61,827)	(54,983)	323,091
Cash and cash equivalents at beginning of the period	990,545	1,438,982	106,839	245,098
Exchange loss on cash	523	(351)	128	(2,016)
Cash and cash equivalents at end of the period	954,319	1,376,804	51,984	566,173
Significant non-cash transactions				
Purchase equipment under financial lease contracts	1,166	22,319	1,166	22,016
Restructuring investment in non-performing assets				
to be loans to non-performing assets	84,469	757,061	-	-
Foreclosed assets acquired by auction and debt settlement	18,819	29,133	-	-

The notes to the interim financial statements on pages 11 to 26 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 November 2011.

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., statements of financial position, comprehensive 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 interim financial statements are prepared in a condensed format according to Thai Accounting Standard 34, “Interim Financial Reporting” and additional notes are presented as required by the Securities and Exchange Commission under the Securities and Exchange Act.

An English version of the interim 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 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 2010, except as describe in note 4 which is accounting policy regarding employee benefits. The impact of the adoption of new accounting policies, new accounting standards and amendments to accounting standards that are effective for the financial year beginning or after 1 January 2011 are summarised as follows:

- TAS 1 (Revised 2009) prohibits the presentation of items of income and expenses in the statement of changes in equity. The Group chooses to present the statement of comprehensive income in one statement. Where the Group restates or reclassifies comparative information, it will be required to present a restated statement of financial position as at the beginning comparative period in addition to the current requirement to present statement of financial position at the end of the current period and comparative period. However, for the financial statements which period beginning on or after 1 January 2011 and the first period applies this standard, the Group can choose to present statement of financial position only two periods without the statement of financial position as at the beginning comparative period.

3 Accounting policies (Cont'd)

- TAS 19 deals with accounting for employee benefits. The Group has two categories of employee benefit: a) short-term employee benefits b) post-employment benefits (including defined contribution plan and defined benefit plan). The standard requires the Group to measure the defined benefit plan by using the Projected Unit Credit method (PUC). The Group chooses to recognise any actuarial gain or loss for defined benefit plan in profit and loss. The Group calculated the provision for post-employment benefits as at 1 January 2011 amounting to Baht 31 million and Baht 17 million for the consolidated and company financial statements, respectively. The Group recognises such provision by applying straight-line method throughout five years as stated in notification of Federation of Accounting Professions no.17/2554 and recognises the current year provision as expense for the year.

The impact of the adoption of accounting policies are as follows:

	<u>Consolidated</u> <u>Baht'000</u>	<u>Company</u> <u>Baht'000</u>
Statement of financial position as at 30 September 2011		
Provisions for post-employment benefits increased	6,614	4,457
Statement of comprehensive income		
For the three-month period ended 30 September 2011		
Personnel expenses increased	1,137	1,486
For the nine-month period ended 30 September 2011		
Personnel expenses increased	6,614	4,457
For the three-month period ended 30 September 2010		
Other comprehensive loss increased	249	-
For the nine-month period ended 30 September 2010		
Other comprehensive loss increased	1,240	1,307

New accounting standards, amendments to accounting standards and new interpretation

- a) The following new interpretation is mandatory for the accounting periods beginning on or after 1 January 2011.

TSIC 31 Revenue - Barter Transactions Involving Advertising Services

The Group's management has assessed and determined that this interpretation does not significantly impact the interim financial statements being presented.

- b) The following new accounting standards, amendments to accounting standards and new interpretation are mandatory for the accounting periods beginning on or after 1 January 2013, but the Group has not early adopted them:

TAS 12	Income taxes
TAS 20 (Revised 2009)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (Revised 2009)	The Effects of Changes in Foreign Exchange Rates
TSIC 10	Government Assistance - No Specific Relation to Operating Activities
TSIC 21	Income Taxes - Recovery of Revalued Non-Depreciable Assets
TSIC 25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders

The Group's management has determined that the new accounting standards, amendments to accounting standards and new interpretation will not significantly impact the interim financial statements being presented except for TAS 12 Income taxes with expected to incur of deferred tax account and changes in retained earnings and income tax expense. The management is currently assessing the impact of applying this standard.

