

TSFC Securities Public Company Limited
Review report and interim financial statements
For the three-month and nine-month periods ended
30 September 2016

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of TSFC Securities Public Company Limited

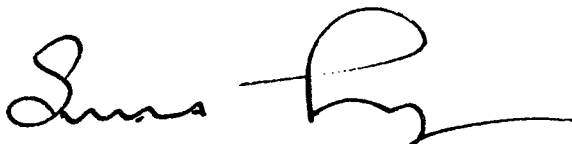
I have reviewed the accompanying statement of financial position of TSFC Securities Public Company Limited as at 30 September 2016, the related statements of comprehensive income for the three-month and nine-month periods ended 30 September 2016, the statements of changes in owners' equity and cash flows for the nine-month period then ended, as well as the condensed notes to the financial statements. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

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

Conclusion

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



Sumana Punpongsanon

Certified Public Accountant (Thailand) No. 5872

EY Office Limited

Bangkok: 21 November 2016

TSFC Securities Public Company Limited

Statement of financial position

As at 30 September 2016

(Unit: Thousand Baht)

	<u>Note</u>	<u>30 September 2016</u>	<u>31 December 2015</u>
		(Unaudited but reviewed)	(Audited)
Assets			
Cash and cash equivalents	3	963	2,894
Deposits at financial institutions - net	4	-	-
Loans to financial institutions - net	5	445,500	346,500
Receivables from Clearing House	6	36,627	40,102
Securities business receivables - net	7	2,317,093	2,382,428
Investments - net	9	142,427	113,233
Equipment - net	10	5,738	1,552
Intangible assets - net	11	10,448	14,699
Receivables from sales of investments		1	1
Deferred tax assets		11,204	12,179
Other assets		6,502	5,811
Total assets		<u>2,976,503</u>	<u>2,919,399</u>

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

Araya Yom.
 (Mrs. Araya Yommana)
 Director



Areeya T.
 (Mrs. Areeya Turakitwankan)
 Assistant Vice President of
 Finance and Budget Department

TSFC Securities Public Company Limited
Statement of financial position (continued)
As at 30 September 2016

(Unit: Thousand Baht)

	Note	30 September 2016 (Unaudited but reviewed)	31 December 2015 (Audited)
Liabilities and owners' equity			
Liabilities			
Borrowings from financial institutions	12	1,108,263	1,143,098
Payables to Clearing House	13	28,907	-
Securities business payables	14	189,631	76,183
Provisions for long-term employee benefits		12,075	12,947
Other liabilities		15,286	21,494
Total liabilities		1,354,162	1,253,722
Owners' equity			
Share capital			
Registered			
154,912,584 ordinary shares of Baht 10 each		1,549,126	1,549,126
Issued and paid-up			
154,912,584 ordinary shares of Baht 10 each		1,549,126	1,549,126
Retained earnings			
Appropriated			
Statutory reserve		15,633	15,633
Unappropriated		57,595	100,922
Other components of owners' equity	9.3	(13)	(4)
Total owners' equity		1,622,341	1,665,677
Total liabilities and owners' equity		2,976,503	2,919,399

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

Araya Yommana

(Mrs.Araya Yommana)

Director



TSFC
Securities Public Company Limited
บริษัทหลักทรัพย์ ทีเอสเอฟ จำกัด

Areeya T.

(Mrs.Areeya Turakitwankan)

Assistant Vice President of
Finance and Budget Department

(Unaudited but reviewed)

TSFC Securities Public Company Limited
Statement of comprehensive income
For the three-month period ended 30 September 2016

