Deloitte.

บริษัท ดีลอยท์ ทู้ช โธมัทสุ ไชยยศ
สอบบัญชี จำกัด
อาคาร เอไอเอ สาทร ทาวเวอร์ ชั้น 23-27
11/1 ถนนสาทรใต้
แขวงยานนาวา เขตสาทร
กรุงเทพฯ 10120
โทร +66 (0) 2034 0000
แฟกซ์ +66 (0) 2034 0100

Deloitte Touche Tohmatsu Jaiyos
Audit Co., Ltd.
AIA Sathorn Tower, 23rd - 27th Floor
11/1 South Sathorn Road
Yannawa, Sathorn
Bangkok 10120, Thailand
Tel: +66 (0) 2034 0000
Fax: +66 (0) 2034 0100
www.deloitte.com

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION BY THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

TO THE BOARD OF DIRECTORS
BANK OF AYUDHYA PUBLIC COMPANY LIMITED

We have reviewed the consolidated statement of financial position of Bank of Ayudhya Public Company Limited and its subsidiaries and the Bank's statement of financial position of Bank of Ayudhya Public Company Limited as at September 30, 2016, and the related consolidated and Bank's statements of profit or loss and other comprehensive income for the three-month and nine-month periods ended September 30, 2016, and the related consolidated and Bank's statements of changes in equity and cash flows for the nine-month period ended September 30, 2016, and the condensed notes to the financial statements. The Bank's management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34, "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the aforementioned interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34, "Interim Financial Reporting".

Permsak Wongpatcharapakorn
Certified Public Accountant (Thailand)
Registration No. 3427
DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

BANGKOK
November 8, 2016

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2016

BAHT: '000

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	"UNAUDITED"		"UNAUDITED"	
	As at September 30, 2016	As at December 31, 2015	As at September 30, 2016	As at December 31, 2015
ASSETS				
CASH	29,725,316	33,689,886	29,255,242	33,595,831
INTERBANK AND MONEY MARKET ITEMS, NET	194,267,201	194,094,463	188,378,015	192,212,476
CLAIM ON SECURITY	27,724,871	-	27,724,871	-
DERIVATIVES ASSETS	24,939,331	35,657,181	24,942,468	35,657,181
INVESTMENTS, NET (Note 7.2)	115,154,591	110,026,901	115,135,356	110,010,315
INVESTMENTS IN SUBSIDIARIES, ASSOCIATES				
AND JOINT VENTURES, NET (Note 7.3)	1,842,003	1,575,581	54,073,941	48,895,618
LOANS TO CUSTOMERS AND ACCRUED				
INTEREST RECEIVABLES, NET (Note 7.4)				
Loans to customers	1,459,012,649	1,353,558,616	1,328,514,716	1,238,706,187
Accrued interest receivables	4,079,625	3,572,495	2,497,014	2,359,771
Total loans to customers and accrued				
interest receivables	1,463,092,274	1,357,131,111	1,331,011,730	1,241,065,958
Less Deferred revenue	(55,073,824)	(50,104,606)	(34,419,726)	(27,093,462)
Less Allowance for doubtful accounts (Note 7.5)	(47,542,203)	(43,218,108)	(31,636,314)	(26,286,904)
Less Revaluation allowance for debt				
restructuring (Note 7.6)	(1,466,047)	(1,725,739)	(355,490)	(412,397)
Net loans and accrued interest receivables	1,359,010,200	1,262,082,658	1,264,600,200	1,187,273,195
CUSTOMERS' LIABILITY UNDER ACCEPTANCE	515,786	558,322	515,786	558,322
PROPERTIES FOR SALE, NET	4,511,732	5,049,764	2,497,984	2,857,041
PREMISES AND EQUIPMENT, NET	24,081,150	20,993,113	22,276,617	19,320,134
GOODWILL AND OTHER INTANGIBLE ASSETS, NET	16,972,713	14,477,378	3,528,157	3,831,864
DEFERRED TAX ASSETS	4,727,425	5,369,190	-	703,283
ACCOUNTS RECEIVABLE FOR INVESTMENTS	6,196,023	1,036,546	6,196,023	1,036,546
OTHER ASSETS, NET	18,202,348	20,905,527	14,538,282	16,599,421
TOTAL ASSETS	1,827,870,690	1,705,516,510	1,753,662,942	1,652,551,227

The condensed notes to the financial statements form an integral part of these interim financial statements

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT SEPTEMBER 30, 2016

BAHT: '000

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	"UNAUDITED"		"UNAUDITED"	
	As at September 30, 2016	As at December 31, 2015	As at September 30, 2016	As at December 31, 2015
LIABILITIES AND EQUITY				
DEPOSITS	1,085,551,316	1,046,289,670	1,079,709,968	1,052,071,691
INTERBANK AND MONEY MARKET ITEMS, NET	302,253,749	275,059,500	304,765,416	277,245,782
LIABILITY PAYABLE ON DEMAND	5,504,443	3,210,983	5,504,396	3,210,983
LIABILITY TO DELIVER SECURITY	27,724,871	-	27,724,871	-
DERIVATIVES LIABILITIES	20,076,831	26,692,658	20,078,906	26,692,658
DEBT ISSUED AND BORROWINGS (Note 7.7)	133,712,325	108,120,551	107,903,234	88,277,551
BANK'S LIABILITY UNDER ACCEPTANCE	515,786	558,322	515,786	558,322
PROVISIONS (Note 7.8)	7,180,670	6,758,757	6,419,009	6,138,420
DEFERRED TAX LIABILITIES	393,740	32,179	352,080	-
ACCOUNTS PAYABLE FOR INVESTMENTS	3,271,848	1,118,197	3,271,848	1,118,197
OTHER LIABILITIES	37,967,446	46,927,975	22,486,747	30,658,643
TOTAL LIABILITIES	1,624,153,025	1,514,768,792	1,578,732,261	1,485,972,247
EQUITY				
SHARE CAPITAL				
Authorized share capital				
7,574,143,747 ordinary shares of				
Baht 10 each	75,741,437	75,741,437	75,741,437	75,741,437
Issued and paid-up share capital				
7,355,761,773 ordinary shares of				
Baht 10 each	73,557,618	73,557,618	73,557,618	73,557,618
PREMIUM ON ORDINARY SHARES	52,878,749	52,878,749	52,878,749	52,878,749
OTHER RESERVES	4,266,427	1,981,132	4,268,232	1,958,374
RETAINED EARNINGS				
Appropriated				
Legal reserve	3,584,800	3,584,800	3,584,800	3,584,800
Unappropriated	68,906,984	58,352,894	40,641,282	34,599,439
TOTAL BANK'S EQUITY	203,194,578	190,355,193	174,930,681	166,578,980
NON-CONTROLLING INTEREST	523,087	392,525	-	-
TOTAL EQUITY	203,717,665	190,747,718	174,930,681	166,578,980
TOTAL LIABILITIES AND EQUITY	1,827,870,690	1,705,516,510	1,753,662,942	1,652,551,227

