Thunderbird

RESORTS

2013 HALF-YEAR REPORT

(Thunderbird Resorts Inc. is a British Virgin Islands company limited by shares with its registered office in Tortola, British Virgin Islands)

Cautionary Note on “forward-looking statements”

This 2013 Half-year Report contains certain forward-looking statements within the meaning of the securities laws and regulations of various international, national, and local jurisdictions. All statements, other than statements of historical fact, included herein, including without limitation, statements regarding potential revenue, future plans, and objectives of Thunderbird Resorts Inc. are forward-looking statements that involve risk and uncertainties. There can be no assurances that such statements will prove to be accurate and actual results could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from the Group's forward-looking statements include competitive pressures, unfavorable changes in regulatory structures, and general risks associated with business, all of which are disclosed under the heading "Risk Factors" and elsewhere in the Group's documents filed from time-to-time with the NYSE Euronext Amsterdam exchange (“NYSE Euronext Amsterdam”) and other regulatory authorities.

Thunderbird Resorts Inc. is sometimes referred to herein as “Company” or “Group”. All currencies are in US dollars unless stated otherwise.

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Chapter 1:
Letter from the CEO

To the Shareholders of Thunderbird Resorts Inc.:

Thunderbird Resorts ("Thunderbird" or the "Group") is transitioning to a more focused, simpler business model wherein we invest in and develop gaming cash flows in Latin America, primarily in the countries in which we already operate.

As part of this transition, we announced the sale of our Philippines properties on August 11, 2013. This 2013 Half-year Report presents our results through June 30, 2013. Because of the materiality of the Philippines transaction to the future of the Group, we will use the first part of this letter to describe the transaction and what the Group looks like post sale.

STRATEGIC SALE OF PHILIPPINES OPERATIONS

In our August 11, 2013 press release, Thunderbird announced the sale of its entire economic interest and management rights in its Philippine and related British Virgin Islands ("BVI") operations to Magnum Leisure Holdings Inc. and its related entities, affiliates of Solar Entertainment Corporation (collectively "Magnum"). The post-tax, net price was approximately $26.5 million. The Group's reported consolidated debt will also be reduced by at least $9.2 million. This reduction is derived from Philippine debt that will be repaid as a result of disposal and use of proceeds. The Group will likely pay down additional debt in the near future.

Thunderbird has also executed a 36-month non-compete agreement with Magnum in the Philippines. Of the net price: a) $5 million will be paid via a promissory note that will amortize over approximately 18 months at a 7% interest rate and is guaranteed by a letter of credit issued be a major banking institution; and b) $5 million will be subject to hold backs by Magnum for up to 30 months to cover potential contingent liabilities.

The Group had announced in August 2011 that the Group and Solar Entertainment Corporation ("Solar") would enter into a joint venture to co-own the Philippines operations. The Group's decision to sell rather than to jointly own the Philippine operations was based on further strategic analysis and determined as the best decision to building shareholder value.

While the Philippines represented approximately 45% of the Group's global property EBITDA, the net price plus debt reduction is equal to approximately $1.39 per share or 155% of the Group's 30-day average price of $0.90 per share. Moreover, Thunderbird continues to own approximately the following in Latin America[1]:

<u>Operations</u>: Gaming, hotel, food and beverage and real estate businesses in Peru (100% Group owned), Costa Rica (50% to 56.2% Group owned) and Nicaragua (55.9% Group owned); and operated by approximately 1,700 employees.

Revenues:	$58.4 million annualized based on June 30, 2013 preliminary results, of which 85% is from gaming and 15% from non-gaming businesses.
Property EBITDA:	$10.8 million annualized based on June 30, 2013 preliminary results.
Corporate Expense:	$4.8 million annualized based on June 30, 2013 preliminary results.
Real Estate:	$62 million in market value based on appraisals performed for virtually all properties within the last 24 months. On our balance sheet, we book real estate based on depreciated book value, which was $46.9 million based on June 30, 2013 preliminary results.
Debt:	$57.2 million from continuing and discontinued operations based on June 30, 2013 preliminary results and net of that Philippines-related debt reduced from Group books as a result of disposal and use of proceeds resulting from the sale of our Philippines operations to Magnum. The Group will likely pay down additional debt in the near future.
Gaming Positions:	2,885 slot machines and 616 table positions divided among 19 operations with an annual visitor count exceeding 2.5 million per year.
Hotel Rooms:	87 rooms owned between the 66-room Fiesta Hotel in a prime location in Miraflores, Lima, Peru, the 20-room Fiesta Hotel in Perez Zeledon, Costa Rica, and 398 rooms in 3 hotels managed by the Group in Lima, Peru.

With the sale of the Philippines, the Group now has fresh capital to further reduce debt and to invest in building cash flows in Peru, Costa Rica and Nicaragua. We will continue to focus on gaming as our core business.

PROGRESS THROUGH JUNE 2013

This 2013 Half-year Report presents our results through June 30, 2013 and does not account for the subsequent event of the Philippines sale. Below is a summary of our consolidated results:

- Revenues decreased by 8.1% or $4.7 million as compared to Half-year 2012, of which approximately $2.9 million was due to no longer reporting the revenues from Thunderbird Resorts – El Pueblo, which was sold in the first half of 2012. The year-over-year changes in revenues by country were as follows: Philippines revenues decreased by $2.0 million or 7.7% (Philippines has since been sold as described above); Peru revenues decreased by $2.3 million or 13.3%, but continuing operations revenues increased by approximately $600 thousand; Costa Rica revenues decreased by $1.4 million or 15.7% due to a failure of the market to fully recover from the smoking ban imposed in 2012; and Nicaragua revenues increased by $935 thousand or 15.3%.

- Cost of goods sold fell by 2.9% or $650 thousand as compared to Half-year 2012, with the year-over-year variance by country as follows: Philippines cost of goods sold increased by $271 thousand or 2.3% largely due to increases in gaming taxes; Peru cost of goods sold decreased by $1.5 million or 21.3% largely due to the sale of the Thunderbird Resorts – El Pueblo property; Costa Rica cost of goods sold increased by $118 thousand or 6.7% largely due to an increase in gaming taxes; and Nicaragua cost of goods sold increased by $419 thousand or 18.8%, largely due to the addition of the Chinandega property.

- Operating, general and administrative expenses were driven down by 5.7% or $1.4 million as compared to Half-year 2012, with changes by country as follows: Philippines reduced by $924 thousand or 9.8%; Peru reduced by $584 thousand or 7.9%; Costa Rica reduced by $646 thousand or 13.5%; and Nicaragua increased by $410 thousand or 12.9%.

- Adjusted EBITDA[2] fell from $9.6 million to $7.5 million, or by $2.1 million, driven by a $4.7 million decrease in revenue, which was significantly impacted by the sale of Thunderbird Resorts – El Pueblo in the first half of 2012, and offset by decreased expenses as described above.

- Financing costs[3] through Half-year 2013 were driven down by approximately $2.0 million due to reduced principal levels and reduced interest rates as compared to Half-year 2012. Net financing costs[4], which only include financing costs, financing income and other interest (and excluding FOREX gains or losses), increased by $178 thousand as compared to Half-year 2012 largely because of the financing income of $2.6 million experienced in 2012 related to discounts negotiated with various lenders.

- Loss for the period was -$5.25 million through Half-year 2013 as compared to a profit of $1.95 million through Half-year 2012. Half-year 2012 figures benefit from Other gains and losses of approximately $2.6 million related to the sale of Thunderbird Resorts – El Pueblo. The loss was driven primarily by the decrease in revenues as described above and by -$1.7 million in non-cash foreign exchange losses.

- Gross debt[5] was reduced to $66.4 million as of Half-year 2013 from $67.8 million as of December 2012, $77.9 million as of December 2011, $120.9 million as of December 2010, and $168.6 million as of December 2009. This is a gross debt reduction of approximately $103 million in 3.5 years.

Below please find a summary Half-year 2013 consolidated P&L:

	Consolidated Six months ended 30 June			
	2013	2012	Variance	% Change
Net gaming wins	$ 45,168	$ 47,063	$ (1,895)	-4.0%
Food, beverage and hospitality sales	8,001	10,793	(2,792)	-25.9%
Total revenue	53,169	57,856	(4,687)	-8.1%
Cost of goods sold	(21,863)	(22,515)	652	-2.9%
Gross profit	31,306	35,341	(4,035)	-11.4%
Other operating costs				
Operating, general and administrative	(23,898)	(25,340)	1,442	-5.7%
Project development	(62)	(230)	168	-73.0%
Depreciation and amortization	(6,390)	(7,157)	767	-10.7%
Other gains and (losses)	19	2,605	(2,586)	-99.3%
Operating profit	975	5,219	(4,244)	-81.3%
Financing				
Foreign exchange (loss) / gain	(1,712)	907	(2,619)	-288.8%
Financing costs	(3,960)	(6,012)	2,052	-34.1%
Financing income	73	2,577	(2,504)	-97.2%
Other interest	(3)	(277)	274	-98.9%
Finance costs, net	(5,602)	(2,805)	(2,797)	99.7%
(Loss) / profit before tax	(4,627)	2,414	(7,041)	-291.7%
Income taxes expense				
Income taxes expense	(626)	(464)	(162)	34.9%
(Loss) / profit for the period from continuing operations	**$ (5,253)**	**$ 1,950**	**$ (7,203)**	**-369.4%**
(Loss) / profit for the period	**$ (5,253)**	**$ 1,950**	**$ (7,203)**	**-369.4%**

BUSINESS STRATEGY

Management will now focus on developing in Latin America, particularly in markets in which we currently operate. We continue to analyze our businesses, countries and structure regularly. We will announce any strategy changes if and when there are material changes. We look forward to our Annual Shareholders Meeting to be held in Zurich on September 26, 2013 in which strategy will be further discussed.

Sincerely,

Salomon Guggenheim
Chief Executive Officer and President
Thunderbird Resorts Inc.
August 23, 2013

[1] Effective January 1, 2013, IFRS 11 changed the way that joint ventures are accounted for whereby proportional consolidation is no longer allowed and equity accounting should be applied to joint ventures. To enable the reader to best compare results with previous periods, the Group has elected to represent the Costa Rican joint venture proportionally when discussing financial performance in this narrative section of our 2013 Half-year Report. Such presentation varies from the way in which we account for the Costa Rican joint venture in our 2013 Interim Financial Statements and Notes (Chapter 4), which is in compliance with IFRS 11 as described above.

[2] "EBITDA" is not an accounting term under IFRS, and refers to earnings before net interest expense, income taxes, depreciation and amortization, equity in earnings of affiliates, minority interests, development costs, other gains and losses, and discontinued operations. "Property EBITDA" is equal to EBITDA at the country level(s). "Adjusted EBITDA" is equal to property EBITDA consolidated from all operations less "corporate expenses", which are the expenses of operating the parent company and its non-operating subsidiaries and affiliates.

[3] "Financing costs" is defined as the aggregate of loan interest, lease interest and amortization of loan premium, discounts and debt issuance costs.

[4] "Net financing costs" is defined as the aggregate of financing costs, financing income, and other interest, and excludes FOREX.

[5] "Gross debt" has previously been called "debt from continuing and discontinued operations". Gross debt is defined as the aggregate of borrowings, obligations under leases and hire purchase contracts and derivative financial instruments, associated with the Group's continuing, discontinued and held for sale segments.

Chapter 2:
June 30, 2013
Updates by Country

Philippines Update

Description of Properties as of Half-year 2013

On August 11, 2013, the Group announced the sale of its Philippines operations. This event, which is subsequent to the Half-year 2013 period, is more fully described in Chapter 1: Letter from the CEO and under Other Group Updates at the end of this Chapter 2.

This Philippines Update describes the Group's operations in the Philippines as of June 30, 2013. As of that date, the Group operated two integrated resorts anchored by casinos. Below is a table that outlines key information for each property.

Name	Province	Date Acquired	Type	Slots	Table Positions	Hotel Rooms
Thunderbird Resorts - Rizal	Rizal	2005	Hotel & Casino	447	233	41
Thunderbird Resorts - Poro Point	La Union	2006	Hotel & Casino	267	186	48
Total				**714**	**419**	**89**

Note: The Group's core hotel facility in Poro Point has 35 rooms. There are an additional 13 rooms available for rent (for a total of 48 rooms) which rooms are part of 4 villas owned by third parties as resort homes along the property's golf course, and whose owners allow these rooms to be rented within the Group's hotel room pool.

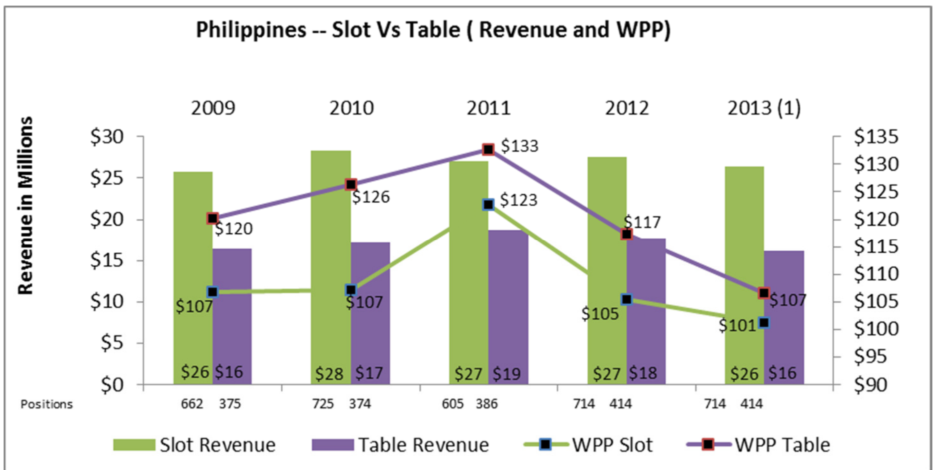
The Group's Thunderbird Resorts - Rizal property, as of June 30, 2013, was an integrated resort anchored by a casino located in a hill area overlooking metro Manila and the country's largest lake. The property is located on the eastern side of Manila, while all other significant casino developments are on the western side of Manila. The hotel is a luxury boutique with 41 suites, 3 restaurants, an event center and sits on a private 18-hole golf course to which hotel guests have access. The event center was opened in February 2011. In Q4 2012 and Q1 2013, the Group opened 109 new slot positions and 28 new table positions for a total of 447 slot machines and 228 table positions operating in this property.

The Group's Thunderbird Resorts - Poro Point property, as of June 30, 2013, was an integrated resort anchored by a casino located in Poro Point, a peninsula that extends into the South China Sea and was previously the site of a U.S. Air Force base. Poro Point is located in the City of San Fernando in the province of La Union. In 2005, the Group obtained a 25-year lease on this 130-acre tract of land on which we have opened a luxury 36-room hotel, a nine-hole golf course and a casino with 267 slot machines and 186 table positions. In Q1 2012, the land lease for Poro Point was extended for an additional 25 years until 2055.

Financial Performance of Half-year 2013

The Philippines contributed 45% of both our revenues and consolidated property EBITDA through Half-year 2013. Below, please see our analysis of material variances from our 2012 Thunderbird Philippines segment results.

- Revenue for Half-year 2013 reduced by $2.0 million or -7.7% as compared to June 2012. Revenues from food, beverage and hospitality sales decreased by 6.4% or $190 thousand vs. Half-year 2012, while gaming revenues fell by $1.8 million or -7.8%.



(1) 2013 revenues and WWP have been annualized for comparative purposes.

- Costs of goods sold increased by 2.3% or $271 thousand due to higher gaming taxes and promotional allowances.

