

**S & J INTERNATIONAL ENTERPRISES PUBLIC COMPANY LIMITED AND SUBSIDIARIES****NOTES TO THE INTERIM FINANCIAL STATEMENTS****JUNE 30, 2012 AND 2011****1. GENERAL INFORMATION**

<b>1.1</b> Legal status	A juristic person established under Thai law and listed on the Stock Exchange of Thailand.
<b>1.2</b> Company location	
- Head office/factory	600/4 Moo 11, Sukapiban Road 8, Tambol Nhongkharm Amphur Sriracha, Chonburi, Thailand.
- Branch	115 Naradhiwas Rajanakarindra Road (Soi 10), Kwaeng Tungwatdon, Khet Sathorn, Bangkok, Thailand.
- Branch	662/4-6 Moo 11, Sukapiban Road 8, Tambol Nhongkharm Amphur Sriracha, Chonburi, Thailand.
- Branch	19/41-43 Moo 7 Bangna-Trad Km. 17 Tambol Bangchlong, Amphur Bangplee, Samut Prakan , Thailand.
- Branch	679 Moo 11, Tambol Nhongkharm Amphur Sriracha, Chonburi, Thailand.
<b>1.3</b> Type of business	(1) Manufacturing all type of cosmetics. (2) Investing in its associates and subsidiaries which carry on business according to Notes 9 and 10 to the interim financial statements, respectively

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

2.1 These interim consolidated and the separate financial statements are prepared on a condensed basis in accordance with Thai Accounting Standards No.34 Interim Financial Reporting issued by the Federation of Accounting Professions and the Notifacation of the Office of the Securities and Exchange Commission. Except the financial statements of S&J International (UK) Limited are prepared in accordance with the accounting standards of England and the financial statements of Guangzhou S&J Cosmetics Limited Company and the financial statements of S&J International (HK) Limited, are prepared in accordance with the accounting standards of People Republic of China. In preparation of the interim consolidated financial statements, they are adjusted to be under the same accounting policies as parent company. These interim financial statements should be read in conjunction with the financial statements for the year ended December 31, 2011.

2.2 In 2012, the Federation of Accounting Professions has issued the financial reporting standard TFRS No. 8: Operating Segments which is effective to the financial statements for the periods beginning on or after January 1, 2013.

2.3 These interim financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.4 These interim consolidated financial statements included the interim financial statements of S & J International Enterprises Public Company Limited with its subsidiaries and the equity in associates as follows:

**SUBSIDIARIES**

COMPANIES	% HOLDING		ESTABLISHED IN
	June 30, 2012	December 31, 2011	
<u>SUBSIDIARIES DIRECTLY HELD BY THE COMPANY</u>			
E F Co., Ltd.	99.99	99.99	Thailand
Top Trend Manufacturing Co., Ltd.	50.00	50.00	Thailand
Wildlives (Thailand) Co., Ltd.	99.99	99.99	Thailand
S&J International (UK) Limited	100.00	100.00	England
<u>SUBSIDIARIES HELD BY</u>			
<u>S&amp;J INTERNATIONAL (UK) LIMITED</u>			
Guangzhou S&J Cosmetics Limited Company	100.00	100.00	China
S&J International (HK) Limited	100.00	-	China

**ASSOCIATES**

COMPANIES	% HOLDING		ESTABLISHED IN
	June 30, 2012	December 31, 2011	
Yamahatsu (Thailand) Co., Ltd.	30.00	30.00	Thailand
Operational Energy Group Limited	30.00	30.00	Thailand
Osoth Interlaboratories Co., Ltd.	33.19	33.19	Thailand

2.5 Inter-company balances and significant transactions of the Company and its subsidiaries have been eliminated in the interim consolidation.

### 3. CHANGES IN ACCOUNTING POLICY

In 2011, the Company and subsidiaries have applied the new accounting standards, in accordance with Thai Accounting Standard No.19 Employee Benefits. To adopt this accounting policy, the Company and subsidiaries have chosen the perceived value of debt increase by adjusted to the beginning retained earnings of the period in the year 2011, for consolidated financial statements in equity holders of the parent company amount of Baht 67.99 million, the non-controlling interests amount of Baht 5.94 million and for the separate financial statements in amount of Baht 60.53 million.

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting policies and methods of computation used in these interim financial statements are consistent with those applied in the financial statements for the year ended December 31, 2011.