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

4 New accounting policies

Employee benefits

The Group has post-employment benefits both defined contribution plans and defined benefit. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

- Defined benefit plans - Retirement benefits

Under Labour Laws applicable in Thailand and the Group's employment policy, all employees completing 120 days of service are entitled to severance pay on termination or retrenchment without cause or upon retirement age of 60. The severance pay will be at the rate according to number of years of service as stipulated in the Labor Law which is currently at a maximum rate of 300 days of final salary.

- Defined contribution plans - Provident fund

The Group operates a provident fund that is a defined contribution plan. The assets of which are held in a separate trust fund. The provident fund is funded by payments from employees and by the relevant Group companies. Contributions to the provident fund are charged to the statement of comprehensive income in the year to which they relate.

5 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 September 2011 (Unaudited)					
Revenues					
Revenue from operation	13,271	89,687	7,607	-	110,565
Revenue from inter-segment	1,252	8,277	14,705	(24,234)	-
Total revenues	14,523	97,964	22,312	(24,234)	110,565
Segment expenses	18,954	79,895	12,952	(28,908)	82,893
Operating profit (loss)	(4,431)	18,069	9,360	4,674	27,672

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5 Segment information (Cont'd)

Primary reporting format - financial information by business segment (Cont'd)

	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 September 2010 (Unaudited)					
Revenues					
Revenue from operation	10,174	77,448	80,160	-	167,782
Revenue from inter-segment	6,181	438,532	15,630	(460,343)	-
Total revenues	<u>16,355</u>	<u>515,980</u>	<u>95,790</u>	<u>(460,343)</u>	<u>167,782</u>
Segment expenses	<u>20,365</u>	<u>86,719</u>	<u>103,908</u>	<u>(35,835)</u>	<u>175,157</u>
Operating profit (loss)	<u>(4,010)</u>	<u>429,261</u>	<u>(8,118)</u>	<u>(424,508)</u>	<u>(7,375)</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 nine-month period ended 30 September 2011 (Unaudited)					
Revenues					
Revenue from operation	41,235	185,726	268,008	-	494,969
Revenue from inter-segment	5,064	21,389	45,565	(72,018)	-
Total revenues	<u>46,299</u>	<u>207,115</u>	<u>313,573</u>	<u>(72,018)</u>	<u>494,969</u>
Segment expenses	<u>61,430</u>	<u>218,930</u>	<u>148,059</u>	<u>(56,359)</u>	<u>372,060</u>
Operating profit (loss)	<u>(15,131)</u>	<u>(11,815)</u>	<u>165,514</u>	<u>(15,659)</u>	<u>122,909</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 nine-month period ended 30 September 2010 (Unaudited)					
Revenues					
Revenue from operation	25,288	286,924	226,704	-	538,916
Revenue from inter-segment	16,787	494,103	40,106	(550,996)	-
Total revenues	<u>42,075</u>	<u>781,027</u>	<u>266,810</u>	<u>(550,996)</u>	<u>538,916</u>
Segment expenses	<u>43,971</u>	<u>399,246</u>	<u>192,270</u>	<u>(92,945)</u>	<u>542,542</u>
Operating profit (loss)	<u>(1,896)</u>	<u>381,781</u>	<u>74,540</u>	<u>(458,051)</u>	<u>(3,626)</u>

6 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 (2011 and 2010: 125,000,000 shares).

There is no dilutive share issued for the nine-month periods ended 30 September 2011 and 2010.