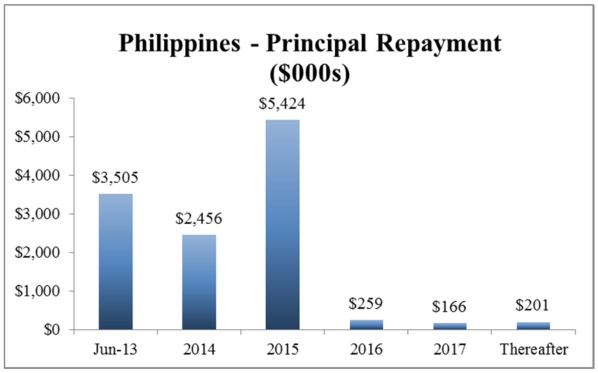
- Operating, general and administrative expenses were reduced by 9.8% or $924 thousand, continuing with the positive expense control trend experienced over the last six months.

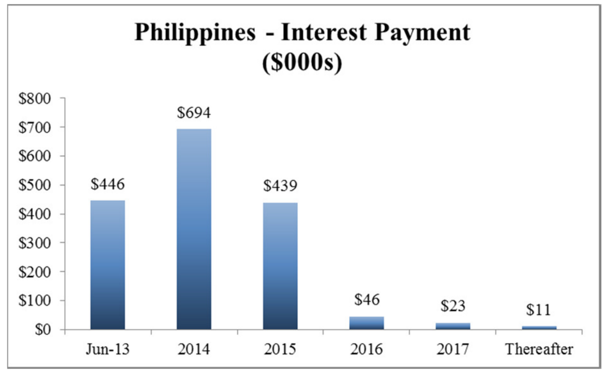
- Property EBITDA fell from $6.4 million to $4.5 million, or by $1.9 million, driven by a $2.0 million decrease in revenue.

- Financing costs were driven down 26.5% or $215 thousand as the Group continued to pay down debt. Below are graphs showing our expected principal and interest payments based on loan contracts effective as of June 30, 2013.

- Profit before tax decreased by 120.5% to a loss of $477 thousand through Half-year 2013 as compared to a profit of $2.3 million through Half-year 2012. Besides the revenue drop and the increase in cost of goods sold, Philippines' profit was negatively impacted by a loss in foreign exchange of $597 thousand as compared to a gain of $540 thousand through Half-year 2012.

Below are graphs exhibiting our expected principal and interest payments based on loan contracts effective as of June 30, 2013.





Below is a summary P&L for June 2013 as compared to June 2012.

	Philippines Six months ended 30 June 2013	Philippines Six months ended 30 June 2012	Variance	% Change
Net gaming wins	$ 21,073	$ 22,863	$ (1,790)	-7.8%
Food, beverage and hospitality sales	2,783	2,973	(190)	-6.4%
Total revenue	23,856	25,836	(1,980)	-7.7%
Cost of goods sold	(11,937)	(11,666)	(271)	2.3%
Gross profit	11,919	14,170	(2,251)	-15.9%
Other operating costs				
Operating, general and administrative	(8,482)	(9,406)	924	-9.8%
Project development	(1)	(2)	1	-50.0%
Depreciation and amortization	(2,722)	(2,697)	(25)	0.9%
Other gains and (losses)	(12)	(2)	(10)	500.0%
Operating profit	702	2,063	(1,361)	-66.0%
Financing				
Foreign exchange (loss) / gain	(597)	540	(1,137)	-210.6%
Profit / (loss) from equity investee	-	-	-	0.0%
Financing costs	(595)	(810)	215	-26.5%
Financing income	13	531	(518)	-97.6%
Finance costs, net	(1,179)	261	(1,440)	-551.7%
(Loss) / profit before tax	$ (477)	$ 2,324	$ (2,801)	-120.5%

Peru Update

Description of Properties as of Half-year 2013

In Peru, the Group operates one integrated resort anchored by a casino, manages three independently-owned hotels, and owns and operates four standalone gaming venues. Below is a table that outlines key information for each property.

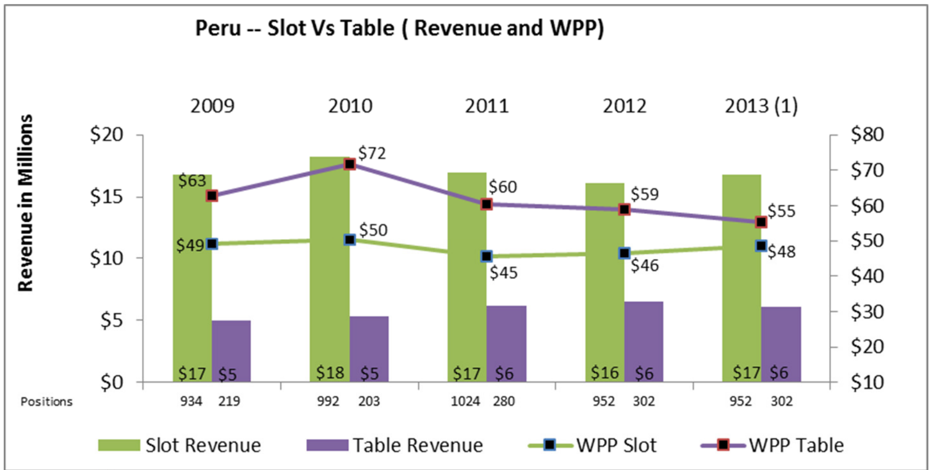
Name	Province	Date Acquired	Date Sold	Type	Slots	Table Positions	Hotel Rooms
Fiesta Hotel & Casino	Lima	2007	NA	Hotel & Casino	427	232	66
Thunderbird Resort - El Pueblo (Management Contract)	Lima	2007	2012	Resort under management	-	-	235
Thunderbird Hotel Pardo (Management Contract)	Lima	2007	2010	Hotel under management	-	-	64
Thunderbird Hotel Carrera (Management Contract)	Lima	2007	2011	Hotel under management	-	-	99
Luxor	Lima	2010	NA	Slot Parlor	179	-	-
Mystic Slot	Cusco	2010	NA	Slot Parlor	102	-	-
El Dorado	Iquitos	2010	NA	Slot Parlor	97	-	-
Luxor	Tacna	2010	NA	Casino	147	70	-
Peru Total					**952**	**302**	**464**

The Group's Fiesta Hotel & Casino property is an integrated resort anchored by a casino located in the heart of Lima's prime Miraflores district. The hotel has 66 suites, 3,750 square meters of office space and 308 parking spaces. The casino is approximately 5,740 square meters with 427 slot machines and 232 table positions.

Financial Performance in Half-year 2013

Peru contributed 28% of Group revenue and 27% of consolidated property EBITDA as of June 30, 2013. Below, please see our analysis of material variances from our Half-year 2012 Thunderbird Peru segment results.

- Revenues from the sale of Thunderbird Resorts – El Pueblo in 2012 were equal to \$2.9 million through Half-year 2012. Revenues through Half-year 2013 in Peru decreased by \$2.3 million, meaning continuing operations had revenue growth of approximately \$600 thousand.



(1) 2013 Revenues and WWP have been annualized for comparative purposes.

- Cost of goods sold decreased by 21.3% or $1.5 million as compared to through Half-year 2012, largely due to the sale of the Thunderbird Resorts – El Pueblo in Q2 2012.

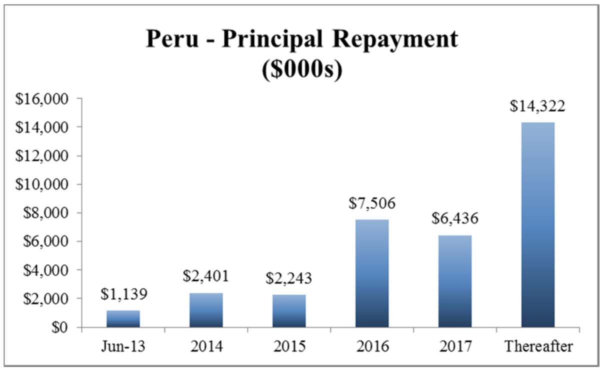
- Operating, general and administrative expenses were driven down by 7.9% or $584 thousand when compared to Half-year 2012.

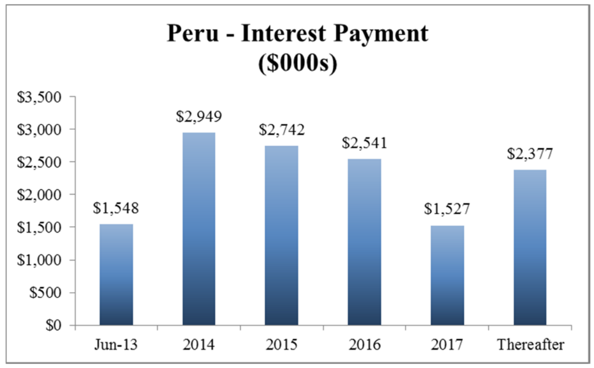
- Property EBITDA fell from $3.0 million to $2.7 million, or by $0.3 million due to the significant reduction in revenues as a result of the sale of Thunderbird Resort - El Pueblo, though offset by significant expense reductions as described above.

- Financing costs decreased by 74.7% or $2.0 million mainly due to the restructuring of Peru debt in 2012. As of June 2013, the annualized run rate of finance costs is approximately $1.4 million or 50% of the Half-year 2012 finance costs.

- Loss before tax was -$1.7 million through Half-year 2013 as compared to a gain of $2.6 million through Half-year 2012. The difference is primarily attributed to: a) Other gain of $3.0 million from the sale of Thunderbird Resort – El Pueblo in 2012; and b) Foreign exchange losses of -$1.4 million through Half-year 2013 as compared to a gain of $224 thousand through Half-year 2012.

Below are graphs exhibiting our expected principal and interest payments based on loan contracts effective as of June 30, 2013.





Below is a summary P&L for June 2013 as compared to June 2012.

	Peru Six months ended 30 June			
	2013	2012	Variance	% Change
Net gaming wins	$ 11,293	$ 10,978	$ 315	2.9%
Food, beverage and hospitality sales	3,533	6,128	(2,595)	-42.3%
Total revenue	14,826	17,106	(2,280)	-13.3%
Cost of goods sold	(5,402)	(6,861)	1,459	-21.3%
Gross profit	9,424	10,245	(821)	-8.0%
Other operating costs				
Operating, general and administrative	(6,835)	(7,420)	585	-7.9%
Depreciation and amortization	(2,196)	(2,956)	760	-25.7%
Other gains and (losses)	(4)	3,008	(3,012)	-100.1%
Operating profit	389	2,877	(2,488)	-86.5%
Financing				
Foreign exchange (loss) / gain	(1,449)	224	(1,673)	-746.9%
Financing costs	(679)	(2,686)	2,007	-74.7%
Financing income	53	2,154	(2,101)	-97.5%
Other interest	(2)	-	(2)	100.0%
Finance costs, net	(2,077)	(308)	(1,769)	574.4%
(Loss) / profit before tax	$ (1,688)	$ 2,569	$ (4,257)	-165.7%

Costa Rica Update

Description of Properties as of Half-year 2013

Effective January 1, 2013, IFRS 11 changed the way that joint ventures are accounted for whereby proportional consolidation is no longer considered to be an appropriate method to present investments in joint ventures and that equity accounting should be applied. To enable the reader to best compare results with previous periods, the Group has elected to represent the Costa Rican joint venture proportionally when discussing financial performance in this narrative section of our 2013 Half-year Report. Such presentation varies from the way in which we account for the Costa Rican joint venture in our 2013 Interim Financial Statements and Notes (Chapter 4), which is in compliance with IFRS 11 as described above.

In Costa Rica, the Group has a 50-50 joint venture with a local shareholder for all operations, except for that of the Group's largest casino in the country Fiesta Casino – Holiday Inn Express, which the Group consolidates as a subsidiary (100% ownership) undertaking and recognizes the non-controlling interest within reserves. Below is a table with key information for each property.

Name	Province	Date Acquired	Type	Slots	Table Positions	Hotel Rooms
Fiesta Casino – Holiday Inn Express	San José	2005	Casino	378	58	—
Fiesta Casino – Hotel El Presidente	San José	2003	Casino	229	—	—
Fiesta Casino – Hotel America Heredia	Heredia	2005	Casino	235	27	—
Fiesta Casino- Ramada Plaza Herradura	San José	2007	Casino	182	47	—
Lucky's – Perez Zeledon	San José	2007	Slot Parlor	122	—	—
Lucky's – San Carlos	San Carlos	2006	Slot Parlor	43	—	—
Lucky's – Guapiles	Guapiles	2006	Slot Parlor	77	—	—
Lucky's – Tournon	Tournon	2006	Slot Parlor	55	—	—
Lucky's – Colon	Colon	2008	Slot Parlor	75	—	—
Hotel Diamante Real	San José	2008	Hotel	—	—	21
Costa Rica Total				**1,396**	**132**	**21**

The Group's largest and most complete operation in Costa Rica is the Fiesta Casino adjacent to the international airport and to a Holiday Inn Express.

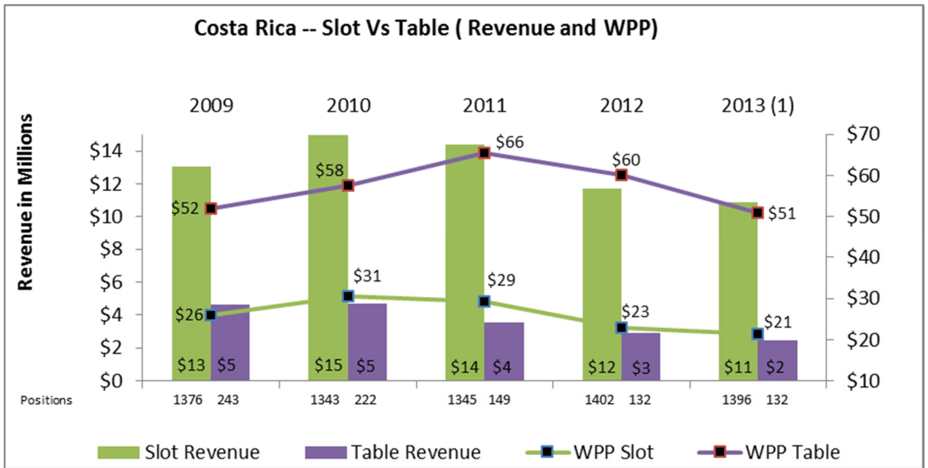
The Group's joint venture operations in Costa Rica owns two properties that it has been developing for several years as integrated resorts anchored by casinos, both of which are located in prime locations in San Jose, the country's capital. The first and most advanced is the Thunderbird Resorts - Tres Rios, in which the Costa Rica operations have invested approximately $17.6 million (the Group's share being $8.8 million) to acquire the land and to build infrastructure including a highway off-ramp, internal roads, utilities and 7 commercial lots for sale or lease to third parties. The Group is actively pursuing long-term real estate debt and other debt funding of approximately $22.4 million to complete the construction in progress, which when completed will release additional income potential and value for the Costa Rican operations. Design and construction drawings and bid requests are ongoing. This 11-hectare property, if and when opened, is designed to include a 103-room hotel with a convention center with a capacity for 250 attendees and a casino with approximately 198 gaming positions.

The second property that the Group's Costa Rican operations owns is a 2.7-hectare property located in the Escazu area of San Jose, which is also an ideal location to develop an integrated resort anchored by a casino. The Group's Costa Rica operations have already invested approximately $4.4 million (the Group's share being $2.2 million), but it is unlikely that the Group will further develop this property during 2013.

Financial Performance in 2013

Costa Rica contributed 14% of Group revenue and 17% of consolidated property EBITDA as of June 30, 2013. Below, please see our analysis of material variances from our Half-year 2012 Costa Rica segment results.