		(Unit: Thousand Baht)	
	<u>Note</u>	<u>2016</u>	<u>2015</u>
Revenues			
Fees and services income	16	50	82
Gain on securities	9.4	-	60
Interest and dividend		3,949	2,645
Interest on margin loans		41,063	50,840
Other income		19	-
Total revenues		<u>45,081</u>	<u>53,627</u>
Expenses			
Finance costs		7,978	13,196
Fees and services expenses		496	370
Operating expenses			
Personnel expenses		12,559	12,996
Premises and equipment expenses		4,628	4,455
Directors' remuneration		638	724
Tax expenses		1,373	1,700
Other expenses		3,070	8,308
Bad debt and doubtful accounts		465	357
Total expenses		<u>31,207</u>	<u>42,106</u>
Profit before income tax		<u>13,874</u>	<u>11,521</u>
Income tax expenses	18	(2,826)	(2,317)
Profit for the period		<u>11,048</u>	<u>9,204</u>
Other comprehensive income			
<i>Other comprehensive income to be reclassified</i>			
<i>to profit or loss in subsequent periods</i>			
Gain (loss) on re-measuring available-for-sale investments		(41)	64
Less: Income tax effect	18	8	(12)
Other comprehensive income to be reclassified			
to profit or loss in subsequent periods - net of income tax		(33)	52
Other comprehensive income for the period		<u>(33)</u>	<u>52</u>
Total comprehensive income for the period		<u>11,015</u>	<u>9,256</u>
(Unit: Baht)			
Basic earnings per share	19		
Profit for the period		<u>0.07</u>	<u>0.06</u>

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

Araya Yom.

(Mrs. Araya Yommana)
Director



TSFC
Securities Public Company Limited

บริษัทหลักทรัพย์ ทีเอสเอฟ จำกัด (มหาชน)

Areeya T.

(Mrs. Areeya Turakitwankan)
Assistant Vice President of
Finance and Budget Department

(Unaudited but reviewed)

TSFC Securities Public Company Limited
Statement of comprehensive income
For the nine-month period ended 30 September 2016

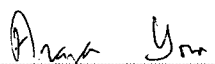
(Unit: Thousand Baht)

	Note	2016	2015
Revenues			
Fees and services income	16	411	365
Gain on securities	9.4	3	60
Interest and dividend		10,365	5,684
Interest on margin loans		123,415	167,612
Other income		837	-
Total revenues		<u>135,031</u>	<u>173,721</u>
Expenses			
Finance costs		22,587	40,839
Fees and services expenses		1,388	1,135
Operating expenses			
Personnel expenses		38,400	40,834
Premises and equipment expenses		13,419	13,313
Directors' remuneration		1,941	2,064
Tax expenses		4,123	5,635
Other expenses		9,957	22,365
Bad debt and doubtful accounts	8	383	2,098
Total expenses		<u>92,198</u>	<u>128,283</u>
Profit before income tax		<u>42,833</u>	<u>45,438</u>
Tax income (expenses)	18	(8,704)	2,764
Profit for the period		<u>34,129</u>	<u>48,202</u>
Other comprehensive income			
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>			
Gain (loss) on re-measuring available-for-sale investments	9.3	(11)	51
Less: Income tax effect	18	2	(10)
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax		<u>(9)</u>	<u>41</u>
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>			
Actuarial losses		-	(1,980)
Less: Income tax effect		-	396
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		<u>-</u>	<u>(1,584)</u>
Other comprehensive income for the period		<u>(9)</u>	<u>(1,543)</u>
Total comprehensive income for the period		<u>34,120</u>	<u>46,659</u>

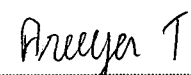
(Unit: Baht)

Basic earnings per share	19		
Profit for the period		<u>0.22</u>	<u>0.31</u>

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


(Mrs. Araya Yommana)
Director




(Mrs. Areeya Turakitwankan)
Assistant Vice President of
Finance and Budget Department

(Unaudited but reviewed)

TSEC Securities Public Company Limited
Statement of changes in owners' equity
For the nine-month period ended 30 September 2016

	Note	Issued and paid-up share capital	Retained earnings		Unappropriated earnings	Total owners' equity
			Appropriated	Unappropriated		
Balance as at 1 January 2015		1,549,126	12,780	71,542	4	1,633,452
<u>Change during the period</u>						
Profit for the period		-	-	48,202	-	48,202
Other comprehensive income for the period		-	-	(1,584)	41	(1,543)
Total comprehensive income for the period		-	-	46,618	41	46,659
Dividend paid	15	-	-	(23,237)	-	(23,237)
Balance as at 30 September 2015		1,549,126	12,780	94,923	45	1,656,874
Balance as at 1 January 2016		1,549,126	15,633	100,922	(4)	1,665,677
<u>Change during the period</u>						
Profit for the period		-	-	34,129	-	34,129
Other comprehensive income for the period		-	-	-	(9)	(9)
Total comprehensive income for the period		-	-	34,129	(9)	34,120
Dividend paid	15	-	-	(77,456)	-	(77,456)
Balance as at 30 September 2016		1,549,126	15,633	57,595	(13)	1,622,341

