

**CP ALL Public Company Limited  
and its Subsidiaries**

Interim financial statements  
for the three-month and six-month periods ended  
30 June 2015

and

Independent Auditor's Report  
on Review of Interim Financial Information

## **Independent Auditor's Report on Review of Interim Financial Information**

### **To the Board of Directors of CP ALL Public Company Limited**

I have reviewed the accompanying consolidated and separate statements of financial position of CP ALL Public Company Limited and its subsidiaries, and of CP ALL Public Company Limited, respectively, as at 30 June 2015; the consolidated and separate statements of income and comprehensive income for the three-month and six-month periods ended 30 June 2015; the consolidated and separate statements of changes in equity and cash flows for the six-month period ended 30 June 2015; and condensed notes ("interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

#### *Scope of Review*

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

#### *Conclusion*

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

(Charoen Phosamritlert)  
Certified Public Accountant  
Registration No. 4068

KPMG Phoomchai Audit Ltd.  
Bangkok  
10 August 2015

# CP ALL Public Company Limited and its Subsidiaries

## Statement of financial position

		Consolidated		Separate	
		financial statements		financial statements	
		30 June	31 December	30 June	31 December
Assets	Note	2015	2014	2015	2014
		(Unaudited)		(Unaudited)	
		<i>(in thousand Baht)</i>			
<b>Current assets</b>					
Cash and cash equivalents		15,566,091	32,204,375	10,308,444	24,864,030
Current investments		1,332,000	1,232,027	-	-
Trade accounts receivable	4, 5	704,185	910,176	94,186	122,047
Other accounts receivable	4	1,962,077	1,807,624	1,915,298	2,008,534
Short-term loans to subsidiary	4	-	-	170,000	-
Inventories	4	21,415,054	22,167,148	10,302,798	10,242,335
Other current assets	4	5,924,726	6,362,798	3,660,674	4,215,346
<b>Total current assets</b>		<b>46,904,133</b>	<b>64,684,148</b>	<b>26,451,400</b>	<b>41,452,292</b>
<b>Non-current assets</b>					
Investments in subsidiaries	6	-	-	202,237,832	202,237,832
Investment in related company		24,000	24,000	24,000	24,000
Other long-term investments		412	100,412	-	100,000
Investment properties		333,200	333,200	-	-
Property, plant and equipment	4, 7	83,709,633	80,201,061	20,982,468	20,035,595
Goodwill		126,072,806	126,072,806	-	-
Leasehold rights		3,142,526	2,650,672	403,342	395,299
Other intangible assets	4	49,860,232	49,665,431	821,725	709,706
Deferred tax assets		669,317	662,236	287,736	280,789
Other non-current assets	4	2,004,737	2,016,079	2,156,071	1,948,094
<b>Total non-current assets</b>		<b>265,816,863</b>	<b>261,725,897</b>	<b>226,913,174</b>	<b>225,731,315</b>
<b>Total assets</b>		<b>312,720,996</b>	<b>326,410,045</b>	<b>253,364,574</b>	<b>267,183,607</b>

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

# CP ALL Public Company Limited and its Subsidiaries

## Statement of financial position

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2015 (Unaudited)	31 December 2014	30 June 2015 (Unaudited)	31 December 2014
<i>(in thousand Baht)</i>					
<b>Liabilities and equity</b>					
<i>Current liabilities</i>					
Short-term borrowings from financial institutions	8	16,735,857	14,726,390	10,000,000	11,000,000
Trade accounts payable	4	52,710,419	59,311,726	28,898,434	31,215,969
Other accounts payable	4	2,975,799	3,518,817	6,873,550	8,156,611
Current portion of finance lease liabilities		63,698	60,800	-	-
Current portion of long-term borrowings from financial institutions	8	-	4,914,000	-	4,914,000
Income tax payable		1,100,092	793,054	386,279	1,439
Other current liabilities		8,277,962	8,690,014	5,504,309	5,574,027
<b>Total current liabilities</b>		<b>81,863,827</b>	<b>92,014,801</b>	<b>51,662,572</b>	<b>60,862,046</b>
<i>Non-current liabilities</i>					
Debentures	8	173,000,000	140,000,000	173,000,000	140,000,000
Long-term borrowing from financial institutions	8	2,000,000	38,301,131	-	36,301,131
Finance lease liabilities		446,422	477,979	-	-
Employee benefit obligations		1,851,272	1,709,914	1,000,396	926,628
Accrued guarantee deposits		3,456,017	3,270,769	3,337,602	3,153,744
Deferred tax liabilities		15,266,704	15,304,181	-	-
Other non-current liabilities		272,468	273,430	-	-
<b>Total non-current liabilities</b>		<b>196,292,883</b>	<b>199,337,404</b>	<b>177,337,998</b>	<b>180,381,503</b>
<b>Total liabilities</b>		<b>278,156,710</b>	<b>291,352,205</b>	<b>229,000,570</b>	<b>241,243,549</b>

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

# CP ALL Public Company Limited and its Subsidiaries

## Statement of financial position

Liabilities and equity ( <i>Continued</i> )	Note	Consolidated		Separate	
		financial statements		financial statements	
		30 June 2015 (Unaudited)	31 December 2014	30 June 2015 (Unaudited)	31 December 2014
<i>(in thousand Baht)</i>					
<b>Equity</b>					
Share capital					
Authorised share capital		8,986,296	8,986,296	8,986,296	8,986,296
Issued and paid-up share capital		8,983,101	8,983,101	8,983,101	8,983,101
Additional paid-in capital					
Premium on ordinary shares		1,684,317	1,684,317	1,684,317	1,684,317
Retained earnings					
Appropriated					
Legal reserve		900,000	900,000	900,000	900,000
Unappropriated		19,893,558	20,532,100	12,796,586	14,372,640
Other components of equity		(1,195,763)	(1,317,312)	-	-
<b>Equity attributable to equity holders of the Company</b>					
		<b>30,265,213</b>	<b>30,782,206</b>	<b>24,364,004</b>	<b>25,940,058</b>
Non-controlling interests		4,299,073	4,275,634	-	-
<b>Total equity</b>		<b>34,564,286</b>	<b>35,057,840</b>	<b>24,364,004</b>	<b>25,940,058</b>
<b>Total liabilities and equity</b>		<b>312,720,996</b>	<b>326,410,045</b>	<b>253,364,574</b>	<b>267,183,607</b>

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

# CP ALL Public Company Limited and its Subsidiaries

## Statement of income (Unaudited)

		Consolidated financial statements		Separate financial statements	
		For the three-month period ended 30 June		For the three-month period ended 30 June	
	Note	2015	2014	2015	2014
		(in thousand Baht)			
<b>Income</b>	4				
Revenue from sale of goods and rendering of services		97,292,252	88,945,118	58,129,180	52,959,570
Interest income		50,558	61,318	26,155	58,002
Dividend income		31	26	1,971,807	1,489,360
Net foreign exchange gain		-	1,262	-	-
Other income		3,333,320	3,126,178	3,378,723	3,168,493
<b>Total income</b>		<b>100,676,161</b>	<b>92,133,902</b>	<b>63,505,865</b>	<b>57,675,425</b>
<b>Expenses</b>	4				
Cost of sale of goods and rendering of services		76,134,726	70,030,538	41,845,114	38,197,741
Selling expenses		15,481,647	14,133,158	13,178,109	12,142,869
Administrative expenses		2,972,431	2,752,164	2,446,603	2,357,503
Net foreign exchange loss		36,122	-	420	6,588
Finance costs		2,166,959	2,397,968	2,108,969	2,369,539
<b>Total expenses</b>		<b>96,791,885</b>	<b>89,313,828</b>	<b>59,579,215</b>	<b>55,074,240</b>
<b>Profit before income tax expense</b>		<b>3,884,276</b>	<b>2,820,074</b>	<b>3,926,650</b>	<b>2,601,185</b>
Income tax expense	10	715,648	542,107	327,314	179,469
<b>Profit for the period</b>		<b>3,168,628</b>	<b>2,277,967</b>	<b>3,599,336</b>	<b>2,421,716</b>
<b>Profit attributable to:</b>					
Equity holders of the Company		3,139,595	2,251,570	3,599,336	2,421,716
Non-controlling interests		29,033	26,397	-	-
<b>Profit for the period</b>		<b>3,168,628</b>	<b>2,277,967</b>	<b>3,599,336</b>	<b>2,421,716</b>
<b>Basic earnings per share (Baht)</b>	11	<b>0.35</b>	<b>0.25</b>	<b>0.40</b>	<b>0.27</b>

