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Basel III Pillar III Disclosures As of June 30, 2018

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Basel III Pillar III Disclosures

As of June 30, 2018

1. Introduction

Guideline on capital supervised by the Bank of Thailand (BOT) is referred from global regulatory framework on BASEL determined by Basel Committee on Banking Supervision (BCBS). The objective of this supervisory guideline is to improve the quality of the financial institution's capital so as to able to support the loss which may incur in the normal and crisis situations. Under Basel framework, it uses a "three pillars" concept which can be detailed as follows:

Pillar 1: Minimum capital requirement

The first pillar deals with maintenance of minimum capital to cover the credit risk, market risk and operational risk.

Pillar 2: Supervisory review process

The second pillar determines the role for the financial institution and the supervisor. For the financial institution, it requires the financial institution to have the qualified risk management framework as well as a systematic and continuous process for assessing the adequacy of capital in relation to all risk profile including the risk which are not covered in Pillar I e.g. liquidity risk, credit concentration risk and the loss which may incur in the crisis situation.

For the role of supervisor, the supervisor should review, monitor and evaluate the risk management framework, assess the capital adequacy and take appropriate supervisory action with the financial institution that have the problem.

Pillar 3: Market discipline

The third pillar aims to have the financial institution to disclose the capital maintenance, the risk exposures, risk assessment processes in order for the external shareholders and market participants have the enough information to analyze and assess the risk of the financial institution.

2. Scope of application

As a result of Basel III Pillar III: Market discipline, the Bank has disclosed this information on a solo basis and full consolidation basis in accordance to BOT's Notification No. SorNorSor. 4/2556 Re: Information Disclosure as Regards to Capital Maintenance for Commercial Banks and No. SorNorSor. 5/ 2556 Re: Information Disclosure as Regards to Capital Maintenance for the Financial Business Group.

3. The namelist and business type of companies in financial business group under Full Consolidation level

The companies in financial business group under Full Consolidation level totaled 21 companies are as following:

Company Name	Business Type
1. Bank of Ayudhya Public Company Limited	Commercial banking
2. Ayudhya Development Leasing Company Limited	Hire-purchase and leasing
3. Ayudhya Capital Auto Lease Public Company Limited	Hire-purchase and auto leasing
4. Ngern Tid Lor Company Limited	Hire-purchase and motorcycle loans
5. Ayudhya Capital Services Company Limited	Credit cards and personal loans
6. General Card Services Limited	Credit cards and personal loans
7. Krungsriayudhya Card Company Limited	Credit cards and personal loans
8. Siam Realty and Services Security Company Limited	Car rental services and personnel services
9. Total Services Solutions Public Company Limited	Collection services
10. Krungsri Asset Management Company Limited	Fund management
11. Krungsri Ayudhya AMC Limited	Asset management
12. Krungsri Securities Public Company Limited	Securities
13. Krungsri Factoring Company Limited	Factoring
14. Krungsri Life Assurance Broker Limited	Life assurance broker
15. Krungsri General Insurance Broker Limited	General insurance broker
16. Tesco Card Services Limited	Credit cards and personal loans
17. Tesco Life Assurance Broker Limited	Life assurance broker
18. Tesco General Insurance Broker Limited	General insurance broker
19. Krungsri Leasing Services Company Limited	Hire-purchase, leasing and sales finance
20. Hattha Kaksekar Limited	Micro finance
21. Krungsri Finnovate Company Limited	Venture capital

4. Capital information

4.1 Capital structure

Tier 1 Capital

Common Equity Tier 1

- Issued and fully paid-up share capital and net premium
- Legal reserve
- Retained earnings after appropriation, already approved by annual general shareholders and/or Board of Directors meetings
- Other reserves
 - Surplus on revaluation of land and building or units in condominium
 - Surplus (deficit) on revaluation of available for sales investment in debt and equity securities
 - Profit (loss) from conversion of financial statements from a foreign operation
 - Other items from owner changes, namely, capital surplus (deficit) due to the merger of businesses
- Deferred tax assets (deducted item)
- Goodwill (deducted item)
- Intangible assets (deducted item)

Additional Tier 1

- Components, which eligible for additional tier 1 of the Bank's financial business group, only portion held by non-controlling interest and third parties