- Revenues for Half-year 2013 decreased by 15.7% or $1.4 million year-over-year due to a smoking ban that went into effect in Costa Rica in early April 2012 that has materially impacted revenues ever since (after ban average monthly revenue is approximately $1.1 million). The Group believes that the lack of full revenue recovery is related in part to several years of high inflation that may have reduced disposable income for entertainment in the market.



(1) 2013 Revenues and WWP have been annualized for comparative purposes.

- Cost of goods sold increased by 6.7% due to higher legally mandated gaming taxes as compared to Half-year 2012.

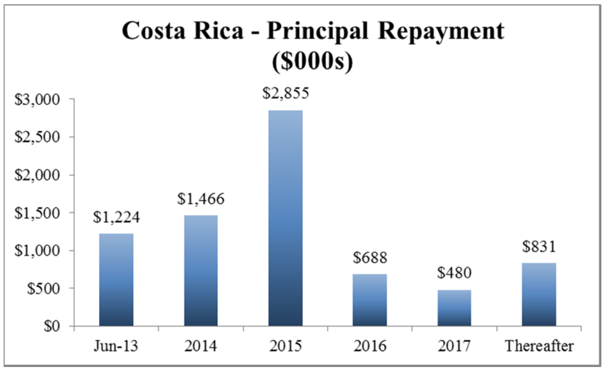
- Operating, general and administrative expenses were driven down by 13.5% or $646 thousand as management reacted aggressively to its loss of revenue caused by the smoking ban. We expect further improvement in this area in the quarters ahead.

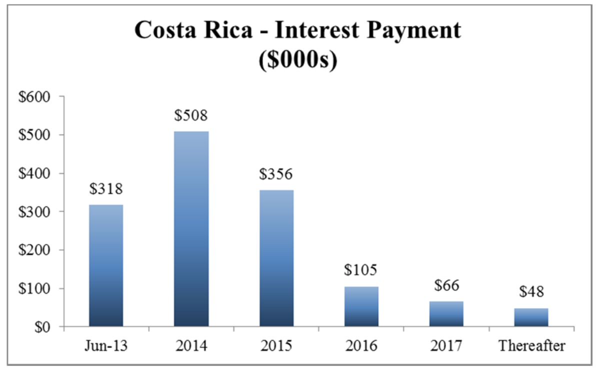
- Property EBITDA fell from $2.3 million to $1.7 million, or by $0.6 million, driven by a $1.4 million reduction in sales and offset by expense reductions as described above.

- Financing costs remained flat when compared with Half-year 2012, experiencing a marginal reduction of $13 thousand.

- Profit before tax decreased by 96.3% to $40 thousand through Half-year 2013 as compared to approximately $1.1 million through Half-year 2012. The negative impact in revenues caused by the smoking ban imposed in Q2 2012 and by the continuing market softness could not be offset by reduction in expenses.

Below are graphs exhibiting our expected principal and interest payments based on loan contracts effective as of June 30, 2013.





Below is a summary P&L for June 2013 as compared to June 2012.

	Costa Rica Six months ended 30 June			
	2013	**2012**	**Variance**	**% Change**
Net gaming wins	$ 6,625	$ 7,836	$ (1,211)	-15.5%
Food, beverage and hospitality sales	705	861	(156)	-18.1%
Total revenue	7,330	8,697	(1,367)	-15.7%
Cost of goods sold	(1,880)	(1,762)	(118)	6.7%
Gross profit	5,450	6,935	(1,485)	-21.4%
Other operating costs				
Operating, general and administrative	(4,123)	(4,769)	646	-13.5%
Project development	(35)	(79)	44	-55.7%
Depreciation and amortization	(1,051)	(1,133)	82	-7.2%
Other gains and (losses)	(16)	4	(20)	-500.0%
Operating profit	225	958	(733)	-76.5%
Financing				
Foreign exchange gain	198	324	(126)	-38.9%
Financing costs	(383)	(396)	13	-3.3%
Financing income	-	191	(191)	-100.0%
Finance costs, net	(185)	119	(304)	-255.5%
Profit before tax	$ 40	$ 1,077	$ (1,037)	-96.3%

Nicaragua Update

Description of Properties as of Half-year 2013

In Nicaragua, the Group operates five standalone casinos. Below is a table that outlines information for of each property.

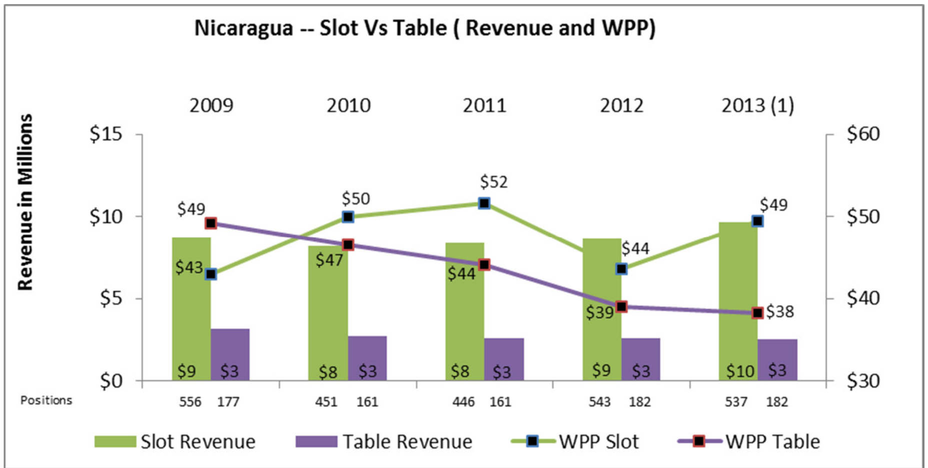
Name	Location	Date Acquired	Type	Slots	Table Positions	Hotel Rooms
Pharaoh's Casino – Highway to Masaya	Managua	2000	Casino	148	91	—
Pharaoh's Casino – Camino Real	Managua	2005	Casino	111	28	—
Pharaoh's Casino – Holiday Inn	Managua	2006	Casino	83	21	—
Zona Pharaoh's – Bello Horizonte	Managua	2008	Casino	100	21	—
Pharaoh's Casino	Chinandega	2012	Casino	95	21	—
Nicaragua Total				537	182	0

The Group's largest operation in Nicaragua is the Pharaoh's Casino on the highway to Masaya, which is the main thoroughfare in the heart of Managua. The property is located across from an Intercontinental Hotel and close to high-end shopping.

Financial Performance for Half-year 2013

Nicaragua was our smallest contributor as on June 2013 to both Group revenue (13%) and consolidated property EBITDA (10%). Below, please see our analysis of material variances from our Half-year 2012 Thunderbird Nicaragua Segment Result.

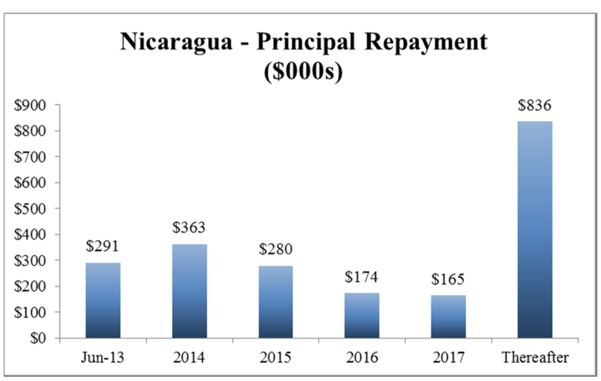
- Revenues for Half-year 2013 increased by 15.3% or $935 thousand year-over-year mainly due to the inclusion of the Casino Chinandega, which opened in Q4 2012, and also due to improved win per gaming position from continuing operations.

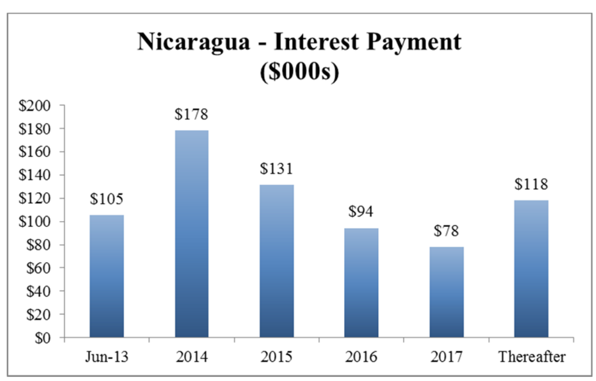


(1) 2013 Revenues and WWP have been annualized for comparative purposes.

- Costs of goods sold increased by 18.8% or $419 thousand, 36% of the increase or $152 thousand was due to higher promotional allowances.
- Operating, general and administrative expenses increased by 12.9% or $410 thousand as a result of the addition of the Chinandega casino (which did not operate until Q4 2012), and the particular impact of inflation over the food and beverage expense.
- Property EBITDA increased by $70 thousand from $0.9 million to $1.0 million.
- Financing costs, which are minimal in Nicaragua, increased by $57 thousand.
- Profit before tax increased by 15.8% or $28 thousand as compared to Half-year 2012.

Below are graphs exhibiting our expected principal and interest payments based on loan contracts effective as of June 30, 2013.





Below is a summary P&L June 2013 as compared to June 2012.

	Nicaragua Six months ended 30 June 2013	2012	Variance	% Change
Net gaming wins	$ 6,177	$ 5,387	$ 790	14.7%
Food, beverage and hospitality sales	870	725	145	20.0%
Total revenue	7,047	6,112	935	15.3%
Cost of goods sold	(2,644)	(2,225)	(419)	18.8%
Gross profit	4,403	3,887	516	13.3%
Other operating costs				
Operating, general and administrative	(3,595)	(3,186)	(409)	12.8%
Project development	-	(104)	104	-100.0%
Depreciation and amortization	(347)	(253)	(94)	37.2%
Other gains and (losses)	(1)	(2)	1	-50.0%
Operating profit	460	342	118	34.5%
Financing				
Foreign exchange (loss)	(132)	(102)	(30)	29.4%
Financing costs	(124)	(67)	(57)	85.1%
Financing income	1	3	(2)	-66.7%
Finance costs, net	(255)	(166)	(89)	53.6%
Profit before tax	$ 205	$ 176	$ 29	16.5%

Other Group Updates

In 2013 year-to-date, the Group has announced material events and entered into material contracts as follows:

- New President and CEO: Salomon Guggenheim was named President and CEO of the Company and retained his position as Chairman of the Board of Directors. Mr. Guggenheim has worked closely with Management since 2002 when he first joined the Company as Director. Peter LeSar, who was appointed interim CEO and President in June 2012, continues as CFO.

- Working Capital Loan: Reto Stadelmann has been a Director of the Group commencing in June 2012. Mr. Stadelmann loaned the Company $400,000 in January 2013, which paid an interest rate of 12% and was repaid on May 31, 2013. Mr. Stadelmann made a second working capital loan of $1.0 million on June, 2013 which pays an 8% rate and is to be repaid on or before October 31, 2013.

- Refinancing of Real Estate: The Group owns two properties in the Republic of Panama, one which functions as the Group's corporate headquarters ("TESA building"), and the other is an office space rented to third parties ("Globus office"). In 2013, the TESA building and the Globus office were jointly refinanced with a Panamanian bank under the following terms: a) Term length of 5 years (that may be extended for 2 additional periods of 5 years); b) Interest rate of 7.75%; and c) Amount funded of approximately $2.4 million.

- Unsecured Loan and Salary Deferrals: In April 2013, with the objective to improve the cash flow for corporate entities and as one of the Group's liquidity tools, the Group reached agreements with certain unsecured lenders to defer some loan payments and, to align management to lenders, all officers agreed to partial salary deferrals through approximately August 2, 2013.

- Sale of Philippines Operations: As a subsequent event to the June 30, 2013 reporting period in this 2013 Half-year Report, on August 11, 2013 the Group's Philippine operations were sold to Magnum Leisure Holdings Inc and its related entities (collectively "Magnum"), which are affiliated with Solar Entertainment Corporation ("Solar"). The net price was approximately $25 million and approximately $9.2 million of Group debt was paid down or assumed by the buyers. Thunderbird has also executed a 36-month non-compete agreement with Magnum in the Philippines, cancelled its management contracts related to the subject operations, and granted Magnum rights to use certain registered Thunderbird brands or marks in the Philippines only. Of the net proceeds: a) approximately $5 million will be paid via a promissory note that will amortize over approximately 18 months at a 7% interest rate and is guaranteed by a letter of credit issued be a major banking institution; and b) approximately $5 million will be subject to hold backs by Magnum for up to 30 months to cover potential contingent liabilities.

- July 2013 Revenue Report: The Group reports the following revenues for July 2013:

Thunderbird Resorts Inc. – Group-wide sales results by country (unaudited, *in millions*) [1]	**July 2013**	**July 2012**	**Year-over-year increase/(decrease)**
Philippines	$ 3.94	$ 4.37	-9.84%
Peru [2]	2.57	2.36	8.90%
Costa Rica [3]	1.30	1.29	0.78%
Nicaragua	1.12	1.07	4.67%
Total Consolidated Operating Revenues	**$ 8.93**	**$ 9.09**	**-1.76%**

[1] Revenues reported are based on monthly average exchange rates, report same store revenues and are in USD millions.
[2] 2013 and 2012 revenues consist of all gaming revenue in the country plus revenue from our fully-owned Fiesta Hotel and management fees for the Thunderbird Hotel – Pardo, Thunderbird Hotel – Carrera and Thunderbird Hotel – El Pueblo, which are owned by third parties.
[3] Effective January 1, 2013, IFRS 11 changed the way that joint ventures are accounted for whereby proportional consolidation is no longer allowed and equity accounting should be applied to joint ventures. Until further notice and for the convenience of the reader and for the illustrative purposes of this monthly revenue report, the Group has elected to continue to show the Costa Rican joint venture proportional revenues, which may vary from the way that the Group will account for these revenues in our Interim and Annual Financial Statements.

Chapter 3:
Other Key Items

Employees

As of June 30, 2013, we had 2,884 employees, including 1,193 in the Philippines, 471 in Nicaragua, 819 in Peru, 364 in Costa Rica and 37 elsewhere. Post the sale of the Philippines, our total employees will be reduced to the approximately 1,700 employees located in other markets.

Incorporation and Trading Market

Unless otherwise specified or the context so requires, "Thunderbird Resorts Inc.", "the Company", "the Group", "it" and "its" refer to Thunderbird Resorts Inc. and all its Group companies as defined in Article 24b Book 2 of the Dutch Civil Code.

The Group is registered in the British Virgin Islands with common shares traded under the symbol TBIRD on the NYSE Euronext Amsterdam, the regulated market of NYSE Euronext Amsterdam N.V. ("NYSE Euronext"). The Group has adopted the U.S. dollar ("USD") as its reporting currency. As required by EU regulation, the Group's interim consolidated financial statements have been prepared in accordance with international financial reporting standards ("IFRS") and IAS 34.

Our existing common shares are traded on the NYSE Euronext Amsterdam under the symbol TBIRD and on the Regulated Unofficial Market of the Frankfurt Stock Exchange under the symbol 4TR. Our Group external auditor for 2012 is Grant Thornton UK LLP.

The Company is a British Virgin Islands corporation that is domiciled in the British Virgin Islands. The registered office is at Icaza, González-Ruiz & Alemán (BVI) Trust Limited, Vanterpool Plaza, Second Floor, Road Town, Tortola, BVI and our principal executive offices are located at Calle Alberto Navarro, El Cangrejo, Apartado 0823-00514, Panama City, Panama. Our telephone number is (507) 223-1234. Our website is www.thunderbirdresorts.com.