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

(Unaudited but reviewed)

TSFC Securities Public Company Limited

Statement of cash flows

For the nine-month period ended 30 September 2016

	(Unit: Thousand Baht)	
	<u>2016</u>	<u>2015</u>
Cash flows from operating activities		
Profit before tax	42,833	45,438
Adjustments to reconcile profit before tax to net cash provided by (paid for) operating activities:		
Depreciation and amortisation	5,136	16,228
Bad debts and doubtful accounts	383	2,098
Gain on trading in securities	(3)	(60)
Gain on disposal equipments	(811)	-
Interest and dividend income	(10,365)	(5,684)
Interest on margin loans	(123,415)	(167,612)
Finance costs	22,587	40,839
Long-term employee benefits expenses	2,073	2,110
Loss from operating activities before changes in operating assets and liabilities	(61,582)	(66,643)
(Increase) decrease in operating assets		
Loans to financial institutions	(99,572)	(209,986)
Receivables from Clearing House	3,475	7,445
Securities business receivables	188,939	665,812
Short-term investments	(29,206)	(93,040)
Other assets	(784)	(906)
Increase (decrease) in operating liabilities		
Borrowings from financial institutions	(34,835)	(70,051)
Payables to Clearing House	28,907	5,477
Securities business payables	113,448	(95)
Cash paid for long-term employee benefits	(2,945)	(3,660)
Accrued expenses	(5,237)	(1,530)
Other liabilities	(205)	(1,183)
Net cash flows from operating activities	100,403	231,640
Cash received from interest income	7,718	5,287
Cash paid for interest expenses	(22,841)	(40,839)
Cash paid for corporate income tax	(10,669)	(5,766)
Net cash flows from operating activities	<u>74,611</u>	<u>190,322</u>

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

(Unaudited but reviewed)

TSFC Securities Public Company Limited
Statement of cash flows (continued)
For the nine-month period ended 30 September 2016

(Unit: Thousand Baht)

	<u>2016</u>	<u>2015</u>
Cash flows from investing activities		
Cash paid for purchases of available-for-sale securities	(110,000)	(731,000)
Proceeds on disposal of available-for-sale securities	110,003	564,017
Cash received from dividends	1	-
Cash received from interest on investments	2,739	531
Cash paid for purchases of equipments	(2,491)	(9)
Cash received from disposal of equipments	812	-
Cash paid for purchases of intangible assets	(32)	(1,016)
Net cash flows from (used in) investing activities	<u>1,032</u>	<u>(167,477)</u>
Cash flows from financing activities		
Dividends paid	(77,456)	(23,237)
Cash paid for liabilities under finance lease agreement	(118)	-
Net cash flows used in financing activities	<u>(77,574)</u>	<u>(23,237)</u>
Net decrease in cash and cash equivalents	(1,931)	(392)
Cash and cash equivalents at beginning of period	2,894	1,907
Cash and cash equivalents at end of period (Note 3)	<u>963</u>	<u>1,515</u>

Supplemental cash flows information

Non-cash items

Increase in payable from purchases of equipments	669	-
Decrease in payable from purchases of intangible assets	-	(1,017)
Purchases of assets under finance lease agreement	1,880	-
Gain (loss) on re-measuring available-for-sale investments	(11)	51
Actuarial losses	-	(1,980)

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

TSFC Securities Public Company Limited

Notes to interim financial statements

For the three-month and nine-month periods ended 30 September 2016

1. General information

1.1 Corporate information

TSFC Securities Public Company Limited (hereinafter referred to as “the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in securities business and has two business licenses to engage in granting credits to securities business and securities borrowing and lending business. Its registered address is located at No. 898, Ploenchit Tower, 10th Floor, Ploenchit Road, Lumpini, Patumwan, Bangkok.

1.2 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (revised 2015) *“Interim Financial Reporting”*, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in owners' equity and cash flows in the same format as that used for the annual financial statements which has been made in compliance with the stipulations of the Notification of the Office of the Securities and Exchange Commission relating to the format of the financial statements of securities companies No. Sor Thor/Khor/Nor. 53/2553 dated 15 December 2010.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language financial statements.

1.3 New financial reporting standards

During the period, the Company has adopted the revised and new financial reporting standards and accounting treatment guidance issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after 1 January 2016. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements.

2. Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2015 with the following additional accounting policy adopted:

Securities borrowing and lending

The Company records its obligations to return borrowed securities which it has been sold as short selling or lent as "Securities borrowing and lending payables" and securities lent to customers are recorded as "Securities borrowing and lending receivables" in the statement of financial position. At the end of the reporting period, the balance of "Securities borrowing and lending payables" and "Securities borrowing and lending receivables" are adjusted based on the closing price quoted on the Stock Exchange of Thailand of the last working day of the reporting period. In addition, the Company records cash paid as collateral for securities borrowing as "Collateral receivables" and cash received as collateral for securities lending as "Collateral payables".

Fees from borrowing and lending are recognised on an accrual basis over the term of the lending.

3. Cash and cash equivalents

(Unit: Thousand Baht)

	30 September 2016	31 December 2015
Cash	30	50
Saving and current deposits	5,791	5,861
Less: Deposits for customers' account	(4,858)	(3,017)
Total cash and cash equivalents	963	2,894

4. Deposits at financial institutions

(Unit: Thousand Baht)

	30 September 2016	31 December 2015
Fixed deposits with maturity over 3 months but less than 1 year	50,000	50,000
Less: Deposits for customers' account	(50,000)	(50,000)
Total deposits at financial institutions - net	-	-

5. Loans to financial institutions

(Unit: Thousand Baht)

	30 September 2016	31 December 2015
At call	561,976	462,404
Less: Allowance for doubtful accounts	(116,476)	(115,904)
Total loans to financial institutions - net	445,500	346,500

As at 30 September 2016, the Company had discontinued recognising income from 4 debtors from loans to financial institutions of approximately Baht 112.0 million (31 December 2015: Baht 112.4 million). These comprise of transactions with problem financial institutions which were ordered to discontinue their operations by the Ministry of Finance on 8 December 1997.

6. Receivables from Clearing House

(Unit: Thousand Baht)

	30 September 2016	31 December 2015
Receivables from Clearing House	36,627	40,102
Total receivables from Clearing House	<u>36,627</u>	<u>40,102</u>

7. Securities business receivables

(Unit: Thousand Baht)

	30 September 2016	31 December 2015
Customers' accounts - credit balance	2,247,864	2,382,577
Securities borrowing and lending receivables	32,000	-
Collateral receivables	37,375	-
Other receivables	235,153	299,695
Total	<u>2,552,392</u>	<u>2,682,272</u>
Add: Accrued interest receivables	6	192
Less: Allowance for doubtful accounts	<u>(235,305)</u>	<u>(300,036)</u>
Net securities business receivables	<u>2,317,093</u>	<u>2,382,428</u>

- 7.1 As at 30 September 2016, the Company had discontinued recognising income from securities business receivables with total outstanding balances of approximately Baht 235.2 million (31 December 2015: Baht 299.7 million).
- 7.2 As at 30 September 2016 and 31 December 2015, the Company has classified securities business receivables in accordance with the Notification of the Office of the Securities and Exchange Commission governing accounting for doubtful debts of securities companies. The Company classified securities business receivables are as follows:

(Unaudited but reviewed)

(Unit: Million Baht)

	30 September 2016				31 December 2015			
	Number	Securities business receivables	Allowance for doubtful accounts set up by the Company	Net securities business receivables after allowance for doubtful accounts	Number	Securities business receivables	Allowance for doubtful accounts set up by the Company	Net securities business receivables after allowance for doubtful accounts
Normal debt	142	2,317.2	(0.1)	2,317.1	232	2,375.4	(0.2)	2,375.2
Special mention	-	-	-	-	2	7.3	(0.1)	7.2
Doubtful debt	5	235.2	(235.2)	-	7	299.7	(299.7)	-
Total	147	2,552.4	(235.3)	2,317.1	241	2,682.4	(300.0)	2,382.4

8. Allowance for doubtful accounts

Movements of allowance for doubtful accounts for loans to financial institutions and securities business receivables for the nine-month period ended 30 September 2016 and for the year ended 31 December 2015 are summarised below.