Tier 2 Capital

- Long-term subordinated debentures
- General provision
- Components, which eligible for tier 2 of the Bank's financial business group, only portion held by non-controlling interest and third parties

Table 1 Capital structure

Unit: Million Baht

Item	Financial Business Group		Bank-Only	
	June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017
1. Tier 1 Capital (1.1+1.2)	200,173	193,233	168,439	167,531
1.1 Common Equity Tier1 (CET1)	199,202	191,926	168,439	167,531
1.1.1 Issued and paid up share capital	73,558	73,558	73,558	73,558
1.1.2 Premium on share capital	52,879	52,879	52,879	52,879
1.1.3 Legal reserve	5,007	5,007	5,007	5,007
1.1.4 Net profit after appropriation by resolution of the general meeting of shareholders or by the regulations of the banks registered in the country	86,997	78,166	46,952	44,704
1.1.5 Other reserves				
1.1.5.1 Accumulated other comprehensive income	7,884	8,590	8,245	8,938
1.1.5.2 Other items from owner changes	(5,218)	(5,218)	(5,218)	(5,218)
1.1.6 Items to be deducted from CET1	(21,905)	(21,056)	(12,984)	(12,337)
1.2 Additional Tier 1	971	1,307	-	-
1.2.1 Components, which eligible for additional tier 1 of the Bank's financial business group, only portion held by non-controlling interest and third parties	971	1,307	-	-
2. Tier 2 Capital	60,095	58,936	54,739	51,502
2.1 Proceeds from issuing subordinated debentures	41,985	41,985	41,985	41,985
2.2 General provision	17,879	16,745	12,754	9,517
2.3 Components, which eligible for tier 2 of the Bank's financial business group, only portion held by non-controlling interest and third parties	231	206	-	-
3. Total Regulatory Capital (1+2)	260,268	252,169	223,178	219,033

4.2 Capital adequacy

The Bank has adopted the following Basel Approach for capital calculation:

- Standardized Approach “SA” for credit risk
- Standardized Approach “SA” for market risk
- Standardized Approach “SA-OR” for operational risk

Recognizing the importance of capital and its adequacy, for 2018, the Bank maintains, as a policy, a minimum capital adequacy ratio above the minimum official requirement, which is currently required at 10.375% (8.5% of the minimum capital adequacy ratio plus 1.875% of the conservation buffer) for credit risk, market risk, and operational risk by the BOT.

In addition, the Bank closely and regularly monitors and assesses both internal and external factors and developments that could have an impact on the capital level - both economic and operating environment. The 3-year strategic business plan, which is conducted annually, is also taken into consideration when the Bank assesses and forecasts both capital adequacy and requirement.

In compliance with Basel III Pillar II guideline, the Bank also has in place an Internal Capital Adequacy Assessment Process (ICAAP), which calls for a regular assessment of capital adequacy under the stress testing scenarios. If the result of the stress test indicates a possibility of that the capital falling below the prescribed level, the Bank’s management must immediately prepare an action plan to ensure that capital for the Bank and the financial business group is adequate at all times.

Table 2 Minimum capital requirements classified by types of risk

Unit: Million Baht

Minimum capital requirements	Financial Business Group		Bank-Only	
	June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017
Performing assets	120,068	112,388	113,784	106,574
1. Claims on sovereigns and central banks, multilateral development banks (MDBs) and public sector entities (PSEs) that are treated as claims on sovereigns	543	522	388	424
2. Claims on banks, public sector entities (PSEs) that are treated as claims on banks and securities companies	3,586	2,824	3,398	2,637
3. Claims on corporate and public sector entities (PSEs) that are treated as claims on corporate	57,675	53,767	62,123	58,962
4. Claims on retail portfolios	43,371	40,949	29,612	27,003
5. Residential mortgage exposures	10,707	9,992	10,557	9,863
6. Other assets	4,186	4,334	7,706	7,685
Non-performing assets	1,512	1,476	1,367	1,319
Minimum capital requirements for credit risk	121,580	113,864	115,151	107,893
1. Interest rate risk	2,062	2,152	2,093	2,169
2. Equity price risk	5	-	5	-
3. Foreign exchange rate risk	302	294	132	131
4. Commodity price risk	-	-	-	-
Minimum capital requirements for market risk	2,369	2,446	2,230	2,300
Minimum capital requirements for operational risk	14,338	13,622	9,483	8,736
Total minimum capital requirements	138,287	129,932	126,864	118,929

* The minimum capital requirements are calculated based on the minimum regulatory capital adequacy ratio at 8.5%.