The condensed notes to the financial statements form an integral part of these interim financial statements

(Mr. Noriaki Goto)
President and Chief Executive Officer

(Miss Duangdao Wongpanitkrit)
Director

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2016

"UNAUDITED"

BAHT : '000

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2016	**2015**	**2016**	**2015**
INTEREST INCOME (Note 7.16)	21,474,612	20,084,144	14,892,763	13,994,509
INTEREST EXPENSES (Note 7.17)	5,896,987	6,023,095	5,702,852	5,840,122
INTEREST INCOME, NET	15,577,625	14,061,049	9,189,911	8,154,387
FEES AND SERVICE INCOME	6,082,481	5,678,288	3,189,700	2,731,969
FEES AND SERVICE EXPENSES	1,481,466	1,380,129	911,402	686,877
FEES AND SERVICE INCOME, NET	4,601,015	4,298,159	2,278,298	2,045,092
GAINS ON TRADING AND FOREIGN EXCHANGE TRANSACTIONS, NET	1,022,771	1,170,561	1,009,720	1,170,673
GAINS (LOSSES) ON INVESTMENTS, NET	82,585	(124,330)	82,585	(124,330)
SHARE OF PROFIT FROM INVESTMENT FOR USING EQUITY METHOD	92,929	83,988	-	-
DIVIDEND INCOME	63,347	61,881	1,063,409	5,367,681
BAD DEBTS RECOVERIES	1,796,377	760,456	870,769	30,175
GAINS ON SALE PROPERTIES FOR SALE	58,099	151,383	43,451	54,694
OTHER OPERATING INCOME	260,013	309,398	310,776	245,451
TOTAL OPERATING INCOME	23,554,761	20,772,545	14,848,919	16,943,823
OTHER OPERATING EXPENSES				
Employee's expenses	5,430,033	4,630,563	3,882,128	3,315,107
Directors' remuneration	12,405	12,166	11,860	11,871
Premises and equipment expenses	1,831,219	1,688,850	1,420,216	1,307,171
Taxes and duties	632,703	631,275	436,568	452,161
Others	2,973,279	2,824,950	1,715,640	1,550,029
Total other operating expenses	10,879,639	9,787,804	7,466,412	6,636,339
IMPAIRMENT LOSS OF LOANS AND DEBT SECURITIES	5,274,870	4,839,780	3,011,823	2,067,509
PROFIT FROM OPERATING BEFORE INCOME TAX EXPENSES	7,400,252	6,144,961	4,370,684	8,239,975
INCOME TAX EXPENSES	1,494,070	1,230,128	671,123	582,542
NET PROFIT	5,906,182	4,914,833	3,699,561	7,657,433

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2016

"UNAUDITED"

BAHT : '000

		CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
		2016	**2015**	**2016**	**2015**
OTHER COMPREHENSIVE INCOME					
Items that will be reclassified subsequently to profit or loss:					
Loss on remeasuring available-for-sales investments		(80,747)	(206,662)	(80,747)	(206,662)
Gain (loss) arising from translating the financial statements of a foreign operation		(4,606)	3,062	-	-
Income tax relating to components of other comprehensive income		16,149	41,333	16,149	41,333
Items that will not be reclassified subsequently to profit or loss:					
Changes in assets revaluation surplus		3,047,249	-	3,047,249	-
Income tax relating to components of other comprehensive income		(609,450)	-	(609,450)	-
Total other comprehensive income, net		2,368,595	(162,267)	2,373,201	(165,329)
TOTAL COMPREHENSIVE INCOME		8,274,777	4,752,566	6,072,762	7,492,104
NET PROFIT ATTRIBUTABLE					
Owners of the Bank		5,829,265	4,851,901	3,699,561	7,657,433
Non-controlling interest		76,917	62,932	-	-
		5,906,182	4,914,833	3,699,561	7,657,433
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE					
Owners of the Bank		8,197,983	4,688,715	6,072,762	7,492,104
Non-controlling interest		76,794	63,851	-	-
		8,274,777	4,752,566	6,072,762	7,492,104
EARNINGS PER SHARE OF OWNERS OF THE BANK					
BASIC EARNINGS PER SHARE	**BAHT**	0.79	0.66	0.50	1.04
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES	**SHARES**	7,355,761,773	7,355,761,773	7,355,761,773	7,355,761,773

The condensed notes to the financial statements form an integral part of these interim financial statements

(Mr. Noriaki Goto)
President and Chief Executive Officer

(Miss Duangdao Wongpanitkrit)
Director

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2016

"UNAUDITED"

BAHT : '000

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2016	2015	2016	2015
INTEREST INCOME (Note 7.16)	63,435,248	61,261,163	44,366,257	42,826,689
INTEREST EXPENSES (Note 7.17)	17,609,945	19,548,949	17,140,303	18,734,152
INTEREST INCOME, NET	45,825,303	41,712,214	27,225,954	24,092,537
FEES AND SERVICE INCOME	17,807,709	16,759,278	9,146,284	8,227,856
FEES AND SERVICE EXPENSES	4,355,245	3,953,482	2,594,239	1,989,397
FEES AND SERVICE INCOME, NET	13,452,464	12,805,796	6,552,045	6,238,459
GAINS ON TRADING AND FOREIGN EXCHANGE TRANSACTIONS, NET	2,819,003	2,360,817	2,784,048	2,366,510
GAINS ON INVESTMENTS, NET	613,330	306,663	613,330	306,663
SHARE OF PROFIT FROM INVESTMENT FOR USING EQUITY METHOD	266,422	269,510	-	-
DIVIDEND INCOME	140,271	156,926	4,838,589	5,462,550
BAD DEBTS RECOVERIES	3,609,455	2,196,263	1,016,767	76,036
GAINS ON SALE PROPERTIES FOR SALE	556,581	642,406	287,471	215,729
OTHER OPERATING INCOME	691,370	735,104	760,694	698,801
TOTAL OPERATING INCOME	67,974,199	61,185,699	44,078,898	39,457,285
OTHER OPERATING EXPENSES				
Employee's expenses	15,845,029	13,825,859	11,406,630	9,976,826
Directors' remuneration	35,798	36,364	34,526	33,999
Premises and equipment expenses	5,346,299	5,072,193	4,181,049	3,930,505
Taxes and duties	1,903,732	1,914,716	1,326,255	1,384,004
Others	8,218,663	7,813,483	4,673,916	4,238,093
Total other operating expenses	31,349,521	28,662,615	21,622,376	19,563,427
IMPAIRMENT LOSS OF LOANS AND DEBT SECURITIES	15,943,617	15,309,803	8,882,211	6,947,369
PROFIT FROM OPERATING BEFORE INCOME TAX EXPENSES	20,681,061	17,213,281	13,574,311	12,946,489
INCOME TAX EXPENSES	4,219,983	3,511,230	1,818,719	1,510,809
NET PROFIT	16,461,078	13,702,051	11,755,592	11,435,680