(Unit: Thousand Baht)

	30 September 2016	31 December 2015
Balance - beginning of the period/year	415,940	415,419
Provision for doubtful accounts	810	2,645
Bad debt recoverable	(427)	(14)
Bad debt write-off	(64,542)	(2,110)
Balance - end of the period/year	351,781	415,940

9. Investments

9.1 Cost and fair value

(Unit: Thousand Baht)

	30 September 2016		31 December 2015	
	Cost/ Amortised		Cost/ Amortised	
	cost	Fair value	cost	Fair value
Available-for-sale securities				
Debt securities				
Government and state enterprises bond	413,387	413,366	123,646	123,637
Less: Allowance for revaluation of securities	(21)	-	(9)	-
Government securities for customers' account	(270,954)	(270,954)	(10,418)	(10,418)
Total debt securities - net	142,412	142,412	113,219	113,219
Unit trusts				
Equity open-end fund	10	15	10	14
Add: Allowance for revaluation of securities	5	-	4	-
Total unit trusts - net	15	15	14	14
Total available-for-sale securities - net	142,427	142,427	113,233	113,233

9.2 Investments in debt securities classified by the remaining contracts

(Unit: Thousand Baht)

	30 September 2016				31 December 2015			
	Not over		Over		Not over		Over	
	1 year	1-5 years	5 years	Total	1 year	1-5 years	5 years	Total
Available-for-sale debt securities	413,366	-	-	413,366	123,637	-	-	123,637
Total	413,366	-	-	413,366	123,637	-	-	123,637

(Unaudited but reviewed)

9.3 Surplus (deficit) on changes in value of available-for-sale investments

(Unit: Thousand Baht)

	For the nine-month period ended 30 September 2016	For the year ended 31 December 2015
Balance - beginning of the period/year (net of income tax)	(4)	4
Changes during the period/year		
- from revaluation (before net of income tax)	(11)	(10)
- income tax	2	2
Balance - end of the period/year	<u>(13)</u>	<u>(4)</u>

9.4 Gain on securities

(Unit: Thousand Baht)

	For the three-month periods ended 30 September		For the nine-month periods ended 30 September	
	2016	2015	2016	2015
Gain on trading in available- for-sale securities	-	60	3	60
Total	<u>-</u>	<u>60</u>	<u>3</u>	<u>60</u>

10. Equipment

Movements of the equipment account during the nine-month period ended 30 September 2016 are summarised below.

(Unit: Thousand Baht)

	<u>Equipment</u>
Cost	
31 December 2015	51,467
Additions	5,040
Disposals	<u>(3,441)</u>
30 September 2016	<u>53,066</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

	<u>Equipment</u>
Accumulated depreciation	
31 December 2015	49,915
Depreciation for the period	853
Disposals	<u>(3,440)</u>
30 September 2016	<u>47,328</u>
Net book value	
31 December 2015	<u>1,552</u>
30 September 2016	<u>5,738</u>

11. Intangible assets

(Unit: Thousand Baht)

Net book value as at 1 January 2016	14,699
Additions	32
Amortisation for the period	<u>(4,283)</u>
Net book value as at 30 September 2016	<u>10,448</u>

12. Borrowings from financial institutions

(Unit: Thousand Baht)

	30 September 2016			31 December 2015				
	Interest rate (% per annum)	Due period		Interest rate (% per annum)	Due period			
		Not over 1 year	1-5 years Total		Not over 1 year	1-5 years Total		
Promissory notes	1.30 - 4.25	745,000	-	745,000	1.75 - 4.25	850,000	-	850,000
Bills of exchange	2.125 - 2.50	363,263	-	363,263	2.50 - 3.00	293,098	-	293,098
Borrowings from financial institutions		<u>1,108,263</u>	<u>-</u>	<u>1,108,263</u>		<u>1,143,098</u>	<u>-</u>	<u>1,143,098</u>

The borrowings from financial institutions are unsecured loan.

The loan agreements contain covenants that, among other things, require the Company to maintain net capital ratios in the agreements.

