

**Thai Carbon Black Public Company Limited
and its Subsidiaries**

Interim financial statements
for the three-month period ended
30 June 2014

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 Thai Carbon Black Public Company Limited

I have reviewed the accompanying consolidated and separate statements of financial position of Thai Carbon Black Public Company Limited and its subsidiaries, and of Thai Carbon Black Public Company Limited, respectively, as at 30 June 2014; the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the three-month period ended 30 June 2014; 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".

Other Matter

The consolidated and separate statements of financial position of Thai Carbon Black Public Company Limited and its subsidiaries, and of Thai Carbon Black Public Company Limited as at 31 March 2014, which are included as comparative information, were audited by another auditor who expressed an unqualified opinion thereon in his report dated 22 May 2014. Furthermore, the consolidated and separate statements of comprehensive income, changes in equity and cash flows of Thai Carbon Black Public Company Limited and its subsidiaries, and of Thai Carbon Black Public Company Limited, for the three-month period ended 30 June 2013, which are included as comparative information, were reviewed by another auditor who expressed an unmodified conclusion thereon in his report dated 13 August 2013.

(Orawan Chunchakitpaisan)
Certified Public Accountant
Registration No. 6105

KPMG Phoomchai Audit Ltd.
Bangkok
14 August 2014

Thai Carbon Black Public Company Limited and its Subsidiaries

Statement of financial position

		Consolidated		Separate	
		financial statements		financial statements	
		30 June	31 March	30 June	31 March
Assets	Note	2014	2014	2014	2014
		(Unaudited)		(Unaudited)	
		<i>(in thousand Baht)</i>			
<i>Current assets</i>					
Cash and cash equivalents		551,915	573,414	551,743	573,243
Trade accounts receivable	3, 4	1,138,177	1,106,562	1,138,177	1,106,562
Other receivables	3	69,367	16,001	69,367	16,001
Inventories		1,019,878	1,097,358	1,019,878	1,097,358
Other current assets		127,377	117,093	126,438	116,163
Total current assets		2,906,714	2,910,428	2,905,603	2,909,327
<i>Non-current assets</i>					
Investments in associates	5	3,145,020	3,044,774	778,676	786,981
Investment in a subsidiary	6	-	-	12,854	12,854
Other long-term investments	7	1,580,604	1,639,963	1,580,604	1,639,963
Long-term loan to related party	3	5,611,935	5,608,477	5,611,935	5,608,477
Long-term interest receivables	3	684,644	625,912	684,644	625,912
Property, plant and equipment	8	1,675,474	1,738,863	1,675,474	1,738,863
Intangible assets		1,101	1,270	1,101	1,270
Deferred tax assets	9	105,218	52,348	105,218	52,348
Other non-current assets		5,406	10,410	2,460	7,491
Total non-current assets		12,809,402	12,722,017	10,452,966	10,474,159
Total assets		15,716,116	15,632,445	13,358,569	13,383,486

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

Thai Carbon Black Public Company Limited and its Subsidiaries

Statement of financial position

		Consolidated		Separate	
		financial statements		financial statements	
		30 June	31 March	30 June	31 March
Liabilities and equity	<i>Note</i>	2014	2014	2014	2014
		(Unaudited)		(Unaudited)	
		<i>(in thousand Baht)</i>			
<i>Current liabilities</i>					
Trade accounts payable		547,715	395,970	547,715	395,970
Other payables	3	238,848	155,312	238,848	155,312
Current portion of long-term loan from financial institutions	10	1,008,289	993,781	1,008,289	993,781
Income tax payable		11,663	-	11,663	-
Other current liabilities		156,603	172,012	156,504	171,915
Total current liabilities		1,963,118	1,717,075	1,963,019	1,716,978
<i>Non-current liabilities</i>					
Long-term loan from financial institutions	10	1,908,418	2,411,792	1,908,418	2,411,792
Deferred tax liabilities	9	7,431	8,853	7,431	8,853
Employee benefit obligations	11	102,867	101,226	102,867	101,226
Total non-current liabilities		2,018,716	2,521,871	2,018,716	2,521,871
Total liabilities		3,981,834	4,238,946	3,981,735	4,238,849