If capital conservation buffer of 1.875% for 2018 had been included, total capital requirements as of June 30, 2018, would have been Baht 168,793 million on a Financial Business Group basis and Baht 154,849 million on a Bank-Only basis.

Table 3 Capital adequacy ratio

Unit: %

Ratios	Minimum BOT requirement*		Financial Business Group		Bank-Only	
	June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017
1. Total capital / Total risk weighted assets	10.375	9.75	16.00	16.50	14.95	15.65
2. Total Tier 1 capital / Total risk weighted assets	7.875	7.25	12.30	12.64	11.28	11.97
3. Total Common Equity Tier 1 capital / Total risk weighted assets	6.375	5.75	12.24	12.56	11.28	11.97

* BOT requires to maintain minimum CAR at 8.5% and gradually increases the conservation buffer at 0.625% per year since January 1, 2016 until reaching 2.5% by January 1, 2019.

Remark:

BOT has adopted supervisory framework for Domestic Systemically Important Banks (D-SIBs) by requiring qualified banks to maintain higher capital to better absorb losses from their operations. The Bank is identified as D-SIBs and required to maintain additional 1% of common equity tier 1 ratio. This new requirement will be phasing in starting at 0.5% on January 1, 2019 and 1% on January 1, 2020.

5. Additional disclosure per the requirement Basel Committee on Banking Supervision (BCBS)

Table 4: Significant information of financial instrument eligible for capital fund

Topic		Unique identifier BAY272A	Unique identifier BAY27NA	Unique identifier BAY27NB
1	Issuer	Bank of Ayudhya Public Company Limited	Bank of Ayudhya Public Company Limited	Bank of Ayudhya Public Company Limited
2	Unique identifier	TH0023037201	TH0023037B09	TH0023A37B03
	<i>BOT's regulation treatment</i>			
3	Type of financial instruments (common equity tier 1/ additional tier 1/ tier 2)	Tier 2 Capital	Tier 2 Capital	Tier 2 Capital
4	Qualified or non-qualified Basel III	Qualified under Basel III rules	Qualified under Basel III rules	Qualified under Basel III rules
5	If non-qualified Basel III, please specify	–	–	–
6	Transitional phase out or fully countable	Fully countable but gradual reduction on capital calculation for the remaining 5 years.	Fully countable but gradual reduction on capital calculation for the remaining 5 years.	Fully countable but gradual reduction on capital calculation for the remaining 5 years.
7	Eligible at the Bank/ financial business group/ financial business group and the Bank	Financial business group level and the Bank level	Financial business group level and the Bank level	Financial business group level and the Bank level
8	Amount recognized in regulatory capital (unit: Million Baht)	Baht 10,000 million	Baht 17,007 million	Baht 14,978 million
9	Par value of instrument (unit: Baht)	Baht 1,000.-	Baht 1,000.-	Baht 1,000.-

Topic		Unique identifier BAY272A	Unique identifier BAY27NA	Unique identifier BAY27NB
10	Accounting classification	Liabilities measured at amortized cost	Liabilities measured at amortized cost	Liabilities measured at amortized cost
11	Original date of issuance	August 11, 2016	May 24, 2017	November 17, 2017
12	Perpetual or dated	Having maturity date	Having maturity date	Having maturity date
13	Original maturity date	February 11, 2027	November 24, 2027	November 17, 2027
14	Issuer's authority to call subject to prior supervisory approval	Having right to early redeem if permission in writing is granted by the BOT	Having right to early redeem if permission in writing is granted by the BOT	Having right to early redeem if permission in writing is granted by the BOT
15	Optional call date, contingent call dates and redemption amount	November 11, 2021 Subject to obtaining the prior written approval of the BOT and compliance with any other condition imposed by the BOT. The Subordinate Instruments will be redeemed according to the par value per unit together with payment of the interest. The issuer may early redeem prior to the maturity date, if it falls under any of the following events:- (a) On any interest payment date falling after the lapse of 5 years from the issue date.	August 24, 2022 Subject to obtaining the prior written approval of the BOT and compliance with any other condition imposed by the BOT. The Subordinate Instruments will be redeemed according to the par value per unit together with payment of the interest. The issuer may early redeem prior to the maturity date, if it falls under any of the following events:- (a) On any interest payment date falling after the lapse of 5 years from the issue date.	November 17, 2022 Subject to obtaining the prior written approval of the BOT and compliance with any other condition imposed by the BOT. The Subordinate Instruments will be redeemed according to the par value per unit together with payment of the interest. The issuer may early redeem prior to the maturity date, if it falls under any of the following events:- (a) On the 5th. anniversary of the issue date or any interest payment date thereafter.