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

# CP ALL Public Company Limited and its Subsidiaries

## Statement of comprehensive income (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month period ended 30 June		For the three-month period ended 30 June	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
<b>Profit for the period</b>	<b>3,168,628</b>	<b>2,277,967</b>	<b>3,599,336</b>	<b>2,421,716</b>
<b>Other comprehensive income</b>				
<i>Item that is or may be reclassified to profit or loss</i>				
Currency translation differences	170,030	1,545	-	-
<b>Other comprehensive income for the period</b>	<b>170,030</b>	<b>1,545</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>	<b>3,338,658</b>	<b>2,279,512</b>	<b>3,599,336</b>	<b>2,421,716</b>
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	3,309,629	2,253,114	3,599,336	2,421,716
Non-controlling interests	29,029	26,398	-	-
<b>Total comprehensive income for the period</b>	<b>3,338,658</b>	<b>2,279,512</b>	<b>3,599,336</b>	<b>2,421,716</b>

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

# CP ALL Public Company Limited and its Subsidiaries

## Statement of income (Unaudited)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		For the six-month period ended 30 June		For the six-month period ended 30 June	
		2015	2014	2015	2014
		<i>(in thousand Baht)</i>			
<b>Income</b>	4				
Revenue from sale of goods and rendering of services		192,845,904	175,103,135	112,986,535	102,854,858
Interest income		115,424	128,936	60,040	108,665
Dividend income		62	52	2,346,806	2,079,358
Net foreign exchange gain		-	178,224	-	162,211
Other income		6,495,477	6,049,454	6,562,567	6,148,945
<b>Total income</b>		<b>199,456,867</b>	<b>181,459,801</b>	<b>121,955,948</b>	<b>111,354,037</b>
<b>Expenses</b>	4				
Cost of sale of goods and rendering of services		151,259,610	138,182,354	81,533,101	74,436,756
Selling expenses		29,634,934	26,490,759	25,070,171	22,701,158
Administrative expenses		5,904,603	6,824,579	4,758,468	5,901,599
Net foreign exchange loss		55,457	-	1,020	-
Finance costs		4,430,121	3,743,629	4,316,841	3,685,490
<b>Total expenses</b>		<b>191,284,725</b>	<b>175,241,321</b>	<b>115,679,601</b>	<b>106,725,003</b>
<b>Profit before income tax expense</b>		<b>8,172,142</b>	<b>6,218,480</b>	<b>6,276,347</b>	<b>4,629,034</b>
Income tax expense	10	1,557,986	1,211,901	665,920	421,607
<b>Profit for the period</b>		<b>6,614,156</b>	<b>5,006,579</b>	<b>5,610,427</b>	<b>4,207,427</b>
<b>Profit attributable to:</b>					
Equity holders of the Company		6,547,939	4,950,563	5,610,427	4,207,427
Non-controlling interests		66,217	56,016	-	-
<b>Profit for the period</b>		<b>6,614,156</b>	<b>5,006,579</b>	<b>5,610,427</b>	<b>4,207,427</b>
<b>Basic earnings per share (Baht)</b>	11	<b>0.73</b>	<b>0.55</b>	<b>0.62</b>	<b>0.47</b>

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



**CP ALL Public Company Limited and its Subsidiaries**  
**Statement of comprehensive income (Unaudited)**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	For the six-month		For the six-month	
	period ended 30 June		period ended 30 June	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
<b>Profit for the period</b>	<b>6,614,156</b>	<b>5,006,579</b>	<b>5,610,427</b>	<b>4,207,427</b>
<b>Other comprehensive income</b>				
<i>Item that is or may be reclassified to profit or loss</i>				
Currency translation differences	121,549	(96,407)	-	-
<b>Other comprehensive income for the period</b>	<b>121,549</b>	<b>(96,407)</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>	<b>6,735,705</b>	<b>4,910,172</b>	<b>5,610,427</b>	<b>4,207,427</b>
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	6,669,488	4,854,142	5,610,427	4,207,427
Non-controlling interests	66,217	56,030	-	-
<b>Total comprehensive income for the period</b>	<b>6,735,705</b>	<b>4,910,172</b>	<b>5,610,427</b>	<b>4,207,427</b>

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

## CP ALL Public Company Limited and its Subsidiaries

### Statement of changes in equity (Unaudited)

	Consolidated financial statements										
	Note	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Other components of equity			Equity attributable to equity holders of the Company	Non-controlling interests	Total equity
				Legal reserve	Unappropriated retained earnings	Currency translation differences	Differences on acquisition of non-controlling interests	Total other components of equity			
<i>(in thousand Baht)</i>											
For the six-month period ended 30 June 2015											
<b>Balance at 1 January 2015</b>		<b>8,983,101</b>	<b>1,684,317</b>	<b>900,000</b>	<b>20,532,100</b>	<b>(174,726)</b>	<b>(1,142,586)</b>	<b>(1,317,312)</b>	<b>30,782,206</b>	<b>4,275,634</b>	<b>35,057,840</b>
<b>Transactions with equity holders, recorded directly in equity</b>											
<i>Distributions to equity holders</i>											
Dividends	12	-	-	-	(7,186,481)	-	-	-	(7,186,481)	(42,778)	(7,229,259)
<b>Total transactions with equity holders, recorded directly in equity</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>(7,186,481)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(7,186,481)</b>	<b>(42,778)</b>	<b>(7,229,259)</b>
<b>Comprehensive income for the period</b>											
Profit		-	-	-	6,547,939	-	-	-	6,547,939	66,217	6,614,156
Other comprehensive income		-	-	-	-	121,549	-	121,549	121,549	-	121,549
<b>Total comprehensive income for the period</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>6,547,939</b>	<b>121,549</b>	<b>-</b>	<b>121,549</b>	<b>6,669,488</b>	<b>66,217</b>	<b>6,735,705</b>
<b>Balance at 30 June 2015</b>		<b>8,983,101</b>	<b>1,684,317</b>	<b>900,000</b>	<b>19,893,558</b>	<b>(53,177)</b>	<b>(1,142,586)</b>	<b>(1,195,763)</b>	<b>30,265,213</b>	<b>4,299,073</b>	<b>34,564,286</b>

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

## CP ALL Public Company Limited and its Subsidiaries

### Statement of changes in equity (Unaudited)

	Consolidated financial statements											
	Note	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings			Other components of equity			Equity attributable to equity holders of the Company	Non-controlling interests	Total equity
				Legal reserve	Unappropriated retained earnings	Currency translation differences	Differences on acquisition of non-controlling interests	Total other components of equity				
<i>(in thousand Baht)</i>												
For the six-month period ended 30 June 2014												
<b>Balance at 1 January 2014</b>		<b>8,983,101</b>	<b>1,684,317</b>	<b>900,000</b>	<b>18,463,123</b>	<b>(141,083)</b>	<b>(1,142,586)</b>	<b>(1,283,669)</b>	<b>28,746,872</b>	<b>4,223,267</b>	<b>32,970,139</b>	
<b>Transactions with equity holders, recorded directly in equity</b>												
<i>Distributions to equity holders</i>												
Dividends	12	-	-	-	(8,084,791)	-	-	-	(8,084,791)	(30,557)	(8,115,348)	
<b>Total transactions with equity holders, recorded directly in equity</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>(8,084,791)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(8,084,791)</b>	<b>(30,557)</b>	<b>(8,115,348)</b>	
<b>Comprehensive income for the period</b>												
Profit		-	-	-	4,950,563	-	-	-	4,950,563	56,016	5,006,579	
Other comprehensive income		-	-	-	-	(96,421)	-	(96,421)	(96,421)	14	(96,407)	
<b>Total comprehensive income for the period</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>4,950,563</b>	<b>(96,421)</b>	<b>-</b>	<b>(96,421)</b>	<b>4,854,142</b>	<b>56,030</b>	<b>4,910,172</b>	
<b>Balance at 30 June 2014</b>		<b>8,983,101</b>	<b>1,684,317</b>	<b>900,000</b>	<b>15,328,895</b>	<b>(237,504)</b>	<b>(1,142,586)</b>	<b>(1,380,090)</b>	<b>25,516,223</b>	<b>4,248,740</b>	<b>29,764,963</b>	

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

**CP ALL Public Company Limited and its Subsidiaries**  
**Statement of changes in equity (Unaudited)**

	Note	Separate financial statements				Total equity
		Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		
				Legal reserve	Unappropriated retained earnings	
<i>(in thousand Baht)</i>						
For the six-month period ended 30 June 2015						
<b>Balance at 1 January 2015</b>		<b>8,983,101</b>	<b>1,684,317</b>	<b>900,000</b>	<b>14,372,640</b>	<b>25,940,058</b>
<b>Transactions with equity holders, recorded directly in equity</b>						
<i>Distributions to equity holders</i>						
Dividends	12	-	-	-	(7,186,481)	(7,186,481)
<b>Total transactions with equity holders, recorded directly in equity</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>(7,186,481)</b>	<b>(7,186,481)</b>
<b>Comprehensive income for the period</b>						
Profit		-	-	-	5,610,427	5,610,427
<b>Total comprehensive income for the period</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>5,610,427</b>	<b>5,610,427</b>
<b>Balance at 30 June 2015</b>		<b>8,983,101</b>	<b>1,684,317</b>	<b>900,000</b>	<b>12,796,586</b>	<b>24,364,004</b>