7 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 nine-month period ended 30 September 2011	
Beginning net book balance	1,860,104
Repayment	(11,534)
Repayment by repossessing for debt settlement	(3,829)
Disposal (Note 17)	(1,010,619)
Transfer to loans to non-performing assets	
- Transfer of investments	(84,469)
- Reversal of allowance for impairment of investments	19,103
Additional allowance for impairment during the period	(5,030)
	<u>763,726</u>
Closing net book balance	<u>763,726</u>

8 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 nine-month period ended 30 September 2011	
Beginning net book balance	999,139
Repayment	(75,050)
Repayment by repossessing for debt settlement	(14,990)
Disposal (Note 17)	(707,862)
Loss from restructuring	(23,157)
Transfer from investments in non-performing assets	
- Transfer from investments	84,469
- Allowance for impairment of transferred investments	(19,103)
Decrease in allowance for doubtful accounts during the period	27,177
	<u>270,623</u>
Closing net book balance	<u>270,623</u>

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9 Loans to consumers and interest receivable, net

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

	Consolidated	
	Unaudited 30 September 2011 Baht'000	Audited 31 December 2010 Baht'000
Overdue less 3 months	-	58,180
Overdue more than 3 months	-	87,866
Total	-	146,046
<u>Less</u> Allowance for doubtful accounts	-	(92,723)
	-	<u>53,323</u>

A subsidiary has sold all the loans to customers during this period (Note 18).

10 Investment in subsidiary companies

List of subsidiaries as at 30 September 2011 are as follow:

Company's name	Country of establishment	Type of business	Nature of relationship	Percentage of investment
Subsidiaries				
ACAP Asset Management Co., Ltd.	Thailand	Non-performing assets management	Shareholder	99.99
Star Asset Management Co., Ltd.	Thailand	Non-performing assets management	Shareholder	83.44
ACAP Corporate Services Co., Ltd.	Thailand	Financial advisory	Shareholder	99.99
Global Service Center Co., Ltd.	Thailand	Asset rental service	Shareholder	99.99
ACAP Consulting Co., Ltd.	Thailand	Legal advisory	Shareholder	99.99
ACAP (Malaysia) Sdn. Bhd.	Malaysia	Non-performing assets management	Shareholder	99.99
Capital OK Co., Ltd.	Thailand	Consumers Finance	Shareholder	99.99
AURUM CAPITAL ADVISORY PTE. LTD.	Singapore	Investment Banking	Shareholder	63.97
Subsidiaries under Capital OK Co., Ltd.				
Professional Collection Co., Ltd.	Thailand	Collection services	Shareholder	99.99
ACAP (Asia) Asset Management Co., Ltd.	Thailand	Non-performing assets management	Shareholder Indirect	57.60 42.40

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10 Investment in subsidiary companies (Cont'd)

The movement in investment in subsidiaries are as follows:

	Unaudited Company Baht'000
For the nine-month period ended 30 September 2011	
Beginning net book balance	938,865
Additions	15,893
Additional allowance for impairment during the period	<u>(10,550)</u>
Closing net book balance	<u>944,208</u>

At the Executive Directors Committee No. 4/2554 on 31 March 2011, it was approved to incorporate a new subsidiary, named AURUM CAPITAL ADVISORY PTE. LTD. which is registered in Singapore, to operate an investment banking business in Singapore. On 26 April 2011, the Company purchased shares of AURUM CAPITAL ADVISORY PTE. LTD. for 303,858 shares, par value of USD 1 USD, totalling USD 362,500. The Company hold 63.97% of total share capital.

On 23 May 2011, the Executive Directors Committee No. 6/2554 approved to purchase share capital of ACAP Corporate Services Company Limited, a subsidiary, for 500,000 shares at par value of Baht 10 each, totalling Baht 5,000,000.