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2016

"UNAUDITED"

BAHT : '000

		CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
		2016	**2015**	**2016**	**2015**
OTHER COMPREHENSIVE INCOME					
Items that will be reclassified subsequently to profit or loss:					
Gain on remeasuring available-for-sales investments		53,650	8,875	53,650	8,875
Gain (loss) arising from translating the financial statements of a foreign operation		(5,305)	4,275	-	-
Income tax relating to components of other comprehensive income		(10,730)	(1,775)	(10,730)	(1,775)
Items that will not be reclassified subsequently to profit or loss:					
Changes in assets revaluation surplus		3,047,249	-	3,047,249	-
Income tax relating to components of other comprehensive income		(609,450)	-	(609,450)	-
Total other comprehensive income, net		2,475,414	11,375	2,480,719	7,100
TOTAL COMPREHENSIVE INCOME		18,936,492	13,713,426	14,236,311	11,442,780
NET PROFIT ATTRIBUTABLE					
Owners of the Bank		16,248,248	13,527,160	11,755,592	11,435,680
Non-controlling interest		212,830	174,891	-	-
		16,461,078	13,702,051	11,755,592	11,435,680
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE					
Owners of the Bank		18,723,995	13,537,252	14,236,311	11,442,780
Non-controlling interest		212,497	176,174	-	-
		18,936,492	13,713,426	14,236,311	11,442,780
EARNINGS PER SHARE OF OWNERS OF THE BANK					
BASIC EARNINGS PER SHARE	**BAHT**	2.21	1.84	1.60	1.56
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES	**SHARES**	7,355,761,773	7,336,983,487	7,355,761,773	7,336,983,487

The condensed notes to the financial statements form an integral part of these interim financial statements

(Mr. Noriaki Goto)
President and Chief Executive Officer

(Miss Duangdao Wongpanitkrit)
Director

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN EQUITY

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2016

"UNAUDITED"

BAHT : '000

	CONSOLIDATED FINANCIAL STATEMENTS										
	Owners of the Bank									Non-Controlling Interest	Total
	Issued and Paid-up Share Capital	Premium on Share Capital	Other reserves: Asset Appraisal Surplus	Other reserves: Revaluation Surplus on Investments	Other reserves: Foreign Currency Translation	Other reserves: Deficit from Business Combination under Common Control	Retained Earnings: Appropriated Legal Reserve	Retained Earnings: Unappropriated	Total Bank's Equity		
Balance as of January 1, 2015	60,741,437	13,802,216	6,390,131	947,098	441	-	2,877,700	46,395,843	131,154,866	459,514	131,614,380
Issue of ordinary shares related to business combination	12,816,181	39,076,533	-	-	-	(5,217,755)	-	-	46,674,959	-	46,674,959
Change in revaluation surplus	-	-	(111,614)	-	-	-	-	111,614	-	-	-
Dividend payment (Note 7.9)	-	-	-	-	-	-	-	(5,884,610)	(5,884,610)	(286,776)	(6,171,386)
Total comprehensive income	-	-	-	7,100	2,992	-	-	13,527,160	13,537,252	176,174	13,713,426
Change in shareholding in subsidiary company	-	-	-	-	-	-	-	(36)	(36)	-	(36)
Balance as of September 30, 2015	73,557,618	52,878,749	6,278,517	954,198	3,433	(5,217,755)	2,877,700	54,149,971	185,482,431	348,912	185,831,343
Balance as of January 1, 2016	73,557,618	52,878,749	6,243,620	952,099	3,168	(5,217,755)	3,584,800	58,352,894	190,355,193	392,525	190,747,718
Change in revaluation surplus	-	-	(190,452)	-	-	-	-	190,452	-	-	-
Dividend payment (Note 7.9)	-	-	-	-	-	-	-	(5,884,610)	(5,884,610)	(81,935)	(5,966,545)
Total comprehensive income	-	-	2,437,799	42,920	(4,972)	-	-	16,248,248	18,723,995	212,497	18,936,492
Balance as of September 30, 2016	73,557,618	52,878,749	8,490,967	995,019	(1,804)	(5,217,755)	3,584,800	68,906,984	203,194,578	523,087	203,717,665

The condensed notes to the financial statements form an integral part of these interim financial statements

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2016

"UNAUDITED"

BAHT : '000

THE BANK'S FINANCIAL STATEMENTS

	Issued and Paid-up Share Capital	Premium on Share Capital	Other reserves			Retained Earnings		Total
			Asset Appraisal Surplus	Revaluation Surplus on Investments	Deficit from Business Combination under Common Control	Appropriated Legal Reserve	Unappropriated	
Balance as of January 1, 2015	60,741,437	13,802,216	6,363,657	947,098	-	2,877,700	27,121,341	111,853,449
Issue of ordinary shares related to business combination	12,816,181	39,076,533	-	-	(5,217,755)	-	-	46,674,959
Change in revaluation surplus	-	-	(104,907)	-	-	-	104,907	-
Dividend payment (Note 7.9)	-	-	-	-	-	-	(5,884,610)	(5,884,610)
Total comprehensive income	-	-	-	7,100	-	-	11,435,680	11,442,780
Balance as of September 30, 2015	73,557,618	52,878,749	6,258,750	954,198	(5,217,755)	2,877,700	32,777,318	164,086,578
Balance as of January 1, 2016	73,557,618	52,878,749	6,224,030	952,099	(5,217,755)	3,584,800	34,599,439	166,578,980
Change in revaluation surplus	-	-	(170,861)	-	-	-	170,861	-
Dividend payment (Note 7.9)	-	-	-	-	-	-	(5,884,610)	(5,884,610)
Total comprehensive income	-	-	2,437,799	42,920	-	-	11,755,592	14,236,311
Balance as of September 30, 2016	73,557,618	52,878,749	8,490,968	995,019	(5,217,755)	3,584,800	40,641,282	174,930,681

The condensed notes to the financial statements form an integral part of these interim financial statements

(Mr. Noriaki Goto)
President and Chief Executive Officer

(Miss Duangdao Wongpanitkrit)
Director

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2016

"UNAUDITED"