### 5. CASH AND CASH EQUIVALENTS

(THOUSAND BAHT)

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	June 30, 2012	December 31, 2011	June 30, 2012	December 31, 2011
Cash	602	620	450	450
Cash at bank-Savings account	25,953	24,991	9,291	91
Cash at bank-Current account	4,070	8,092	1,537	3,819
Cheque on hand	3,843	2,330	643	80
Cash and cash equivalents	34,468	36,033	11,921	4,440

6. TRADE ACCOUNTS RECEIVABLE

(THOUSAND BAHT)

PARTICULARS	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	June 30, 2012	December 31, 2011	June 30, 2012	December 31, 2011
<b><u>Trade accounts receivable of related parties</u></b>				
Trade notes receivable	4,809	2,384	4,809	2,384
Trade accounts receivable				
Current	345,010	354,781	295,892	304,808
Overdue within 3 months	47,403	94,292	17,834	67,686
Overdue between 3 to 6 months	572	495	181	402
Overdue between 6 to 12 months	55	813	55	381
Overdue more than 12 months	266	4	266	-
Total	398,115	452,769	319,037	375,661
<b><u>Trade accounts receivable others</u></b>				
Trade notes receivable	22,949	15,901	14,104	8,964
Trade accounts receivable				
Current	320,525	404,277	253,038	329,011
Overdue within 3 months	84,863	158,386	67,989	119,427
Overdue between 3 to 6 months	4,733	20,678	3,275	18,944
Overdue between 6 to 12 months	10,435	40,948	6,555	40,479
Overdue more than 12 months	24,798	13,841	20,001	8,627
Total	468,303	654,031	364,962	525,452
<u>Less</u> Allowance for doubtful accounts	(9,741)	(10,410)	(5,898)	(6,578)
Trade accounts receivable others-net	458,562	643,621	359,064	518,874
Trade accounts receivable - net	856,677	1,096,390	678,101	894,535

7. SHORT-TERM LOANS TO SUBSIDIARIES

(THOUSAND BAHT)

PARTICULARS	THE SEPARATE FINANCIAL STATEMENTS		INTEREST RATES (%) PER ANNUM	
	June 30, 2012	December 31, 2011	June 30, 2012	December 31, 2011
Wildlives (Thailand) Co., Ltd.				
Beginning balances	6,000	2,000		
Increase during the periods	-	4,000		
Ending balances	6,000	6,000	4.00	2.50 - 4.00
E F Co., Ltd.				
Beginning balances	500	-		
Increase during the periods	-	500		
Ending balances	500	500	4.00	3.50 - 4.00
Short-term loans to subsidiaries	6,500	6,500		

Short-term loans to subsidiaries are unsecured loans.

## 8. INVESTMENTS IN AVAILABLE-FOR-SALE

Investments in available-for-sale are listed securities on the stock exchange.

(THOUSAND BAHT)

CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	% Holding		Investment Value		Dividend for the six-month periods	
	June 30, 2012	December 31, 2011	June 30, 2012	December 31, 2011	June 30, 2012	June 30, 2011
<b>Related Companies</b>						
1. Boutique New City Plc.	0.02	0.02	124	124	1	2
2. Far East DDB Plc.	0.01	0.01	40	40	6	5
3. I.C.C. International Plc.	0.35	0.35	26,705	26,705	1,130	1,130
4. President Bakery Plc.	1.00	1.00	13,500	13,500	2,430	1,768
5. Sahacogen (Chonburi) Plc.	14.63	14.63	218,828	218,828	20,963	24,544
6. Saha Pathana Inter-Holding Plc.	0.24	0.24	21,249	21,249	269	257
Total cost			280,446	280,446	24,799	27,706
Add Gain from the remeasuring of investments in available for sale			503,899	468,929		
Investments in available-for-sales - related companies - fair value			784,345	749,375		
<b>Other Companies</b>						
1. Nation Multimedia Plc.			8,586	8,586	-	-
2. Bangkok Bank Plc.			5,001	5,001	253	222
Total cost			13,587	13,587	253	222
Add Gain from the remeasuring of investments in available for sale			7,093	624		
Investments in available-for-sales - other companies-fair value			20,680	14,211		
<b>Investments in available-for-sales - fair value</b>			<b>805,025</b>	<b>763,586</b>	<b>25,052</b>	<b>27,928</b>

(THOUSAND BAHT)

RELATED COMPANIES	TYPE OF BUSINESS	RELATIONSHIP	ISSUED AND PAID - UP SHARE CAPITAL	
			June 30, 2012	December 31, 2011
1. Boutique New City Plc.	Garment	Shareholders / co - directors	120,000	120,000
2. Far East DDB Plc.	Advertising and agency	Shareholders / co - directors	75,000	75,000
3. I.C.C. International Plc.	Commerce	Shareholders / co - directors	290,634	290,634
4. President Bakery Plc.	Food	Co-shareholders	450,000	450,000
5. Sahacogen (Chonburi) Plc.	Generating and distributing electricity	Shareholders / co - directors	955,000	955,000
6. Saha Pathana Inter-Holding Plc.	Investment	Co-shareholders	494,034	494,034