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

Thai Carbon Black Public Company Limited and its Subsidiaries

Statement of financial position

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 March	30 June	31 March
Liabilities and equity	2014	2014	2014	2014
	(Unaudited)		(Unaudited)	
	<i>(in thousand Baht)</i>			
Equity				
Share capital:				
Authorised share capital	300,000	300,000	300,000	300,000
Issued and paid-up share capital	300,000	300,000	300,000	300,000
Additional paid in capital:				
Premium on ordinary shares	930,000	930,000	930,000	930,000
Retained earnings				
Appropriated				
Legal reserve	30,000	30,000	30,000	30,000
Unappropriated	11,025,050	10,670,842	8,116,834	7,884,637
Other components of equity	(550,768)	(537,343)	-	-
Total equity	11,734,282	11,393,499	9,376,834	9,144,637
Total liabilities and equity	15,716,116	15,632,445	13,358,569	13,383,486

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

Thai Carbon Black Public Company Limited and its Subsidiaries

Statement of comprehensive income (Unaudited)

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		Three month period ended 30 June		Three month period ended 30 June	
		2014	2013	2014	2013
<i>(in thousand Baht)</i>					
<i>Income</i>					
Revenue from sale of goods		1,890,985	2,180,844	1,890,985	2,056,057
Dividend income	3,5,7	11,387	8,540	39,398	34,031
Interest income	3	60,824	55,332	60,824	55,283
Net foreign exchange gain		23,072	-	23,072	-
Other income		1,912	1,785	1,912	1,785
Total income		1,988,180	2,246,501	2,016,191	2,147,156
<i>Expenses</i>					
Cost of sales of goods	3	1,581,063	1,873,199	1,581,063	1,729,967
Selling expenses		41,294	49,864	41,294	44,307
Administrative expenses	3	68,089	65,968	68,089	52,091
Impairment loss on investments in associate	5	-	-	8,305	-
Loss on provision for liability from sales of subsidiary		-	-	-	99,157
Impairment loss on other long-term investments	7	59,358	-	59,358	-
Net foreign exchange loss		-	55,032	-	60,679
Finance costs		36,929	87,393	36,929	70,664
Total expenses		1,786,733	2,131,456	1,795,038	2,056,865
<i>Share of profit of equity-accounted investees</i>					
Associates	5	141,717	37,350	-	-
Total		141,717	37,350	-	-
Profit before income tax expense		343,164	152,395	221,153	90,291
Income tax expense (income)	13	(11,044)	4,413	(11,044)	(15,418)
Profit for the period		354,208	147,982	232,197	105,709
Profit attributable to:					
Owners of the Company		354,208	147,982	232,197	105,709
Non-controlling interests		-	-	-	-
Profit for the period		354,208	147,982	232,197	105,709
Earnings per share					
Basic earnings per share (<i>in Baht</i>)	14	1.18	0.49	0.77	0.35

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

Thai Carbon Black Public Company Limited and its Subsidiaries

Statement of comprehensive income (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	Three month period ended 30 June		Three month period ended 30 June	
<i>Note</i>	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Profit for the period	354,208	147,982	232,197	105,709
Other comprehensive income				
Foreign currency translation differences for foreign operations	(13,425)	(27,401)	-	-
Other comprehensive income for the period, net of income tax	(13,425)	(27,401)	-	-
Total comprehensive income for the period	340,783	120,581	232,197	105,709
Total comprehensive income attributable to:				
Owners of the Company	340,783	120,581	232,197	105,709
Non-controlling interests	-	-	-	-
Total comprehensive income for the period	340,783	120,581	232,197	105,709

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

Thai Carbon Black Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

Consolidated financial statements

	Retained earnings				Other component of equity				
	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Currency translation differences	Excess of cost of investment in subsidiary over the carrying amount of the interest acquired	Total other components of equity	Equity attributable to owners of the Company	Total equity
<i>(in thousand Baht)</i>									
Three month period ended 30 June 2013									
Balance at 1 April 2013	300,000	930,000	30,000	9,711,510	(611,049)	(37,265)	(648,314)	10,323,196	10,323,196
Transactions with owners, recorded directly in equity									
Dividends to owners of the Company	-	-	-	(132,000)	-	-	-	(132,000)	(132,000)
Total transactions with owners, recorded directly in equity	-	-	-	(132,000)	-	-	-	(132,000)	(132,000)
Comprehensive income for the period									
Profit	-	-	-	147,982	-	-	-	147,982	147,982
Other comprehensive income	-	-	-	-	(27,401)	-	(27,401)	(27,401)	(27,401)
Total comprehensive income for the period	-	-	-	147,982	(27,401)	-	(27,401)	120,581	120,581
Balance at 30 June 2013	300,000	930,000	30,000	9,727,492	(638,450)	(37,265)	(675,715)	10,311,777	10,311,777