BAHT : '000

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2016	2015	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES				
Income from operating before income tax expenses	20,681,061	17,213,281	13,574,311	12,946,489
Adjustments to reconcile income to cash received (paid)				
from operating activities:				
Depreciation and amortization	2,653,328	2,486,147	1,966,789	1,575,923
Deferred interest expenses	1,298	1,917	1,298	1,917
Impairment loss of loans and debt securities	15,943,617	15,309,803	8,882,211	6,947,369
(Gains) losses on translation in foreign currencies	(6,712,679)	9,022,209	(6,712,679)	9,022,209
Share of profit from investment for using equity method	(266,422)	(269,510)	-	-
Gains on investments	(613,330)	(306,663)	(613,330)	(306,663)
Increase (decrease) in discount on investments	(155,380)	145,885	(155,380)	145,885
Gains on sales of properties for sale	(556,581)	(642,406)	(287,471)	(215,729)
(Gains) losses on sales of premises and equipment	796	(12,823)	1,973	6,171
Loss on impairment of properties for sale (reversal)	307,524	(28,843)	175,593	(71,342)
Loss on impairment of premises and equipment (reversal)	(90,299)	2,303	(89,101)	-
Loss on impairment of other assets (reversal)	(40,592)	(72,027)	86,866	116,613
Increase in other reserves	421,913	576,419	250,922	513,361
Interest income, net	(45,825,303)	(41,712,214)	(27,225,954)	(24,092,537)
Income tax refunded	-	62,056	-	-
Interest received	67,221,273	61,095,687	36,507,753	38,411,206
Interest paid	(18,345,570)	(20,497,023)	(18,202,719)	(19,649,549)
Dividend income	(140,271)	(156,926)	(4,838,589)	(5,462,550)
Dividend received	137,738	158,301	136,982	157,073
Decrease in other accrued expenses	515,912	296,132	379,788	41,066
Income tax paid	(5,087,793)	(4,910,324)	(2,309,573)	(2,379,568)
Income from operations before changes in				
operating assets and liabilities	30,050,240	37,761,381	1,529,690	17,707,344
(Increase) decrease in operating assets				
Interbank and money market items	5,990,239	(2,775,631)	4,040,678	(2,969,249)
Derivatives assets	10,689,186	(22,150,867)	10,686,049	(22,150,867)
Current investments - securities for trading	(8,071,565)	(2,776,115)	(8,071,565)	(2,480,093)
Loans to customers	(110,381,160)	(3,653,280)	(83,658,989)	(22,456,587)
Properties for sale	431,470	6,661,671	3,473,940	2,094,120
Other assets	5,627,393	(3,581,353)	2,622,008	(4,460,714)

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2016

"UNAUDITED"

BAHT : '000

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2016	**2015**	**2016**	**2015**
CASH FLOWS FROM OPERATING ACTIVITIES (CONTINUED)				
Increase (decrease) in operating liabilities				
Deposits	29,565,587	25,120,729	28,930,668	23,373,797
Interbank and money market items	34,478,959	(9,387,685)	35,754,066	(8,989,698)
Liability payable on demand	2,384,042	683,619	2,384,042	683,619
Derivatives liabilities	(6,585,653)	15,507,872	(6,583,783)	15,507,872
Other liabilities	(5,128,098)	11,602,850	(6,474,749)	14,750,137
Net cash from operating activities	(10,949,360)	53,013,191	(15,367,945)	10,609,681
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sales of investments in securities	102,427,644	61,992,612	102,427,644	61,989,000
Cash paid for purchases of investments in securities	(101,667,419)	(30,472,938)	(101,664,770)	(30,472,938)
Cash paid for investment in subsidiaries	(4,729,989)	-	(5,178,323)	(300,000)
Cash received for repatriation capital from invesment in subsidiaries	-	-	-	1,435,550
Dividend received from subsidiaries	-	-	3,699,013	5,306,041
Proceeds from sales of premises and equipment	67,875	171,952	2,464	13,765
Cash paid for purchases of premises and equipment	(1,924,838)	(2,984,683)	(1,424,271)	(2,588,884)
Cash paid for purchases of other assets	(642,249)	(880,387)	(542,682)	(783,700)
Net cash from investing activities	(6,468,976)	27,826,556	(2,680,925)	34,598,834
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from debts issued and borrowings	234,510,400	218,136,790	227,780,000	216,186,790
Cash paid for repayment of debts issued and borrowings	(213,521,132)	(296,679,804)	(208,154,317)	(257,983,018)
Proceeds from business combination	-	71,767	-	71,767
Cash paid for repayment of liabilities under finance lease agreements	(15,923)	(21,008)	(15,923)	(21,008)
Dividend payment	(5,966,545)	(6,171,386)	(5,884,610)	(5,884,610)
Net cash from financing activities	15,006,800	(84,663,641)	13,725,150	(47,630,079)
Total	(2,411,536)	(3,823,894)	(4,323,720)	(2,421,564)
Gains (losses) arising from translating the financial statements of a foreign operation	(4,972)	2,992	-	-
Effect of exchange rate change on cash	(16,869)	177,204	(16,869)	177,204
Net decrease in cash and cash equivalents	(2,433,377)	(3,643,698)	(4,340,589)	(2,244,360)
Cash and cash equivalents as at January 1,	35,468,254	34,198,183	33,595,831	31,077,762
Cash and cash equivalents as at September 30,	33,034,877	30,554,485	29,255,242	28,833,402

The condensed notes to the financial statements form an integral part of these interim financial statements

(Mr. Noriaki Goto)
President and Chief Executive Officer

(Miss Duangdao Wongpanitkrit)
Director

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
THE CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2016
"UNAUDITED"

1. GENERAL INFORMATION

Bank of Ayudhya Public Company Limited ("the Bank") is a public company registered in the Kingdom of Thailand with its head office located at 1222 Rama III Road, Bang Phongphang Subdistrict, Yannawa District, Bangkok. The Bank's main business is commercial banking and the Bank conducts its business through a network of branches throughout Thailand and other countries. The immediate and ultimate parent company of the Bank are the Bank of Tokyo-Mitsubishi UFJ, Ltd. and Mitsubishi UFJ Financial Group, Inc., respectively, both companies are registered in Japan. The Ministry of Commerce granted approval for the Bank and its subsidiaries to operate businesses under Foreign Business Act B.E. 2542 on September 26, 2014. As at September 30, 2016 and December 31, 2015, the Bank has 17 subsidiaries and 16 subsidiaries, respectively, with significant changes during the nine-month period ended September 30, 2016 as follows:

Hattha Kaksekar Limited, was incorporated in Cambodia in November 1996 and is located at 606, Street 271, Sangkat Phsar Doeum Thkov, Khan Chamkamorn, Phnom Penh, Kingdom of Cambodia. The subsidiary's main business is providing loans, deposit and other financial services. The subsidiary became the Bank's subsidiary on September 12, 2016.

2. BASIS FOR PREPARATION OF THE CONSOLIDATED AND THE BANK'S FINANCIAL STATEMENTS

2.1 The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard No. 34 (Revised 2015), "Interim Financial Reporting" and the regulation of the Thai Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), where the Presentation in accordance with the Bank of Thailand ("BOT")'s Notification Sor.Nor.Sor. 21/2558 regarding the Preparation and Announcement of Financial Statements of Commercial Banks and Holding Companies of Financial Industry dated December 4, 2015.

The interim financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies.

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

The Bank prepares its interim financial statements in the Thai language in conformity with Thai Financial Reporting Standards and the Notifications noted above. However, for convenience of readers, the Bank also prepares its interim financial statements in English language, by translating from the Thai version.