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

**CP ALL Public Company Limited and its Subsidiaries**  
**Statement of changes in equity (Unaudited)**

	<i>Note</i>	Separate financial statements				Total equity
		Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		
				Legal reserve	Unappropriated retained earnings	
<i>(in thousand Baht)</i>						
For the six-month period ended 30 June 2014						
<b>Balance at 1 January 2014</b>		<b>8,983,101</b>	<b>1,684,317</b>	<b>900,000</b>	<b>13,779,742</b>	<b>25,347,160</b>
<b>Transactions with equity holders, recorded directly in equity</b>						
<i>Distributions to equity holders</i>						
Dividends	<i>12</i>	-	-	-	(8,084,791)	(8,084,791)
<b>Total transactions with equity holders, recorded directly in equity</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>(8,084,791)</b>	<b>(8,084,791)</b>
<b>Comprehensive income for the period</b>						
Profit		-	-	-	4,207,427	4,207,427
<b>Total comprehensive income for the period</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>4,207,427</b>	<b>4,207,427</b>
<b>Balance at 30 June 2014</b>		<b>8,983,101</b>	<b>1,684,317</b>	<b>900,000</b>	<b>9,902,378</b>	<b>21,469,796</b>

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

# CP ALL Public Company Limited and its Subsidiaries

## Statement of cash flows (Unaudited)

	Note	Consolidated financial statements		Separate financial statements	
		For the six-month period ended 30 June		For the six-month period ended 30 June	
		2015	2014	2015	2014
<i>(in thousand Baht)</i>					
<b>Cash flows from operating activities</b>					
Profit for the period		6,614,156	5,006,579	5,610,427	4,207,427
<i>Adjustments for</i>					
Depreciation		3,186,022	2,731,270	2,006,771	1,806,271
Amortisation of leasehold rights		110,418	102,831	50,377	50,775
Amortisation of other intangible assets		198,197	176,508	71,821	54,972
Interest income		(115,424)	(128,936)	(60,040)	(108,665)
Dividend income		(62)	(52)	(2,346,806)	(2,079,358)
Finance costs		4,430,121	3,743,629	4,316,841	3,685,490
Income tax expense		1,557,986	1,211,901	665,920	421,607
Provision for employees' severance pay		159,029	123,015	84,000	60,000
Reversal of allowance for losses on slow-moving inventories		(84,480)	(12,523)	(39,032)	(53,891)
Impairment losses on property, plant and equipment (reversal of impairment losses on property, plant and equipment)		2,844	(10,595)	-	-
Reversal of allowance for doubtful accounts	5	(5,238)	(2,398)	-	-
Unrealised gain on exchange		(5,275)	(39,300)	-	(61,608)
Loss on disposal and write-off of property, plant and equipment		22,025	14,589	14,478	20,086
Gain on disposal of leasehold rights		(1,788)	(4,017)	(1,788)	(4,017)
		<u>16,068,531</u>	<u>12,912,501</u>	<u>10,372,969</u>	<u>7,999,089</u>
<b>Changes in operating assets and liabilities</b>					
Trade accounts receivable		211,638	68,602	27,861	(5,083)
Other accounts receivable		(151,486)	279,863	93,001	365,881
Inventories		836,703	319,339	(21,431)	274,030
Other current assets		405,045	(108,338)	585,772	221,206
Other non-current assets		21,853	(500,664)	(207,977)	(68,836)
Trade accounts payable		(6,601,635)	(6,350,146)	(2,317,535)	(1,420,969)
Other accounts payable		(102,862)	(376,535)	(1,327,848)	(2,866,447)
Other current liabilities		(635,227)	(1,061,766)	(351,066)	(976,024)
Employee benefit obligations paid		(15,396)	(49,771)	(10,232)	(9,754)

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

## CP ALL Public Company Limited and its Subsidiaries

### Statement of cash flows (continued) (Unaudited)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		For the six-month period ended 30 June		For the six-month period ended 30 June	
		2015	2014	2015	2014
<i>(in thousand Baht)</i>					
Accrued guarantee deposits		185,248	101,322	183,858	101,754
Other non-current liabilities		(13,506)	1,815	-	-
Cash generated from operating activities		10,208,906	5,236,222	7,027,372	3,614,847
Income tax paid		(1,293,801)	(1,073,844)	(288,016)	(266,989)
<b>Net cash provided by operating activities</b>		<b>8,915,105</b>	<b>4,162,378</b>	<b>6,739,356</b>	<b>3,347,858</b>
<b><i>Cash flows from investing activities</i></b>					
Interest received		115,904	129,251	62,571	110,184
Dividends received		62	52	2,346,806	2,079,358
Purchase of current investments		(1,644,000)	(1,280,000)	-	-
Sale of current investments		1,543,965	1,178,000	-	-
Cash outflow on investments in subsidiaries	6	-	-	-	(30,000)
Cash inflow on other long-term investments		100,000	-	100,000	-
Cash outflow on short-term loans to subsidiaries	4	-	-	(970,000)	-
Cash inflow on short-term loans to subsidiaries	4	-	-	800,000	-
Cash outflow on long-term loans to subsidiaries		-	-	-	(450,000)
Cash inflow on long-term loans to subsidiaries		-	-	-	150,000
Purchase of property, plant and equipment	13	(7,083,183)	(6,615,625)	(2,838,437)	(3,521,524)
Sale of property, plant and equipment		35,752	65,564	27,904	46,867
Purchase of leasehold rights		(605,029)	(525,197)	(61,508)	(60,776)
Sale of leasehold rights		5,951	5,482	5,951	5,482
Purchase of other intangible assets		(361,122)	(196,364)	(204,051)	(72,027)
Sale of other intangible assets		6,075	5,059	-	5,059
<b>Net cash used in investing activities</b>		<b>(7,885,625)</b>	<b>(7,233,778)</b>	<b>(730,764)</b>	<b>(1,737,377)</b>

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

## CP ALL Public Company Limited and its Subsidiaries

### Statement of cash flows (continued) (Unaudited)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		For the six-month period ended 30 June		For the six-month period ended 30 June	
		2015	2014	2015	2014
<i>(in thousand Baht)</i>					
<b>Cash flows from financing activities</b>					
Interest paid		(4,221,642)	(3,309,403)	(4,162,686)	(3,281,966)
Dividends paid to equity holders of the Company		(7,186,361)	(8,084,744)	(7,186,361)	(8,084,744)
Dividends paid to non-controlling interests		(42,778)	(30,557)	-	-
Finance lease payments		(53,137)	(31,843)	-	-
Increase (decrease) in short-term borrowings from financial institutions	8	2,009,467	(127,958,820)	(1,000,000)	(128,976,631)
Proceeds from issue of debentures	8	33,000,000	40,000,000	33,000,000	40,000,000
Proceeds from long-term borrowings from financial institutions	8	-	93,346,925	-	93,346,925
Repayment of long-term borrowings from financial institutions	8	(41,215,131)	(614,250)	(41,215,131)	(614,250)
<b>Net cash used in financing activities</b>		<b>(17,709,582)</b>	<b>(6,682,692)</b>	<b>(20,564,178)</b>	<b>(7,610,666)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(16,680,102)</b>	<b>(9,754,092)</b>	<b>(14,555,586)</b>	<b>(6,000,185)</b>
Cash and cash equivalents at beginning of period		32,204,375	24,632,253	24,864,030	15,642,314
Effect of exchange rate changes on balances held in foreign currencies		41,818	(18,484)	-	(924)
<b>Cash and cash equivalents at end of period</b>		<b>15,566,091</b>	<b>14,859,677</b>	<b>10,308,444</b>	<b>9,641,205</b>

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



**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2015 (Unaudited)**

<b>Note</b>	<b>Contents</b>
1	General information
2	Basis of preparation of the interim financial statements
3	Changes in accounting policies
4	Related parties
5	Trade accounts receivable
6	Investments in subsidiaries
7	Property, plant and equipment
8	Interest-bearing liabilities
9	Segment information
10	Income tax expense
11	Basic earnings per share
12	Dividends
13	Supplemental disclosures of cash flows information
14	Commitments with non-related parties
15	Contingent liability
16	Event after the reporting period

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2015 (Unaudited)**

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

The interim financial statements issued for Thai regulatory reporting purposes are prepared in the Thai language. These English language interim financial statements have been prepared from the Thai language interim financial statements, and were approved and authorised for issue by the Board of Directors on 10 August 2015.

**1 General information**

CP ALL Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 283 Silom Road, Kwang Silom, Khet Bangrak, Bangkok 10500, Thailand.

The Company was listed on the Stock Exchange of Thailand on 14 October 2003.