11 Obligation under long term lease contracts

	Consolidated		Company	
	Unaudited 30 September 2011 Baht'000	Audited 31 December 2010 Baht'000	Unaudited 30 September 2011 Baht'000	Audited 31 December 2010 Baht'000
Minimum lease payments obligation under long-term lease contracts	17,859	22,520	17,859	22,520
<u>Less</u> Deferred interest	<u>(1,449)</u>	<u>(2,192)</u>	<u>(1,449)</u>	<u>(2,192)</u>
	<u>16,410</u>	<u>20,328</u>	<u>16,410</u>	<u>20,328</u>
Current portion due within one year	6,380	7,596	6,380	7,596
Non-current portion due after one year	10,030	12,732	10,030	12,732
	<u>16,410</u>	<u>20,328</u>	<u>16,410</u>	<u>20,328</u>

12 Capital expenditures

	Consolidated		Company	
	Building improvement and equipment Baht'000	Intangible assets Baht'000	Building improvement and equipment Baht'000	Intangible assets Baht'000
For the nine-month period ended 30 September 2011 (Unaudited)				
Opening net book amount	75,924	13,378	52,181	4,478
Additions	4,903	767	1,562	-
Disposals and write-off, net	(9,470)	-	(1,735)	-
Depreciation charge/amortisation	(15,549)	(6,535)	(8,396)	(607)
Ending net book amount	<u>55,808</u>	<u>7,610</u>	<u>43,612</u>	<u>3,871</u>

13 Administrative expenses

Administrative expenses in the consolidated statement of comprehensive income for the nine-month period ended 30 September 2010 included the reversal of bad debt and doubtful accounts which decreased in administrative expenses amounting to Baht 86 million of a subsidiary, while for the three-month period ended 30 September 2010 presented as expense amounting to Baht 2 million.

14 Income taxes

The Group's 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.

15 Related party transactions

The Company is located in Thailand and registered as a listed company in the Market for Alternative Investment (MAI). The major shareholders of the Company are Dr. Vivat Vitoontien and family which hold 49.19% of total registered share capital. List of investment in subsidiaries are set out in Note 10.

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-upon procedure which is calculated from budget expenses.
- Revenue from service-collection fee are chargeable basing on agreed-upon procedure at 7% - 10% of collected money after deduction of related direct collection 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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15 Related party transactions (Cont'd)

The following significant transactions were carried out with related parties:

i) Service income

	Consolidated		Company	
	Unaudited 2011 Baht'000	Unaudited 2010 Baht'000	Unaudited 2011 Baht'000	Unaudited 2010 Baht'000
For the three-month periods ended 30 September				
Service income				
Base fee				
- ACAP Asset Management Co., Ltd.	-	-	-	7,490
- Star Asset Management Ltd.	-	-	5,386	6,674
- Inter Capital Alliance Asset Management Co., Ltd.	-	15,525	-	15,525
Collection fee				
- ACAP Asset Management Co., Ltd.	-	-	-	216
- Star Asset Management Ltd.	-	-	81	(43)
- Inter Capital Alliance Asset Management Co., Ltd.	-	2,439	-	2,439
Professional fee				
- ACAP Asset Management Co., Ltd.	-	-	-	240
- Star Asset Management Ltd.	-	-	540	540
- Inter Capital Alliance Asset Management Co., Ltd.	-	1,523	-	-
Other service fee				
- Capital OK Co., Ltd.	-	-	47	399
- Professional Collection Co., Ltd.	-	-	6	38
- Global Services Center Co., Ltd.	-	-	6	39
Total service income	-	19,487	6,066	33,557
Other income				
Accounting and financial service income				
- Global Service Center Co., Ltd.	-	-	1,125	1,125
- Capital OK Co., Ltd.	-	-	-	2,250
- Professional Collection Co., Ltd.	-	-	-	1,125
Sharing expense income				
- ACAP Consulting Co., Ltd.	-	-	205	-
- ACAP Corporate Services Co., Ltd.	-	-	60	-
- ACAP Asset Management Co., Ltd.	-	-	60	-
Interest income				
- ACAP Asset Management Co., Ltd.	-	-	6	29
- Star Asset Management Ltd.	-	-	(9)	53
- ACAP Consulting Co., Ltd.	-	-	15	8
- ACAP Corporate Services Co., Ltd.	-	-	6	8
- Global Service Center Co., Ltd.	-	-	7	-
- AURM CAPITAL ADVISORY PTE. LTD.	-	-	28	-
Dividend income				
- Capital OK Co., Ltd.	-	-	-	420,000
Total other income	-	-	1,503	424,598