Outlook

Following the sale of Philippine operations, we are evaluating additional expansion opportunities in our existing markets. These potential expansions, if any, will be affected by and determined by several key factors, including: (i) the outcome of any license selection processes; (ii) identification of and agreement with appropriate local partners, if any; (iii) availability of acceptable financing; and (iv) the expected risk-adjusted return on our investment. Any such project may require us to make substantial investments or may cause us to incur substantial costs related to the investigation and pursuit of such opportunities, which investments and costs we may fund through cash flow from operations only after careful consideration. To the extent such source of funds is insufficient; we may also seek to raise such additional funds through public or private equity or debt financings, at the project level, country level or through Thunderbird Resorts Inc. Any such additional financing may not be available on attractive terms, or at all. Potential lack of additional financing may also affect our ability to repay current indebtedness, part of which is currently being re-negotiated. If we cannot successfully renegotiate certain terms of our indebtedness, we may be forced to sell certain of our assets or a portion of our equity interest in some of our operating entities. Furthermore, if we default on our indebtedness, this may adversely affect our cash flow, our ability to operate our business, and the market price of our common shares.

Capital Resources and Liquidity

The Group measures its liquidity needs by:

- Monitoring short-term obligations on a country-by-country and global, consolidated basis, with short-term inflows and outflows forecasted for the financial year, updated weekly.
- Monitoring long-term, scheduled debt servicing payments.
- Rolling forward 5-year cash flow models each month based on the financial results year-to-date through the previous month.

The Group has the capacity to manage liquidity with different tools at its disposal, including:

- Allocating and/or reserving cash on hand.
- Raising of debt or equity capital at both the operations and Group levels.
- Selling of non-strategic assets.
- Restructuring or deferral of unsecured lenders.
- Restructuring of salaries of key personnel.
- Deferral or aging of accounts payables.
- Cost management programs at both the operations and Group levels.

Based upon our current expectations for the second half of 2013 and with the sale of the Philippines operations, we anticipate that our available cash balances, our cash flow from operations and available borrowing capacity under our existing credit arrangements will be sufficient to fund our liquidity requirements for at least the next 18 months.

Management's statement on "going concern"

Please refer to note 2 to the interim consolidated financial statements.

Access to Capital

The Group's long-term capital resources may include equity and debt offerings (public and/or private) and/or other financing transactions, in addition to cash generated from our operations. Accordingly, we may access the capital markets (equity and debt) from time-to-time to partially refinance our capital structure and to fund other needs including ongoing working capital needs.

Our ability to satisfy future capital needs in the long term may depend on our ability to raise additional capital (debt and/or equity at the parent or subsidiary level). No assurance can be made that we will be able to raise the necessary funds on satisfactory terms. After evaluating the Group performance, its markets, general market conditions, and the matters noted above, the Directors have a reasonable expectation that the Group has or will secure adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis in preparing the interim consolidated financial statements.

Indebtedness and Contractual Obligations

Our total long-term indebtedness, interest and other known contractual obligations are summarized below as of June 30, 2013. The contractual obligations for short-term and long-term debt reflect our historical debt levels and reflect the debt repayments that will actually be due under our capital structure as of the date of this 2013 Half-year Report.

	Six months ended Dec 31, 2013	2014	2015	2016	2017	2018	Thereafter	Total
Long-term bank loans	$ 9,931	$ 9,810	$ 18,570	$ 4,791	$ 5,892	$ 6,134	$ 13,651	$ 68,779
Finance lease obligations	1,258	741	357	40	13	3	-	2,412
Convertible debt notes	583	748	748	6,081	2,783	-	-	10,943
Trade payables	11,279	-	-	-	-	-	-	11,279
Due to related parties	1,924	-	-	-	-	-	-	1,924
Total	**$ 24,975**	**$ 11,299**	**$ 19,675**	**$ 10,912**	**$ 8,688**	**$ 6,137**	**$ 13,651**	**$ 95,337**

Subsidiary debt arrangements and debt: Our joint ventures and operating subsidiaries typically finance their projects with indebtedness, either borrowed from us or from third party lenders. As of June 30, 2013, our joint venture owed us an aggregate of $60 thousand.

Quantitative and qualitative disclosures about market risk: Market risk is the risk of loss arising from adverse changes in market rates and prices, such as interest rates, foreign currency exchange rates and commodity prices. Our primary exposure to market risk is exchange rate risk associated with the currencies of the jurisdictions in which we operate. Foreign currency translation gains and losses were material to our results of operations for the six months ended June 30, 2013 and may continue to be material in future periods. We do not currently hedge our exposure to foreign currency, however, since we operate in countries that are subject to local currency fluctuations against the dollar, we are exposed to market risks from changes in foreign currency exchange rates, and we may engage in hedging transactions in the future. We do not hold or issue financial instruments for trading purposes and do not enter into derivative transactions that would be considered speculative positions. We do not have any material floating-rate indebtedness. We may be subject to government policies that suppress foreign investment and economic development. In addition, governments may be provoked by organized religious groups or other organized groups to oppose casinos.

Off balance sheet arrangements and commitments: We have no off-balance sheet arrangements except for operating lease commitments described under "Indebtedness and contractual obligations."

Inflation: We believe that the principal risk to us from inflation is the effect that increased prices may have on labor costs and on the costs associated with the development and construction of new projects. We believe that we are not exposed to extraordinary inflation risk.

Risks and Regulatory Environment: While the Board of Management continually attempts to identify risks at all levels of the organization and undertake the development of corrective actions, the constant changes in the worldwide business environment have made it challenging to keep abreast of the rapidly evolving conditions. The Group's management has reviewed the risk profile and regulatory environment throughout the first half of 2013 and will continue to do so during the remainder of 2013. No new material risks have been identified that have not already been disclosed in this 2013 Half-year Report or the 2012 Annual Report, Chapter 5, "Regulatory Environment" and Chapter 10, Risk Factors. See also note 25 "Contingencies" in the 2012 Annual Report.

Chapter 4:
Interim Consolidated Financial Statements

Financial Statements

THUNDERBIRD RESORTS INC.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(Expressed in thousands of United States dollars)
As of June 30, 2013 and December 31, 2012

	June 30, 2013	December 31, 2012 (Restated)
Assets		
Non-current assets		
Property, plant and equipment (Note 8)	$ 68,685	$ 76,055
Intangible assets	11,901	11,970
Investment accounted for using the equity method	3,804	3,902
Deferred tax asset (Note 7)	701	802
Trade and other receivables	3,944	4,602
Total non-current assets	89,035	97,331
Current assets		
Trade and other receivables	25,093	23,400
Inventories	1,284	1,354
Restricted cash	2,900	3,388
Cash and cash equivalents	4,590	5,118
Total current assets	33,867	33,260
Total assets	**$ 122,902**	**$ 130,591**

- continued -

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

THUNDERBIRD RESORTS INC.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
(Expressed in thousands of United States dollars)
As of June 30, 2013 and December 31, 2012

	June 30, 2013	December 31, 2012 (Restated)
Equity and liabilities		
Capital and reserves		
Share capital (Note 11)	$ 110,077	$ 109,969
Reserves - share commitments	48	-
Share option reserve	749	783
Retained earnings	(87,131)	(81,648)
Translation reserve	2,282	4,523
Equity attributable to equity holders of the parent	26,025	33,627
Non-controlling interest	8,472	8,218
Total equity	34,497	41,845
Non-current liabilities		
Borrowings (Note 9)	49,790	51,216
Obligations under leases and hire purchase contracts (Note 10)	743	1,553
Derivative financial instruments	3	21
Other financial liabilities	483	378
Deferred tax liabilities (Note 7)	34	37
Provisions	3,211	3,196
Due to related parties (Note 13)	1,012	947
Trade and other payables	5,865	5,542
Total non-current liabilities	61,141	62,890
Current liabilities		
Trade and other payables	11,752	12,412
Due to related parties (Note 13)	1,924	1,800
Borrowings (Note 9)	7,669	6,189
Obligations under leases and hire purchase contracts (Note 10)	1,475	1,280
Other financial liabilities	2,155	2,005
Current tax liabilities	1,007	594
Provisions	1,282	1,576
Total current liabilities	27,264	25,856
Total liabilities	88,405	88,746
Total equity and liabilities	**$ 122,902**	**$ 130,591**

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

THUNDERBIRD RESORTS INC.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Expressed in thousands of United States dollars)

For the six months ended June 30, 2013

	Six months ended June 30 (unaudited)		Three months ended June 30 (unaudited)	
	2013	2012 (Restated)	2013	2012 (Restated)
Net gaming wins	$ 42,201	$ 43,391	$ 20,655	$ 21,701
Food, beverage and hospitality sales	7,818	10,556	3,996	5,119
Total revenue	50,019	53,947	24,651	26,820
Cost of goods sold	(20,996)	(21,718)	(10,350)	(11,020)
Gross profit	29,023	32,229	14,301	15,800
Other operating costs				
Operating, general and administrative	(22,456)	(23,531)	(11,389)	(11,859)
Project development	(27)	(151)	(5)	(102)
Depreciation and amortization (Note 8)	(5,587)	(6,320)	(2,650)	(3,163)
Other gains and (losses) (Note 5)	35	2,605	66	2,465
Operating profit	988	4,832	323	3,141
Financing				
Foreign exchange (loss) / gain	(1,884)	598	(1,849)	(313)
Share of (loss) / profit from equity accounted investments	(238)	192	(196)	(62)
Financing costs (Note 6)	(3,611)	(5,674)	(1,773)	(3,491)
Financing income (Note 6)	73	2,577	43	2,279
Other interest (Note 6)	(3)	(277)	(1)	(277)
Finance costs, net	(5,663)	(2,584)	(3,776)	(1,864)
(Loss) / profit before tax	(4,675)	2,248	(3,453)	1,277
Income taxes expense (Note 7)				
Current	(541)	(309)	(341)	(145)
Deferred	(47)	-	21	-
Income taxes expense	(588)	(309)	(320)	(145)
(Loss) / profit for the year	**$ (5,263)**	**$ 1,939**	**$ (3,773)**	**$ 1,132**
Other comprehensive income				
Exchange differences arising on the translation of foreign operations	$ (2,241)	$ 1,298	$ (2,296)	$ 1,065
Other comprehensive income for the year	(2,241)	1,298	(2,296)	1,065
Total comprehensive income for the year	**$ (7,504)**	**$ 3,237**	**$ (6,069)**	**$ 2,197**
Profit for the year attributable to:				
Owners of the parent	(5,517)	881	(3,742)	829
Non-controlling interest	254	1,058	(31)	303
	$ (5,263)	$ 1,939	$ (3,773)	$ 1,132
Total comprehensive income attributable to:				
Owners of the parent	(7,758)	2,179	(6,038)	1,894
Non-controlling interest	254	1,058	(31)	303
	$ (7,504)	$ 3,237	$ (6,069)	$ 2,197
Basic (loss) / earnings per share (in $): (Note 12)	(0.24)	0.04	(0.16)	0.04
Diluted (loss) / earnings per share: (Note 12)	(0.24)	0.04	(0.16)	0.04

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

THUNDERBIRD RESORTS INC.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
(Expressed in thousands of United States dollars)
For the six months ended June 30, 2013

	Attributable to equity holders of parent							
	Share capital	Reserves - share commitments	Share options reserve	Currency translation reserve	Retained earnings	Total	Non-controlling Interest	Total equity
Balance at January 1, 2012 (restated)	$ 105,850	$ 9,116	$ -	$ 1,996	$ (80,635)	$ 36,327	$ 7,810	$ 44,137
Recognition of share based payments	451	-	-	-	-	451	-	451
	$ 106,301	$ 9,116		$ 1,996	$ (80,635)	$ 36,778	$ 7,810	$ 44,588
Profit for the period	-	-	-	-	881	881	1,058	1,939
Other comprehensive income:								
Exchange differences arising on translation of foreign operations	-	-	-	1,298	-	1,298	-	1,298
Total comprehensive income for the period	-	-		1,298	881	2,179	1,058	3,237
Balance at June 30, 2012 (unaudited)(restated)	$ 106,301	$ 9,116	$ -	$ 3,294	$ (79,754)	$ 38,957	$ 8,868	$ 47,825
Recognition of share based payments	194	-	-	-	-	194	-	194
Recognition of shares in trust of loan	355	-	-	-	-	355	-	355
Cancellation of restricted shares	(381)	-	-	-	-	(381)	-	(381)
Reclasification between reserves	3,500	(9,116)	783	-	4,833	-	-	-
	$ 109,969	$ -	$ 783	$ 3,294	$ (74,921)	$ 39,125	$ 8,868	$ 47,993
Loss for the period	-	-	-	-	(6,727)	(6,727)	(650)	(7,377)
Other comprehensive income:								
Exchange differences arising on translation of foreign operations	-	-	-	1,229	-	1,229	-	1,229
Total comprehensive income for the period	-	-	-	1,229	(6,727)	(5,498)	(650)	(6,148)
Balance at December 31, 2012 (audited)(restated)	$ 109,969	$ -	$ 783	$ 4,523	$ (81,648)	$ 33,627	$ 8,218	$ 41,845

	Attributable to equity holders of parent							
	Share capital	Reserves - share commitments	Share options reserve	Currency translation reserve	Retained earnings	Total	Non-controlling Interest	Total equity
Balance at January 1, 2013	$ 109,969	$ -	$ 783	$ 4,523	$ (81,648)	$ 33,627	$ 8,218	$ 41,845
Recognition of share based payments	108	48	-	-	-	156	-	156
Reclasification between reserves	-	-	(34)	-	34	-	-	-
	$ 110,077	$ 48	$ 749	$ 4,523	$ (81,614)	$ 33,783	$ 8,218	$ 42,001
Profit for the period	-	-	-	-	(5,517)	(5,517)	254	(5,263)
Other comprehensive income:	-	-	-	(2,241)	-	(2,241)	-	(2,241)
Total comprehensive income for the period	-	-	-	(2,241)	(5,517)	(7,758)	254	(7,504)
Balance at June 30, 2013 (unaudited)	$ 110,077	$ 48	$ 749	$ 2,282	$ (87,131)	$ 26,025	$ 8,472	$ 34,497

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

THUNDERBIRD RESORTS INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
(Expressed in thousands of United States dollars)
For the six months ended June 30, 2013

	Six months ended June 30, (unaudited) 2013	2012 (Restated)
Cash flow from operating activities		
(Loss) / profit for the year	$ (5,263)	$ 1,939
Items not involving cash:		
Depreciation and amortization	5,587	6,320
Loss on disposal of property, plant and equipment	(3)	173
Unrealized foreign exchange	1,862	(996)
(Decrease) / increase in provision	(279)	824
Bad debt expense	1	11
Gain on sale of Peru hotels	-	(3,011)
Gain on derivative financial instruments	(18)	(616)
Fair value adjustment for shares pledged for borrowings	25	-
Non-controlling interest	(254)	(1,058)
Finance income	(73)	(2,577)
Finance cost	3,611	5,674
Other interests	3	277
Tax expenses	541	309
Net change in non-cash working capital items		
Increase in trade, prepaid and other receivables	(1,035)	(783)
Decrease / (increase) in inventory	70	(134)
(Decrease) / increase in trade payables and accrued liabilities	(148)	982
Cash generated from operations	4,627	7,334
Total tax paid	1,135	314
Net cash generated by operating activities	**$ 5,762**	**$ 7,648**

- continued -

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

THUNDERBIRD RESORTS INC.
CONSOLIDATED STATEMENT OF CASH FLOWS (continued)
(Expressed in thousands of United States dollars)
For the six months ended June 30, 2013

	Six months ended June 30, (unaudited) 2013	2012 (Restated)
Cash flow from investing activities		
Expenditure on property, plant and equipment	$ (2,348)	$ (3,304)
Proceeds on sale of Peru Hotels	-	13,600
Interest received	73	41
Net cash used from investing activities	**$ (2,275)**	**$ 10,337**
Cash flow from financing activities		
Proceeds from issue of new loans	3,820	14,036
Proceeds from issuance of new finance leases	92	299
Repayment of loans and leases payable	(5,382)	(26,944)
Interest paid	(2,441)	(2,545)
Net cash used from financing activities	**$ (3,911)**	**$ (15,154)**
Change in cash and cash equivalents	(424)	2,831
Cash and cash equivalents, beginning of the year	8,506	7,024
Effect of foreign exchange adjustment	(592)	1,085
Cash and cash equivalents, end of the year	**$ 7,490**	**$ 10,940**

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

Notes to the Interim Consolidated Financial Statements

1. BASIS OF PREPARATION OF THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The interim consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

2. MANAGEMENT STATEMENT ON "GOING CONCERN"

Management routinely plans future activities including forecasting future cash flows. Management has reviewed their plan with the Directors and has collectively formed a judgment that the Group has adequate resources to continue as a going concern for the foreseeable future, which Management and the Directors have defined as being at least the next 18 months. In arriving at this judgment, Management has prepared the cash flow projections of the Group, which incorporates a 5-year rolling forecast and detailed cash flow modeling through the current financial year. Directors have reviewed this information provided by Management and have considered the information in relation to the financing uncertainties in the current economic climate, the Group's existing commitments and the financial resources available to the Group. The expected cash flows have been modeled based on anticipated revenue and profit streams with debt funding programmed into the model and reducing over time. The model assumes no new construction projects during the forecast period. The model assumes a stable regulatory environment in all countries with continuing operations. Sensitivities have been applied to this model in relation to revenues not achieving anticipated levels.