## 9. INVESTMENTS IN ASSOCIATES

(THOUSAND BAHT)

ASSOCIATES	% Holding		CONSOLIDATED (Equity Method)		THE SEPARATE FINANCIAL STATEMENTS (Cost Method)	
	June 30, 2012	December 31, 2011	June 30, 2012	December 31, 2011	June 30, 2012	December 31, 2011
Yamahatsu (Thailand) Co., Ltd.	30	30	74,280	73,525	6,000	6,000
Operational Energy Group Limited	30	30	96,958	102,727	13,151	13,151
Total			171,238	176,252	19,151	19,151
Osoth Interlaboratories Co., Ltd.	33.19	33.19	139,880	34,000	157,187	52,636
<u>Less</u> Allowance for loss on capital decrease			-	-	(2,850)	(2,850)
Provision for diminution in investments in associates			-	-	(19,950)	(19,950)
Investments in Osoth Interlaboratories Co., Ltd. - net			139,880	34,000	134,387	29,836
Investments in Associates - net			311,118	210,252	153,538	48,987

(THOUSAND BAHT)

ASSOCIATES	TYPE OF BUSINESS	ISSUED AND PAID - UP SHARE CAPITAL		DIVIDENDS FOR THE SIX-MONTH PERIODS	
		June 30, 2012	December 31, 2011	June 30, 2012	June 30, 2011
Yamahatsu (Thailand) Co., Ltd.	Hair products	20,000	20,000	9,900	-
Operational Energy Group Limited	Servicing to operate the power plant	30,000	30,000	9,000	6,300
Osoth Interlaboratories Co., Ltd.	Medicine	465,000	150,000	-	-
Total				18,900	6,300

The financial statements of associates which are applied for recording the investments in associates by the equity method in the interim consolidated financial statements as at June 30, 2012, included recording the equity method on the consolidated statements of income for the six-month periods ended June 30, 2012 and 2011, based on information prepared by their management which are not reviewed by the auditors.

(THOUSAND BAHT)

SHARE OF PROFIT FROM INVESTMENTS FOR USING THE EQUITY METHOD FOR THE SIX - MONTH PERIODS ENDED JUNE 30,	CONSOLIDATED	
	2012	2011
Yamahatsu (Thailand) Co., Ltd.	10,655	9,784
Operational Energy Group Limited	3,231	12,212
Osoth Interlaboratories Co., Ltd.	1,329	1,733
Total	15,215	23,729

In December 2011, Osoth Interlaboratories Co., Ltd. increased its share capital from 1,500,000 shares to 6,000,000 shares (at Baht 100 par value). The Company has additionally invested amount of 1,493,580 shares (at Baht 100 par value), and paid for subscription at Baht 40 each, worth amount Baht 59,743,200. Afterwards, in March 2012, the Company has paid for subscription at Baht 30 each, worth amount Baht 44,807,400, totalling Baht 104,550,600.

#### 10. INVESTMENTS IN SUBSIDIARIES

(THOUSAND BAHT)

SUBSIDIARIES	% Holding		THE SEPARATE FINANCIAL STATEMENTS (Cost Method)	
	June 30, 2012	December 31, 2011	June 30, 2012	December 31, 2011
E F Co., Ltd.	99.99	99.99	4,006	4,006
Top Trend Manufacturing Co., Ltd.	50.00	50.00	124,825	124,825
Wildlives (Thailand) Co., Ltd.	99.99	99.99	1,000	1,000
S&J International (UK) Limited	100.00	100.00	5,073	5,073
			(GBP100,000)	(GBP100,000)
<b>Total Investments in Subsidiaries</b>			<b>134,904</b>	<b>134,904</b>

(THOUSAND BAHT)

SUBSIDIARIES	TYPE OF BUSINESS	ISSUED AND PAID - UP SHARE CAPITAL		DIVIDEND FOR THE SIX - MONTH PERIODS	
		June 30, 2012	December 31, 2011	June 30, 2012	June 30, 2011
<b><u>SUBSIDIARIES DIRECTLY HELD BY THE COMPANY</u></b>					
E F Co., Ltd.	Consumer products	4,000	4,000	-	-
Top Trend Manufacturing Co., Ltd.	Plastic containers	120,000	120,000	12,000	9,180
Wildlives (Thailand) Co., Ltd.	Consumer products	1,000	1,000	-	-
S&J International (UK) Limited	Distributing cosmetic products, gift set and marketing service	5,073	5,073	-	-
<b><u>SUBSIDIARIES HELD BY S&amp;J International (UK) Limited</u></b>					
Guangzhou S&J Cosmetics Limited Company	Distributing packaging	4,712	4,712	-	-
S&J International (HK) Limited	Distributing packaging	5,372	-	-	-
<b>Total</b>				<b>12,000</b>	<b>9,180</b>