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15 Related party transactions (Cont'd)

i) Service income (Cont'd)

	Consolidated		Company	
	Unaudited 2011 Baht'000	Unaudited 2010 Baht'000	Unaudited 2011 Baht'000	Unaudited 2010 Baht'000
For the nine-month periods ended 30 September				
Service income				
Base fee				
- ACAP Asset Management Co., Ltd.	-	-	1,248	26,287
- Star Asset Management Ltd.	-	-	16,985	20,092
- Inter Capital Alliance Asset Management Co., Ltd.	-	46,522	-	46,522
Collection fee				
- ACAP Asset Management Co., Ltd.	-	-	-	1,764
- Star Asset Management Ltd.	-	-	(508)	(335)
- Inter Capital Alliance Asset Management Co., Ltd.	-	6,667	-	6,667
Professional fee				
- ACAP Asset Management Co., Ltd.	-	-	40	720
- Star Asset Management Ltd.	-	-	1,620	1,660
- Inter Capital Alliance Asset Management Co., Ltd.	-	4,430	-	-
Other service fee				
- Capital OK Co., Ltd	-	-	785	1,115
- Professional Collection Co., Ltd.	-	-	78	108
- Global Services Center Co., Ltd.	-	-	78	44
Total service income	-	57,619	20,326	104,644
Other income				
Accounting and financial service income				
- Global Service Center Co., Ltd.	-	-	3,375	3,375
- Capital OK Co., Ltd.	-	-	-	6,750
- Professional Collection Co., Ltd.	-	-	-	3,375
Sharing expense income				
- ACAP Consulting Co., Ltd.	-	-	470	8
- Star Asset management Co., Ltd.	-	-	1	1
- ACAP Corporate Services Co., Ltd.	-	-	138	-
- ACAP Asset Management Co., Ltd.	-	-	139	-
Interest income				
- ACAP Asset Management Co., Ltd.	-	-	6	485
- Star Asset Management Ltd.	-	-	(152)	2,273
- ACAP Consulting Co., Ltd.	-	-	43	28
- ACAP Corporate Services Co., Ltd.	-	-	25	30
- Global Service Center Co., Ltd.	-	-	7	-
- AURM CAPITAL ADVISORY PTE. LTD.	-	-	48	-
Dividend income				
- ACAP (Malaysia) SDN. BHD	-	-	-	9,649
- Capital OK Co., Ltd.	-	-	-	420,000
Total other income	-	-	4,100	445,974

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15 Related party transactions (Cont'd)

ii) Expenses

	Consolidated		Company	
	Unaudited 2011 Baht'000	Unaudited 2010 Baht'000	Unaudited 2011 Baht'000	Unaudited 2010 Baht'000
For the three-month periods ended 30 September				
Cost of service				
Professional fee				
- ACAP Consulting Co., Ltd.	-	-	240	480
Total cost of service	-	-	240	480
Administrative expenses				
Rental and maintenance equipment				
- Global Service Center Co., Ltd.	-	-	1,200	1,800
Total administrative expenses	-	-	1,200	1,800
For the nine-month periods ended 30 September				
Cost of service				
Professional fee				
- ACAP Consulting Co., Ltd.	-	-	760	1,480
Total cost of service	-	-	760	1,480
Administrative expenses				
Rental and maintenance equipment				
- Global Service Center Co., Ltd.	-	-	3,600	5,400
Total administrative expenses	-	-	3,600	5,400

iii) Interest expense

	Consolidated		Company	
	Unaudited 2011 Baht'000	Unaudited 2010 Baht'000	Unaudited 2011 Baht'000	Unaudited 2010 Baht'000
For the three-month periods ended 30 September				
- Standard Bank Plc.	(14,525)	(4,475)	-	-
- Capital OK Co., Ltd.	-	-	13,345	11,502
	(14,525)	(4,475)	13,345	11,502