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

Thai Carbon Black Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

Consolidated financial statements

	Retained earnings				Other component of equity				
	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated	Currency translation differences	Excess of cost of investment in subsidiary over the carrying amount of the interest acquired	Total other components of equity	Equity attributable to owners of the Company	Total equity
<i>(in thousand Baht)</i>									
Three month period ended 30 June 2014									
Balance at 1 April 2014	300,000	930,000	30,000	10,670,842	(537,343)	-	(537,343)	11,393,499	11,393,499
Comprehensive income for the period									
Profit	-	-	-	354,208	-	-	-	354,208	354,208
Other comprehensive income	-	-	-	-	(13,425)	-	(13,425)	(13,425)	(13,425)
Total comprehensive income for the period	-	-	-	354,208	(13,425)	-	(13,425)	340,783	340,783
Balance at 30 June 2014	300,000	930,000	30,000	11,025,050	(550,768)	-	(550,768)	11,734,282	11,734,282

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

Thai Carbon Black Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

	Separate financial statements				Total equity
	Issued and paid-up share capital	Share premium	Retained earnings		
				Legal reserve	Unappropriated
	<i>(in thousand Baht)</i>				
Three month period ended 30 June 2013					
Balance at 1 April 2013	300,000	930,000	30,000	7,525,300	8,785,300
Transactions with owners, recorded directly in equity					
Dividends to owners of the Company	-	-	-	(132,000)	(132,000)
Total transactions with owners, recorded directly in equity	-	-	-	(132,000)	(132,000)
Comprehensive income for the period					
Profit	-	-	-	105,709	105,709
Total comprehensive income for the period	-	-	-	105,709	105,709
Balance at 30 June 2013	300,000	930,000	30,000	7,499,009	8,759,009
Three month period ended 30 June 2014					
Balance at 1 April 2014	300,000	930,000	30,000	7,884,637	9,144,637
Comprehensive income for the period					
Profit	-	-	-	232,197	232,197
Total comprehensive income for the period	-	-	-	232,197	232,197
Balance at 30 June 2014	300,000	930,000	30,000	8,116,834	9,376,834

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

Thai Carbon Black Public Company Limited and its Subsidiaries

Statement of cash flows (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	Three month period ended		Three month period ended	
	30 June		30 June	
<i>Note</i>	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit for the period	354,208	147,982	232,197	105,709
<i>Adjustments for</i>				
Depreciation	76,469	106,598	76,469	94,189
Amortisation of intangible assets	169	9,025	169	186
Reversal for decline in value of inventories	-	(15,808)	-	-
Dividend income	(11,387)	(8,540)	(39,398)	(34,031)
Interest income	(60,824)	(55,332)	(60,824)	(55,283)
Finance costs	29,815	78,555	29,815	61,826
Allowance for doubtful accounts	-	492	-	-
Amortisation of deferred transaction cost	7,113	8,838	7,113	8,838
Unrealised gain on exchange rate	(126,479)	(77,198)	(126,479)	(82,248)
Unrealised loss on derivatives	123,017	231,337	123,017	231,337
Gain on disposal of property, plant and equipment	(180)	-	(180)	-
Share of profit of equity-accounted investees, net of income tax	5 (141,717)	(37,350)	-	-
Loss on provision for liability from sales of a subsidiary	-	-	-	99,157
Employee benefit obligations	2,464	2,584	2,464	2,584
Income tax expense	(11,044)	4,413	(11,044)	(15,418)
	<u>241,624</u>	<u>395,596</u>	<u>233,319</u>	<u>416,846</u>
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	(31,937)	54,416	(31,937)	120,550
Other receivables	(53,366)	(215,106)	(53,366)	(210,096)
Inventories	77,480	470,492	77,480	447,378
Other current assets	(51,301)	(25,887)	(51,292)	(29,857)
Other non-current assets	5,004	(1,716)	5,030	(790)
Trade accounts payable	151,384	164,917	151,384	163,789
Other payables	84,595	45,409	84,595	42,627
Other current liabilities	(126,765)	(60,959)	(126,765)	(33,087)
Employee benefit obligations paid	(822)	(1,197)	(822)	(1,197)
Cash generated from operating activities	<u>295,896</u>	<u>825,965</u>	<u>287,626</u>	<u>916,163</u>
Income tax paid	-	(59,043)	-	(59,043)
Net cash from operating activities	<u>295,896</u>	<u>766,922</u>	<u>287,626</u>	<u>857,120</u>