## **TRANSACTIONS OF SUBSIDIARIES**

### **SUBSIDIARIES DIRECTLY HELD BY THE COMPANY**

#### **S&J International (UK) Limited**

The financial statements of S&J International (UK) Limited, its subsidiary in the foreign country were reviewed and audited by other certified public accountant, and were used to prepare interim consolidated financial statements for the three-month and six-month periods ended June 30, 2012 and consolidated financial statements for the year ended December 31, 2011 by having assets in the amount of Baht 64.04 million and Baht 46.62 million, respectively. And total revenues for the three-month and the six-month periods ended June 30, 2012 in the amount of Baht 66.31 million and Baht 109.67 million, respectively. And total revenues for the three-month and the six-month periods ended June 30, 2011 in the amount of Baht 97.56 million and Baht 152.98 million, respectively.

#### **Subsidiaries held by S&J International (UK) Limited**

##### **Guangzhou S&J Cosmetics Limited Company**

In February 2011, S&J International (UK) Limited has invested in Guangzhou S&J Cosmetics Limited Company which registered in the People Republic of China, worth Baht 4.71 million, in shareholding proportion of 100%. Financial statements for the three-month and six-month periods ended June 30, 2012 and financial statements for the year ended December 31, 2011, were reviewed and audited by other certified public accountants, and were used to prepare consolidated financial statements for the three-month and six-month periods ended June 30, 2012 and consolidated financial statements for the year ended December 31, 2011 by having assets in the amount of Baht 5.82 million and Baht 4.38 million, respectively. And total revenues for the three-month and six-month periods ended June 30, 2012 in the amount of Baht 1.98 million and Baht 2.58 million, respectively.

##### **S&J International (HK) Limited**

In 2012, S&J International (UK) Limited has invested in S&J International (HK) Limited which registered in the People Republic of China, worth Baht 5.37 million, in shareholding proportion of 100%. Financial statements for the period from January 17, 2012 (date of incorporation) to June 30, 2012, were reviewed by other certified public accountants, and were used to prepare interim consolidated financial statements for the period from January 17, 2012 (date of incorporation) to June 30, 2012 by having assets in the amount of Baht 9.43 million. And total revenues for the period from January 17, 2012 (date of incorporation) to June 30, 2012 in the amount of Baht 5.97 million.

**11. INVESTMENTS IN RELATED COMPANIES**

(THOUSAND BAHT)

CONSOLIDATED AND THE SEPARATE FINANCIAL STATEMENTS	% Holding		Cost Method		Dividend for the six-month periods	
	June 30, 2012	December 31, 2011	June 30, 2012	December 31, 2011	June 30, 2012	June 30, 2011
1. General Glass Co., Ltd.	16	16	*35,200	*35,200	-	-
2. Thai Lotte Co., Ltd.	0.39	0.39	* 8,000	* 8,000	-	-
3. H & B Kabinburi Co., Ltd.	9	9	1,350	1,350	162	162
4. Thai Cubic Technology Co., Ltd.	5	5	2,000	2,000	440	440
5. Train Time Test Co., Ltd.	14	14	175	175	-	56
6. BSC Entertainment Co., Ltd.	-	10	-	* 21,869	-	-
7. B.K.C. International Marketing Co., Ltd.	19	19	* 950	* 950	-	-
8. United Utility Co., Ltd.	0.27	0.27	* 692	* 692	-	-
9. Shaldan (Thailand) Co., Ltd.	15.50	15.50	* 6,392	* 6,392	-	-
Total cost			54,759	76,628	602	658
<u>Less</u> Allowance for loss on capital decrease in						
- BSC Entertainment Co., Ltd.			-	(7,505)		
- General Glass Co., Ltd.			(12,000)	(12,000)		
*Provision for diminution in investments in related companies			(16,653)	(30,587)		
Total Investments in Related Companies - net			26,106	26,536		

(THOUSAND BAHT)

	TYPE OF BUSINESS	RELATIONSHIP	ISSUED AND PAID - UP SHARE CAPITAL	
			June 30, 2012	December 31, 2011
1. General Glass Co., Ltd.	Glass bottles	Shareholders / co – directors	145,000	145,000
2. Thai Lotte Co., Ltd.	Chewing gum	Shareholders / co – directors	2,070,000	2,070,000
3. H & B Kabinburi Co., Ltd.	Cloth toy and ware	Shareholders / co – directors	15,000	15,000
4. Thai Cubic Technology Co., Ltd.	Plate and varnish	Shareholders / co – directors	40,000	40,000
5. Train Time Test Co., Ltd.	Training and seminar	Shareholders / co – directors	1,250	1,250
6. BSC Entertainment Co., Ltd.	Bowling alley	Shareholders / co – directors	187,050	187,050
7. B.K.C. International Marketing Co., Ltd.	Consumer products	Shareholders / co – directors	5,000	5,000
8. United Utility Co., Ltd.	Real estate	Shareholders / co – directors	34,230	34,230
9. Shaldan (Thailand) Co., Ltd.	Air refresher	Shareholders / co – directors	40,000	40,000

Investment in BSC Entertainment Company Limited amount of Baht 21,869,623.37 which was set up the provision for diminution in investments in the amount of Baht 14,364,286.37 and allowance for loss on capital decrease in the amount of Baht 7,505,337.00, which the company has registered the liquidation. In April 2012, the Company, obtained refund from investment in the amount of Baht 176,827.20 and has recorded as gain in the statements of income.