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15 Related party transactions (Cont'd)

iii) Interest expense (Cont'd)

	Consolidated		Company	
	Unaudited 2011 Baht'000	Unaudited 2010 Baht'000	Unaudited 2011 Baht'000	Unaudited 2010 Baht'000
For the nine-month periods ended 30 September				
- Standard Bank Plc.	(15,636)	92,828	-	-
- Capital OK Co., Ltd.	-	-	39,313	33,597
	<u>(15,636)</u>	<u>92,828</u>	<u>39,313</u>	<u>33,597</u>

iv) Outstanding balances arising from sales/purchases of services

	Consolidated		Company	
	Unaudited 30 September 2011 Baht'000	Audited 31 December 2010 Baht'000	Unaudited 30 September 2011 Baht'000	Audited 31 December 2010 Baht'000
Accounts receivable - related companies				
- Star Asset Management Co., Ltd.	-	-	2,033	1,322
- ACAP Corporate Services Co., Ltd.	-	-	-	6,000
- Capital OK Co., Ltd.	-	-	-	750
- Global Service Center Co., Ltd.	-	-	375	375
- Professional Collection Co., Ltd.	-	-	-	375
- Inter Capital Alliance Asset Management Co., Ltd.	-	2,845	-	1,645
	<u>-</u>	<u>2,845</u>	<u>2,408</u>	<u>10,467</u>
Amount due from related companies				
- ACAP Asset Management Co., Ltd.	-	-	5	329
- Star Asset Management Co., Ltd.	-	-	2,605	3,128
- ACAP Corporate Services Co., Ltd.	-	-	2	1
- ACAP Consulting Co., Ltd.	-	-	5	4
- ACAP (Malaysia) Sdn. Bhd.	-	-	323	61
- Global Service Center Co. Ltd.	-	-	31	-
- Capital OK Co., Ltd.	-	-	189	-
- Professional Collection Co., Ltd	-	-	24	100
- AURUM CAPITAL ADVISORY PTE. LTD.	-	-	49	-
- Inter Capital Alliance Asset Management Co., Ltd.	-	4,096	-	4,096
- Standard Bank Plc.	3,369	3,510	-	-
	<u>3,369</u>	<u>7,606</u>	<u>3,233</u>	<u>7,719</u>
Amount due to related companies				
- Global Service Center Co. Ltd.	-	-	17	71
- Professional Collection Co., Ltd.	-	-	17	71
- Star Asset Management Co., Ltd.	-	-	1,157	650
- Capital OK Co., Ltd.	-	-	39,958	1,240
- Standard Bank Plc.	73,165	88,942	-	-
	<u>73,165</u>	<u>88,942</u>	<u>41,149</u>	<u>2,032</u>

15 Related party transactions (Cont'd)

v) Loans to related parties

For the nine-month period ended 30 September 2011, the Company has loan to subsidiaries as follows:

	Company			
	Short-term loans			
	Opening balance Baht'000	Addition (repayment) during the period Baht'000	Impairment charge Baht'000	Ending balance Baht'000
ACAP Consulting Co., Ltd.	3,900	2,000	(5,900)	-
ACAP Corporate Services Co., Ltd.	1,100	(1,100)	-	-
Global Service Center Co. Ltd.	-	20,000	(10,000)	10,000
ACAP Asset Management Co., Ltd.	-	2,500	(2,500)	-
Total	5,000	23,400	(18,400)	10,000