The Directors have considered the: (i) base of investors and debt lenders historically available to Thunderbird Resorts, Inc.; (ii) global capital markets; (iii) limited trading exposures to our local suppliers and retail customers; (iv) other risks to which the Group is exposed, the most significant of which is considered to be regulatory risk; (v) sources of Group income, including management fees charged to and income distributed from its various operations; (vi) cash on hand, cash generation, debt amortization levels and key debt service coverage ratios; and (vii) fundamental trends of the Group's businesses. No discontinued operations have been considered in this analysis. Considering the above, Management and Directors are satisfied that the consolidated Group has adequate resources to continue as a going concern for at least the next 18 months. For these reasons, they continue to adopt the going concern basis in preparing the consolidated financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

Changes in accounting policies

These interim consolidated financial statements have been prepared in accordance with the accounting policies adopted in the last annual consolidated financial statements for the year ended December 31, 2012 except for the adoption of the following new interpretations, revisions and amendments to IFRS issued by the International Accounting Standards Board, which are relevant to and effective for the Group's consolidated financial statements for the annual period beginning January 1, 2013:

- IFRS 10 "Consolidated Financial Statements" (IFRS 10)
- IFRS 11 "Joint Arrangements" (IFRS 11)
- IFRS 13 "Fair Value Measurement" (IFRS 13)
- the revised version of IAS 19 "Employee Benefits" (IAS 19R)
- Annual Improvements 2009-2011 (Annual Improvements).

The only standard to have a material impact on the Groups result is IFRS 11, and is described below.

IFRS 11 "Joint Arrangements" (IFRS 11)

IFRS 11 supersedes IAS 31 "Interests in Joint Ventures" (IAS 31) and SIC 13 "Jointly controlled Entities– Non-Monetary-Contributions by Venturers". It aligns more closely the accounting by the investors with their rights and obligations relating to the joint arrangement. In addition, IAS 31's option of using proportionate consolidation for joint ventures has been eliminated. IFRS 11 now requires the use of the equity accounting method, which is currently used for investments in associates. The Group's only operating joint arrangement within the scope of IFRS 11 is its 50% investment in Thunderbird de Costa Rica, S.A. ("TCR"), which was accounted for using the proportionate consolidation method under IAS 31.

Management has reviewed the classification of TCR in accordance with IFRS 11 and has concluded that it is a joint venture. IFRS 11 requires the use of equity accounting for joint ventures.

IFRS 11 has been applied retrospectively but with certain simplifications in accordance with the transitional provisions of that standard. Consequently, the investment in TCR has been restated by aggregating the carrying amounts of the assets and the liabilities that the Group had previously proportionately consolidated with effect from January 1, 2012.

(Expressed in United States dollars)
(Tabular amounts expressed in thousands of dollars except per share amounts)

The effects on the statement of financial position at January 1, 2012 and December 31, 2012 are:

	December 31, 2012	January 1, 2012
Increase in:		
Investment accounted for using the equity method	3,902	1,366
Trade and other receivables - current	4,866	5,431
Decrease in:		
Property, plant and equipment	(16,106)	(15,647)
Intangible assets	(952)	(1,035)
Deferred tax asset	(133)	(111)
Trade and other receivables - non-current	(460)	(101)
Inventories	(126)	(195)
Restricted cash	(353)	(391)
Cash and bank balances	(119)	(623)
Borrowings - non-current	5,558	5,985
Borrowings - current	1,947	1,812
Due to related parties	410	1,793
Trade and other payables - non-current	452	383
Trade and other payables - current	387	467
Other financial liabilities	45	20
Current tax liabilities	161	336
Provisions - current	127	99
Minority interest	394	411
Change in net assets	**-**	**-**

The effects on the statement of comprehensive income for the year ended December 31, 2012 and for the six months ended June 30, 2012 are:

	Twelve months ended December 31, 2012	Six months ended June 30, 2012
Increase in:		
Share of (loss) / profit from equity accounted investments	(176)	192
Decrease in:		
Net gaming wins	(6,758)	(3,672)
Food, beverage, hospitality and other sales	(443)	(237)
Cost of goods sold	1,505	797
Operating, general and administrative	3,299	1,809
Project development	109	79
Depreciation and amortization	1,747	837
Other gains and losses	11	-
Foreign exchange loss	(72)	(309)
Financing costs	696	338
Financing income	12	-
Income tax expense	87	155
Change (loss) / profit for the period	**17**	**(11)**
Change in Minority Interest	(17)	11
Change in Profit / (loss) attributed to owners of the parent	**-**	**-**

The preparation of the condensed set of Interim Financial Statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

Judgments made by management in applying Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements as at and for the year ended December 31, 2012.

The accounting policies have been applied consistently throughout the Group for the purposes of preparation of these Interim Financial Statements. Management does not consider the impact of seasonality on operations to be significant.

4. SEGMENTAL INFORMATION

In identifying its operating segments, management generally follows the Group's geographic country lines, which represent the operating segments of the Group.

The activities undertaken by each operating segment include the operation of casinos and related food, beverage and hospitality activities. Some of our operating segments also operate hotels, notably Peru, Costa Rica and the Philippines.

Each of these operating segments is managed separately by country managers as each country has a different regulatory environment and customs, as well as, different marketing approaches which is consistent with the internal reporting provided to the chief operating decision maker. All inter-segment transfers are carried out at arm's length prices when they occur.

The measurement policies the Group uses for segment reporting under IFRS 8 are the same as those used in its financial statements, except that expenses relating to share-based payments are not included in arriving at the operating profit of the operating segments. In addition, corporate assets which are not directly attributable to the business activities of any operating segment are not allocated to a segment. In the financial periods under review, this primarily applies to the Group's headquarters in Panama.

There have been no changes from prior periods in the measurement methods used to determine reported segment profit or loss.

(Expressed in United States dollars)
(Tabular amounts expressed in thousands of dollars except per share amounts)

Operating segments

	Costa Rica		Nicaragua		Philippines		Peru	
	2013	2012	2013	2012	2013	2012	2013	2012
Continuing operations								
Total revenue	7,330	8,697	7,047	6,112	23,856	25,836	14,826	17,106
Operating profit / (loss) before: project development, depreciation, amortization and other gains and losses (Adjusted EBITDA)	1,705	2,331	1,018	948	4,487	6,412	2,657	2,988
Project development	(35)	(79)	-	(104)	(1)	(2)	-	-
Depreciation and amortization	(1,051)	(1,133)	(347)	(253)	(2,722)	(2,697)	(2,196)	(2,956)
Other gains and (losses)	(16)	4	(1)	(2)	(12)	(2)	(4)	3,008
Segments result	603	1,123	670	589	1,752	3,711	457	3,040
Foreign exchange gain / (loss)	198	324	(132)	(102)	(597)	540	(1,449)	224
Share of profit / (loss) from equity accounted investments	-	-	-	-	-	-	-	-
Finance costs	(383)	(396)	(124)	(67)	(595)	(810)	(679)	(2,686)
Finance income	-	191	1	3	13	531	53	2,154
Other interest	-	-	-	-	-	-	(2)	-
Management fees - intercompany charges	(378)	(165)	(210)	(247)	(1,050)	(1,648)	(68)	(163)
Profit / (loss) before taxation	40	1,077	205	176	(477)	2,324	(1,688)	2,569
Taxation	(107)	(342)	(145)	(68)	(7)	(14)	(330)	-
Profit / (loss) for the year	(67)	735	60	108	(484)	2,310	(2,018)	2,569
Currency translation reserve	-	-	-	-	-	-	-	-
Total comprehensive income for the year	(67)	735	60	108	(484)	2,310	(2,018)	2,569
Non-controlling interest	55	204	26	48	156	817	-	-
Total comprehensive income attributable to owners of the parent	(122)	531	34	60	(640)	1,493	(2,018)	2,569
Assets and liabilities								
Segment intangible assets:								
Intangible assets with indefinite useful lives	2,508	2,508	1,387	1,387	3,901	3,901	4,277	4,277
Intangible assets with finite useful lives	47	88	77	40	-	-	616	720
Financial assets - investments	-	-	-	-	-	-	-	-
Segment assets:								
Property, plant and equipment	19,722	20,235	6,457	6,774	33,881	36,438	23,764	28,101
Other segment assets (including cash)	8,477	8,601	(1,448)	(1,055)	24,208	24,709	29,583	28,692
Total segment assets	30,754	31,432	6,473	7,146	61,990	65,048	58,240	61,790
Total segment liabilities	10,473	11,062	3,339	4,031	39,123	40,438	25,743	26,148
Net assets / (liabilities)	20,281	20,370	3,134	3,115	22,867	24,610	32,497	35,642
Non-controlling interest	5,260	5,188	1,041	1,015	2,565	2,409	-	-
Other segment items								
Capital expenditure	385	716	191	897	191	1,501	149	748
Depreciation and amortization	1,051	1,133	347	253	2,722	2,697	2,196	2,956

- continued -

(Expressed in United States dollars)
(Tabular amounts expressed in thousands of dollars except per share amounts)

	Total Operations		Corporate and non-allocated		Equity Accounting Adjustments		Total	
	2013	2012	2013	2012 (Restated)	2013	2012 (Restated)	2013	2012 (Restated)
Continuing operations								
Total revenue	53,059	57,751	110	105	(3,150)	(3,909)	50,019	53,947
Operating profit / (loss) before: project development, depreciation, amortization and other gains and losses (Adjusted EBITDA)	9,867	12,679	(2,388)	(3,109)	(1,002)	(1,378)	6,477	8,192
Project development	(36)	(185)	(26)	(45)	35	79	(27)	(151)
Depreciation and amortization	(6,316)	(7,039)	(74)	(118)	803	837	(5,587)	(6,320)
Other gains and (losses)	(33)	3,008	52	(403)	16	-	35	2,605
Segments result	3,482	8,463	(2,436)	(3,675)	(148)	(462)	898	4,326
Foreign exchange gain / (loss)	(1,980)	986	268	(79)	(172)	(309)	(1,884)	598
Share of profit / (loss) from equity accounted investments	-	-	-	-	(238)	192	(238)	192
Finance costs	(1,781)	(3,959)	(2,179)	(2,064)	349	349	(3,611)	(5,674)
Finance income	67	2,879	6	(194)	-	(108)	73	2,577
Other interest	(2)	-	(1)	(277)	-	-	(3)	(277)
Management fees - intercompany charges	(1,706)	(2,223)	1,635	2,654	161	75	90	506
Profit / (loss) before taxation	(1,920)	6,146	(2,707)	(3,635)	(48)	(263)	(4,675)	2,248
Taxation	(589)	(424)	(37)	(40)	38	155	(588)	(309)
Profit / (loss) for the year	(2,509)	5,722	(2,744)	(3,675)	(10)	(108)	(5,263)	1,939
Currency translation reserve	-	-	(2,284)	1,262	43	36	(2,241)	1,298
Total comprehensive income for the year	(2,509)	5,722	(5,028)	(2,413)	33	(72)	(7,504)	3,237
Non-controlling interest	237	1,069	-	-	17	(11)	254	1,058
Total comprehensive income attributable to owners of the parent	(2,746)	4,653	(5,028)	(2,413)	16	(61)	(7,758)	2,179
Assets and liabilities								
Segment intangible assets:								
Intangible assets with indefinite useful lives	12,073	12,073	-	-	(866)	(866)	11,207	11,207
Intangible assets with finite useful lives	740	848	-	1	(46)	(86)	694	763
Financial assets - investments	-	-	-	-	3,804	3,902	3,804	3,902
Segment assets:								
Property, plant and equipment	83,824	91,548	884	879	(16,023)	(16,372)	68,685	76,055
Other segment assets (including cash)	60,820	60,947	(23,512)	(22,816)	1,204	533	38,512	38,664
Total segment assets	157,457	165,416	(22,628)	(21,936)	(11,927)	(12,889)	122,902	130,591
Total segment liabilities	78,678	81,679	18,179	16,116	(8,452)	(9,049)	88,405	88,746
Net assets / (liabilities)	78,779	83,737	(40,807)	(38,052)	(3,475)	(3,840)	34,497	41,845
Non-controlling interest	8,866	8,612	-	-	(394)	(394)	8,472	8,218
Other segment items								
Capital expenditure	916	3,862	(173)	37	(375)	(710)	368	3,189
Depreciation and amortization	6,316	7,039	74	119	(803)	(837)	5,587	6,321

(1) Includes non-operating entities

(Expressed in United States dollars)
(Tabular amounts expressed in thousands of dollars except per share amounts)

Other supplementary information:

	Gaming		Hotel		Corporate and non-allocated [1]		Equity Accounting Adjustments		Total	
	2013	2012	2013	2012	2013	2012 (Restated)	2013	2012 (Restated)	2013	2012 (Restated)
Continuing operations										
Total revenue	46,893	49,545	6,166	8,206	110	105	(3,150)	(3,909)	50,019	53,947
Operating profit / (loss) before: project development, depreciation, amortization and other gains and losses (Adjusted EBITDA)	10,248	11,792	(381)	887	(2,388)	(3,109)	(1,002)	(1,378)	6,477	8,192
Project development	(33)	(185)	(3)	-	(26)	(45)	35	79	(27)	(151)
Depreciation and amortization	(4,777)	(5,451)	(1,539)	(1,588)	(74)	(118)	803	837	(5,587)	(6,320)
Other gains and (losses)	(33)	(3)	-	3,011	52	(403)	16	-	35	2,605
Segments result	5,405	6,153	(1,923)	2,310	(2,436)	(3,675)	(148)	(462)	898	4,326
Foreign exchange gain / (loss)	(1,494)	839	(486)	147	268	(79)	(172)	(309)	(1,884)	598
Share of profit / (loss) from equity accounted investments	-	-	-	-	-	-	(238)	192	-238	192
Finance costs	(1,144)	(1,266)	(637)	(2,693)	(2,179)	(2,064)	349	349	(3,611)	(5,674)
Finance income	15	726	52	2,153	6	(194)	-	(108)	73	2,577
Other interest	-	-	(2)	-	(1)	(277)	-	-	(3)	(277)
Management fees - intercompany charges	(1,843)	(2,288)	137	65	1,635	2,654	161	75	90	506
Profit / (loss) before taxation	939	4,165	(2,859)	1,981	(2,707)	(3,635)	(48)	(263)	(4,675)	2,248
Taxation	(589)	(422)	-	(2)	(37)	(40)	38	155	(588)	(309)
Profit / (loss) for the year	350	3,743	(2,859)	1,979	(2,744)	(3,675)	(10)	(108)	(5,263)	1,939
Currency translation reserve	-	-	-	-	(2,284)	1,262	43	36	(2,241)	1,298
Total comprehensive income for the year	350	3,743	(2,859)	1,979	(5,028)	(2,413)	33	(72)	(7,504)	3,237
Non-controlling interest	237	1,069	-	-	-	-	17	(11)	254	1,058
Total comprehensive income attributable to owners of the parent	113	2,674	(2,859)	1,979	(5,028)	(2,413)	16	(61)	(7,758)	2,179
Assets and liabilities										
Segment intangible assets:										
Intangible assets with indefinite useful lives	12,059	12,059	14	14	-	-	(866)	(866)	11,207	11,207
Intangible assets with finite useful lives	234	238	506	610	-	1	(46)	(86)	694	763
Financial assets - investments	-	-	-	-	-	-	3,804	3,902	3,804	3,902
Segment assets:										
Property, plant and equipment	49,179	51,683	34,645	39,865	884	879	(16,023)	(16,372)	68,685	76,055
Other segment assets (including cash)	49,475	49,204	11,345	11,743	(23,512)	(22,816)	1,204	533	38,512	38,664
Total segment assets	110,947	113,184	46,510	52,232	(22,628)	(21,936)	(11,927)	(12,889)	122,902	130,591
Total segment liabilities	44,994	46,628	33,684	35,051	18,179	16,116	(8,452)	(9,049)	88,405	88,746
Net assets / (liabilities)	65,953	66,556	12,826	17,181	(40,807)	(38,052)	(3,475)	(3,840)	34,497	41,845
Non-controlling interest	8,866	8,612	-	-	-	-	(394)	(394)	8,472	8,218
Other segment items										
Capital expenditure	829	3,778	87	84	(173)	37	(375)	(710)	368	3,189
Depreciation and amortization	4,777	4,574	1,539	2,465	74	119	(803)	(837)	5,587	6,321

[1] Includes non-operating entities

(Expressed in United States dollars)
(Tabular amounts expressed in thousands of dollars except per share amounts)

5. OTHER GAINS AND (LOSSES)

	Six months ended June 30 (unaudited)		Three months ended June 30 (unaudited)	
	2013	2012 (Restated)	2013	2012 (Restated)
Other gains and (losses)				
Other write off of assets	$ 3	$ 173	$ 38	$ 202
Gain from assets held for sale	-	3,011	-	3,003
Gain on Guatemala sale	39	116	39	77
Provision on severance settlement	-	(1,235)	-	(1,235)
Fair value for financial derivative contracts	18	616	14	511
Fair value adjustment for shares pledged for borrowings	(25)	(91)	(25)	(91)
Other	-	15	-	(2)
Total	**$ 35**	**$ 2,605**	**$ 66**	**$ 2,465**

a. Other write off of assets

Certain trade receivables and prepaids in Corporate and Nicaragua were determined to be uncollectable and an expense of $4,000 (2012 - $12,000) has been recorded, which offset against a gain due to an income tax credit at corporate of $21,000. In addition, losses were recognized on dispositions, abandonments or obsolescence of property, plant and equipment totaling $17,000 (2012 - $14,000) which offset with gains on sale of property, plant, and equipment and reversals of provisions of $3,000 (2012 - $199,000).

b. Gain on sale of Peru hotels

In the first quarter of 2012, management decided to sell the non-strategic Thunderbird Hotel-El Pueblo in Peru to pay off some debts and to improve the Group's statement of financial position. As of April 30, 2012, Thunderbird Hotel-El Pueblo was sold and the Group recognized a gain of $3,011,000.

c. Gain on sale of Guatemala operation

On December 31, 2010 the group entered into an agreement to transfer its Guatemala operations to Inversiones Fenix, S.A. for consideration of $3,018,000, comprised of a $2,100,000 promissory note, related interest payment and related debt assumption. At the date of disposal the fair value of the consideration received was $Nil.

During the six months ended June 30, 2013 the Group received interest payments totaling $39,000 which have been recorded within other gains and losses.

d. Severance settlement

On June 28, 2012, the Group announced that Jack Mitchell was no longer an officer or Director of the Group. Mr. Mitchell had certain publicly disclosed rights under his Employment Contract (2011 Annual Report, chapter 7, p. 77-78). As of June 30, 2012, the Group and Mr. Mitchell were negotiating a resolution relating to differing interpretations of the terms and conditions of the Employment Contract, which include Mr. Mitchell receiving, under certain circumstances, up to $1.8 million spread over a period of not greater than approximately 6 years. A provision has been made for the net present value of the future cash payments of $1,235,000 in the event a resolution is reached.

At June 30, 2012 a provision was made for the net present value of the future cash payments of $1,235,000.

Subsequent to June 30, 2012, the Group and Mr. Mitchell reached a negotiated resolution consistent with the terms set forth above. Moreover, Mr. Mitchell will be subject to a non-compete restriction for 3 years in the Group's current markets.

As of December 31, 2012 the expense recognized through profit and loss of $1,235,000 was partially offset by forfeited restricted shares of $381,000.

e. Fair value adjustments for financial derivative contracts

During the fourth quarter of 2011 and the first half of 2012 the group issued 8.5% convertible loan notes due in 2016 and 2017 (Note 28 Annual Report 2012). Upon initial recognition embedded derivatives of $1,033,000 (2011 - $848,000) were separately measured and recorded within derivative financial instruments. The fair value of derivative financial instruments was $3,000 as of June 30, 2013 (December 31, 2012 – 21,000), resulting in a fair value gain of $18,000 (2012 - $616,000) for the period.

f. Fair value adjustments for shares pledged for borrowings

During the first quarter of 2012 the Group restuctured certain Peru debt, refered to as "Parlor debt"(Chapter 3, p. 15). As part of the negotiations the Group issued 175,000 of Thunderbird Resorts shares as additional security on the loan. Upon initial recognition $355,000 was separately measured and recorded within other non-current trade and other receivables. Its recoverable amount based on the share price as of June 30, 2013 was $159,000 (December 31, 2012 – 184,000), resulting in an impairment change of the receivable of $25,000 (2012 - $91,000) for the period.

6. FINANCING COSTS AND REVENUES

Finance cost includes all interest-related income and expenses, other than those arising from financial assets at fair value through profit or loss. The following amounts have been included in profit or loss for the years presented:

(Expressed in United States dollars)
(Tabular amounts expressed in thousands of dollars except per share amounts)

	Six months ended June 30, 2013	Six months ended June 30, 2012 (Restated)	Three months ended June 30, 2013	Three months ended June 30, 2012 (Restated)
Finance cost				
Bank loans	$ 876	$ 241	$ 417	$ 111
Other loans	2,111	2,947	1,059	1,420
Finance charges payable under finance leases and hire purchase contracts	2	362	2	79
Amortization of borrowing costs	622	2,124	295	1,881
Total finance costs (on a historical cost basis)	**$ 3,611**	**$ 5,674**	**$ 1,773**	**$ 3,491**
Finance revenue				
Bank interest receivable	73	67	38	139
Gain on loan refinancing	-	2,510	5	2,140
Total finance revenue (on a historical cost basis)	**$ 73**	**$ 2,577**	**$ 43**	**$ 2,279**
Other Interest				
Other interest	3	277	1	277
Total Other Interest	**$ 3**	**$ 277**	**$ 1**	**$ 277**

Other interest includes interest paid on tax liabilities in the Group's Peru operations.

7. INCOME TAXES AND DEFERRED TAX LIABILITY

a) Tax charged in profit or loss

	Six months ended June 30, 2013	Six months ended June 30, 2012 (Restated)	Three months ended June 30, 2013	Three months ended June 30, 2012 (Restated)
Current Income Tax				
Foreign tax	$ 541	$ 309	$ 341	$ 145
Total current income tax	541	309	341	145
Deferred Tax				
Origination and reversal of temporary differences	47	-	(21)	-
Total deferred tax	47	-	(21)	-
Tax charged in the statement of comprehensive income	$ 588	$ 309	$ 320	$ 145
Taxes allocated to:				
Loss for the period				
Other comprehensive income	588	309	320	145
Totals	$ 588	$ 309	$ 320	$ 145

(Expressed in United States dollars)
(Tabular amounts expressed in thousands of dollars except per share amounts)

b) Reconciliation of the total tax charge

The tax expense in the statement of comprehensive income for the year is higher than the standard rate of corporate tax in the British Virgin Islands of 0%. The differences are reconciled below:

	June 30, 2013	December 31, 2012 (Restated)
Accounting loss before income tax	$ (4,675)	$ (1,807)
Effect of different tax rates on overseas earnings	588	309
Total tax expense reported in the statement of income	$ 588	$ 309
Deferred income tax assets		
Total deferred tax	$ 701	$ 802
Deferred income tax liabilities		
Withholding tax on repatriation of retained earnings from foreign subsidiaries	32	35
Other	2	2
Totals	$ 34	$ 37

At June 30, 2013, the Group has unrecognized United States income tax net operating losses of $28,689,000 (December 31, 2012 - $28,231,000). These operating losses expire at various dates for up to 20 years. The potential income tax benefits related to United States loss carry forwards have not been reflected in the accounts as the Group does not anticipate future United States net income.

The Group has recorded a deferred tax asset in the amount of $701,000 (2012 Restated - $802,000), attributable to losses and book reserves. The losses will be offset against future net income.

(Expressed in United States dollars)
(Tabular amounts expressed in thousands of dollars except per share amounts)

8. PROPERTY, PLANT AND EQUIPMENT

	Property	Leasehold improvements	Gaming machines	Furniture and equipment	Construction in process and advances	Total
Cost						
As of January 1, 2013	$ 64,885	$ 10,745	$ 44,960	$ 26,358	$ 3,541	$ 150,489
Foreign exchange adjustments	(3,904)	(136)	(2,966)	(1,180)	(239)	(8,425)
Additions	143	23	82	175	1,925	2,348
Disposals	(213)	-	(394)	(174)	(4)	(785)
Transfers	52	39	24	658	(773)	-
As of June 30, 2013	60,963	10,671	41,706	25,837	4,450	143,627
Depreciation						
As of January 1, 2013	13,699	4,941	36,752	19,042	-	74,434
Foreign exchange adjustments	(943)	(92)	(2,465)	(881)	-	(4,381)
Charge for the year	1,334	335	2,194	1,436	-	5,299
Disposals	(10)	-	(279)	(121)	-	(410)
As of June 30, 2013	14,080	5,184	36,202	19,476	-	74,942
Net book value as of January 1, 2013	**51,186**	**5,804**	**8,208**	**7,316**	**3,541**	**76,055**
Net book value as of June 30, 2013	**$ 46,883**	**$ 5,487**	**$ 5,504**	**$ 6,361**	**$ 4,450**	**$ 68,685**

	Property	Leasehold improvements	Gaming machines	Furniture and equipment	Construction in process and advances	Total
Cost						
As of January 1, 2012 (Restated)	$ 70,571	$ 10,161	$ 38,857	$ 25,467	$ 4,300	$ 149,356
Foreign exchange adjustments	3,626	198	2,211	1,068	95	7,198
Additions	1,431	50	660	386	5,814	8,341
Disposals	(11,868)	(49)	-	(1,797)	(692)	(14,406)
Transfers	1,125	385	3,232	1,234	(5,976)	-
As of December 31, 2012 (Restated)	64,885	10,745	44,960	26,358	3,541	150,489
Depreciation						
As of January 1, 2012 (Restated)	11,924	4,114	29,609	16,841	-	62,488
Foreign exchange adjustments	727	96	1,755	677	-	3,255
Charge for the year	3,084	778	5,388	3,009	-	12,259
Disposals	(2,036)	(47)	-	(1,485)	-	(3,568)
As of December 31, 2012 (Restated)	13,699	4,941	36,752	19,042	-	74,434
Net book value as of January 1, 2012 (Restated)	**58,647**	**6,047**	**9,248**	**8,626**	**4,300**	**86,868**
Net book value as of December 31, 2012 (Restated)	**$ 51,186**	**$ 5,804**	**$ 8,208**	**$ 7,316**	**$ 3,541**	**$ 76,055**

(Expressed in United States dollars)
(Tabular amounts expressed in thousands of dollars except per share amounts)

Assets pledged as security

Assets with the following amounts have been pledged to secure borrowings of the Group:

	June 30, 2013	December 31, 2012
Property	$ 47,397	$ 48,234
Gaming equipment	11,220	9,558
Equipment	1,690	1,843
Total	**$ 60,307**	**$ 59,635**

The carrying value of assets held under finance leases and hire purchase contracts at June 30, 2013 was $864,000 (December 31, 2012 - $668,000).

9. BORROWINGS

Borrowings consist of loans payable detailed as follows:

	Schedule of principal repayments							
	Six months ending June 30, 2013	2014	2015	2016	2017	Thereafter	Unamortized premiums, discounts & issuance costs	Total
Interest Rate[(1)]:								
>15%	$ 1,000	$ -	$ -	$ -	$ -	$ -	$ (1)	$ 999
13% to 14%	680	444	2,205	102	18	-	-	3,449
11% to 12%[(2)]	767	1,851	4,538	990	1,105	6,004	(228)	15,027
<10%	3,303	3,611	8,691	6,922	5,755	11,260	(1,558)	37,984
Total principal repayments	**$ 5,750**	**$ 5,906**	**$ 15,434**	**$ 8,014**	**$ 6,878**	**$ 17,264**	**$ (1,787)**	**$ 57,459**

1. Floating rate loans are calculated as of the effective rate on June 30, 2013.
2. Includes $8,077,362 of convertible loan notes with an embedded derivative of $3,000 (December 31, 2012 - $21,000 AR Note 28). For detailed loan terms please see (d) below.

	Six months ending June 30, 2013	2014	2015	2016	2017	Thereafter	Unamortized premiums, discounts & issuance costs	Total
Country:								
Corporate[(3)]	$ 3,257	$ 2,441	$ 8,164	$ 6,435	$ 5,281	$ 7,912	$ (1,178)	$ 32,312
Costa Rica	44	73	552	-	-	-	(54)	615
Nicaragua	291	363	280	174	165	836	(2)	2,107
Philippines	1,688	2,029	5,353	227	154	199	(356)	9,294
Peru	470	1,000	1,085	1,178	1,278	8,317	(197)	13,131
Total principal repayments	**$ 5,750**	**$ 5,906**	**$ 15,434**	**$ 8,014**	**$ 6,878**	**$ 17,264**	**$ (1,787)**	**$ 57,459**

3. The Group's parent entity (Corporate) assumed outstanding debt balances of our Guatemala and Poland entities. The balances outstanding at June 30, 2013 for Guatemala and Poland were $992,891 and $1,327,883, respectively.