Certain financial information which is normally included in the financial statements prepared in accordance with Thai Financial Reporting Standards, but which is not required for interim reporting purposes, has been omitted. In addition, interim financial statements should be read in conjunction with the financial statements and notes thereto included in the audited financial statements for the year ended December 31, 2015.

The consolidated and the Bank's statements of financial position as at December 31, 2015, presented herein as comparative information, have been derived from the consolidated and the Bank's financial statements for the year then ended which have been audited.

The results of operations for the nine-month period ended September 30, 2016 are not necessarily indicative of the operating results anticipated for the full year.

The preparation of interim financial statements in conformity with Thai Financial Reporting Standards also requires management to exercise judgment in order to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent assets and liabilities. The actual results may differ from such estimates.

Thai Financial Reporting Standards announced but not effective in 2016

The Federation of Accounting Professions issued the Guideline on Accounting regarding Derecognition of Financial Assets and Liabilities, which will be effective for the accounting period beginning on or after January 1, 2017 onwards.

The management of the Bank and subsidiaries anticipate that such Guideline on Accounting will be adopted in the Bank and subsidiaries' financial statements when it becomes effective. The adoption of this guideline will have no material impact on the financial statements of the Bank and subsidiaries in the period of initial application.

2.2 The consolidated financial statements included the accounts of the head office and all branches of the Bank and its subsidiaries. These subsidiaries are as follows:

Subsidiaries	Business Type	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Bank (%) As at September 30, 2016	December 31, 2015
Ayudhya Development Leasing Company Limited	Hire-purchase and Leasing	Thailand	99.99	99.99
Ayudhya Capital Auto Lease Public Company Limited	Hire-purchase and auto leasing	Thailand	100.00	100.00
Ngern Tid Lor Company Limited (formerly CFG Services Company Limited)	Hire-purchase and motorcycle loans	Thailand	100.00	100.00
Ayudhya Card Services Company Limited[(1)]	Credit cards and personal loans	Thailand	100.00	100.00

Subsidiaries (Continued)	Business Type	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Bank (%) As at September 30, 2016	December 31, 2015
Ayudhya Capital Services Company Limited	Credit cards and personal loans	Thailand	100.00	100.00
General Card Services Limited	Credit cards and personal loans	Thailand	100.00	100.00
Krungsriayudhya Card Company Limited	Credit cards and personal loans	Thailand	100.00	100.00
Siam Realty and Services Security Company Limited (formerly Siam Realty and Services Company Limited)	Car rental services and personnel services	Thailand	100.00	100.00
Total Service Solutions Public Company Limited	Collection services	Thailand	100.00	100.00
Krungsri Asset Management Company Limited	Fund management	Thailand	76.59	76.59
Krungsri Ayudhya AMC Limited	Asset management	Thailand	100.00	100.00
Krungsri Securities Public Company Limited	Securities	Thailand	98.71	98.71
Krungsri Factoring Company Limited	Factoring	Thailand	100.00	100.00
Krungsri Life Assurance Broker Limited(2)	Life assurance broker	Thailand	100.00	100.00
Krungsri General Insurance Broker Limited(2)	General insurance broker	Thailand	100.00	100.00
Krungsri Leasing Services Company Limited(3)	Hire-purchase, leasing and sales finance	Lao PDR	70.00	70.00
Hattha Kaksekar Limited	Micro finance	Cambodia	100.00	-

(1) Subsidiary is in the process of liquidation.
(2) Indirectly holding via Ayudhya Capital Services Company Limited of 100%.
(3) Indirectly holding via Ayudhya Capital Services Company Limited of 35% and Ayudhya Capital Auto Lease Public Company Limited of 35%.

All material intercompany transactions and balances have been eliminated.

3. ADOPTION OF NEW AND REVISED THAI FINANCIAL REPORTING STANDARDS

Since January 1, 2016, the Bank and its subsidiaries have adopted the new and revised Thai Financial Reporting Standards (TFRSs) issued by the Federation of Accounting Professions, which are effective for the financial statements for the accounting periods beginning on or after January 1, 2016. Thai Financial Reporting Standards which are related to the Bank and its subsidiaries are as follows:

Thai Accounting Standards (TAS)

TAS 1 (Revised 2015)	Presentation of Financial Statements
TAS 7 (Revised 2015)	Statement of Cash Flows
TAS 8 (Revised 2015)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (Revised 2015)	Events After the Reporting Period
TAS 12 (Revised 2015)	Income Taxes
TAS 16 (Revised 2015)	Property, Plant and Equipment
TAS 17 (Revised 2015)	Leases
TAS 18 (Revised 2015)	Revenue
TAS 19 (Revised 2015)	Employee Benefits
TAS 21 (Revised 2015)	The Effects of Changes in Foreign Exchange Rate
TAS 24 (Revised 2015)	Related Party Disclosures
TAS 27 (Revised 2015)	Separate Financial Statements

Thai Accounting Standards (TAS) (Continued)

TAS 28 (Revised 2015)	Investments in Associates and Joint Ventures
TAS 33 (Revised 2015)	Earnings per Share
TAS 34 (Revised 2015)	Interim Financial Reporting
TAS 36 (Revised 2015)	Impairment of Assets
TAS 37 (Revised 2015)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (Revised 2015)	Intangible Assets

Thai Financial Reporting Standards (TFRS)

TFRS 3 (Revised 2015)	Business Combinations
TFRS 5 (Revised 2015)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8 (Revised 2015)	Operating Segments
TFRS 10 (Revised 2015)	Consolidated Financial Statements
TFRS 11 (Revised 2015)	Joint Arrangements
TFRS 12 (Revised 2015)	Disclosure of Interests in Other Entities
TFRS 13 (Revised 2015)	Fair Value Measurement

Thai Standards Interpretations (TSI)

TSI 15 (Revised 2015)	Operating Leases - Incentives
TSI 27 (Revised 2015)	Evaluating the Substance of Transactions in the Legal Form of a Lease
TSI 31 (Revised 2015)	Revenue - Barter Transactions Involving Advertising Services
TSI 32 (Revised 2015)	Intangible Assets - Web Site Costs

Thai Financial Reporting Standard Interpretations (TFRI)

TFRI 1 (Revised 2015)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRI 4 (Revised 2015)	Determining whether an Arrangement contains a Lease
TFRI 5 (Revised 2015)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRI 10 (Revised 2015)	Interim Financial Reporting and Impairment
TFRI 13 (Revised 2015)	Customer Loyalty Programmes
TFRI 14 (Revised 2015)	TAS 19 (Revised 2014) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TFRI 17 (Revised 2015)	Distributions of Non–cash Assets to Owners
TFRI 18 (Revised 2015)	Transfers of Assets from Customers
TFRI 21 (Revised 2015)	Levies

The above TFRSs have no material impact to the Bank and its subsidiaries' financial statements.

4. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements have been prepared based on the basis, accounting policies and method of computation consistent with those used in the annual financial statements for the year ended December 31, 2015.

5. ESTIMATED FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received from sell an asset or paid for transfer a liability in an orderly transaction between market participants at the measurement date in the principal market or, in the absence of a principal market, the most a liquid market where the Bank and its subsidiaries are able to access.

Fair value measurement of financial instruments are determined according to the following hierarchy:

Level 1 - Quoted price (unadjusted) in active market for identical assets or liabilities that the Bank and its subsidiaries can access at the measurement date

Level 2 - Quoted price in active market for similar assets or liabilities, the quoted price for identical or similar assets in inactive market and other valuation technique where significant inputs used to measure the fair value are observable

Level 3 - Using techniques where significant inputs used to measure the fair value are unobservable

Financial instruments measured at fair value

Classification of financial instruments measured at fair value by the level of fair value hierarchy as at September 30, 2016 and December 31, 2015 are summarized as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS							
	September 30, 2016				December 31, 2015			
	Fair value			Carrying	Fair value			Carrying
	Level 1	Level 2	Total fair value	amount	Level 1	Level 2	Total fair value	amount
Derivatives assets - trading book	-	21,988	21,988	21,988	-	28,910	28,910	28,910
Trading investments	-	6,225	6,225	6,225	-	1,075	1,075	1,075
Available-for-sale investment	2,438	97,586	100,024	100,024	1,519	106,237	107,756	107,756
Derivative liabilities - trading book	-	19,095	19,095	19,095	-	25,794	25,794	25,794

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS							
	September 30, 2016				December 31, 2015			
	Fair value			Carrying	Fair value			Carrying
	Level 1	Level 2	Total fair value	amount	Level 1	Level 2	Total fair value	amount
Derivatives assets - trading book	-	21,991	21,991	21,991	-	28,910	28,910	28,910
Trading investments	-	6,225	6,225	6,225	-	1,075	1,075	1,075
Available-for-sale investment	2,438	97,586	100,024	100,024	1,519	106,237	107,756	107,756
Derivative liabilities - trading book	-	19,097	19,097	19,097	-	25,794	25,794	25,794

There are no transfers of financial assets and liabilities measured at fair value between level 1 and level 2 during the nine-month period ended September 30, 2016.

Valuation technique for financial instrument measured at fair value are as follows:

Derivative - trading book

The valuation techniques using to determine the fair value of derivatives is dependent on the type of instrument and available market data used to measure the fair value. These valuation techniques include discounted cash flow model, option pricing model and other standards model commonly used by market participants. The data used in the valuation is the observable input e.g. interest rate, forward exchange rate. Credit valuation adjustments are also made against the valuation of derivative products to reflect the possibility that the counterparty may default and the Bank may not receive the full market value of the transactions.

Investments

Investment in domestic debt securities listed in Thai Bond Market Association (“ThaiBMA”), discounted cash flow using ThaiBMA yield curve as the discounted rate to determine the fair value.

Equity securities traded in the Stock Exchange of Thailand (“SET”), the fair value is determined by using the last bid price of SET.

Investment in unit trust not listed in SET, the fair value is determined by using the net asset value at the reporting date announced by the asset management company.

6. CAPITAL FUND

The Bank maintains the internal capital adequacy assessment process in accordance with the supervisory review process of the Bank of Thailand and monitors on a regular basis to ensure that the current and future capital requirements are aligned with the risk appetite in the Financial Business Group and the Bank.

The Financial Business Group and the Bank maintain their capital funds in accordance with the criteria, methodologies and conditions prescribed by the Bank of Thailand which is in line with the Basel III. As at September 30, 2016 and December 31, 2015, the capital funds and capital adequacy ratios of the Consolidated Supervision and the Bank are as follows:

Unit : Million Baht

	Basel III Consolidated Supervision	
	September 30, 2016	**December 31, 2015**
Common Equity Tier 1 capital		
Issued and paid-up share capital	73,558	73,558
Premium on share capital	52,879	52,879
Statutory reserve	3,585	3,585
Unappropriated retained earning	63,092	48,663
Other comprehensive income	9,099	6,514
Owner changes - other	(5,218)	(5,218)
Less Deduction items from Common Equity Tier 1	(20,547)	(17,672)
Total Common Equity Tier 1 capital	176,448	162,309
Additional Tier 1	1,358	1,346
Total Tier 1 capital	177,806	163,655
Tier 2 capital	40,540	28,911
Total capital fund	218,346	192,566

Capital adequacy ratio (%)

	BOT regulatory Minimum requirement*		Basel III Consolidated Supervision	
	September 30, 2016	**December 31, 2015**	**September 30, 2016**	**December 31, 2015**
Total Common Equity Tier 1 capital / Total risk weighted assets	5.125	4.5	12.56	12.22
Total Tier 1 capital / Total risk weighted assets	6.625	6.0	12.66	12.33
Total capital / Total risk weighted assets	9.125	8.5	15.55	14.50
Capital after deducting capital add-on arising from Single Lending Limit (Million Baht)			218,346	192,566
Capital ratio after deducting capital add-on arising from Single Lending Limit			15.55	14.50

*Since January 1, 2016, the BOT required the Commercial Banks to gradually increase and maintain the Conservation Buffer at a fixed rate of 0.625 percent per annum until it reaches 2.5 percent by January 1, 2019.

Unit : Million Baht

	Basel III	
	The Bank	
	September 30, 2016	**December 31, 2015**
Common Equity Tier 1 capital		
Issued and paid-up share capital	73,558	73,558
Premium on share capital	52,879	52,879
Statutory reserve	3,585	3,585
Unappropriated retained earning	36,839	24,376
Other comprehensive income	9,189	6,581
Owner changes - other	(5,218)	(5,218)
Less Deduction items from Common Equity Tier 1	(12,236)	(9,578)
Total Common Equity Tier 1 capital	158,596	146,183
Additional Tier 1	-	-
Total Tier 1 capital	158,596	146,183
Tier 2 capital	32,919	20,081
Total capital fund	191,515	166,264

Capital adequacy ratio (%)

	BOT regulatory Minimum requirement*		Basel III The Bank	
	September 30, 2016	**December 31, 2015**	**September 30, 2016**	**December 31, 2015**
Total Common Equity Tier 1 capital / Total risk weighted assets	5.125	4.5	12.24	11.98
Total Tier 1 capital / Total risk weighted assets	6.625	6.0	12.24	11.98
Total capital / Total risk weighted assets	9.125	8.5	14.78	13.63
Capital after deducting capital add-on arising from Single Lending Limit (Million Baht)			191,515	166,264
Capital ratio after deducting capital add-on arising from Single Lending Limit			14.78	13.63

*Since January 1, 2016, the BOT required the Commercial Banks to gradually increase and maintain the Conservation Buffer at a fixed rate of 0.625 percent per annum until it reaches 2.5 percent by January 1, 2019.