Topic		Unique identifier BAY272A	Unique identifier BAY27NA	Unique identifier BAY27NB
		(b) If there is a change in tax law after the issue date which results in a change to the tax treatment of the Subordinate Instruments that is not to the benefit of the Issuer. (c) If the Subordinate Instruments are fully excluded from Tier 2 capital as a result of the change in the applicable regulations. (d) Any other event as permitted by the BOT after the Issue Date.	(b) If there is a change in tax law after the issue date which results in a change to the tax treatment of the Subordinate Instruments that is not to the benefit of the Issuer. (c) If the Subordinate Instruments are fully excluded from Tier 2 capital as a result of the change in the applicable regulations. (d) Any other event as permitted by the BOT after the Issue Date.	(b) If there is a change in tax law after the issue date which results in a change to the tax treatment of the Subordinate Instruments that is not to the benefit of the Issuer. (c) If the Subordinate Instruments are fully excluded from Tier 2 capital as a result of the change in the applicable regulations. (d) Any other event as permitted by the BOT after the Issue Date.
16	Subsequent call dates, if applicable	On any interest payment date after the 5 th (fifth) anniversary of the date of issuance of the Subordinate Instruments.	On any interest payment date after the 5 th (fifth) anniversary of the date of issuance of the Subordinate Instruments.	On any interest payment date after the 5 th (fifth) anniversary of the date of issuance of the Subordinate Instruments.
	<i>Coupons / dividends</i>			
17	Fixed or floating dividend/coupon	Fixed Rate until maturity date	Fixed Rate until maturity date	Fixed Rate until maturity date
18	Coupon rate and any related index	None	None	None
19	Existence of a dividend stopper	No dividend stopper	No dividend stopper	No dividend stopper

Topic		Unique identifier BAY272A	Unique identifier BAY27NA	Unique identifier BAY27NB
20	Fully discretionary, partially discretionary or mandatory	Mandatory and comply with the Terms and Conditions governing the rights and obligations of the issuers and the instrument holders.	Mandatory and comply with the Terms and Conditions governing the rights and obligations of the issuers and the instrument holders.	Mandatory and comply with the Terms and Conditions governing the rights and obligations of the issuers and the instrument holders.
21	Existence of step up or other incentive to redeem	No incentive to redeem	No incentive to redeem	No incentive to redeem
22	Noncumulative or cumulative	Noncumulative	Noncumulative	Noncumulative
23	Convertible or non-convertible	Non-convertible	Non-convertible	Non-convertible
24	If convertible, conversion trigger (s)	None	None	None
25	If convertible, full or partial	None	None	None
26	If convertible, conversion rate	None	None	None
27	If convertible, specify instrument type convertible into	None	None	None
28	If convertible, specify issuer of instrument it converts into	None	None	None
29	Write-down feature	Write-down feature	Write-down feature	Write-down feature