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

Thai Carbon Black Public Company Limited and its Subsidiaries

Statement of cash flows (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	Three month period ended		Three month period ended	
	31 March		31 March	
Note	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
<i>Cash flows from investing activities</i>				
Interest received	61,114	5,698	61,114	5,649
Dividend received	8,866	25,491	36,878	25,491
Purchase of property, plant and equipment	(13,613)	(27,128)	(13,613)	(26,889)
Sale of property, plant and equipment	712	-	712	-
Loans to related parties	266,848	299,188	266,848	299,188
Interest receivables	(58,732)	(71,557)	(58,732)	(71,557)
Allowance for impairment loss on other long-term investments	59,359	-	59,359	-
Allowance for impairment loss on investment in an associate	-	-	8,305	-
Payment of payables on purchase of property, plant and equipment	(426)	(26,851)	(426)	(26,851)
Net cash from investing activities	324,128	204,841	360,445	205,031
<i>Cash flows from financing activities</i>				
Interest paid	(30,448)	(44,735)	(30,448)	(28,456)
Dividends paid	-	(132,000)	-	(132,000)
Increase (decrease) in short-term loans from financial institutions	-	(74,858)	-	9,790
Increase in short-term loans from related party	-	253,500	-	-
Repayment of borrowings	(639,123)	(456,663)	(639,123)	(456,663)
Net cash used in financing activities	(669,571)	(454,756)	(669,571)	(607,329)
Net increase (decrease) in cash and cash equivalents				
	(49,547)	517,007	(21,500)	454,822
Cash and cash equivalents at 1 April	573,414	260,363	573,243	254,125
Effect of exchange rate changes on balances held in foreign currency	28,048	(51,835)	-	-
Cash and cash equivalents at 30 June	551,915	725,535	551,743	708,947

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

Thai Carbon Black Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 30 June 2014 (Unaudited)

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Thai Carbon Black Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 30 June 2014 (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 financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 14 August 2014.

1 General information

Thai Carbon Black Public Company Limited, “the Company”, is incorporated in Thailand and has its registered office and factory as follows:

Head office: No. 888/122, 128, Mahatun Plaza Building, 16th Floor, Ploenchit Road, Lumpini, Patumwan, Bangkok.

Factory: 44 Moo1, Ayuthaya-Angthong Highway, Posa, Muang, Angthong.

The Company was listed on the Stock Exchange of Thailand in 1990.

The major shareholders of the Company during the financial period were Thai Rayon Public Company Limited (24.98%), CIMB Securities (Singapore) Pte. Ltd. (18.35%) and Everlon International Holdings Limited (12.56%).

The principal activities of the Group are the manufacture and sale of carbon black. Details of the Company’s subsidiaries and associates as at 30 June 2014 and 31 March 2014 are given in notes 5 and 6.

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 2012) *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 March 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 March 2014.

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 March 2014 except that the Group has adopted all the new and revised TFRS that are effective for annual periods beginning on or after 1 January 2014. 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.

Thai Carbon Black Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 30 June 2014 (Unaudited)

(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 to the nearest thousand 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 March 2014.

3 Related parties

For the purposes of these 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 party or exercise significant influence over the 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 and associates are described in note 5 and 6. Relationships with key management and other related parties were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
Thai Rayon Public Company Limited	Thailand	Major shareholder of the Company, 10% or more shareholding.
Thai Acrylic Fiber Co., Ltd.	Thailand	The Company has 10% or more shareholding, common directors.
Hi-Tech Carbon	India	Same ultimate parent company
Columbian Chemicals Company	U.S.A	Same ultimate parent company
Alexandria Carbon Black Company S.A.E	U.S.A	Same ultimate parent company
Aditya Birla Sciences Co., Ltd.	India	Same ultimate parent company
Key management personnel		Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.

The pricing policies for transactions with related parties are explained further below:

Transactions	Pricing policies
Purchase of goods	With reference to market price
Interest income	LIBOR+3.5% per annum
Share of production cost – steam and electric power	With reference to market price
Other expenses	By mutual agreement

Thai Carbon Black Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 30 June 2014 (Unaudited)

Significant transactions for the three-month periods ended 30 June 2014 and 2013 with related parties were as follows:

<i>Three-month period ended 30 June</i>	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Subsidiaries				
Purchase of goods	-	-	-	2,820
Associates				
Interest income	58,765	52,903	58,765	52,903
Dividend income	-	-	28,011	25,491
Key management personnel				
Key management personnel compensation				
Short-term employee benefit	6,974	8,161	6,974	6,375
Post-employment benefits	915	919	915	919
Total key management personnel compensation	7,889	9,080	7,889	7,294
Directors' remuneration	858	858	858	858
Other related parties				
Dividend income	11,387	8,540	11,387	8,540
Share of production cost – steam and electric power	91,373	96,467	91,373	96,467
Rent expenses	810	810	810	810

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

<i>Trade accounts receivable - related parties</i>	Consolidated financial statements		Separate financial statements	
	30 June 2014	31 March 2014	30 June 2014	31 March 2014
	<i>(in thousand Baht)</i>			
Other related parties	57,498	43,872	57,498	43,872
Total	57,498	43,872	57,498	43,872

<i>Other receivables - related parties</i>	Consolidated financial statements		Separate financial statements	
	30 June 2014	31 March 2014	30 June 2014	31 March 2014
	<i>(in thousand Baht)</i>			
Other related parties	-	2,592	-	2,592
Total	-	2,592	-	2,592

Thai Carbon Black Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 30 June 2014 (Unaudited)

<i>Long-term interest receivables - related parties</i>	Consolidated		Separate	
	financial statements		financial statements	
	30	31	30	31
	June	March	June	March
	2014	2014	2014	2014
	<i>(in thousand Baht)</i>			
Associates	684,644	625,912	684,644	625,912
Total	684,644	625,912	684,644	625,912

<i>Long-term loan to related party</i>	Consolidated and separate	
	financial statements	
	30	31
	June	March
	2014	2014
	<i>(in thousand Baht)</i>	
Associate	5,611,935	5,608,477
Long-term loan to related party	5,611,935	5,608,477

Movements during the three-month periods ended 30 June 2014 and 2013 of loans to related party were as follows:

<i>Long-term loan to related party</i>	Consolidated and separate	
	financial statements	
<i>Three-month period ended 30 June</i>	2014	2013
	<i>(in thousand Baht)</i>	
<i>Associate</i>		
At 1 April	5,608,477	5,065,442
Unrealised gain on exchange	3,458	299,188
At 30 June	5,611,935	5,364,630

<i>Other payables - related parties</i>	Consolidated		Separate	
	financial statements		financial statements	
	30	31	30	31
	June	March	June	March
	2014	2014	2014	2014
	<i>(in thousand Baht)</i>			
Other related parties	48,251	48,836	48,251	48,836
Total	48,251	48,836	48,251	48,836

Loan agreement

In 2011, the Company entered into a loan agreement with an associate in which the Company has lent a loan for an amount of USD 172.9 million, with an interest rate at LIBOR+3.5% per annum. This loan is scheduled to be repaid in 2016.

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4 Trade accounts receivable

	Consolidated and separate financial statements	
<i>Note</i>	30 June 2014	31 March 2014
	<i>(in thousand Baht)</i>	
Related parties	3 57,498	43,872
Other parties	1,080,679	1,062,690
Total	1,138,177	1,106,562
<i>Less</i> allowance for doubtful accounts	-	-
Net	1,138,177	1,106,562
	2014	2013
	<i>(in thousand Baht)</i>	
Bad and doubtful debts expense for the three-month period ended 30 June	-	-

Aging analyses for trade accounts receivable were as follows:

	Consolidated and separate financial statements	
	30 June 2014	31 March 2014
	<i>(in thousand Baht)</i>	
Related parties		
Within credit terms	57,498	43,872
	57,498	43,872
Other parties		
Within credit terms	1,048,049	968,512
Overdue:		
Less than 3 months	30,932	93,327
3 - 6 months	863	827
6 - 12 months	832	22
Over 12 months	3	2
	1,080,679	1,062,690
<i>Less</i> allowance for doubtful accounts	-	-
	1,080,679	1,062,690
Net	1,138,177	1,106,562

The normal credit term granted by the Group ranges from 15 days to 120 days.