## 12. INVESTMENTS IN OTHER COMPANIES

(THOUSAND BAHT)

	% Holding		Cost Method		Dividend for the six-month periods	
	June 30, 2012	December 31, 2011	June 30, 2012	December 31, 2011	June 30, 2012	June 30, 2011
1. Sahapat Properties Co., Ltd.	2.50	2.50	* 500	500	-	-
2. Eastern Rubber Co., Ltd.	1.50	1.50	* 450	* 450	-	-
3. Advantage Footwear Co., Ltd.	0.38	0.38	* 1,387	* 1,387	-	-
4. Treasure Hill Co., Ltd.	2.00	2.00	* 4,000	* 4,000	-	-
5. Thanara Co., Ltd.	0.83	0.83	750	750	-	-
6. Thai Kamaya Co., Ltd.	8.00	8.00	9,080	9,080	400	-
7. Thai Herbal Products Co., Ltd.	1.50	1.50	1,200	1,200	126	120
8. Tipvarin Wattana Co., Ltd.	7.50	7.50	1,233	1,233	123	123
9. Saha Sehwa Co., Ltd.	3.48	3.48	* 5,050	* 5,050	-	-
10. T-Way Co., Ltd.	12.00	12.00	*19,207	14,407	-	-
11. K. Commercial & Construction Co., Ltd.	2.20	2.20	3,278	3,278	110	110
12. E. P. F. Co., Ltd.	18.00	18.00	702	702	-	468
13. Pan Land Co., Ltd.	1.00	1.00	* 3,000	3,000	-	-
14. Thai Yukilon Co., Ltd.	6.94	6.94	5,000	5,000	1,000	-
15. Sriracha Aviation Co., Ltd.	6.06	6.06	* 2,000	* 2,000	-	-
16. Waseda Education (Thailand) Co., Ltd.	7.14	7.14	4,000	4,000	-	-
Total cost			60,837	56,037	1,759	821
<u>Less</u> *Provision for diminution in investments in other companies			(10,210)	(7,808)		
Total Investments in Other Companies - net (Separate financial statements)			50,627	48,229		
SUBSIDIARY INVESTED IN						
- Treasure Hill Co., Ltd.	1.00	1.00	* 2,000	* 2,000		
- T-Way Co., Ltd.	4.00	4.00	6,400	4,800		
Total cost			8,400	6,800		
<u>Less</u> *Provision for diminution in investments in other companies			(2,000)	(2,000)		
Total Investments in Other Companies of the Subsidiary - net			6,400	4,800		
Total Investments in Other Companies - net (Consolidated)			57,027	53,029		

**TRANSACTIONS OF INVESTMENTS IN OTHER COMPANIES**

**T-Way Co., Ltd.**

In June 2012, the Company has paid for the additional call for share subscription increase of T-Way Co., Ltd. of 480,000 shares at Baht 10 each, worth Baht 4,800,000.

**OTHER COMPANIES HELD BY Top Trend Manufacturing Co., Ltd.**

**T-Way Co., Ltd.**

In December 2011, T-Way Co., Ltd. increased its share capital from amount 12,000,000 shares to amount 16,000,000 shares (at Baht 10 par value). The subsidiary company has additionally purchased investment amount of 160,000 shares (at Baht 10 par value) and paid for subscription at Baht 5 each, worth Baht 800,000. Afterwards, in June 2012, the subsidiary company has paid for share subscription increase at Baht 5 each, worth Baht 800,000, totalling Baht 1,600,000. The subsidiary company has fully paid for share subscription in such company.