Disclosure of capital maintenance information of the Financial Business Group and the Bank under the Bank of Thailand's Notification regarding the Disclosure of the Capital Requirement of the Financial Business Group and regarding the Disclosure of the Capital Requirement of Commercial Banks with details as follows:

Location of disclosure	www.krungsri.com
Date of disclosure	October 20, 2016
Information as at	June 30, 2016

7. ADDITIONAL INFORMATION

7.1 Additional information of cash flows

7.1.1 Non-cash transactions of premises and equipment for the nine-month periods ended September 30, 2016 and 2015 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2016	**2015**	**2016**	**2015**
Premises and equipment payable at the beginning of the periods	737	556	579	455
Balance of Subsidiary as at Purchase Date	1	-	-	-
Purchases of premises and equipment	1,503	2,700	1,071	2,296
Less Cash payment	(1,925)	(2,985)	(1,424)	(2,589)
Premises and equipment payable at the end of the periods	316	271	226	162

7.1.2 Non-cash transactions of computer software for the nine-month periods ended September 30, 2016 and 2015 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2016	**2015**	**2016**	**2015**
Computer software payable at the beginning of the periods	300	300	286	283
Purchases of computer software	502	663	385	556
Less Cash payment	(642)	(880)	(543)	(784)
Computer software payable at the end of the periods	160	83	128	55

7.1.3 Others non-cash transactions for the nine-month periods ended September 30, 2016 and 2015 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2016	**2015**	**2016**	**2015**
Increase in revaluation surplus on investments	54	9	54	9
Accumulated depreciation of premises appraisal deducted from premises revaluation surplus	(238)	(140)	(214)	(131)
Increase in changes assets revaluation surplus	3,047	-	3,047	-
Properties for sale debt repayment	5,654	5,549	3,003	1,691
Properties and premises transferred to be properties foreclosed	34	19	-	19

Land and premises of the Bank were revalued in 2016 by the independent professional qualified appraisers.

7.1.4 In accordance with a resolution passed by the Bank's Annual General Meeting of Shareholders No. 104 held on April 28, 2016, it approved the Bank to acquire all registered and issued shares (100%) of Hattha Kaksekar Limited ("HKL"), operated the microfinance business in Cambodia from the existing shareholders.

On September 12, 2016, the Ministry of Commerce of Cambodia approved the transaction and the legal transfer of HKL has been completely transferred to the Bank. The acquisition date is on September 12, 2016.

Fair value of assets and liabilities of subsidiary and book value of each item are as follows:

Consolidated financial statements

		Unit: Million Baht
	Book Value	**Fair Value**
Assets		
Cash	361	361
Receivable and loans	14,246	14,246
Others	4,809	4,809
	19,416	19,416
Liabilities		
Deposit and borrowings	15,591	15,591
Others	1,725	1,725
	17,316	17,316
Net assets	2,100	2,100
Goodwill		2,990
Cash payment to acquire shares		5,090
Less Cash of the subsidiary		(361)
Net cash payment		4,729

The initial accounting for the acquisition of HKL has only been provisionally determined as at September 12, 2016. At the date of finalization of these financial statements, the fair value and other calculations has not been finalized and goodwill noted above has therefore only been provisionally determined based on the best estimate of the likely values.

The Bank and its subsidiary are in the process of adjusting the fair value and other calculations which is still in 1 year period from the acquisition date.

For the period from September 12, 2016 (the acquisition date) to September 30, 2016, HKL contributed the revenue of Baht 160 million and profit before tax of Baht 34 million from continuing operations of the Group.

7.1.5 On January 5, 2015, the Bank has completed the business transfer of The Bank of Tokyo-Mitsubishi UFJ, Ltd. - Bangkok Branch (“BTMU’s Bangkok Branch”), then allotted 1,281,618,026 newly issued ordinary shares as a private placement to The Bank of Tokyo-Mitsubishi UFJ, Ltd. (“BTMU”) with the par value of Baht 10 per share and the offering price of Baht 40.49 per share as consideration and/or exchange for the transfer of business of BTMU’s Bangkok Branch in accordance with the approval by the Board of Directors Meeting No.12/2014 held on December 17, 2014 under the resolution of the Extraordinary General Meeting of Shareholders No. 1/2013 held on October 31, 2013 to approve the private placement of not more than 1,500,000,000 newly issued ordinary shares with the par value of Baht 10 per share.

Book value of assets and liabilities of BTMU’s Bangkok Branch of each item are as follows:

	Unit: Million Baht
Assets	
Cash	72
Interbank and money market items - net	115,012
Derivative assets	20,903
Investments - net	80,341
Loans to customers and accrued interest receivables - net	231,419
Others	1,064
	448,811
Liabilities	
Deposits	146,865
Interbank and money market items - net	216,837
Derivative liabilities	16,373
Debt issued and borrowings	19,691
Others	2,370
	402,136
Net assets	46,675
Deficit from business combination under common control	5,218
Purchase price	51,893

7.1.6 Realized and unrealized gains (losses) on foreign exchange

In the preparation of cash flows statements, realized gains (losses) on foreign exchange are based on a cash basis. Unrealized gains (losses) on foreign exchange are based on the translation difference of assets and liabilities in foreign currencies as described in the accounting policies. It is presented as an adjustment to reconcile income before tax to cash received (paid) from operating activities.

7.2 Investments, net

Investments, net as at September 30, 2016 and December 31, 2015 consisted of the following:

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

	September 30, 2016				December 31, 2015			
	Cost/ Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value	Cost/ Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
Securities for Trading								
Government and state enterprise securities	6,225	-	-	6,225	1,074	1	-	1,075
	6,225	-	-	6,225	1,074	1	-	1,075
Add Revaluation allowance	-			-	1			-
Total	6,225			6,225	1,075			1,075
Securities Available-for-Sale								
Government and state enterprise securities	82,594	404	(22)	82,976	90,425	705	(1)	91,129
Private sector's debt securities	12,705	548	(1)	13,252	13,468	535	-	14,003
Domestic marketable equity securities	3,765	488	(173)	4,080	3,021	467	(516)	2,972
	99,064	1,440	(196)	100,308	106,914	1,707	(517)	108,104
Add Revaluation allowance	1,244			-	1,190			-
Less Allowance for impairment	(284)			(284)	(348)			(348)
Total	100,024			100,024	107,756			107,756
Securities Held-to-Maturity								
Private sector's debt securities	8,050				50			
Investment in accounts receivable	754				1,020			
	8,804				1,070			
Less Allowance for impairment	(64)				(64)			
Total	8,740				1,006			
Securities for General Investments								
Domestic non-marketable equity securities	326				377			
Foreign non-marketable equity securities	31				31			
	357				408			
Less Allowance for impairment	(191)				(218)			
Total	166				190			
Total Investments, net	115,155				110,027			