	Borrowing summary	
	June 30, 2013	December 31, 2012 (Restated)
Total borrowing	$ 57,459	$ 57,405
Less current portion of borrowings	(7,669)	(6,189)
Borrowing non-current	**$ 49,790**	**$ 51,216**

The following table provides additional detail of corporate repayment of principal including the balances that are reimbursable by subsidiaries to the Group's parent entity (Corporate):

	Schedule of Corporate principal repayments - reimbursable by subsidiaries							
	Six months ending June 30, 2013	2014	2015	2016	2017	Thereafter	Unamortized premiums, discounts & issuance costs	Total
Country:								
Corporate	$ 1,908	$ 1,303	$ 7,277	$ 112	$ 122	$ 1,908	$ (773)	$ 11,857
Costa Rica	-	-	-	-	-	-	-	-
Philippines	983	343	-	-	-	-	-	1,326
Peru	366	795	887	6,323	5,159	6,004	(405)	19,129
Total principal repayments	**$ 3,257**	**$ 2,441**	**$ 8,164**	**$ 6,435**	**$ 5,281**	**$ 7,912**	**$ (1,178)**	**$ 32,312**

During the six months ended June 30, 2013, the Group has obtained new borrowings detailed as follows:

	Additions	Balance June 30, 2013	Collateral	Interest rate	Maturity date
The Company and wholly owned subsidiaries					
Loans with financial entities	$ 2,420	$ 2,391	Mortgage on PPE	8%	Feb-2018
Loans with non-financial entities	1,400	1,000		8%	Oct-2013
Total	**$ 3,820**	**$ 3,391**			

(Expressed in United States dollars)
(Tabular amounts expressed in thousands of dollars except per share amounts)

The following table provides additional detail of additions, refinancing, repayments, and disposals taking place during the six months ended June 30, 2013:

Additions Summary	Balance Dec 31, 2012 (Restated)	Additions	Refinancing Additions	Refinancing Extinguishment	Repayments	Unamortized premiums discounts & issuance costs	Balance June 30, 2013
Loans with financial entities	$ 20,466	$ 2,420	$ -	$ -	$ (2,308)	$ (261)	$ 20,317
Loans with non-financial entities	31,516	1,400	43	-	(2,366)	(1,237)	29,356
Convertible loan notes with non-financial entities	7,719	-	253	103	-	(289)	7,786
Total	**$ 59,701**	**$ 3,820**	**$ 296**	**$ 103**	**$ (4,674)**	**$ (1,787)**	**$ 57,459**

Notes

Additions

a) During the six months ended June 30, 2013 the Group obtained a "Senior" loan for $2.4 million and is secured with by real estate. The loan bears interest at 7.5%, and matures in 5 years. Principal and interest payments are due monthly in 59 equal installments with a balloon payment in month 60.

b) During the six months ended June 30, 2013 the Group obtained financing from a private lender for $1.4 million. The loan is unsecured. The loans bear interest at 8%, and mature in 4 months. Principal and interest payments are due monthly in 3 equal installments and a balloon payment in month 4.

Refinancing additions with original loan extinguishment

c) During the six months ended June 30, 2013 the Group refinanced 2 loans with private lenders for $331 thousand. The loans are unsecured. The loans bear interest at 8%, and mature in 12 months. Principal and interest payments are due monthly in 12 equal installments.

10. OBLIGATIONS UNDER OPERATING LEASES, FINANCE LEASES AND HIRE PURCHASE CONTRACTS

Obligations under finance leases and hire purchase contracts

The Group uses leases and hire purchase contracts to finance their vehicles and certain video lottery equipment. As at June 30, 2013, future minimum lease payments under finance leases and hire purchase contracts of the Group and the Group's share minimum payment of joint venture, net of asset held for sales, are as follows:

(Expressed in United States dollars)
(Tabular amounts expressed in thousands of dollars except per share amounts)

	Future commitments due June 30, 2013		Future commitments due December 31, 2012	
	Commitment	Present value	Commitment	Present value
Finance lease commitments				
Not longer than one year	$ 1,624	$ 1,475	$ 1,516	$ 1,280
After one year but not more than five years	790	743	1,611	1,553
After five years	-	-	-	-
Sub total	2,414	2,218	3,127	2,833
Less deferred transaction costs	-	-	-	-
Present value of minimum lease payments	**$ 2,414**	**$ 2,218**	**$ 3,127**	**$ 2,833**
Obligations under leases and hire purchase contracts current		(1,475)		(1,280)
Obligations under leases and hire purchase contracts non-current		**$ 743**		**$ 1,553**

Assets held under finance leases and hire purchase contracts as of June 30, 2013 and December 31, 2012:

	June 30, 2013		December 31, 2012	
	Cost	Amortized cost	Cost	Amortized cost
Autos	$ 410	$ 242	$ 550	$ 219
Gaming equipment	1,348	570	614	386
Other	68	52	72	63
Total	**$ 1,826**	**$ 864**	**$ 1,236**	**$ 668**

Obligations under operating leases

As at June 30, 2013, minimum operating lease payments of the Group were as follows:

	Future commitments due
Not longer than one year	$ 3,340
After one year but not more than five years	12,304
After five years	17,231
Total	**$ 32,875**

(Expressed in United States dollars)
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Operating lease expense for the six months ended June 30, 2013 was $1,995,000 (June 30, 2012 Restated - $1,951,000).

11. SHARE CAPITAL AND RESERVES

A majority of the Group's shareholders voted in favor of continuing the Group's charter from the Yukon, Canada to the British Virgin Islands (BVI). The Group formally continued its corporate charter into the BVI effective October 6, 2006 and filed "discontinuation documents" with the Yukon Registrar. Holders of common shares are entitled to one vote for each share held. There are no restrictions that limit the Group's ability to pay dividends on its common stock. The Group has not issued preferred shares. The Group's common stock has no par value.

	Number of shares	Share capital ($USD in 000's)
Shares authorized		
500,000,000 common shares without par value		
500,000,000 preferred shares without par value		
Shares issued		
Balance as at December 31, 2011	**22,541,577**	**$ 105,850**
Share based payments	544,996	1,000
Cancellation of restricted shares	(169,998)	(381)
Transfers from reserves - share commitments	-	3,500
Balance as at December 31, 2012	**22,916,575**	**$ 109,969**
Share based payments	99,244	108
Balance as at June 30, 2013	**23,015,819**	**$ 110,077**

Options

The following table provides additional detail of share options exercised and cancelled during 2012 and the six months ended June 30, 2013:

(Expressed in United States dollars)
(Tabular amounts expressed in thousands of dollars except per share amounts)

	Number of shares		Weighted average exercise price
Balance as at December 31, 2011	572,655	$	3.83
Cancelled	(327,635)		3.80
Balance as at December 31, 2012	245,020	$	3.87
Cancelled	(11,111)		3.78
Balance as at June 30, 2013	233,909	$	3.90
Number of options currently exercisable	233,909	$	3.90

Please refer to Note 20 in the Group's consolidated financial statements for the year ended December 31, 2012 for additional discussion of the Group's stock option plans.

12. LOSS PER SHARE

The following weighted average numbers of shares were used for computation of loss per share:

	Six months ended June 30			
		2013		2012
Shares used in computation of basic earnings per share (000's)		23,016		22,920
Share options (000's)		-		544
Shares used in computation of diluted earnings per share (000's)		23,016		23,464
(Loss) / profit for the period attributable to the parent (restated)	$	(5,517)	$	881
Basic (loss) / earnings per share		**(0.24)**		**0.04**
Diluted (loss) / earnings per share		**(0.24)**		**0.04**

Basic and diluted loss/earnings per share are calculated by dividing the net (loss) / earnings for the year by the weighted average shares used in the computation of basic and diluted (loss) / earnings per share.

(Expressed in United States dollars)
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13. RELATED PARTY TRANSACTIONS

Included in trade and other receivables is $11,142,000 (2012 Restated – $10,115,000) due from Thunderbird de Costa Rica, S.A. (Joint venture accounted for using the equity method). These balances are primarily comprised of management fees accrued but not yet paid by the entity.

Transactions with partners in operating entities

The Group and its partners receive dividends as well as management fees from the subsidiary operations. The management fees and dividends paid are eliminated upon consolidation. Amounts due to the Group's partners relate primarily to accrued but not yet paid management fees. Included in loans payable are loans from partners in the Group's operating entities. The loans outstanding, as also described in Note 9, are as follows:

	June 30, 2013		December 31, 2012	
	Amount due	Interest paid	Amount due	Interest paid
Country				
Philippines	$ -	$ 3	$ 127	$ 25
Total	**$ -**	**$ 3**	**$ 127**	**$ 25**

Included in trade and other receivables is $41,000 (2012 – $41,000) due from a shareholder in the Nicaraguan operation for their portion of the loan attributed to the purchase of the majority interest in Nicaragua in October 2004. Also, included in trade and other receivables is $55,000 (2012 Restated – $55,000) due from the Group partner in Costa Rica for the capitalization of the Group's King Lion entity that hold the Tres Rios property and amounts due for the purchase of non-controlling interest in the Thunderbird Gran Entretenimiento entity, $3,290,000 (2012 – $3,313,000) due from the Group Philippines Poro Point partner for advances to be offset against future dividends.

Included in liabilities are amounts due to the Group's partner in Costa Rica for $1,084,000 (2012 Restated - $949,000) for its portion of management fees. $1,302,000 (2012 - $1,241,000) due to the Group's Nicaraguan partners for their portion of the accrued, but not yet paid management fees from the Nicaraguan entity, $515,000 (2012 - $522,000) due to associate, Eastbay Property Development in relation to rental fees due from the group's subsidiary Eastbay Resorts, Inc. and $34,000 (2011 - $34,000) in regard to AGA Korean debt in Eastbay Resorts Inc.

Transactions with Officers and Directors

The receivable amounts are unsecured, non-interest bearing and due on demand.

Salomon Guggenheim, who previous to the middle of 2012 only held the roles of Director and advisor to the Group, received aggregate advisor fees of $Nil in 2013 and $78,000 in 2012.

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In addition, Directors have loaned various amounts to the Group. The outstanding loans are as follows:

		June 30, 2013		December 31, 2012	
	Country	Amount due	Interest paid	Amount due	Interest paid
Director	Corporate	$ 4,785	$ 183	$ 3,785	$ 224
	Total	$ 4,785	$ 183	$ 3,785	**$ 224**

The Group has a receivable from The Fantasy Group, S.A. which is an unsecured promissory note dated June 4, 2003. The obligor under the note is The Fantasy Group, S.A., the president and one of the principals of which was Peter LeSar who was coordinating the Group's pre-2006 efforts to establish operations in Chile at that time. The balance due as of June 30, 2013 is $24,000 (2012 - $24,000). The other principals were Raul Sueiro and Angel Sueiro who are former executives of the Group.

The Group paid the Vice President of Corporate Development's company, Tino Monaldo Chtd., total consulting fees and out of pocket expenses, including travel expenses, of $26,000 for the six months ended June 30, 2013 and $52,000 in 2012. Mr. Monaldo pays his own health, life, disability and dental insurance, and other professional fees and expenses.

14. CONTINGENCIES

Note 25 in the Group's consolidated financial statements for the year ended December 31, 2012 provides a discussion of all of the Group's commitments. There are no material changes in this disclosure other than the following update.

a.) Philippine contingencies

During the first week of August, 2013, the Group's Philippines operations were sold and as such there is no further liability of the Group for any of the litigation and or tax related matters after such sale; provided however, five (5) million USD of the purchase price from such sale will be subject to hold backs by Magnum for up to 30 months to cover potential contingent liabilities. There can be no assurance that the $5 million will available after said 30 month as a result of such contingent liabilities. For additional information regarding the Philippines sale transaction please refer to Note 16, Subsequent events.

b.) Peru tax controversy

In the latter part of 2011, the Group's Peruvian wholly owned subsidiary Thunderbird Hoteles Las Americas, S.A. ("THLA"), received a group of resolutions issued by the Peruvian tax authority, Superintendencia Nacional de Administración Tributaria "SUNAT" in relation to various major tax issues: first, a rejection of certain deductions in 2007 for interest payment made to lenders/investors domiciled abroad in relation to certain loans and investments and second, a rejection of certain tax credits in favor of THLA related to IGV (sales tax). In each case, these matters relate to the acquisition of the six Hotels by THLA in Peru. In addition, a third group of resolutions was issued by SUNAT relating to fines associated with the prior described tax issues.

THLA filed an administrative appeal with respect to these resolutions on November 21, 2011. On March 23, 2012, THLA was notified through a SUNAT resolution that the tax authority confirmed its three resolutions as described herein. The total potential exposure (tax, penalties and interest is) is approximately S\.6,963,793 Peruvian Soles ($2,502,261) for the first group of resolutions, S\.6,490,336 Peruvian Soles ($2,332,137) on tax credit for the second group and S\.6,074,727 Peruvian Soles ($2,182,798) for the third group.

THLA has filed an appeal on March 23, 2012 tax assessment and believes the assessments are incorrect and inconsistent with the tax laws as Peruvian tax counsel believes that THLA applied tax positions correctly. A supplemental appellate brief was filed voluntarily by THLA on May 25, 2013 with more evidence to enhance our defense arguments.

Management intends to vigorously defend its position at all administrative and judicial levels. The Group is not responsible for payment until the decision is final and non-appealable, being the last stage at the judicial level. However, interest on the resolutions is accruing during the time of administrative and judicial appeal and up to when a final decision is achieved.

c.) Costa Rica tax controversy

The income tax in Costa Rica is collected by the General Income Tax Office. The Group's Costa Rica operations are engaged in two separate tax matters. Thunderbird Gran Entretenimiento S.A. ("TGE") and Grupo Thunderbird de Costa Rica, S.A. ("GTCR") which we appealed to the 2nd step of the Tribunal Fiscal Administrative ("TFA") area during Q3 and Q4 of 2012. In Q1-2012, the Group's subsidiary TGE operation in Costa Rica received a proposed income tax assessment of $0.6 million for the tax year ended December 31, 2009 and a proposed income tax assessment of $0.88 million for the tax year ended December 31, 2010. Additional gaming taxes of $0.2 million were assessed for each tax year ended December 31, 2009 and 2010 (total of 0.4million). The assessments to TGE for both tax years were related to certain expenses which were deemed to be non-allowable deductions by the General Income Tax Office and for the imputation of interest income on intercompany advance balances.

In regards to the TGE case we were advised on January 16, 2013 that our appeal was denied. We have one year to initiate a case in the court system as the next step. We are currently waiting on advice from our outside attorneys regarding the best strategies to use for this next step of the process in order to minimize our exposure. At this moment, we cannot accurately assess the results and probabilities of these next steps of the process; however, we remain confident that we will present a strong position in the court process. The GTCR case remains in the TFA area with no decision released yet and the income tax assessment under dispute is of approximately $380,000 thousand.

The Group believes these tax assessments are incorrect and inconsistent with the tax laws of Costa Rica and therefore our Costa Rica subsidiary will file appeals as our Costa Rican tax counsel believes that our Costa Rica subsidiary applied tax positions correctly. The Group intends to vigorously defend its position at all administrative and judicial levels. The Group is not responsible for payment until the decision is final and non-appealable, being the last stage at the judicial level. TGE did appeal the interest liquidation by the General Income Tax Office last May 2013. However, interest on the assessments and fines are accruing during the time of administrative and judicial appeal and up to when a final decision is achieved.

d.) Daman Hospitality loan guarantees

We entered the Indian market in 2008 by initiating a hotel project in Daman, India, which is located just north of Maharashtra State whose capital is Mumbai (formerly Bombay). The project known as "Thunderbird Resorts – Daman" has faced both regulatory delays outside the Group's control, as well as cost overruns in construction and pre-operating interest / expense due to the delays.

From commencement through the change of control via the sale of Daman Hospitality Private, Ltd. ("DHPL") shares to Delta Corp ("Delta"), the project was funded by the following sources (all amounts are approximate and have been subject to exchange rate fluctuations since funding):

- $18 million in cash and property contributed as equity ($9 million on our side) in a first round of equity funding
- $26 million senior secured loan facility from four India banks, jointly and severally guaranteed by the Group.
- $13.5 million in fully convertible debentures ("FCDs"), secured behind the senior lenders, of which approximately $9 million of principal plus any unpaid interest was to be jointly and severally guaranteed by the Group.
- $21 million in additional equity and junior debt required to be contributed by Bombay Stock Exchange traded Delta in a second round of equity funding. Post-closing, Delta became the 51% control partner and the Group and the original local partner share the remaining 49% share position.