The ultimate parent company of the Company and its subsidiaries (together referred to as the “Group”) during the financial period was Charoen Pokphand Group Company Limited which incorporated in Thailand.

The principal businesses of the Group are operating convenience stores, cash and carry, payment centers and the related supporting services.

The Company operates convenience stores under the “7-Eleven” trademark and franchises to other retailers in the territory of Thailand. The number of 7-Eleven convenience stores as at 30 June 2015 was 8,469 stores (*31 December 2014: 8,127 stores*).

	30 June 2015	31 December 2014
	<i>(number of stores)</i>	
The Company owns and manages convenience stores	3,746	3,570
The Company franchises the license to other retailers		
- under management agreements	4,073	3,916
- under sub-license agreements	650	641
<b>Total</b>	<b>8,469</b>	<b>8,127</b>

Details of the Company’s subsidiaries as at 30 June 2015 and 31 December 2014 are given in note 6 to the interim financial statements.

**2 Basis of preparation of the interim financial statements**

**(a) Statement of compliance**

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard (“TAS”) No. 34 (revised 2014) *Interim Financial Reporting*; guidelines promulgated by the Federation of Accounting Professions (“FAP”); and applicable rules and regulations of the Thai Securities and Exchange Commission.

The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2014. They do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company and its subsidiaries for the year ended 31 December 2014.

# CP ALL Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2015 (Unaudited)

The accounting policies and methods of computation applied in these interim financial statements are consistent with those applied in the financial statements for the year ended 31 December 2014 except that the Group has adopted all the new and revised Thai Financial Reporting Standards (“TFRS”) that are effective for annual periods beginning on or after 1 January 2015. The adoption of these new and revised TFRS did not have any material effect on the accounting policies, methods of computation, financial performance or position of the Group or the Company except as disclosed in note 3 to the interim financial statements.

### (b) *Functional and presentation currency*

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

### (c) *Use of estimates and judgements*

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

In preparing these interim financial statements, the significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2014. Changes principally derive from the adoption of new and revised TFRS from 1 January 2015.

### *Estimates*

#### *Measurement of defined benefit obligations*

The calculation of the defined benefit obligation is sensitive to the assumptions on mortality rate, interest rate of long term government bond, resignation rate and salary increasing rate.

## 3 **Changes in accounting policies**

### (a) *Overview*

From 1 January 2015, consequent to the adoption of new and revised TFRS as set out in note 2 to the interim financial information, the Group has adopted the revised TFRS having an effect on the Group’s interim financial statements is TAS 19 (revised 2014) *Employee Benefits*.

The other issued and revised TFRS did not have any impact on the accounting policies, financial position and performance of the Group. Details of the changes in accounting policy consequent to the adoption of this revised TFRS is included in note 3(b) to the interim financial statements.

### (b) *Defined benefit plans*

As a result of TAS 19 (revised 2014), the Group has changed its accounting policy with respect to the basis for determining the income or expense related to defined benefit and actuarial gains and losses recognition.

# CP ALL Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2015 (Unaudited)

TAS 19 (revised 2014) requires actuarial gains and losses to be recognised in other comprehensive income, and no longer permits recognition in profit or loss. The Group has accordingly changed its accounting policy in this regard with retrospective effect which did not have any effect on the interim financial statements for three-month and the six-month periods ended 30 June 2015 and comparative financial statements.

### 4 Related parties

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

Relationships with subsidiaries are described in note 6 to the interim financial statements. Relationships with key management and other related parties were as follows:

Name of parties	Country of incorporation/ nationality	Nature of relationships
Charoen Pokphand Group Company Limited	Thailand	Ultimate parent company of the Group and 1 common director
Charoen Pokphand Foods Public Company Limited	Thailand	Charoen Pokphand Group Company Limited is a major shareholder and 2 common directors
True Move Co., Ltd.	Thailand	Charoen Pokphand Group Company Limited is a major shareholder and 2 common directors
CPF (Thailand) Public Company Limited	Thailand	Charoen Pokphand Group Company Limited is a major shareholder and 1 common director
CP-Meiji Co., Ltd.	Thailand	Charoen Pokphand Group Company Limited is a major shareholder and 1 common director
C.P. Consumer Products Co., Ltd.	Thailand	Charoen Pokphand Group Company Limited is a major shareholder and 1 common director
C.P. Merchandising Co., Ltd.	Thailand	Charoen Pokphand Group Company Limited is a major shareholder and 1 common director
True Money Co., Ltd.	Thailand	Charoen Pokphand Group Company Limited is a major shareholder and 1 common director
True Lifestyle Retail Co., Ltd.	Thailand	Charoen Pokphand Group Company Limited is a major shareholder and 1 common director
True Universal Convergence Co., Ltd.	Thailand	Charoen Pokphand Group Company Limited is a major shareholder and 1 common director
True Internet Co., Ltd.	Thailand	Charoen Pokphand Group Company Limited is a major shareholder and 1 common director
Perfect Companion Group Co., Ltd.	Thailand	Charoen Pokphand Group Company Limited is a major shareholder and 1 common director
Freewill Solutions Company Limited	Thailand	Charoen Pokphand Group Company Limited is a major shareholder and 1 common director
Allianz C.P. General Insurance Public Company Limited	Thailand	Charoen Pokphand Group Company Limited is a major shareholder and 1 common director
CP Tower Growth Leasehold Property Fund	Thailand	Charoen Pokphand Group Company Limited is a major shareholder
CPF Trading Co., Ltd.	Thailand	Charoen Pokphand Group Company Limited is a major shareholder

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2015 (Unaudited)**

<b>Name of parties</b>	<b>Country of incorporation/ nationality</b>	<b>Nature of relationships</b>
C.P. Packaging Industry Co., Ltd.	Thailand	Charoen Pokphand Group Company Limited is a major shareholder
True Distribution and Sales Co., Ltd.	Thailand	Charoen Pokphand Group Company Limited is a major shareholder
BFKT (Thailand) Co., Ltd.	Thailand	Charoen Pokphand Group Company Limited is a major shareholder
Real Move Co., Ltd.	Thailand	Charoen Pokphand Group Company Limited is a major shareholder
C.P. Food Store Co., Ltd.	Thailand	1 of the Company's director is a major shareholder
Dees Supreme Co., Ltd.	Thailand	1 of the Company's director is a major shareholder
Key management personnel	Thai	Persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group

The pricing policies for particular types of transactions are explained further below:

<b>Transactions</b>	<b>Pricing policies</b>
Sale of goods	Prices determined by the terms and conditions used in the normal course of business comparable to those for non-related companies
Service and other operating income	Contract prices determined by the terms and conditions used in the normal course of business
Interest income	Financial costs plus administrative expenses
Dividend income	Right to receive dividends
Purchase of goods and services	Prices determined by the terms and conditions used in the normal course of business comparable to those for non-related companies
Rental and service fees	Rates advised by the lessors and service providers
Technical service fees	Contract prices determined by the terms and conditions used in the normal course of business
Insurance premiums	Standard rates as specified by the insurers
Interest expense	Agreed rates stipulated in the agreements
Purchase of property, plant and equipment	Prices determined by the terms and conditions used in the normal course of business comparable to those for non-related companies
Purchase of other intangible assets	Prices determined by the terms and conditions used in the normal course of business comparable to those for non-related companies

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2015 (Unaudited)**

Significant transactions for the three-month and six-month periods ended 30 June 2015 and 2014 with related parties were as follows:

<i>For the three-month period ended 30 June</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
<b><i>Ultimate parent company</i></b>				
Administrative expenses	3	3	3	3
<b><i>Subsidiaries</i></b>				
Revenue from sale of goods and rendering of services	-	-	138	128
Interest income	-	-	2	21
Dividend income	-	-	1,972	1,489
Other income	-	-	277	295
Selling expenses	-	-	276	215
Administrative expenses	-	-	474	425
Purchases of goods and services	-	-	3,895	3,252
Purchases of property, plant and equipment and other intangible assets	-	-	366	390
Interest expense	-	-	-	7
<b><i>Related companies</i></b>				
Revenue from sale of goods and rendering of services	352	426	178	172
Other income	266	99	261	97
Selling expenses	8	5	-	-
Administrative expenses	100	98	66	71
Purchases of goods and services	7,122	6,450	5,927	5,663
Purchases of property, plant and equipment and other intangible assets	14	2	-	-
<b><i>Key management personnel</i></b>				
Key management benefit expenses				
Short-term employee benefits	179	176	128	127
Severance pay for employees	8	7	3	5
<b>Total key management benefit expenses</b>	<b>187</b>	<b>183</b>	<b>131</b>	<b>132</b>