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5 Investments in equity-accounted investees

<i>Three-month period ended 30 June</i>	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Associates				
At 1 April	3,044,774	2,756,002	786,981	786,981
Share of net profits of equity- accounted associates	141,717	37,350	-	-
Dividend income	(28,011)	(25,491)	-	-
Allowance for impairment	-	-	(8,305)	-
Currency translation differences	(13,460)	(7,505)	-	-
At 30 June	<u>3,145,020</u>	<u>2,760,356</u>	<u>778,676</u>	<u>786,981</u>

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Investments in equity-accounted investees as at 30 June 2014 and 31 March 2014, and dividend income from those investments for the three-month periods ended 30 June 2014 and 2013 were as follows:

	Type of business	Country of incorporation	Ownership interest		Paid-up capital		Cost		Equity		Dividend income	
			30	31	30	31	30	31	30	31	30	30
			June	March	June	March	June	March	June	March	June	June
			2014	2014	2014	2014	2014	2014	2014	2014	2014	2013
			(%)				(in thousand Baht)					
Associates												
P.T. Indo Liberty	Textiles											
Textiles	manufacturing	Indonesia	40.00	40.00	515,664	515,664	196,948	196,948	424,129	432,020	2,520	-
Aditya Birla Chemicals (Thailand) Limited	Chemical manufacturing	Thailand	29.99	29.99	1,700,000	1,700,000	509,820	509,820	2,555,937	2,504,533	25,491	25,491
Ameri Blend Inc.	Material procurement and storage	U.S.A	49.00	49.00	33,912	33,912	16,617	16,617	7,996	8,587	-	-
Indigold Carbon (Mauritius) Limited	Investment holding	Mauritius	20.59	20.59	308,870	308,870	63,596	63,596	156,958	99,634	-	-
Total							786,981	786,981	3,145,020	3,044,774	28,011	25,491

As at 30 June 2014, investments in Indigold Carbon (Mauritius) Limited includes long-term loan for the amount of Baht 5,611 thousand and interest receivables of Baht 685 thousand (31 March 2014: Baht 5,608 thousand and Baht 626 thousand, respectively).

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	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		Dividend income	
	30 June 2014	31 March 2014	30 June 2014	31 March 2014	30 June 2014	31 March 2014	30 June 2014	31 March 2014	30 June 2014	31 March 2014	30 June 2014	30 June 2013
	(%)											
	<i>(in thousand Baht)</i>											
Associates												
P.T. Indo Liberty Textiles	40.00	40.00	515,664	515,664	196,948	196,948	-	-	196,948	196,948	2,520	-
Aditya Birla Chemicals (Thailand) Limited	29.99	29.99	1,700,000	1,700,000	509,820	509,820	-	-	509,820	509,820	25,491	25,491
Ameri Blend Inc.	49.00	49.00	33,912	33,912	16,617	16,617	8,305	-	8,312	16,617	-	-
Indigold Carbon (Mauritius) Limited	20.59	20.59	308,870	308,870	63,596	63,596	-	-	63,596	63,596	-	-
Total					786,981	786,981	8,305	-	778,676	786,981	28,011	25,491

The Company recorded impairment loss for one of its associate for the amount of Baht 8,305 thousand in the statement of comprehensive income for the three-month period ended 30 June 2014.

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6 Investments in subsidiaries

<i>Three-month period ended 30 June</i>	Separate financial statements	
	2014	2013
At 1 April	12,854	712,588
Addition	-	64,477
Allowance for impairment	-	(764,211)
At 30 June	12,854	12,854

Investments in subsidiaries as at 30 June 2014 and 31 March 2014 and dividend income from those investments for the three-month periods ended 30 June 2014 and 2013 were as follows:

Name of subsidiary	Type of business	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		Dividend income	
		30 June 2014	31 March 2014	30 June 2014	31 March 2014	30 June 2014	31 March 2014	30 June 2014	31 March 2014	30 June 2014	31 March 2014	30 June 2014	30 June 2013
		(%)											
		<i>(in thousand Baht)</i>											
Direct subsidiary													
Birla Carbon Mexico, S.A. DE C.V.	Carbon Manufacturing	98	98	12,854	12,854	12,854	12,854	-	-	12,854	12,854	-	-
Total						12,854	12,854	-	-	12,854	12,854	-	-

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7 Other long-term investments

<i>Three-month period ended 30 June</i>	Consolidate financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
At 1 April	1,639,963	1,744,358	1,639,963	1,846,560
Impairment loss	(59,359)	-	(59,359)	-
At 30 June	<u>1,580,604</u>	<u>1,744,358</u>	<u>1,580,604</u>	<u>1,846,560</u>

The Company recorded an impairment loss of Baht 59,359 thousand in the consolidated and separate financial statements for the three-month period ended 30 June 2014.

During the three-month period ended 30 June 2014, the Company received dividend income from its investments in Thai Acrylic Fiber Co., Ltd. totaling Baht 11,387 thousand (2013: Baht 8,540 thousand).