In February 2012, the Group announced that the "Thunderbird Resorts – Daman" project had been largely completed as follows: a) approximately 176 hotel rooms; b) three bars and restaurants; c) pool and outdoor plaza areas; and d) approximately 50% of indoor meeting areas. The Group also announced at that time that the hotel was still waiting for its hotel occupancy permit to be granted by the relevant local authorities.

The Group previously announced that it had jointly and severally guaranteed the following (all figures based on recent exchange rates or were USD transactions): (i) Senior Secured Debt in the face amount of approximately $21.3 million to a consortium of Indian Banks; (ii) Fully convertible debentures to Madison India Real Estate Fund ("MIREF") in the face amount of $7.5 million (the "MIREF- FCD"); and (iii) Fully convertible debentures to Maravege Limited and one other party in the face amount of $2.9 million. In its Q3 2012 Interim Management Statement, the Group updated previous announcements stating that:

- Madison India Real Estate Fund ("MIREF"), called upon DHPL and/or its shareholders to purchase its fully convertible debentures ("FCDs") that DHPL had issued MIREF for a face amount of approximately $7.5 million plus accrued return. MIREF's FCDs contained conversion rights into a 76% voting equity shareholder in DHPL. Bombay Stock Exchange filings by Delta disclosed that Delta acquired MIREF's FCDs along with its converted shares to increase its total equity holding in DHPL to 87.16% from its earlier 51% ownership.

- As a result of the conversion of the MIREF FCDs into DHPL shares and the termination of all DPHL obligations to MIREF along with other factors, the Group no longer has any liability to MIREF. Furthermore, pursuant to the parties' Shareholders' Agreement, the Management believes its equity holding has been reduced to approximately 5.5% in DHPL and that, as a result, Delta and DHPL are now obligated to obtain a release of the Group's remaining guarantees of: i) senior secured debt in the face amount of approximately $21.3 million to a consortium of Indian Banks; and iii) fully convertible debentures to Maravege Limited and one other party in the face amount of $2.9 million. If no such releases are obtained, Management believes both DHPL and Delta are required to fully indemnify Thunderbird from any claims arising under said guarantees.

- Delta and others dispute their respective obligations and the legal positions taken by the Group. The outcome of any potential litigation, including the liability pursuant to these corporate guarantees, is not known at this time. While there can be no assurances that litigation will not occur, the Group believes that the DHPL shareholders and FCD holders are working toward a non-litigious resolution.

Through the date of publication of this 2013 Half-year Report, DHPL has substantially completed the construction of the now 173-room hotel, is still waiting for local authorities to grant its hotel occupancy permit so that it can commence operating.

e.) Pardini case

Pardini & Asociados vs. International Thunderbird Gaming Corporation: This lawsuit was filed in the latter part of 2001 and is currently at the 13th Civil Court, in Panama City, Panama. "Pardini" is a law firm in Panama City, Panama, claiming that the Group owes it fees for assisting in the Panama casino acquisition in 1998. The Group deems this matter completely frivolous and is opposing the claim through a vigorous and thorough defense. The Group's affiliate at the time, International Thunderbird Gaming (Panama) Corp. ("ITGPC") entered into an agreement with an individual, Juan Raul de La Guardia, to provide services, and the suit claims the above mentioned law firm entitled to fees ultimately paid to Mr. de la Guardia, who has executed a complete indemnity and hold harmless agreement from any all liability which may be imposed by the court, for the benefit of the Group and ITGPC.

ITGPC is no longer an affiliate of the Group. A similar case was filed in the 11th Civil Court in September 2011 by said law firm and now names ITGPC and Mr. de La Guardia as defendants. In 2011 the law firm filed a request for the "Consolidation" of these two cases which was granted by the Court on November 9, 2011 assigning this case to the 13th Civil

Court. The consolidation of processes was appealed by the defense, but the consolidation decision was upheld by the First High Court's decision.

Following the First High Court's decision, the case was ready to be sent to the 13th Civil Court to start the Consolidation of Cases analysis; however Pardini's lawyers have requested a clarification in the decision made by the Court regarding the payment of certain legal fees by the parties, which was denied on June 2013. Currently, the file of the process is been returned to the 13th Civil Court to start the analysis of the Consolidation.

f.) Guatemala controversy

The Group has no operations and no employees in Guatemala since 2010. However, the Group continues to participate in several administrative and/or tax cases in an effort to vigorously defend its position. These administrative and tax cases are the liability of Guatemala corporations which are subsidiaries of the Group, and as such, management believes there is no material liability attributable to Thunderbird Resorts, Inc. arising from these cases.

(i) Administrative case:

In the Administrative Process at Sala Quinta del Tribunal de lo Contencioso Administrativos promoted by the Attorney General's Office, the case involves the alledged invalidity of the contract between Classenvil Management Inc. and the Autonomous Sports Confederation (Confederación Deportiva Autónoma de Guatemala), which derives in the authorization grant to Thunderbird de Guatemala, SA, to develop video lottery rooms and more.

There is no trial date set in this case since it is in discovery phase. To defend the integrity of its authority to operate, Thunderbird de Guatemala, S.A. filed a separate action before The Supreme Court in Guatemala for protection of its right to conduct business under the license which case is still pending. The Group has not committed any impropriety of approved gaming, because all of its commercial activities have been made under a license or authorization issued by the Autonomous Sports Confederation of Guatemala (Confederación Deportiva Autónoma de Guatemala), whose organic and fundamental law entitles them to grant such authorizations. As mentioned above, Thunderbird de Guatemala, S.A., is a non-operational subsidiary of the Group, therefore, neither of the above two mentioned cases affects the current operations of the Group.

(ii) Tax case:

Thunderbird de Guatemala is undergoing a tax audit for 2009 and 2010 (operation ended year end 2010) by The Internal Revenue Service (Superintendencia de Administración Tributaria "SAT") which has overall responsibility for tax administration in Guatemala. There has been no final assessment arising from this audit.

During 2013 the 3rd Economic Court has asked for accounting information for tax periods for Thunderbird de Guatemala from January 1, 2007 to December 31, 2008 which Management believes are time barred by Law (more than 4 years ago) and we are presenting a vigorous defense. As mentioned above, Thunderbird de Guatemala, S.A., is a non-operational subsidiary of the Group, therefore, Management believes neither of the above mentioned cases will have a material impact on the Group.

15. FINANCIAL INSTRUMENTS

Credit risk analysis:

The Group continuously monitors defaults of customers and other counterparty, identified either individually or by group, and incorporates this information into its credit risk controls. Where available at reasonable cost, external credit rating and/or reports on customers and other counterparties are obtained and used. The Group's policy is to deal only with creditworthy counterparties.

The Group's management considers that all financial assets that are not impaired for each of the reporting dates under review are of good credit quality, including those that are past due.

In respect of trade and other receivables, the Group is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

Liquidity risk analysis:

The Group measures its liquidity needs by:

- Monitoring short-term obligations on a country-by-country and global, consolidated basis, with short-term inflows and outflows forecasted for the financial year, updated weekly.
- Monitoring long-term, scheduled debt servicing payments.
- Rolling forward 5-year cash flow models each month based on the financial results year-to-date through the previous month.

The Group has the capacity to manage liquidity with different tools at its disposal, including:

- Allocating and/or reserving cash on hand.
- Raising of debt or equity capital at both the operations and Group levels.
- Selling of non-strategic assets.
- Restructuring or deferral of unsecured lenders.
- Restructuring of salaries of key personnel.
- Deferral or aging of accounts payables.
- Cost management programs at both the operations and Group levels.

Based upon our current expectations for the second half of 2013 and with the sale of the Philippines operations, we anticipate that our available cash balances, our cash flow from operations and available borrowing capacity under our existing credit arrangements will be sufficient to fund our liquidity requirements for at least the next 18 months.

(Expressed in United States dollars)
(Tabular amounts expressed in thousands of dollars except per share amounts)

As at June 30, 2013, the table set below shows the Group's liabilities maturities per year:

	Six months ended Dec 31, 2013	2014	2015	2016	2017	2018	Thereafter	Total
Long-term bank loans	$ 9,931	$ 9,810	$ 18,570	$ 4,791	$ 5,892	$ 6,134	$ 13,651	$ 68,779
Finance lease obligations	1,258	741	357	40	13	3	-	2,412
Convertible debt notes	583	748	748	6,081	2,783	-	-	10,943
Trade payables	11,279	-	-	-	-	-	-	11,279
Due to related parties	1,924	-	-	-	-	-	-	1,924
Total	**$ 24,975**	**$ 11,299**	**$ 19,675**	**$ 10,912**	**$ 8,688**	**$ 6,137**	**$ 13,651**	**$ 95,337**

Derivative financial instruments:

During 2011 and 2012 the group issued 8.5% convertible loan notes due in 2016 and 2017 (Note 9). Upon initial recognition embedded derivatives of $848,000 and $185,000 for 2011 and 2012, respectively, were separately measured and recorded within derivative financial instruments. The fair value was $3,000 at June 30, 2013 (December 31, 2012 - $21,000).

16. SUBSEQUENT EVENTS

Sale of Philippines

On August 6, 2013 the Group entered into a series of transactions that resulted in the sale its entire economic interests and management rights in its Philippine and related BVI operations to Magnum Leisure Holdings Inc. and its related entities, affiliates of Solar Entertainment Corporation (collectively "Magnum"), for a post-tax, net price of approximately $26.5 million. The Group's reported consolidated debt will also be reduced by at least $9.2 million.

Thunderbird has also executed a 36-month non-compete agreement with Magnum in the Philippines. Of the net price: a) $5 million will be paid via a promissory note that will amortize over approximately 18 months at a 7% interest rate and is backed by a letter of credit issued by a major banking institution; and b) $5 million will be subject to hold backs by Magnum for up to 30 months to cover potential contingent liabilities. Also the transactions provided for the assignment of local brands and the assignment of the right to use the Thunderbird /Fiesta casino brands under certain circumstance and limited to the Philippines only.

The Group had announced in August 2011 that the Group and Solar Entertainment Corporation ("Solar") would enter into a joint venture to co-own the Philippines operations. The Group's decision to sell rather than to jointly own the Philippine operations was based on further strategic analysis and determined as the best decision to building shareholder value.

Management position is that the Philippines assets should not be classified as held for sale in accordance with IFRS 5 as of June 30, 2013 because the consummation of the asset sale was not highly probable as of that date due to a variety of factors that made closing materially speculative.

Chapter 5:
Reporting Responsibilities and Risks

Related Party Transactions: Related-party transactions are disclosed in Note 13 in the interim consolidated financial statements.

Auditor's Involvement**:** The content of this interim financial report has not been audited or reviewed by an external auditor.

Management's Responsibility Statement: The Board of Management is responsible for preparing the 2013 Half-year Report and the interim consolidated financial statements for the six-month period ended June 30, 2013 in accordance with applicable law and regulations.

In conjunction with the EU Transparency Directive as implemented in the Dutch Financial Supervision Act, the Board of Management confirms to the best of its knowledge that:

- The interim consolidated financial statements for the six-month period ended June 30, 2013 give a true and fair view of the assets, liabilities, financial position and profit and loss of the Group's consolidated companies; and

- The additional management information disclosed in the 2013 Half-year Report gives a true and fair view of the Group as of June 30, 2013 the state of affairs during the period to which the report relates and, in so far as this is not contrary to the Group's interests, the Group's expectations of developments in relation to turnover and profitability for the remaining months of the financial year.

August 23, 2013

Panama City, Panama

Salomon Guggenheim, Chief Executive Officer and President
Albert Atallah, General Counsel and Corporate Secretary
Peter LeSar, Chief Financial Officer
Tino Monaldo, Vice President - Corporate Development

Risks

Important factors that could cause actual results to differ materially from those in the forward-looking statements include regional, national or global, political, economic, business, competitive, market and regulatory conditions as well as, but not limited to, the following:

- risks associated with the development, construction and expansion of projects;
- risks associated with governmental regulation of our businesses;
- competition within our industries;
- risks associated with our local partnerships;
- political and other risks associated with international operations, such as war or civil unrest,
- expropriation and nationalization, and changes in political, economic or legal conditions;
- our ability to retain or replace our key members of management;
- legal claims;
- difficulties in integrating future acquisitions;
- risks relating to acts of God (such as natural disasters), terrorist activity and war, some of which may be uninsured or underinsured;
- fraud by our employees or third parties;
- general economic and business risks, as well as specific business risks, such as the relative
- popularity of the gaming industry in general, and table and slot games in particular, changes in travel patterns, and changes in operating costs, including energy, labor costs (including minimum wage increases and unionization), workers' compensation and health-care related costs and insurance;
- the risk that we may not be able to obtain future capital on acceptable terms, if at all; and
- other risks identified in this Half-year Report.

These risks and others are more fully described under the heading "Risk Factors" in our 2012 Annual Report.

IMPORTANT INFORMATION

This is Thunderbird Resorts Inc.'s 2013 Half-year Report for the period ended June 30, 2013. Thunderbird Resorts Inc. is a designated foreign issuer with respect to Canadian securities regulations and this 2013 Half-year Report is intended to comply with the rules and regulations for the Euronext Amsterdam by Euronext Amsterdam, the regulated market of Euronext Amsterdam N.V. and with Canadian securities laws.

No person has been authorized to give any information or to make any representation other than those contained in this 2013 Half-year Report and, if given or made, such information or representations must not be relied upon as having been authorized by us. This 2013 Half-year

Report does not constitute an offer to sell or a solicitation of an offer to buy any securities. The delivery of this 2013 Half-year Report shall not under any circumstances, create any implication that there has been no change in our affairs or that information contained herein is correct as of any time subsequent to the date hereof.

Unless otherwise specified or the context so requires, “Thunderbird Resorts Inc.”, the “Company”, the “Group”, “it” and “its” refer to Thunderbird Resorts Inc. and all its Group companies as defined in Article 24b Book 2 of the Dutch Civil Code.

Thunderbird Resorts Inc. accepts responsibility for the information contained in this 2103 Half-year Report. To the best of our knowledge and belief (having taken all reasonable care to ensure that such is the case), the information contained in this 2013 Half-year Report is in accordance with the facts and does not omit anything likely to affect the import of such information.

The information included in this 2013 Half-year Report reflects our position at the date of this Half-year Report and under no circumstances should the issue and distribution of this 2013 Half-year Report after the date of its publication be interpreted as implying that the information included herein will continue to be correct and complete at any later date.

Thunderbird Resorts Inc. has adopted the U.S. Dollar (“USD”) as its reporting currency. As required by EU regulation, Thunderbird Resorts Inc.’s annual consolidated financial statements have been prepared in accordance with international financial reporting standards (“IFRS”) and interim consolidated financial statements IAS 34.

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Peter LeSar, CFO
Albert W. Atallah, General Counsel and Secretary
Tino Monaldo, Vice President, Corporate Development
Angel Sueiro, Vice President, Design and Construction[*1]

REGISTERED AND RECORD OFFICE FOR SERVICE IN BRITISH VIRGIN ISLANDS

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CAPITALIZATION

Common shares issued: 23,015,819
as of June 30, 2013

SHARES LISTED

NYSE Euronext Amsterdam
Common Stock Symbol: TBIRD
Frankfurt Stock Exchange
Common Stock Symbol: 4TR

WEBSITE

www.thunderbirdresorts.com

[*1] Not an officer as of early August 2013