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2015 (Unaudited)**

<i>For the six-month period ended 30 June</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
<b>Ultimate parent company</b>				
Administrative expenses	5	5	5	5
<b>Subsidiaries</b>				
Revenue from sale of goods and rendering of services	-	-	277	300
Interest income	-	-	2	41
Dividend income	-	-	2,347	2,079
Other income	-	-	546	539
Selling expenses	-	-	568	443
Administrative expenses	-	-	908	780
Purchases of goods and services	-	-	7,456	6,292
Purchases of property, plant and equipment and other intangible assets	-	-	858	840
Interest expense	-	-	-	8
<b>Related companies</b>				
Revenue from sale of goods and rendering of services	713	783	352	342
Other income	396	308	393	305
Selling expenses	18	7	-	-
Administrative expenses	210	201	147	151
Purchases of goods and services	13,753	12,592	11,601	11,094
Purchases of property, plant and equipment and other intangible assets	17	3	3	-
<b>Key management personnel</b>				
Key management benefit expenses				
Short-term employee benefits	320	317	217	216
Severance pay for employees	16	14	6	9
<b>Total key management benefit expenses</b>	<b>336</b>	<b>331</b>	<b>223</b>	<b>225</b>

Balances as at 30 June 2015 and 31 December 2014 with related parties were as follows:

**Trade accounts receivable**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 June 2015	31 December 2014	30 June 2015	31 December 2014
	<i>(in million Baht)</i>			
Related companies	105	130	-	-
Less allowance for doubtful accounts	(2)	(2)	-	-
<b>Net</b>	<b>103</b>	<b>128</b>	<b>-</b>	<b>-</b>

# CP ALL Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2015 (Unaudited)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
<b>Bad and doubtful debts expense for the</b>				
- three-month period ended 30 June	-	-	-	-
- six-month period ended 30 June	-	-	-	-

### *Other accounts receivable*

	Consolidated financial statements		Separate financial statements	
	30 June 2015	31 December 2014	30 June 2015	31 December 2014
	<i>(in million Baht)</i>			
Subsidiaries	-	-	228	334
Related companies	173	219	161	215
<b>Total</b>	<b>173</b>	<b>219</b>	<b>389</b>	<b>549</b>

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
<b>Bad and doubtful debts expense for the</b>				
- three-month period ended 30 June	-	-	-	-
- six-month period ended 30 June	-	-	-	-

### *Short-term loans to subsidiary*

	Consolidated financial statements		Separate financial statements	
	30 June 2015	31 December 2014	30 June 2015	31 December 2014
	<i>(in million Baht)</i>			
All Corporation Limited	-	-	170	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>170</b>	<b>-</b>



**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2015 (Unaudited)**

Movements during the six-month periods ended 30 June 2015 and 2014 were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
At 1 January	-	-	-	-
Increases	-	-	970	-
Decreases	-	-	(800)	-
<b>At 30 June</b>	<u>-</u>	<u>-</u>	<u>170</u>	<u>-</u>
<b>At 31 December</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

As at 30 June 2015 the outstanding balance of short-term loans to a subsidiary was unsecured and at call; and the interest rate was fixed at 4.75% per annum.

***Prepaid rental and service fees***

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 June 2015	31 December 2014	30 June 2015	31 December 2014
	<i>(in million Baht)</i>			
Panyapiwat Institute of Management				
Current	-	-	30	30
Non-current	-	-	209	224
<b>Total</b>	<u>-</u>	<u>-</u>	<u>239</u>	<u>254</u>

During the year 2008 the Company paid for the prepaid rental and service fees under the terms of lease and service agreements to a local subsidiary (Panyapiwat Institute of Management) for lease of its building spaces for field consultant conferences, trade show, franchisee conference and other activities for a period of 15 years, totaling Baht 450 million. The Company amortised the prepaid rental and service fees as an expense according to the terms of the agreements (15 years).

***Trade accounts payable***

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 June 2015	31 December 2014	30 June 2015	31 December 2014
	<i>(in million Baht)</i>			
Subsidiaries	-	-	1,166	1,115
Related companies	4,108	5,561	3,156	4,431
<b>Total</b>	<u>4,108</u>	<u>5,561</u>	<u>4,322</u>	<u>5,546</u>

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2015 (Unaudited)**

*Other accounts payable*

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 June 2015	31 December 2014	30 June 2015	31 December 2014
	<i>(in million Baht)</i>			
Subsidiaries	-	-	5,946	6,956
Related companies	97	51	19	18
<b>Total</b>	<b>97</b>	<b>51</b>	<b>5,965</b>	<b>6,974</b>

*Non-cancellable operating lease commitments*

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 June 2015	31 December 2014	30 June 2015	31 December 2014
	<i>(in million Baht)</i>			
Within one year	125	112	107	107
After one year but within five years	99	111	51	105
<b>Total</b>	<b>224</b>	<b>223</b>	<b>158</b>	<b>212</b>

The Group has lease agreements covering lease of buildings, vehicles and other assets for periods of 3 to 5 years, which will expire between 2016 to 2020.

*Significant agreements with related parties*

As at 30 June 2015 the Group had the following significant agreements with related parties.

- (a) The Company has a service agreement with Charoen Pokphand Group Company Limited, the ultimate parent company, covering technical advisory, management, technical assistances and right to use the trademark and services of the ultimate parent company for a period of 1 year ending in December 2015. In consideration thereof, the Company agreed to pay a monthly service fee to the ultimate parent company totaling Baht 0.8 million.
- (b) The Company has a cash management agreement with Counter Service Co., Ltd., a local subsidiary. Under the terms of the agreement, the Company agreed to provide cash management services under conditions stipulated in the agreement to the subsidiary. In consideration thereof, the subsidiary agreed to pay a cash management service fee to the Company at the rates stipulated in the agreement, and the Company agreed to pay benefits for cash management to the subsidiary at the rate stipulated in the agreement. If either party has intention to terminate the agreement, a written notification must be made to the other party at least 60 days before the expiry date of the agreement.
- (c) The Company has service agreements with Counter Service Co., Ltd., a local subsidiary. Under the terms of the agreements, the Company agreed to provide and install the computer system to support bill payment services. In consideration thereof, the subsidiary agreed to pay monthly service fees to the Company in accordance with the types of service stipulated in the agreements.

## **CP ALL Public Company Limited and its Subsidiaries**

### **Notes to the interim financial statements**

#### **For the three-month and six-month periods ended 30 June 2015 (Unaudited)**

- (d) The Company has a service agreement with Counter Service Co., Ltd., a local subsidiary. Under the terms of the agreement, the Company agreed to be appointed as the agent of the subsidiary for bill payment services under conditions stipulated in the agreement. In consideration thereof, the subsidiary agreed to pay a service fee to the Company at the amount stipulated in the agreement. If either party has intention to terminate the agreement, a written notification must be made to the other party at least 60 days before the expiry date of the agreement.
- (e) The Company has a maintenance service agreement with CP Retailink Co., Ltd., a local subsidiary. Under the terms of the agreement, the subsidiary agreed to provide maintenance of computer hardware and equipment services to the Company for a period of 3 years ending in December 2017. In consideration thereof, the Company agreed to pay an annual service fee to the subsidiary at the amount stipulated in the agreement.
- (f) The Company has a computer service center agreement with Thai Smart Card Co., Ltd., a local subsidiary. Under the terms of the agreement, the Company agreed to provide place for setting up computer center and other facilities to the subsidiary for a period of 3 years ending in September 2017. In consideration thereof, the subsidiary agreed to pay an annual service fee to the Company at the amount stipulated in the agreement.
- (g) The Company and certain local subsidiaries have lease and service agreements with C.P. Tower Growth Leasehold Property Fund, a related company, to lease space in its buildings for offices of the Company and the subsidiaries. In consideration thereof, the Company and the subsidiaries agreed to pay monthly rental and services fees totaling Baht 9.2 million, and placed guarantee deposits with the related company totaling Baht 27.5 million. The guarantee deposits will be refunded to the Company and the subsidiaries upon the termination of the lease. These agreements are effective for a period of 3 years, and will expire on various dates until February 2018.
- (h) The Company and certain local subsidiaries have information system services agreements with Gosoft (Thailand) Co., Ltd. (“the service provider”), a local subsidiary. Under the terms of these agreements, the service provider agreed to provide consulting, advisory, development, design, installation, maintenance and supporting services to the Company and its subsidiaries for a period of 1 year ending in December 2015. In consideration thereof, the Company and its subsidiaries agreed to pay service fees to the service provider at the amounts stipulated in the agreements. If either party has intention to terminate the agreement, a written notification must be made to the other party at least 90 days before the expiry date of the agreement.
- (i) The Company has a service agreement with Siam Makro Public Company Limited, a local subsidiary. Under the terms of the agreement, the Company agrees to grant:
  - (1) the right to use certain trademarks under conditions stipulated in the agreement. In consideration thereof, the subsidiary is committed to pay a fee calculated as a percentage of its sales to the Company as stipulated in the agreement. This agreement is effective for a period of 1 year and is renewable for additional periods of 1 year each.
  - (2) the rights to use software under conditions stipulated in the agreement. In consideration thereof, the subsidiary is committed to pay fees to the Company as stipulated in the agreement. This agreement is effective for a period of 1 year and is renewable for additional periods of 1 year each