8 Property, plant and equipment

Acquisitions, disposals and transfers of property, plant and equipment during the three-month periods ended 30 June 2014 and 2013 were as follows:

<i>Three-month period ended 30 June</i>	Consolidated and separate financial statements			
	2014		2013	
	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value
	<i>(in thousand Baht)</i>			
Building and road	-	-	1,149	-
Machinery and equipment	-	-	21,185	-
Vehicles	-	1,801	-	-
Assets under construction	13,081	-	261	22,383
Total	<u>13,081</u>	<u>1,801</u>	<u>22,595</u>	<u>22,383</u>

9 Deferred tax

Deferred tax assets and liabilities as at 30 June 2014 and 31 March 2014 were as follows:

	Consolidated and separate financial statements			
	Assets		Liabilities	
	30 June 2014	31 March 2014	30 June 2014	31 March 2014
	<i>(in thousand Baht)</i>			
Total	105,218	52,348	(7,431)	(8,853)
Set off of tax	(7,431)	(8,853)	7,431	8,853
Net deferred tax assets (liabilities)	<u>97,787</u>	<u>43,495</u>	<u>-</u>	<u>-</u>

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Movements in total deferred tax assets and liabilities during the three-month periods ended 30 June 2014 and 2013 were as follows:

	Consolidated financial statements		
	At 1 April 2014	(Charged) / Credited to: profit or loss	At 30 June 2014
	<i>(in thousand Baht)</i>		
<i>Deferred tax assets</i>			
Provision for impairment of investment in an associate	-	1,661	1,661
Provision for impairment of other investments	-	53,191	53,191
Provision for employee benefits	20,245	329	20,574
Unrealized loss from derivatives	27,234	(2,631)	24,603
Others	4,869	320	5,189
Total	<u>52,348</u>	<u>52,870</u>	<u>105,218</u>
<i>Deferred tax liabilities</i>			
Deferred transaction cost	8,853	(1,422)	7,431
Total	<u>8,853</u>	<u>(1,422)</u>	<u>7,431</u>
Net	<u>43,495</u>	<u>54,292</u>	<u>97,787</u>

	Consolidated financial statements		
	At 1 April 2013	(Charged) / Credited to: profit or loss	At 30 June 2013
	<i>(in thousand Baht)</i>		
<i>Deferred tax assets</i>			
Provision for employee benefits	20,100	277	20,377
Unrealized loss from derivatives	-	21,001	21,001
Others	3,972	261	4,233
Total	<u>24,072</u>	<u>21,539</u>	<u>45,611</u>
<i>Deferred tax liabilities</i>			
Deferred transaction cost	15,241	(1,768)	13,473
Unrealized gain from derivatives	25,266	(25,266)	-
Total	<u>40,507</u>	<u>(27,034)</u>	<u>13,473</u>
Net	<u>(16,435)</u>	<u>48,573</u>	<u>32,138</u>

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	Separate financial statements		
	At 1 April 2014	(Charged) / Credited to: profit or loss	At 30 June 2014
	<i>(in thousand Baht)</i>		
<i>Deferred tax assets</i>			
Provision for impairment of investment in associate	-	1,661	1,661
Provision for impairment of other investments	-	53,191	53,191
Provision for employee benefits	20,245	329	20,574
Unrealized loss from derivatives	27,234	(2,631)	24,603
Others	4,869	320	5,189
Total	52,348	52,870	105,218
<i>Deferred tax liabilities</i>			
Deferred transaction cost	8,853	(1,422)	7,431
Total	8,853	(1,422)	7,431
Net	43,495	54,292	97,787

	Separate financial statements		
	At 1 April 2013	(Charged) / Credited to: profit or loss	At 30 June 2013
	<i>(in thousand Baht)</i>		
<i>Deferred tax assets</i>			
Provision for long-term loan to subsidiary	12,896	6,936	19,832
Provision for impairment of investment in subsidiary	139,946	12,896	152,842
Provision for employee benefits	20,100	277	20,377
Unrealized loss from derivatives	-	21,001	21,001
Others	3,972	261	4,233
Total	176,914	41,371	218,285
<i>Deferred tax liabilities</i>			
Deferred transaction cost	15,241	(1,768)	13,473
Unrealized gain from derivatives	25,266	(25,266)	-
Total	40,507	(27,034)	13,473
Net	136,407	68,405	204,812

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10 Long-term loan from financial institutions

Movements during the three-month periods ended 30 June 2014 and 2013 of long-term loan from financial institutions were as follows:

	Consolidated and separate financial statements	
	2014	2013
	<i>(in thousand Baht)</i>	
At 1 April	3,405,574	3,910,429
Repayment during period	(497,197)	(456,663)
Amortised deferred transaction cost	7,113	8,838
Exchange rate adjustments	1,217	231,692
At 30 June	<u>2,916,707</u>	<u>3,694,296</u>

The long-term loan from financial institutions bears interest at LIBOR+2.30% per annum. Principal and interest are repayable every 6 months. The last installment is payable in 20 June 2016.