Topic		Unique identifier BAY272A	Unique identifier BAY27NA	Unique identifier BAY27NB
30	If write-down, write-down trigger(s)	Upon the occurrence of the Non-Viability Events of the Issuer and the government authority decides to grant financial assistance to it. The Instrument holders shall be forced to write-down.	Upon the occurrence of the Non-Viability Events of the Issuer and the government authority decides to grant financial assistance to it. The Instrument holders shall be forced to write-down.	Upon the occurrence of the Non-Viability Events of the Issuer and the government authority decides to grant financial assistance to it. The Instrument holders shall be forced to write-down.
31	If write-down, full or partial	Full or partial write-down	Full or partial write-down	Full or partial write-down
32	If write-down, permanent or temporary	Permanent	Permanent	Permanent
33	If temporary write-down, description of how to write-down	–	–	–
34	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Superior to the holders of (a) all classes of equity securities of the issuer, including holders of preference shares (b) Additional Tier 1 securities (c) Other Liabilities (if any) of the issuer that by their terms or by operation of law rank junior to the Subordinated Instruments (together, the Junior Instruments).	Superior to the holders of (a) all classes of equity securities of the issuer, including holders of preference shares (b) Additional Tier 1 securities (c) Other Liabilities (if any) of the issuer that by their terms or by operation of law rank junior to the Subordinated Instruments (together, the Junior Instruments).	Superior to the holders of (a) all classes of equity securities of the issuer, including holders of preference shares (b) Additional Tier 1 securities (c) Other Liabilities (if any) of the issuer that by their terms or by operation of law rank junior to the Subordinated Instruments (together, the Junior Instruments).

Table 5: Reconciliation of regulatory capital components

7. LOANS TO CUSTOMERS AND ACCRUED INTEREST RECEIVABLE, NET			
7.1 LOANS TO CUSTOMERS	1,719,575	1,725,442	
7.2 ACCRUED INTEREST RECEIVABLES	4,007	4,171	
TOTAL LOANS TO CUSTOMERS AND ACCRUED INTEREST RECEIVABLE	1,723,582	1,729,613	
7.3 LESS:DEFERRED REVENUE	(77,278)	(77,278)	
7.4 LESS:ALLOWANCE FOR DOUBTFUL ACCOUNTS	(58,658)	(59,770)	
Qualified as capital		(17,879)	R
Non-qualified as capital		(41,891)	
7.5 LESS:REVALUATION ALLOWANCE FOR DEBT RESTRUCTURING	(1,329)	(1,507)	
TOTAL LOANS TO CUSTOMERS AND ACCRUED INTEREST RECEIVABLE, NET	1,586,317	1,591,058	
8. CUSTOMER'S LIABILITIES UNDER ACCEPTANCE	590	590	
9. PROPERTIES FOR SALE, NET	3,679	3,679	
10. PREMISES AND EQUIPMENT, NET	25,953	25,990	
11. GOODWILL AND OTHER INTANGIBLE ASSETS, NET	16,674	16,701	
Goodwill		12,576	I
Intangible assets		4,125	K
12. DEFERRED TAX ASSETS	4,856	5,206	
Deferred tax liabilities of intangible assets		(256)	L
Deferred tax liabilities of goodwill		(527)	J
Deferred tax asset of other items		5,989	N
13. OTHER ASSETS, NET	21,250	21,767	
TOTAL ASSETS	2,100,941	2,104,493	

Unit: Million Baht

Capital related items as at June 30, 2018	Amount as disclosed in public financial statements – Financial Position ^{1/}	Amount as disclosed in the statement of financial position under the consolidated supervision ^{2/}	Ref.
LIABILITIES			
14. DEPOSITS	1,367,531	1,366,492	
15. INTERBANK AND MONEY MARKET ITEMS, NET	243,980	244,980	
16. LIABILITIES PAYABLE ON DEMAND	6,686	6,686	
17. LIABILITIES TO DELIVER SECURITY	14,251	14,251	
18. DERIVATIVES LIABILITIES	16,795	16,795	
19. DEBT ISSUED AND BORROWINGS	165,329	165,329	
Debt instruments that are qualified as capital		41,985	Q
Other issued debt and borrowings		123,344	
20. BANK'S LIABILITIES UNDER ACCEPTANCES	590	590	
21. PROVISIONS	7,720	7,759	
22. DEFERRED TAX LIABILITIES	4	4	
Deferred tax liabilities of intangible assets		2	M
Deferred tax liabilities of other items		2	
Deferred tax assets of other items			
23. OTHER LIABILITIES	43,492	44,575	
TOTAL LIABILITIES	1,866,378	1,867,461	
SHAREHOLDERS' EQUITY			
24. SHAREHOLDERS' EQUITY			
24.1 ISSUED AND PAID-UP SHARE CAPITAL (COMMON SHARE)	73,558	73,558	A
24.2 PREMIUM (DISCOUNT) ON COMMON SHARE	52,879	52,879	B
24.3 OTHER RESERVES			
24.3.1 Appraisal surplus	8,018	8,018	E
24.3.2 Revaluation surplus (deficit) on investments	228	139	F
Investment in equity securities		8	
Investment in debt securities		131	
24.3.3 Profit (loss) from conversion of financial statement from a foreign operation	(273)	(273)	G
24.3.4 Deficit from business combination under common control	(5,218)	(5,218)	H