# CP ALL Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2015 (Unaudited)

### 5 Trade accounts receivable

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2015	31 December 2014	30 June 2015	31 December 2014
		<i>(in million Baht)</i>			
Related parties	4	105	130	-	-
Other parties		621	807	94	122
<b>Total</b>		<b>726</b>	<b>937</b>	<b>94</b>	<b>122</b>
Less allowance for doubtful accounts		(22)	(27)	-	-
<b>Net</b>		<b>704</b>	<b>910</b>	<b>94</b>	<b>122</b>

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
<b>Bad and doubtful debts expense (reversal of allowance for doubtful accounts) for the</b>				
- three-month period ended 30 June	<b>1</b>	<b>(2)</b>	<b>-</b>	<b>-</b>
- six-month period ended 30 June	<b>(5)</b>	<b>(2)</b>	<b>-</b>	<b>-</b>

Aging analyses for trade accounts receivable are as follows:

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2015	31 December 2014	30 June 2015	31 December 2014
		<i>(in million Baht)</i>			
<b>Related parties</b>					
Within credit terms		90	97	-	-
Overdue:					
Less than 3 months		15	31	-	-
3 - 6 months		-	1	-	-
6 - 12 months		-	1	-	-
<b>Total</b>		<b>105</b>	<b>130</b>	<b>-</b>	<b>-</b>
Less allowance for doubtful accounts		(2)	(2)	-	-
<b>Net</b>	4	<b>103</b>	<b>128</b>	<b>-</b>	<b>-</b>

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2015 (Unaudited)**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<i>Note</i> 30 June 2015	31 December 2014	30 June 2015	31 December 2014
	<i>(in million Baht)</i>			
<b>Other parties</b>				
Within credit terms	499	633	94	122
Overdue:				
Less than 3 months	100	125	-	-
3 - 6 months	8	21	-	-
6 - 12 months	4	5	-	-
Over 12 months	10	23	-	-
<b>Total</b>	<b>621</b>	<b>807</b>	<b>94</b>	<b>122</b>
<i>Less</i> allowance for doubtful accounts	(20)	(25)	-	-
<b>Net</b>	<b>601</b>	<b>782</b>	<b>94</b>	<b>122</b>
<b>Grand total</b>	<b>704</b>	<b>910</b>	<b>94</b>	<b>122</b>

The normal credit term granted by the Group ranges from 7 days to 90 days.

**6 Investments in subsidiaries**

Movements during the six-month periods ended 30 June 2015 and 2014 were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
At 1 January	-	-	202,238	202,208
Increases	-	-	-	30
<b>At 30 June</b>	<b>-</b>	<b>-</b>	<b>202,238</b>	<b>202,238</b>
<b>At 31 December</b>	<b>-</b>	<b>-</b>	<b>202,238</b>	<b>202,238</b>

Details of the increase in investments in subsidiaries during the six-month periods ended 30 June 2015 and 2014 were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
24 Shopping Co., Ltd.	-	-	-	30
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30</b>

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2015 (Unaudited)**

Investments in subsidiaries as at 30 June 2015 and 31 December 2014, and dividend income for the six-month periods ended 30 June 2015 and 2014 were as follows:

Name of parties	Type of business	Country of incorporation	Ownership interest		Separate financial statements				Dividend income for the six-month period ended	
			30 June 2015	31 December 2014	Paid-up capital		At cost		30 June 2015	30 June 2014
			(%)	(%)	2015	2014	2015	2014	(in million Baht)	(in million Baht)
<b>Local direct subsidiaries</b>										
Suksapiwat Co., Ltd.	Holding company	Thailand	99.99	99.99	810	810	810	810	-	-
CPRAM Co., Ltd.	Frozen food plant and bakery	Thailand	99.99	99.99	600	600	600	600	-	-
Counter Service Co., Ltd.	Bill payment services, e-commerce, distributor of all types of commercial cards and tickets and insurance broker	Thailand	99.99	99.99	70	70	61	61	350	490
CP Retailink Co.,Ltd.	Distributor of equipment for retailing and software development	Thailand	99.99	99.99	20	20	20	20	-	40
Gosoft (Thailand) Co., Ltd.	Information system design and development services	Thailand	99.99	99.99	20	20	20	20	-	40

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2015 (Unaudited)**

Name of parties	Type of business	Country of incorporation	Ownership interest		Paid-up capital		At cost		Dividend income for the six-month period ended	
			30 June 2015	31 December 2014	30 June 2015	31 December 2014	30 June 2015	31 December 2014	30 June 2015	30 June 2014
			(%)				<i>(in million Baht)</i>			
All Corporation Limited	Holding company	Thailand	99.99	99.99	13	13	13	13	-	-
Dynamic Management Co., Ltd.	Logistics and distribution of merchandises services	Thailand	99.99	99.99	2	2	2	2	-	-
MAM Heart Co., Ltd.	Marketing activities planning services	Thailand	99.99	99.99	1	1	1	1	-	-
Panyatara Co., Ltd.	Training center	Thailand	99.99	99.99	1	1	1	1	15	30
All Training Co., Ltd.	Training center	Thailand	99.99	99.99	1	1	1	1	10	70
OHT Co., Ltd.	Holding company	Thailand	99.99	99.99	12	12	57,754	57,754	565	404
24 Shopping Co., Ltd.	Distributor of catalog merchandises and e-commerce	Thailand	99.99	99.99	30	30	30	30	-	-
Thai Smart Card Co., Ltd.	Smart purse card services	Thailand	72.64	72.64	1,600	1,600	1,151	1,151	-	-
Siam Makro Holding (Thailand) Ltd.	Holding company	Thailand	49.00	49.00	1,066	1,066	55,490	55,490	543	388
Siam Makro Public Company Limited	Cash and carry	Thailand	42.87	42.87	2,400	2,400	82,427	82,427	864	617
<b>Total</b>							<b>198,381</b>	<b>198,381</b>	<b>2,347</b>	<b>2,079</b>

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2015 (Unaudited)**

Name of parties	Type of business	Country of incorporation	Ownership interest		Paid-up capital				At cost		Dividend income for the six-month period ended	
			30 June 2015	31 December 2014	30 June 2015	31 December 2014	30 June 2015	31 December 2014	30 June 2015	30 June 2014		
			(%)	(%)	(in million US\$)		(in million Baht)					
<b>Foreign direct subsidiaries</b>												
Lotus Distribution Investment Limited	Holding company	British Virgin Islands	100.00	100.00	116	116	3,857	3,857	-	-	-	-
Albuera International Limited	Holding company	British Virgin Islands	100.00	100.00	-*	-*	-*	-*	-	-	-	-
<b>Total</b>							<b>3,857</b>	<b>3,857</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand total</b>							<b>202,238</b>	<b>202,238</b>	<b>2,347</b>	<b>2,079</b>		

\* As at 30 June 2015 Albuera International Limited (“Albuera”) had paid-up capital amounting to USD 1 and the Company invested in Albuera amounting to USD 1.



**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2015 (Unaudited)**

Details of the Company's indirect subsidiaries as at 30 June 2015 and 31 December 2014 were as follows:

Name of parties	Type of business	Country of incorporation	Ownership interests	
			30 June 2015	31 December 2014
			(%)	
<b><i>Local indirect subsidiaries</i></b>				
Panyapiwat Institute of Management	Educational institution	Thailand	99.99	99.99
Panyapiwat Technological College	Educational institution	Thailand	99.99	99.99
Siam Food Services Limited	Commercial trading	Thailand	97.88	97.88
Makro ROH Co., Ltd	Providing technical and supporting services to the Group	Thailand	97.88	97.88
ProMart Co., Ltd.	Trading of non-food products	Thailand	97.88	-
Siam Makro Public Company Limited	Cash and carry	Thailand	55.01	55.01
Siam Makro Holding (Thailand) Ltd.	Holding company	Thailand	50.99	50.99
<b><i>Foreign indirect subsidiaries</i></b>				
Successor Investments Limited	Holding company	Hong Kong Special Administrative Region of the People's Republic of China	100.00	100.00
Nanjing Zheng Yi Xin Trading Co., Ltd.	Commercial trading	The People's Republic of China	100.00	100.00
Successor (China) Investments Limited	Holding company	The People's Republic of China	100.00	100.00
Nanjing Tianqu Investment Management Co., Ltd.	Commercial trading, holding and educational institution	The People's Republic of China	100.00	100.00
Nanjing Tech University Pujing Institute	Educational institution	The People's Republic of China	100.00	100.00
Vina Siam Food Co., Ltd.	Commercial trading	Vietnam	97.88	97.88
ARO Company Limited	Providing marketing and consulting services	Republic of the Union of Myanmar	97.88	-