### 13. SHARE CAPITAL

On April 25, 2011, the Ordinary General Shareholders' Meeting approved the reduction of registered capital from 120,000,000 shares (at Baht 1 per share) to 104,813,500 shares (at Baht 1 per share) by the cancellation of registered share capital that had not been issued of 15,186,500 shares (at Baht 1 per share), and approved the increase of registered share capital from 104,813,500 shares (at Baht 1 per share) to 200,000,000 share (at Baht 1 per share) by issuing new common stock of 95,186,500 shares (at Baht 1 per share) and approved the allocation of the increase capital amount 45,186,500 shares (at Baht 1 per share) by offering to the existing shareholders, to subscribe for share in ration of 7 existing shares per 3 new shares at the offering price of Baht 12 per share. In case there are new ordinary shares remaining from the allocation to the existing shareholders per right or lower right. The Board of Directors or Managing Director or the person authorised by the Board of Directors have authority to allocate and offer the remaining unsubscribed shares to the private placement. As such, the said offering price must not lower than 90% of the average market share price which shall be calculated by the weighted average closed price not less than 7 working days but not more than 15 working day before the offering date. There were shareholders exercising their rights as follow:

Date of registered paid-up capital with the Ministry of Commerce	Exercised Common Stocks (Shares)	Common Stocks (Baht)	Premium on Common Stocks (Baht)
June 8, 2011	44,023,484	44,023,484	484,258,324
November 9, 2011	1,093,844	1,093,844	24,064,568
Total	45,117,328	45,117,328	508,322,892

For the allocation of another 50,000,000 shares (at Baht 1 per share), Ordinary General Shareholders' meeting has authorized the Board of Directors to consider the next allocation.

As at December 31, 2011, the Company had issued and paid-up share capital amount 149,930,828 shares.

### 14. DIVIDEND PAYMENT AND DIRECTORS' REMUNERATION

On April 23, 2012, the Ordinary General Shareholders' Meeting for 2012 was held and approved a resolution to pay dividends for the results of 2011 operation to the shareholders of 149,930,828 shares at Baht 1.00 per share, totalling Baht 149.93 million. The dividend payment was made on May 18, 2012 and approved a resolution to pay directors' remuneration at the maximum of Baht 15 million per year.

On April 25, 2011, the Ordinary General Shareholders' Meeting for 2011 was held and approved a resolution to pay dividends for the results of 2010 operation to the shareholders of 104,813,500 shares at Baht 1.10 per share, totalling Baht 115.29 million. The dividend payment was made on May 9, 2011 and approved a resolution to pay directors' remuneration at the maximum of Baht 10 million per year.

On April 20, 2012, the Ordinary General Shareholders' Meeting of Top Trend Manufacturing Company Limited was held and approved a resolution to pay directors' remuneration amount of Baht 3.09 million.

On April 29, 2011, the Ordinary General Shareholders' Meeting of Top Trend Manufacturing Company Limited was held and approved a resolution to pay directors' remuneration amount of Baht 2.67 million.

## 15. FOREIGN CURRENCY TRANSACTIONS

15.1 The Company and subsidiaries have outstanding assets and liabilities denominated in foreign currencies as follows :-

(AMOUNT IN THOUSAND)

CONSOLIDATED	June 30, 2012		December 31, 2011	
	Foreign currencies	Converted to Baht	Foreign currencies	Converted to Baht
<b>Assets</b>				
USD	3,423.29	108,474	4,430.01	139,769
JPY	50,285.81	19,986	31,866.82	12,754
GBP	143.23	7,048	19.72	957
AUD	62.93	2,005	63.80	2,035
SGD	5.60	138	-	-
Total assets		137,651		155,515
<b>Liabilities</b>				
USD	1,934.29	61,642	1,338.91	42,620
JPY	3,151.73	1,251	9,511.00	3,922
GBP	3.93	196	4.22	208
EUR	37.33	1,505	104.05	4,301
AUD	24.05	780	4.25	138
CHF	-	-	5.77	196
Total liabilities		65,374		51,385

(AMOUNT IN THOUSAND)

THE SEPARATE FINANCIAL STATEMENTS	June 30, 2012		December 31, 2011	
	Foreign currencies	Converted to Baht	Foreign currencies	Converted to Baht
<b>Assets</b>				
USD	3,323.94	105,326	4,335.79	136,796
JPY	50,285.81	19,986	31,536.82	12,754
GBP	143.23	7,048	19.72	957
Total assets		132,360		150,507
<b>Liabilities</b>				
USD	1,913.00	61,149	1,158.16	36,866
JPY	2,151.73	872	8,511.00	3,510
GBP	650.90	32,490	478.91	23,567
EURO	66.52	2,670	112.04	4,632
AUD	24.05	780	4.25	138
Total liabilities		97,961		68,713

15.2 The Company has made Buying Forward Exchange Contracts with the local commercial bank for hedging against any risk in exchange rate fluctuation which might affect Baht payable to the foreign accounts payable that can be summarized as follows :-

Currency	Amount in thousand	Fair value (Thousand Baht)	Delivery date
<u>As at June 30, 2012</u>			
JPY	1,565	628	September 2012

15.3 The Company has made Selling Forward Exchange Contracts with the local commercial bank for hedging against any risk in exchange rate fluctuation which might affect Baht received from export trade accounts receivable that can be summarized as follows :-