Unit: Million Baht

Capital related items as at June 30, 2018		Amount as disclosed in public financial statements – Financial Position ^{1/}	Amount as disclosed in the statement of financial position under the consolidated supervision ^{2/}	Ref.
24.4	RETAINED EARNINGS			
24.4.1	APPROPRIATED - LEGAL RESERVE	5,007	5,007	C
24.4.2	UNAPPROPRIATED	99,478	99,595	
	Net profit which already approved		86,997	D
	Net profit await for approval		12,598	
24.5	NON-CONTROLLING INTEREST	886	3,327	
	Qualified as AT1 capital		971	O
	Qualified as T2 capital		231	P
	Non-qualified as capital		2,125	
TOTAL SHAREHOLDERS' EQUITY		234,563	237,032	
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		2,100,941	2,104,493	

Note

^{1/} This represents Consolidated statement of financial position publically disclosed in SEC website.

^{2/} This represents Consolidated statement of financial position prepared under BOT's regulation that all entities listed out in content 3: The companies under financial business group under Full Consolidation, are included in this consolidated statement of financial position.

Disclosure of reconciliation of regulatory capital components

Unit: Million Baht

Capital related items as at June 30, 2018	Component of regulatory capital reported by financial business group	References base on statement of financial position under the consolidated supervision
Total Tier 1 Capital (T1 = CET1+AT1)	200,173	
Common Equity Tier 1 (CET1)	199,202	
1. Issued and paid up share capital	73,558	A
2. Premium on share capital	52,879	B
3. Legal reserve	5,007	C
4. Retained earnings after appropriation	86,997	D
5. Other comprehensive income		
5.1 Changes in capital surplus from appraisal of lands, buildings or units in condominium	8,018	E
5.2 Revaluation surplus (deficit) on investment in equity and debt securities – available for sales	139	F
5.3 Profit (loss) from conversion of financial statement from a foreign operation	(273)	G
5.4 Other items from owner changes	(5,218)	H
6. Regulatory deduction		
6.1 Goodwill	(12,049)	I+J
6.2 Intangible assets	(3,867)	K+L-M ^{1/}
6.3 Deferred tax assets	(5,989)	N
Additional Tier 1 Capital (AT1)	971	
7. Non-controlling interest of consolidated companies under the Bank's financial business group to additional tier 1	971	O ^{1/}
Tier 2 Capital (T2)	60,095	
8. Proceeds from issuing subordinated debentures	41,985	Q
9. General provision	17,879	R
10. Non-controlling interest of consolidated companies under the Bank's financial business group to tier 2 capital	231	P ^{1/}
Total Regulatory Capital (T1+T2)	260,268	

* Starting from 1 Jan 2018, no remaining amount of item to be included in or deducted from capital under the Basel III because all items are 100% included in or deducted.