# CP ALL Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2015 (Unaudited)

### 7 Property, plant and equipment

Acquisitions, disposals and transfers of property, plant and equipment during the six-month periods ended 30 June 2015 and 2014 were as follows:

	Consolidated financial statements			
	2015	2015	2014	2014
	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value (in million Baht)	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value
Land	539	-	1,098	-
Buildings, building and leasehold improvements	2,520	21	2,539	29
Machinery and equipment	1,967	9	1,633	14
Furniture, fixtures and office equipment	1,118	22	850	28
Assets under construction and installation	3,837	3,640	3,208	3,540
Other	390	2	661	9
<b>Total</b>	<b>10,371</b>	<b>3,694</b>	<b>9,989</b>	<b>3,620</b>

	Separate financial statements			
	2015	2015	2014	2014
	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value (in million Baht)	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value
Land	63	-	-	-
Buildings, building and leasehold improvements	857	16	1,987	23
Machinery and equipment	663	3	663	7
Furniture, fixtures and office equipment	716	22	743	28
Assets under construction and installation	1,533	1,126	1,705	2,603
Other	290	2	605	9
<b>Total</b>	<b>4,122</b>	<b>1,169</b>	<b>5,703</b>	<b>2,670</b>

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2015 (Unaudited)**

**8 Interest-bearing liabilities**

*Short-term borrowings from financial institutions*

Movements during the six-month periods ended 30 June 2015 and 2014 were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
At 1 January	14,726	135,143	11,000	131,977
Increases	2,010	-	-	-
Decreases	-	(127,959)	(1,000)	(128,977)
<b>At 30 June</b>	<b>16,736</b>	<b>7,184</b>	<b>10,000</b>	<b>3,000</b>
<b>At 31 December</b>		<b>14,726</b>		<b>11,000</b>

*Debentures*

Movements during the six-month periods ended 30 June 2015 and 2014 were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
At 1 January	140,000	50,000	140,000	50,000
Increases	33,000	40,000	33,000	40,000
<b>At 30 June</b>	<b>173,000</b>	<b>90,000</b>	<b>173,000</b>	<b>90,000</b>
<b>At 31 December</b>		<b>140,000</b>		<b>140,000</b>

*Debentures 1/2015*

On 20 March 2015 the Company issued Baht 20,000 million unsubordinated and unsecured debentures in registered name form, which had the objective to repayment of long-term borrowings from financial institutions, divided into:

- Debentures term of 2 years of Baht 9,850 million, fully repayable on 20 March 2017 and bearing interest at the fixed rate of 3.55% per annum
- Debentures term of 5 years of Baht 10,150 million, fully repayable on 20 March 2020 and bearing interest at the fixed rate of 4.10% per annum

These series of debentures have a credit rating of “A(thai)” updated by Fitch Ratings (Thailand) Limited on 2 March 2015 and were registered with the Thai Bond Market Association and the Stock Exchange of Thailand on 20 March 2015.

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2015 (Unaudited)**

***Debentures 2/2015***

On 30 June 2015 the Company issued Baht 13,000 million unsubordinated and unsecured debentures in registered name form, which had the objective to repayment of long-term borrowings from financial institutions, divided into:

- Debentures term of 3 years of Baht 2,500 million, fully repayable on 30 June 2018 and bearing interest at the fixed rate of 2.98% per annum
- Debentures term of 5 years of Baht 1,500 million, fully repayable on 30 June 2020 and bearing interest at the fixed rate of 3.65% per annum
- Debentures term of 7 years of Baht 3,000 million, fully repayable on 30 June 2022 and bearing interest at the fixed rate of 4.10% per annum
- Debentures term of 10 years of Baht 6,000 million, fully repayable on 30 June 2025 and bearing interest at the fixed rate of 4.45% per annum

These series of debentures have a credit rating of “A(thai)” updated by Fitch Ratings (Thailand) Limited on 4 June 2015 and were registered with the Thai Bond Market Association and the Stock Exchange of Thailand on 30 June 2015.

The Company must comply with the specific covenants such as to maintain net debt to equity ratio in the annual consolidated financial statements through the terms of debentures, and to pledge Siam Makro Public Company Limited shares, etc.

Siam Makro Public Company Limited shares as at 30 June 2015, which were pledged in accordance with the conditions stipulated in the bond issuance, totaled 3,599 million shares. The fair value of those shares totaled Baht 143,966 million.

***Long-term borrowings from financial institutions***

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	30 June	31 December	30 June	31 December
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Current	-	4,914	-	4,914
Non-current	2,000	38,301	-	36,301
<b>Total</b>	<b>2,000</b>	<b>43,215</b>	<b>-</b>	<b>41,215</b>

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2015 (Unaudited)**

Movements during the six-month periods ended 30 June 2015 and 2014 were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
At 1 January	43,215	-	41,215	-
Increases	-	93,347	-	93,347
Decreases	(41,215)	(614)	(41,215)	(614)
Unrealised gain on exchange rates from translation of outstanding borrowing balances of United State Dollars to Thai Baht	-	(38)	-	(38)
<b>At 30 June</b>	<b><u>2,000</u></b>	<b><u>92,695</u></b>	<b><u>-</u></b>	<b><u>92,695</u></b>
<b>At 31 December</b>		<b><u>43,215</u></b>		<b><u>41,215</u></b>

The Group must comply with the specific covenants such as to maintain net debt to equity ratio and the shareholdings of the Company in a local subsidiary (Siam Makro Public Company Limited) as stipulated in the agreements, etc.

## **9 Segment information**

The Group has 3 reportable segments which are the Group's strategic divisions. The strategic divisions offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic divisions, the chief operating decision maker (CODM) reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable segments.

Segment 1: Convenience stores  
Segment 2: Cash and carry  
Segment 3: Other

Other operations principally comprise bill payment services, frozen food plant and bakery, distributor of retailing equipment and educational institutions. None of these segments meets the quantitative threshold for determining reportable segments.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before income tax expense, as included in the internal management reports that are reviewed by the Group's CODM. Segment profit before income tax expense is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain relative to other entities that operate within these industries.

**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2015 (Unaudited)**

Revenue and results, based on business segments, in the consolidated financial statements for the three-month and six-month periods ended 30 June 2015 and 2014 were as follows:

	Convenience stores		Cash and carry		Other		Eliminate		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
<i>(in million Baht)</i>										
<b><i>For the three-month period ended 30 June</i></b>										
Revenue from sale of goods and rendering of services to external customers	58,129	52,960	37,934	34,749	6,699	5,899	(5,470)	(4,663)	<b>97,292</b>	<b>88,945</b>
Total income	63,506	57,675	38,090	34,938	6,840	6,021	(7,760)	(6,500)	<b>100,676</b>	<b>92,134</b>
Profit before income tax expense for the period	3,927	2,601	1,373	1,238	502	521	(1,918)	(1,540)	<b>3,884</b>	<b>2,820</b>
<b><i>For the six-month period ended 30 June</i></b>										
Revenue from sale of goods and rendering of services to external customers	112,987	102,855	77,522	69,967	13,010	11,263	(10,673)	(8,982)	<b>192,846</b>	<b>175,103</b>
Total income	121,956	111,354	77,866	70,309	13,271	11,491	(13,636)	(11,694)	<b>199,457</b>	<b>181,460</b>
Profit before income tax expense for the period	6,276	4,629	3,246	2,763	1,007	1,011	(2,357)	(2,185)	<b>8,172</b>	<b>6,218</b>

Assets, based on segments, in the consolidated financial statements at 30 June 2015 and 31 December 2014 were as follows:

	Convenience stores		Cash and carry		Other		Eliminate		Total	
	30 June 2015	31 December 2014	30 June 2015	31 December 2014	30 June 2015	31 December 2014	30 June 2015	31 December 2014	30 June 2015	31 December 2014
<i>(in million Baht)</i>										
Segment assets	253,365	267,184	243,040	245,936	28,872	28,412	(212,556)	(215,122)	<b>312,721</b>	<b>326,410</b>

# CP ALL Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2015 (Unaudited)

### 10 Income tax expense

Income tax expense is recognised based on management's best estimate of the weighted average annual corporate income tax rate expected for the full financial year applied to the pre-tax income of the interim period.