Currencies	Amount in thousand	Fair value (Thousand Baht)	Delivery dates
<u>As at June 30, 2012</u>			
USD	1,287	41,000	September 2012 - December 2012
JPY	20,445	8,197	September 2012 - December 2012
GBP	143	7,169	September 2012 - December 2012
<u>As at December 31, 2011</u>			
USD	4,067	128,902	January 2012 - June 2012
JPY	88,530	36,161	February 2012 - July 2012
GBP	20	963	January 2012 - June 2012

## 16. EXPENSES BY NATURE

(THOUSAND BAHT)

For the six - month periods ended June 30,	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2012	2011	2012	2011
(Increase) decrease in the changes of finished goods and work in progress	259,488	(214,674)	275,735	(174,197)
Raw material and consumables used	861,775	1,374,031	879,208	1,482,574
Purchase of inventories	112,850	142,763	-	-
Directors and management benefit expenses	30,899	27,828	24,865	25,153
Employee benefit expenses	404,567	373,265	261,072	246,580
Depreciation and amortization expenses	116,898	95,922	62,569	47,789
Other expenses	300,155	309,451	203,507	186,445
Total	2,086,632	2,108,586	1,706,956	1,814,344



**17. FINANCIAL INFORMATION BY SEGMENT**

The Company and its subsidiaries' financial information by segment in the consolidation for the six - month periods ended June 30, 2012 and 2011 are as follows :

(THOUSAND BAHT)

Year 2012	Cosmetics	Containers	Others	Inter-company transactions		Total
				Debit	Credit	
Sales	1,705,353	550,654	136,105	267,176	-	2,124,936
Operating result by segments	24,545	28,884	13,102	276,315	280,288	70,504
Profit attributable to equity holders of the parent						93,961
Property, plant and equipment-net	1,488,692	401,819	1,277	-	-	1,891,788

(THOUSAND BAHT)

Year 2011	Cosmetics	Containers	Others	Inter-company transactions		Total
				Debit	Credit	
Sales	1,859,990	454,508	169,321	277,778	-	2,206,041
Operating result by segments	73,843	27,998	21,115	284,340	292,639	131,255
Profit attributable to equity holders of the parent						147,445
Property, plant and equipment-net	1,059,240	347,730	1,207	-	-	1,408,177

The financial information by geographical areas can be classified to local and export sales in the consolidation for the six - month periods ended June 30, 2012 and 2011 as follows:

(THOUSAND BAHT)

Particulars	Local		Export		Total	
	2012	2011	2012	2011	2012	2011
Sales	1,600,099	1,481,331	524,837	724,710	2,124,936	2,206,041
Operating result by segments	63,467	91,086	7,037	40,169	70,504	131,255

## 18. INCOME TAX EXPENSES

The Company and subsidiaries' income taxes for the three-month and six-month periods ended June 30, 2012 and 2011 are calculated from accounting profit and adjusted with other revenues and some expenses which are exempted from income tax; for example, dividend income, or being disallowable expenses in corporate income tax computation; for example, doubtful debts.

The corporate income tax of the Company for the year 2012 is calculated at the rate of 23 per cent and for the year 2011 was calculated at the rate of 30 per cent.

The corporate income taxes of subsidiaries for the year 2012 is calculated at the rate of 15 and 23 per cent and for the year 2011 was calculated at the rate of 15, 25 and 30 per cent.

## 19. TRANSACTIONS WITH RELATED PERSONS AND PARTIES

The Company has certain business transactions with its related parties which are related through, directorship or shareholding or having shareholders or some co-directors. The effects of these transactions were reflected in the accompanying financial statements in normal business and general trading conditions.

COMPANIES	RELATIONSHIP
Associates	See Note 9
Subsidiaries	See Note 10
Related companies	See Note 11
Better Way (Thailand) Co., Ltd.	Co - directors
International Laboratories Corp., Ltd.	Co - directors
Vitayasithi Co., Ltd.	Co - directors
Kewpie (Thailand) Co., Ltd.	Co - directors
O.C.C. Plc.	Co - directors
I.C.C. International Plc.	Co - directors
Oriental Salon Business Co., Ltd.	Co - directors
H & B Intertex Co., Ltd.	Co - directors
People 's Garment Plc.	Co - directors
Saha Pathanapibul Plc.	Co - shareholders
Thai Wacoal Plc.	Co - shareholders
Saha Pathana Inter-Holding Plc.	Shareholders
Related persons	Directors

**The significant transactions with related persons and parties are as follows :**

(THOUSAND BAHT)