Unit: Million Baht

Capital related items as at December 31, 2017	Amount as disclosed in public financial statements – Financial Position ^{1/}	Amount as disclosed in the statement of financial position under the consolidated supervision ^{2/}	Ref.
ASSETS			
1. CASH	38,244	38,244	
2. INTERBANK AND MONEY MARKET ITEMS, NET	330,797	331,156	
3. CLAIMS ON SECURITY	47,135	47,135	
4. DERIVATIVES ASSETS	14,562	14,562	
5. INVESTMENTS, NET	83,935	83,935	
6. INVESTMENTS IN SUBSIDIARIES AND JOINT VENTURES, NET	2,222	-	
7. LOANS TO CUSTOMERS AND ACCRUED INTEREST RECEIVABLE, NET			
7.1 LOANS TO CUSTOMERS	1,619,358	1,623,804	
7.2 ACCRUED INTEREST RECEIVABLES	3,917	4,077	
TOTAL LOANS TO CUSTOMERS AND ACCRUED INTEREST RECEIVABLE	1,623,275	1,627,881	
7.3 LESS: DEFERRED REVENUE	(68,954)	(68,954)	
7.4 LESS: ALLOWANCE FOR DOUBTFUL ACCOUNTS	(54,173)	(55,279)	
Qualified as capital		(16,745)	T
Non-qualified as capital		(38,534)	
7.5 LESS: REVALUATION ALLOWANCE FOR DEBT RESTRUCTURING	(1,303)	(1,481)	
TOTAL LOANS TO CUSTOMERS AND ACCRUED INTEREST RECEIVABLE, NET	1,498,845	1,502,167	
8. CUSTOMER'S LIABILITIES UNDER ACCEPTANCE	500	500	
9. PROPERTIES FOR SALE, NET	3,685	3,685	
10. PREMISES AND EQUIPMENT, NET	26,401	26,434	
11. GOODWILL AND OTHER INTANGIBLE ASSETS, NET	16,756	16,778	
Goodwill		12,537	I
Intangible assets		4,241	L
12. DEFERRED TAX ASSETS	4,823	5,195	
Deferred tax liabilities of intangible assets		(144)	M
Deferred tax liabilities of goodwill		(362)	J
Deferred tax asset of other items		5,701	O
13. OTHER ASSETS, NET	20,867	21,640	
TOTAL ASSETS	2,088,772	2,091,431	

Unit: Million Baht

Capital related items as at December 31, 2017	Amount as disclosed in public financial statements – Financial Position ^{1/}	Amount as disclosed in the statement of financial position under the consolidated supervision ^{2/}	Ref.
LIABILITIES			
14. DEPOSITS	1,319,229	1,318,117	
15. INTERBANK AND MONEY MARKET ITEMS, NET	279,721	279,721	
16. LIABILITIES PAYABLE ON DEMAND	6,296	6,296	
17. LIABILITIES TO DELIVER SECURITY	47,135	47,135	
18. DERIVATIVES LIABILITIES	15,724	15,724	
19. DEBT ISSUED AND BORROWINGS	142,866	142,866	
Debt instruments that are qualified as capital		41,985	S
Other issued debt and borrowings		100,881	
20. BANK'S LIABILITIES UNDER ACCEPTANCES	500	500	
21. PROVISIONS	7,468	7,504	
22. DEFERRED TAX LIABILITIES	106	106	
Deferred tax liabilities of intangible assets		38	N
Deferred tax liabilities of goodwill		119	K
Deferred tax assets of other items		(51)	P
23. OTHER LIABILITIES	43,740	45,224	
TOTAL LIABILITIES	1,862,785	1,863,193	
SHAREHOLDERS' EQUITY			
24. SHAREHOLDERS' EQUITY			
24.1 ISSUED AND PAID-UP SHARE CAPITAL (COMMON SHARE)	73,558	73,558	A
24.2 PREMIUM (DISCOUNT) ON COMMON SHARE	52,879	52,879	B
24.3 OTHER RESERVES			
24.3.1 Appraisal surplus	8,149	8,149	E
24.3.2 Revaluation surplus (deficit) on investments	889	800	
Investment in equity securities		299	F
Investment in debt securities			
Qualified as capital		401	F
Non-qualified as capital		100	
24.3.3 Profit (loss) from conversion of financial statement from a foreign operation	(324)	(324)	
Qualified as capital		(259)	G
Non-qualified as capital		(65)	
24.3.4 Deficit from business combination under common control	(5,218)	(5,218)	H

Unit: Million Baht

Capital related items as at December 31, 2017		Amount as disclosed in public financial statements – Financial Position ^{1/}	Amount as disclosed in the statement of financial position under the consolidated supervision ^{2/}	Ref.
24.4	RETAINED EARNINGS			
24.4.1	APPROPRIATED - LEGAL RESERVE	5,007	5,007	C
24.4.2	UNAPPROPRIATED	90,191	90,308	
	Net profit which already approved		78,166	D
	Net profit await for approval		12,142	
24.5	NON-CONTROLLING INTEREST	856	3,079	
	Qualified as AT1 capital		1,307	Q
	Qualified as T2 capital		206	R
	Non-qualified as capital		1,566	
TOTAL SHAREHOLDERS' EQUITY		225,987	228,238	
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		2,088,772	2,091,431	

Note

^{1/} This represents Consolidated statement of financial position publically disclosed in SEC website.