### 11 Basic earnings per share

The calculations of basic earnings per share for the three-month and six-month periods ended 30 June 2015 and 2014 were based on the profit for the periods attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the periods as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<i>For the three-month period ended 30 June</i>				
	<i>(in million Baht/million shares)</i>			
Profit for the period attributable to equity holders of the Company	<u>3,140</u>	<u>2,252</u>	<u>3,599</u>	<u>2,422</u>
Weighted average number of ordinary shares outstanding during the period	<u>8,983</u>	<u>8,983</u>	<u>8,983</u>	<u>8,983</u>
Basic earnings per share ( <i>in Baht</i> )	<u>0.35</u>	<u>0.25</u>	<u>0.40</u>	<u>0.27</u>
<i>For the six-month period ended 30 June</i>				
	<i>(in million Baht/million shares)</i>			
Profit for the period attributable to equity holders of the Company	<u>6,548</u>	<u>4,951</u>	<u>5,610</u>	<u>4,207</u>
Weighted average number of ordinary shares outstanding during the period	<u>8,983</u>	<u>8,983</u>	<u>8,983</u>	<u>8,983</u>
Basic earnings per share ( <i>in Baht</i> )	<u>0.73</u>	<u>0.55</u>	<u>0.62</u>	<u>0.47</u>

### 12 Dividends

At the annual general meeting of the shareholders of the Company held on 23 April 2015, the Company's shareholders approved the appropriation of 2014 annual dividends of Baht 0.80 per share for 8,983,101,348 ordinary shares, totaling Baht 7,186 million, from the profit attributable to equity holders of the Company for the year 2014. The dividends were paid to the Company's shareholders on 20 May 2015.

At the annual general meeting of the shareholders of the Company held on 24 April 2014, the Company's shareholders approved the appropriation of 2013 annual dividends of Baht 0.90 per share for 8,983,101,348 ordinary shares, totaling Baht 8,085 million, from the profit attributable to equity holders of the Company for the year 2013. The dividends were paid to the Company's shareholders on 20 May 2014.

# CP ALL Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2015 (Unaudited)

### 13 Supplemental disclosures of cash flows information

Details of property, plant and equipment paid by cash during the six-month periods ended 30 June 2015 and 2014 were as follows:

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
<i>(in million Baht)</i>					
Increases during the period	7	10,371	9,989	4,122	5,703
Less - changes in payables		349	342	(158)	422
- assets under finance leases		(1)	(175)	-	-
- transfers from assets under construction and installation		(3,636)	(3,540)	(1,126)	(2,603)
<b>Purchase and paid by cash</b>		<b>7,083</b>	<b>6,616</b>	<b>2,838</b>	<b>3,522</b>

### 14 Commitments with non-related parties

#### Capital commitments

	Consolidated financial statements		Separate financial statements	
	30 June 2015	31 December 2014	30 June 2015	31 December 2014
<i>(in million Baht)</i>				
Contracted but not provided for (construction costs of new plants, installation costs of machinery, and computer system development costs)	1,904	2,106	-	-
<b>Total</b>	<b>1,904</b>	<b>2,106</b>	<b>-</b>	<b>-</b>

#### Non-cancellable operating lease commitments

	Consolidated financial statements		Separate financial statements	
	30 June 2015	31 December 2014	30 June 2015	31 December 2014
<i>(in million Baht)</i>				
Within one year	4,801	4,663	4,376	4,253
After one year but within five years	9,304	8,927	7,865	7,577
After five years	4,008	3,186	-	-
<b>Total</b>	<b>18,113</b>	<b>16,776</b>	<b>12,241</b>	<b>11,830</b>

The Group has lease agreements covering lease of land, buildings, vehicles and other assets for periods of 1 to 31 years, which will expire between 2015 to 2045.



**CP ALL Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2015 (Unaudited)**

*Other commitments*

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 June 2015	31 December 2014	30 June 2015	31 December 2014
	<i>(in million Baht)</i>			
Unused letters of credit for purchase of goods and supplies	65	25	-	-
<b>Total</b>	<b>65</b>	<b>25</b>	<b>-</b>	<b>-</b>

*Letters of guarantee*

As at 30 June 2015 the Group has commitments under letters of guarantee with the financial institutions, principally guarantee for utilities, lease agreements and others totaling Baht 1,116 million and USD 0.3 million (31 December 2014: Baht 880 million and USD 0.3 million).

*Significant agreements*

As at 30 June 2015 the Group had the following significant agreements.

- (a) The Company has an area license agreement with 7-Eleven, Inc., which was incorporated in the United States of America, to acquire a license to use the systems and trademarks of 7-Eleven, Inc. in connection with the operations of 7-Eleven convenience stores or franchising of such operations to other retailers in Thailand. The Company has also obtained certain services from 7-Eleven, Inc. in relation to training and technical assistance. In consideration thereof, the Company is committed to pay royalties to 7-Eleven, Inc. calculated as percentages of total sales of the 7-Eleven convenience stores that are operating in Thailand.
- (b) The Company has management agreements with local companies for their management of the Company-owned 7-Eleven convenience stores. Under the terms of the agreements, the Company is committed to pay management fees to those licensees calculated as percentages of gross operating profits of these convenience stores. The Company is entitled to receive the initial payments and royalties from those licensees in connection with the licenses granted for operating these 7-Eleven convenience stores. These initial payments and royalties are not refundable to the licensees in any case. The initial payments include deposits to guarantee the licensees' compliance with the agreements and any damage and/or liability that might be caused by the licensees. In consideration thereof, the Company pays interest on the deposits calculated at the time deposit rates announced by a local financial institution. These deposits will be refunded to the licensees upon termination of the agreements.
- (c) The Company has sub-area license agreements for operating 7-Eleven convenience stores and franchising such operations to other retailers. Under the terms of the agreements, the Company will provide certain technical assistance and related services to the sub-area licensees. In consideration thereof, the Company is entitled to receive royalties from the sub-area licensees as percentages of total sales of the 7-Eleven convenience stores operating in the licensed areas.
- (d) A local subsidiary, Gosoft (Thailand) Co., Ltd., has service agreements with local companies ("the parties"), whereby the latter parties provide the installation and development of systems as stipulated in the agreements. Under the terms of the agreements, the subsidiary is committed to pay a service fee to the parties as stipulated in the agreements. These agreements are effective for periods over 91 days to 18 months, and will expire on various dates until December 2015.

# **CP ALL Public Company Limited and its Subsidiaries**

## **Notes to the interim financial statements**

### **For the three-month and six-month periods ended 30 June 2015 (Unaudited)**

- (e) A local subsidiary, Counter Service Co., Ltd., has service agreements with government entities and state enterprises (e.g., utilities, telephone expenses, etc.), and other local companies (e.g., hire purchase, life insurance premium, etc.) (“the parties”). Under the terms of the agreements, the subsidiary is committed to operate payment centers to collect customer payments on behalf of the parties then remits funds to the parties as the agreed procedures. The subsidiary can collect service income from customers or local companies as stipulated in the agreements. These agreements are effective for periods over 1 to 5 years, and will expire on various dates up to April 2018. If either of the parties has an intention to terminate the agreement, a written notification must be made to the other party at least the number of day stipulated in the agreement before the expiry date of the agreement.
- (f) A local subsidiary, Counter Service Co., Ltd., has service agreements with certain individuals and local companies (“the parties”), whereby the latter parties are appointed as agents of the subsidiary for receipts of customers’ bills as specified in the agreements. Under the terms of the agreements, the subsidiary is committed to pay a service fee to the parties as stipulated in the agreements. These agreements are effective for periods over 1 to 5 years, and will expire on various dates up to June 2018. If either of the parties has no intention to renew the agreement, a written notification must be made to the other party at least 30 days before the expiry date of the agreement.
- (g) A local subsidiary, CP Retailink Co., Ltd., has repair and maintenance management service agreements with local companies (“the parties”), whereby the latter parties agree to install and repair and maintenance of computer equipment and software, utility systems, electric appliances and other equipment used for operations in retail stores. Under the terms of the agreements, the subsidiary is committed to pay a service fee to the parties as stipulated in the agreements. These agreements are for a period of 1 year and are renewable for additional periods of 1 year. If either of the parties has no intention to renew the agreement, a written notification must be made to the other party at least 30 days before the expiry date of the agreement.

#### **15 Contingent liability**

As at 30 June 2015 the Company had contingently liable to a legal case, which the Company is a defendant in a lawsuit involving the compliance with Tender Offer Rules. The court of first instance had a judgement on 24 February 2015 and ruled the Company to pay the claimed damages amounting to Baht 104.7 million including interest at the rate of 7.5% per annum starting from 2 August 2013 up to the settlement of claimed damages will be completed. Consequently on 19 June 2015 the Company appealed the court’s judgement.

As at the date in this report, the Company’s legal counsel is of the opinion that based on the witness statements and evidences presented during the trial, the court should eventually dismiss and the Company will not be received the significant negative effects. Accordingly, no provision has been made in the interim financial statements for the three-month and six-month periods ended 30 June 2015.

#### **16 Event after the reporting period**

At the board of directors’ meeting of a local subsidiary (Siam Makro Public Company Limited) held on 6 August 2015, the subsidiary’s board of directors approved the payment of interim dividends from the net profit after corporate income tax for the six-month period ended 30 June 2015 of Baht 0.40 per share for 4,800 million ordinary shares, totaling Baht 1,920 million, and the dividends will be paid to the shareholders during the third quarter of 2015.