	Company		
	Long-term loans		
	Opening balance Baht'000	Addition (repayment) during the period Baht'000	Ending balance Baht'000
<u>Current portion of long-term loans</u>			
Star Asset Management Co., Ltd.	11,891	(2,125)	9,766
ACAP Asset Management Co., Ltd.	45,334		
<u>Less</u> Allowance for doubtful accounts (Note 17)	(17,472)		
	27,862	(27,862)	-
Total	39,753	(29,987)	9,766
<u>Long-term loan</u>			
Star Asset Management Co., Ltd.	21,047	-	21,047
AURUM CAPITAL ADVISORY PTE. LTD.	-	11,247	11,247
Total	21,047	11,247	32,294

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.

On 2 December 2009, the Company and a subsidiary have entered into an agreement to extend the final repayment of loan for investing in non-performing assets (SCB 3) to 22 October 2011. As at 30 September 2011, the outstanding loan which will due for repayment on 22 October 2011 amounting to Baht 9.8 million is in the process of negotiation to extend repayment period.

At the Executive Directors Committee No. 4/2554 on 31 March 2011, it was approved a convertible loan to AURUM CAPITAL ADVISORY PTE. LTD. amounting to USD 362,500. The three-year convertible loan agreement was signed on 18 April 2011 which will be repaid on the date falling three years from the drawdown date. The convertible loan is eligible for conversion into equity at the option of the investors after 24 months from the drawdown date. The long-term loan will bear interest rate of 1% per annum for the first year and at the rate of 10% per annum for the second and third year. The interest receivable shall be receivable on the last business day of each year. The loan was drawdown on 26 April 2011.

15 Related party transactions (Cont'd)

vi) Loans from related parties

During the nine-month period ended 30 September 2011, the Company and subsidiaries have loans from related parties as follows:

<u>Counterparty</u>	Consolidated			
	Opening balance	Additions during the period	Repayment during the period	Ending balance
	Baht'000	Baht'000	Baht'000	Baht'000
<u>Current portion of long-term loan</u>				
Standard Bank Plc.	501,620	-	(34,841)	466,779
<u>Long-term loans</u>				
Standard Bank Plc.	1,103,498	-	-	1,103,498

On 2 December 2009, a subsidiary has entered into an agreement with Standard Bank Plc. to extend the final repayment of loans for investing in non-performing assets (SCB1 to 3) to 22 October 2011 and 25 October 2011. As at 30 September 2011, a subsidiary has outstanding loans which will due for repayment on 22 October 2011 and 25 October 2011 amounting to Baht 137.6 million. Currently it is in the process of negotiation to extend repayment period.

<u>Counterparty</u>	Company			
	Opening balance	Additions during the period	Repayment during the period	Ending balance
	Baht'000	Baht'000	Baht'000	Baht'000
<u>Short-term loan</u>				
Capital OK Co., Ltd.	-	20,000	-	20,000
<u>Long-term loan</u>				
Capital OK Co., Ltd.	760,000	-	-	760,000

16 Commitments and contingencies

For the nine-month period ended 30 September 2011, there were no significant changes in commitments and contingent liabilities, including other contracts from the year ended 31 December 2010 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 nine-month period ended 30 September 2011 (Unaudited)		
Beginning net book balance	10.97	332.84
Addition during the period	13.28	411.72
Settlement during the period	(16.59)	(505.17)
Closing net book balance	7.66	239.39

17 Sale of investments in non-performing assets and loans to non-performing assets

On 22 November 2010, ACAP Asset Management Co., Ltd., a subsidiary, and Standard Chartered (Thai) Asset Management Co., Ltd. (“SCAMC”) signed an asset sale and purchase agreement to sell all of its non-performing assets portfolio which included investments in non-performing assets, loans to non-performing assets and foreclosed assets with a purchase price of Baht 1,718 million (the cost of the assets was Baht 3,341 million). SCAMC paid a deposit of 25% or Baht 430 million on the date of the agreement. The remaining amount would be paid on 13 January 2011 or on such other date as the parties mutually agree. The subsidiary would transfer the asset documents and rights against debtors in the non-performing assets portfolio to SCAMC in accordance with the terms and conditions under the asset sale and purchase agreement. If SCAMC failed to pay any amount in accordance with the agreement, the subsidiary had the right to terminate the agreement.