Transactions in statements of financial position	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	June 30, 2012	December 31, 2011	June 30, 2012	December 31, 2011
<u>Trade accounts receivable</u>				
- Subsidiaries	-	-	4,030	3,308
- Associates	83,579	121,529	66,550	105,405
- Related companies	314,536	331,240	248,457	266,948
Total	398,115	452,769	319,037	375,661
<u>Other receivables</u>				
- Subsidiaries	-	-	1,306	1,150
- Associates	311	614	311	614
- Related companies	818	793	818	793
Total	1,129	1,407	2,435	2,557
<u>Short - term loans extended</u>				
- Subsidiaries (See Note 7)	-	-	6,500	6,500
<u>Purchase equipment</u>				
- Related persons	-	2,000	-	2,000
<u>Non-current Assets</u>				
<u>Property deposit</u>				
- Related companies	28,957	28,957	-	-
<u>Rental guarantee</u>				
- Related companies	4,847	5,572	4,317	5,041
Total	33,804	34,529	4,317	5,041
<u>Trade accounts payable</u>				
- Subsidiaries	-	-	83,658	68,147
- Associates	8,857	6,597	8,857	6,597
- Related companies	35,784	39,915	33,882	32,949
Total	44,641	46,512	126,397	107,693
<u>Other accounts payable</u>				
- Subsidiaries	-	-	760	428
- Associates	21	4	21	4
- Related companies	11,405	4,020	5,941	4,020
Total	11,426	4,024	6,722	4,452
<u>Non current liabilities</u>				
- Related companies	-	112	-	112

Transactions in income statements for the six - month periods ended June 30,	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	2012	2011	2012	2011
<u>Sales</u>				
- Subsidiaries	-	-	4,340	4,734
- Associates	158,937	158,030	132,108	131,324
- Related companies	950,962	825,609	787,213	742,582
Total	1,109,899	983,639	923,661	878,640
<u>Rental income</u>				
- Subsidiaries	-	-	76	54
- Associates	13,676	12,282	13,676	12,282
- Related companies	155	158	155	158
Total	13,831	12,440	13,907	12,494
<u>Other income</u>				
- Subsidiaries	-	-	4,884	2,311
- Associates	7,091	3,905	7,091	3,905
- Related companies	2,332	2,238	2,332	2,238
Total	9,423	6,143	14,307	8,454
<u>Purchase of goods and service</u>				
- Subsidiaries	-	-	260,508	277,400
- Associates	30,299	27,351	30,299	27,351
- Related companies	58,294	44,460	52,546	41,092
Total	88,593	71,811	343,353	345,843
<u>Rental expenses</u>				
- Related companies	4,963	5,253	4,963	5,253
<u>Other expenses</u>				
- Subsidiaries	-	-	2,615	1,463
- Associates	125	11	125	11
- Related companies	67,621	55,084	36,529	30,736
Total	67,746	55,095	39,269	32,210

Revenues from sales, purchase of goods and service and other income and expenses as shown in the income statements are in accordance with general trading conditions under fixing price or at market price compensation. For the transactions with no reference of market price, the agreed prices according to the agreement are applied.

**20. COMMITMENT AND CONTINGENT LIABILITIES**

(THOUSAND BAHT)

	CONSOLIDATED		THE SEPARATE FINANCIAL STATEMENTS	
	June 30, 2012	December 31, 2011	June 30, 2012	December 31, 2011
1. Commitment under letters of guarantee issued by commercial banks	196,868	161,095	190,007	154,234
2. Commitment under letters of guarantee on overdrafts with commercial banks for - Related companies	3,100	3,100	3,100	3,100
3. Letters of credit	15,400	-	1,540	-
4. Royalty fees are payable by calculating from percentage of sales at the rate as fixed in the agreement.				
5. The Company and subsidiaries have commitment to pay future monthly rental and services for lease and service contracts for the office, warehouse and advisory contract from July 1, 2012 as follows:				
	<u>CONTRACT PERIODS</u>	<u>CONSOLIDATED</u>	<u>THE SEPARATE</u>	<u>FINANCIAL STATEMENTS</u>
	Current portion	66,291,404 Baht	61,381,298 Baht	
	Overdue more than 1 year	45,712,709 Baht	44,714,410 Baht	
6. Commitment of contracts to buy or sell				
<p>On August 18, 2010, the subsidiary agreed to purchase land from the related company for construction of the factory in the amount of Baht 96.53 million. Land deposit of Baht 28.96 million was paid and presented under other non-current assets in "Property deposit". Therefore, there is commitment to pay the remaining within August 17, 2013, amount of Baht 67.57 million.</p>				

**21. RECLASSIFICATION OF ACCOUNTS**

Certain accounts in the statements of cash flow for the six-month period ended June 30, 2011, have been reclassified to conform with the current period classifications with no effect to previously reported operations or shareholders' equity.

**22. FINANCIAL STATEMENTS APPROVAL**

These interim financial statements were authorized for issuing by the Company's authorized directors on August 6, 2012.