13. Payables to Clearing House

(Unit: Thousand Baht)

	30 September 2016	31 December 2015
Payables to Clearing House	28,907	-
Total payables to Clearing House	<u>28,907</u>	<u>-</u>

14. Securities business payables

(Unit: Thousand Baht)

	30 September 2016	31 December 2015
Securities business payables - cash accounts	117,631	76,183
Securities borrowing and lending payables	32,000	-
Collateral payables	40,000	-
Total securities business payables	<u>189,631</u>	<u>76,183</u>

15. Dividends

Dividend	Approved by	Total dividend (Thousand Baht)	Dividend per share (Baht)
Dividend for the year 2014	Annual General Meeting of the shareholders on 2 April 2015	23,237	0.15
Total		<u>23,237</u>	<u>0.15</u>
Dividend for the year 2015	Annual General Meeting of the shareholders on 20 April 2016	77,456	0.50
Total		<u>77,456</u>	<u>0.50</u>

16. Fees and services income

(Unit: Thousand Baht)

	For the three-month periods ended 30 September		For the nine-month periods ended 30 September	
	2016	2015	2016	2015
	Front end fee income	5	81	140
Other fee and service income	45	1	271	21
Total	50	82	411	365

17. Directors and management's benefits

During the periods, the Company had salaries, bonuses, meeting allowances, gratuities of their directors and management and employee benefits were as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 September		For the nine-month periods ended 30 September	
	2016	2015	2016	2015
	Management expenses			
- Short-term benefits	5,759	5,231	17,209	16,381
- Retirement benefits	549	825	2,066	2,535
Total	6,308	6,056	19,275	18,916

18. Income tax

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses for the three-month and nine-month periods ended 30 September 2016 and 2015 are made up as follows:

(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the three-month periods ended 30 September		For the nine-month periods ended 30 September	
	2016	2015	2016	2015
Current income tax:				
Interim corporate income tax charge	2,589	2,927	7,727	8,690
Deferred tax:				
Relating to origination and reversal of temporary differences	237	(610)	977	(11,454)
Income tax expenses (income) reported in the statements of comprehensive income	<u>2,826</u>	<u>2,317</u>	<u>8,704</u>	<u>(2,764)</u>

The amounts of income tax relating to each component of other comprehensive income for the three-month and nine-month periods ended 30 September 2016 and 2015 are as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 September		For the nine-month periods ended 30 September	
	2016	2015	2016	2015
Deferred tax relating to				
Loss (gain) on change in value of available-for-sale investments	8	(12)	2	(10)
Actuarial losses	-	-	-	396
	<u>8</u>	<u>(12)</u>	<u>2</u>	<u>386</u>

19. Earnings per share

Basic earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

20. Commitments

20.1 Capital commitments

As at 30 September 2016, the Company had capital commitments of approximately Baht 0.3 million (31 December 2015: Baht 0.7 million) relating to systems development and maintenance.

20.2 Operating lease commitments

The Company had entered into several lease agreements in respect of the lease of area in the building, equipment and vehicles. The terms of the agreements are generally between 1 year and 4 years.

Future minimum lease payments required under operating leases contracts were as follows:

	(Unit: Million Baht)	
	30 September 2016	31 December 2015
Payable:		
In up to 1 year	11.5	12.1
In over 1 and up to 3 years	16.3	22.2

21. Segment information

The Company is principally engaged in the granting credits to securities business. Its operations are carried on only in Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment and geographical area.

22. Fair value of financial instruments

The Company uses the market approach to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards, except that the cost approach or income approach is used when there is no active market or when a quoted market price is not available.

Fair value hierarchy

In applying the above-mentioned valuation techniques, the Company endeavors to use relevant observable inputs as much as possible. TFRS 13 *Fair Value Measurement* establishes a fair value hierarchy categorising such inputs into three levels as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

(Unaudited but reviewed)

As of 30 September 2016 and 31 December 2015, the Company had the following assets that were measured at fair value using different levels of inputs as follows:

(Unit: Thousand Baht)

	As at 30 September 2016			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Available-for-sale investments				
Debt securities*	-	413,366	-	413,366
Unit trusts	-	15	-	15

* Included government securities for customers' account amounting to Baht 271 million.

(Unit: Thousand Baht)

	As at 31 December 2015			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Available-for-sale investments				
Debt securities*	-	123,637	-	123,637
Unit trusts	-	14	-	14

* Included government securities for customers' account amounting to Baht 10 million.

Valuation techniques and inputs to Level 2 valuations

- For debts securities, their fair values are generally derived from quoted market prices or determined by using the yield curve as announced by the Thai Bond Market Association or by other relevant bodies.
- The fair value of unit trusts is determined from the net assets value (NAV) published by the mutual fund management companies acting as the fund managers.

During the current period, there were no transfers within the fair value level.

23. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 21 November 2016.