^{2/} This represents Consolidated statement of financial position prepared under BOT's regulation that all entities listed out in content 3: The companies under financial business group under Full Consolidation, are included in this consolidated statement of financial position.

Disclosure of reconciliation of regulatory capital components

Unit: Million Baht

Capital related items as at December 31, 2017	Component of regulatory capital reported by financial business group	References base on statement of financial position under the consolidated supervision
Total Tier 1 Capital (T1 = CET1+AT1)	193,233	
Common Equity Tier 1 (CET1)	191,926	
1. Issued and paid up share capital	73,558	A
2. Premium on share capital	52,879	B
3. Legal reserve	5,007	C
4. Retained earnings after appropriation	78,166	D
5. Other comprehensive income		
5.1 Changes in capital surplus from appraisal of lands, buildings or units in condominium	8,149	E
5.2 Revaluation surplus (deficit) on investment in equity and debt securities – available for sales	700	F
5.3 Profit (loss) from conversion of financial statement from a foreign operation	(259)	G
5.4 Other items from owner changes	(5,218)	H
6. Regulatory deduction		
6.1 Goodwill	(12,056)	I+J-K
6.2 Intangible assets	(3,248)	I +M-N ^{1/}
6.3 Deferred tax assets	(5,752)	O-P
Additional Tier 1 Capital (AT1)	1,307	
7. Non-controlling interest of consolidated companies under the Bank's financial business group to additional tier 1	1,307	Q ^{2/}
Tier 2 Capital (T2)	58,936	
8. Proceeds from issuing subordinated debentures	41,985	S
9. General provision	16,745	T
10. Non-controlling interest of consolidated companies under the Bank's financial business group to tier 2 capital	206	R ^{2/}
Total Regulatory Capital (T1+T2)	252,169	

^{1/} Intangible assets e.g. software licenses, phase-out at 20% p.a. during a transitional period of 2014 – 2018, as at December 31, 2017 the deduction amount is THB 3,248 million [80% x (4,241 – 144 -38)]

^{2/} Non-controlling interest qualified as capital is calculated basing on BOT's requirement.

Table 6: Disclosure of capital under Basel III during transitional period * Starting from 2018, no remaining amount of item to be included in or deducted from capital under the Basel III because all items are 100% included in or deducted.

** Net amount of item to be included in or deducted from capital under the Basel III during the transitional period

Unit: Million Baht				
Capital amount, eligible items, adjustment items and deduction items	Bank-Only			
	June 30, 2018		December 31, 2017	
	Capital amount	Transitional adjustment amount*	Capital amount	Transitional adjustment amount**
Total Tier 1 Capital (T1 = CET1+AT1)	168,439	-	167,531	(408)
Common Equity Tier 1 capital (CET1)	168,439	-	167,531	(408)
1. Issued and paid up share capital	73,558		73,558	
2. Premium on share capital	52,879		52,879	
3. Legal reserve	5,007		5,007	
4. Retained earnings after appropriation	46,952		44,704	
5. Other comprehensive income				
5.1 Changes in capital surplus from appraisal of lands, buildings or units in condominium	8,018		8,149	
5.2 Revaluation surplus (deficit) on investment in equity securities	96		388	
5.3 Revaluation surplus (deficit) on investment in debt securities	131		401	100
5.4 Other items from owner changes	(5,218)		(5,218)	
6. Regulatory deduction				
6.1 Goodwill	(10,281)		(10,253)	
6.2 Intangible assets	(2,425)		(2,031)	(508)
6.3 Deferred tax assets	(278)		(53)	
Additional Tier 1 capital (AT1)	-	-	-	-
Tier 2 capital (T2)	54,739	-	51,502	-
7. Proceeds from issuing subordinated debentures	41,985		41,985	
8. General provision	12,754		9,517	
Total Regulatory Capital (T1 + T2)	223,178	-	219,033	(408)

* Starting from 1 Jan 2018, no remaining amount of item to be included in or deducted from capital under the Basel III because all items are 100% included in or deducted.

** Net amount of item to be included in or deducted from capital under the Basel III during the transitional period