The loan is secured by pledge of its bank accounts, trade accounts receivable, property plant and equipment, intellectual property, monetary claims under specific contracts such as loan to related parties, insurance policies and asset outside Thailand.

The loan agreement contains certain covenants, pertaining to matters such as the maintenance of financial ratios, restrictions on the use of capital and restrictions on creating commitments.

11 Employee benefits obligations

Movements during the three-month periods ended 30 June 2014 and 2013 of employee benefits obligations were as follows:

	Consolidated and separate financial statements	
	2014	2013
	<i>(in thousand Baht)</i>	
At 1 April	101,225	100,499
Current service cost	1,541	2,349
Interest on obligation	923	235
Benefits paid during the period	(822)	(1,197)
At 30 June	<u>102,867</u>	<u>101,886</u>

Current service cost and interest on obligation is recognised in the administrative expenses in the statement of comprehensive income.

12 Segment information

Management considers that the Group operates in a single line of business, namely carbon black, and has, therefore, only one reportable segment.

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13 Income tax expense

Income tax recognised in profit or loss

<i>Three-month period ended 30 June</i>	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
		<i>(in thousand Baht)</i>			
Current tax expense		43,248	52,987	43,248	52,987
Deferred income tax	9	(54,292)	(48,574)	(54,292)	(68,405)
Total income tax expense		(11,044)	4,413	(11,044)	(15,418)

The current tax expense in the consolidated and separate statements of comprehensive income are different from the amount determined by applying the Thai corporation tax rate to the accounting profit for the period principally because:

- (a) a portion of the Group's profit was derived from promoted activities which are not subject to tax.
- (b) of the different treatment for accounting and taxation purposes of certain items of income / expense, in particular, dividend income and impairment loss of investments.

14 Earnings per share

The calculations of basic earnings per share for the three-month periods ended 30 June 2014 and 2013 were based on the profit for the periods attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the periods.

15 Commitments and contingent liabilities with non-related parties

	Consolidated and separate financial statements	
	30 June 2014	31 March 2014
	<i>(in thousand Baht)</i>	
Capital commitments		
Machinery and equipment	43,464	53,963
Total	43,464	53,963
Non-cancellable operating lease commitments		
Within one year	53,019	68,948
After one year but within five years	6,682	7,898
Total	59,701	76,846
Other commitments		
Bank guarantees (<i>for own performance</i>)	12,548	12,548
Total	12,548	12,548

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Operating lease agreements

The Group has various operating lease agreements for office and warehouse rental. The period of agreements is variable from 1-5 years.

Technical assistant and consultancy agreement

1) In 1987, the Company has entered into license agreement with an overseas licensor, who agreed to provide the Company with technical know-how for the production and manufacture of carbon black. The Company agreed to pay the license fee based on percentage of sales.

2) In 2014, the Company has entered into a consultancy agreement with an overseas company in which it will receive information related to the availability of raw materials, raw material price trends, etc. The Company agreed to pay a fee for the amount of USD 2 million per annum. The term of the agreement is 2 years.

Bank guarantee and letter of credit

As at 30 June 2014, the Company had outstanding bank guarantees issued by the bank for electricity use amounting to Baht 12 million (*31 March 2014: Baht 12 million*) and outstanding letter of credit issued by the banks to guarantee payments to creditors amounting to USD 12 million (*31 March 2014: USD 12 million*).

16 Events after the reporting period

At the Annual General Meeting of the shareholders of the Company held on 16 July 2014, the shareholders approved the appropriation of dividends of Baht 0.44 per share, amounting to Baht 132 million.

The Board of Directors, in meeting held on 14 August 2014, approved disposal of 100% of investment in Ameriblend, Inc. (49 shares of common stock being 49% of total common stock issued and outstanding) to Swiss Singapore Overseas Enterprises Pte. Ltd. for a consideration of USD 257,250 (approx Baht 8.2 million).

17 Reclassification of accounts

Certain accounts in the statements of financial positions as at 31 March 2014 which are included in the 2014 interim financial statements for comparative purposes, have been reclassified to conform to the presentation in the 2014 interim financial statements.