As a result of the asset sale and purchase agreement, the subsidiary has recognised an impairment loss on its non-performing assets portfolio of Baht 1,623 million in 2010. However, the subsidiary would receive a loan forgiveness for the remaining borrowings from VTB and the Company after offsetting with the amount to be received from the sale. The subsidiary recorded a gain on loan forgiveness of Baht 1,512 million in 2010, of which Baht 1,495 million will be received from VTB and Baht 17 million would be received from the Company. The amount that would be received from the Company has been eliminated in the consolidated financial statements.

As at 31 December 2010, the subsidiary had received a deposit of Baht 430 million from SCAMC and had an obligation to pay back cash received from debtors after 30 September 2010 amounting to Baht 129 million. These amounts were presented as other current liabilities in the consolidated statement of financial position, and the gain on loan forgiveness amounting to Baht 1,495 million was presented net of borrowings from VTB. The Company recorded a loss on loan forgiveness amounting to Baht 17 million in the company statement of comprehensive income and eliminated this transaction in the 2010 consolidated statement of comprehensive income.

On 13 January 2011, VTB sent a release letter to the subsidiary and informed the subsidiary that the remaining borrowing balance will be Baht 1,260 million after the subsidiary had received the remainder of the purchase price from SCAMC. On 16 January 2011, the Company sent a letter to the subsidiary requesting repayment of the remaining borrowing amount of Baht 28 million. VTB and the Company would not ask for any further repayment from the subsidiary once these amounts had been repaid.

On 17 January 2011, SCAMC paid the balance purchase price amounting to Baht 1,164 million to the subsidiary by netting with the collection amounts from debtors and incurred expenses for the period from 30 September 2010 to 31 December 2010. The subsidiary repaid for the outstanding borrowing to VTB amounting to Baht 1,260 million.

On 27 January 2011, the subsidiary repaid for the outstanding borrowing to the Company amounting to Baht 28 million.

18 Sale of Loans to consumers

On 16 December 2010, Capital OK Company Limited, a subsidiary, signed a Memorandum of Understanding with JMT Network Services Company Limited (JMT) to sell off the subsidiary's loans and receivables. The subsidiary would receive Baht 301.6 million (excluded VAT) as a consideration from the sale. As at 31 December 2010, the subsidiary had received a deposit for the sale of Baht 10 million and had an obligation to return cash received from the loans and receivables since 1 December 2010 amounting to Baht 30 million, which were presented as other current liabilities in the consolidated statement of financial position.

On 4 January 2011, the subsidiary had received the second deposit for the sale of Baht 10 million and on 10 January 2011, the subsidiary and JMT signed a purchase and sale agreement for the loans and receivables. Per the agreement, in case of a selling price adjustment, the amount would be pro rated by the total consideration amount, but would not exceed Baht 26.2 million, and the adjustment must be made by 30 April 2011. The subsidiary had no other contingent liabilities from the sale. As at 30 September 2011, selling price was adjusted approximately Baht 0.4 million.

The subsidiary received Baht 281.6 million on the date when the agreement was signed and recognised a gain from the sale of the loans and receivables in the amount of Baht 242.2 million in 2011.

19 Subsequent events

Subsequent to 30 September 2011, the Company and its subsidiaries have been impacted by the disaster of floods which affects the Company and its subsidiaries' s operation. The Company and its subsidiaries are currently assessing the damage amount from this event. This event is considered as a non-adjusting event that is not required for an adjustment in the interim financial statements being presented.