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS							
	September 30, 2016				December 31, 2015			
	Cost/ Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value	Cost/ Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
Securities for Trading								
Government and state enterprise securities	6,225	-	-	6,225	1,074	1	-	1,075
	6,225	-	-	6,225	1,074	1	-	1,075
Add Revaluation allowance	-			-	1			-
Total	6,225			6,225	1,075			1,075
Securities Available-for-Sale								
Government and state enterprise securities	82,594	404	(22)	82,976	90,425	705	(1)	91,129
Private sector's debt securities	12,426	548	(1)	12,973	13,125	535	-	13,660
Domestic marketable equity securities	3,765	488	(173)	4,080	3,021	467	(516)	2,972
	98,785	1,440	(196)	100,029	106,571	1,707	(517)	107,761
Add Revaluation allowance	1,244			-	1,190			-
Less Allowance for impairment	(5)			(5)	(5)			(5)
Total	100,024			100,024	107,756			107,756
Securities Held-to-Maturity								
Private sector's debt securities	8,050				50			
Investment in accounts receivable	754				1,020			
	8,804				1,070			
Less Allowance for impairment	(64)				(64)			
Total	8,740				1,006			
Securities for General Investments								
Domestic non-marketable equity securities	291				344			
Foreign non-marketable equity securities	31				31			
	322				375			
Less Allowance for impairment	(176)				(202)			
Total	146				173			
Total Investments, net	115,135				110,010			

As at September 30, 2016 and December 31, 2015, the Bank and its subsidiaries had investments in general investments in the consolidated and the Bank's financial statements of 3 companies and 1 company, respectively, subject to being delisted from the SET, with cost of Baht 12 million and market price of Baht 0.

7.3 Investments in subsidiaries, associates and joint ventures, net

Investments in subsidiaries, associates and joint ventures, net as at September 30, 2016 and December 31, 2015 consisted of the following:

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2016

Company Name	Business Type	Securities Investment Type	Registered Share Capital	Proportion of Ownership Interest and Voting Power Held by the Bank (%)	Investment (Cost Method)	Investment (Equity Method)	Dividend
Joint ventures							
Tesco Card Services Limited (1)	Credit cards and personal loans	Common Stock	2,080	50.00	1,040	1,640	-
Tesco Life Assurance Broker Limited (2)	Life assurance Broker	Common Stock	12	50.00	-	56	-
Tesco General Insurance Broker Limited (2)	General insurance broker	Common Stock	107	50.00	-	146	-
Associate							
Metro Designee Company Limited(3)	Special Purpose vehicle	Common Stock	-	22.00	-	-	-
Investments in associate and joint ventures, net					1,040	1,842	-

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2015

Company Name	Business Type	Securities Investment Type	Registered Share Capital	Proportion of Ownership Interest and Voting Power Held by the Bank (%)	Investment (Cost Method)	Investment (Equity Method)	Dividend
Joint ventures							
Tesco Card Services Limited (1)	Credit cards and personal loans	Common Stock	2,080	50.00	1,040	1,404	-
Tesco Life Assurance Broker Limited (2)	Life assurance Broker	Common Stock	12	50.00	-	55	-
Tesco General Insurance Broker Limited (2)	General insurance broker	Common Stock	107	50.00	-	117	-
Associate							
Metro Designee Company Limited (3)	Special Purpose vehicle	Common Stock	-	22.00	-	-	-
Investments in associate and joint ventures, net					1,040	1,576	-

(1) Indirect holding via Ayudhya Capital Services Company Limited

(2) Indirect holding via Tesco Card Services Limited

(3) The company which was established for the transfer of the throughout rights as per the concession agreement between Mass Rapid Transit Authority of Thailand ("MRT") and Bangkok Expressway and Metro Public Company Limited ("BEM") (the Company is the result of the amalgamation between Bangkok Expressway Public Company Limited ("BECL") and Bangkok Metro Public Company Limited ("BMCL")), in case BEM breaches agreement with MRT or BEM breaches the loan agreement with the creditor group.

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS

September 30, 2016

Company Name	**Business Type**	**Securities Investment Type**	**Registered Share Capital**	**Proportion of Ownership Interest and Voting Power Held by the Bank (%)**	**Investment (Cost Method)**	**Dividend**
Subsidiaries						
Ayudhya Development Leasing Company Limited	Leasing and hire- purchase	Common stock	3,705	99.99	3,929	-
Ayudhya Capital Auto Lease Public Company Limited	Hire-purchase and auto leasing	Common stock	25,545	100.00	19,880	3,431
Ngern Tid Lor Company Limited (Formerly CFG Services Company Limited)	Hire-purchase and motorcycle loans	Common stock	2,290	100.00	2,126	1,000
		Preferred stock			1	-
Ayudhya Card Services Company Limited [(1)]	Credit cards and personal loans	Common stock	180	100.00	-	-
Ayudhya Capital Services Company Limited	Credit cards and personal loans	Common stock	5,925	100.00	11,941	-
General Card Services Limited	Credit cards and personal loans	Common stock	2,058	100.00	2,181	-
Krungsriayudhya Card Company Limited	Credit cards and personal loans	Common stock	5,906	100.00	6,275	-
Siam Realty and Services Security Company Limited (formerly Siam Realty and Services Company Limited)	Car rental services and personnel services	Common stock	100	100.00	100	-
Total Services Solutions Public Company Limited	Collection services	Common stock	401	100.00	1,614	-
Krungsri Asset Management Company Limited	Fund management	Common stock	350	76.59	205	268
Krungsri Ayudhya AMC Limited	Asset management	Common stock	2,700	100.00	4,565	-
Krungsri Securities Public Company Limited	Securities	Common stock	600	98.71	731	-
Krungsri Factoring Company Limited	Factoring	Common stock	300	100.00	300	-
Hattha Kaksekar Limited	Micro finance	Common stock	237	100.00	5,178	-
Associated Company						
Metro Designee Company Limited [(2)]	Special purpose vehicle	Common stock	-	22.00	-	-
Investments in subsidiaries and associated company					59,026	4,699
Less Allowance for impairment					(4,952)	-
Investments in subsidiaries and associated company, net					54,074	4,699

(1) Subsidiary is in the process of liquidation.

(2) The company which was established for the transfer of the throughout rights as per the concession agreement between MRT and BEM, in case BEM breaches agreement with MRT or BEM breaches the loan agreement with the creditor group**.**

Unit: Million Baht

Company Name	Business Type	Securities Investment Type	Registered Share Capital	Proportion of Ownership Interest and Voting Power Held by the Bank (%)	Investment (Cost Method)	Dividend
			THE BANK'S FINANCIAL STATEMENTS December 31, 2015			
Subsidiaries						
Ayudhya Development Leasing Company Limited	Leasing and hire- purchase	Common stock	3,705	99.99	3,929	-
Ayudhya Capital Auto Lease Public Company Limited	Hire-purchase and auto leasing	Common stock	25,545	100.00	19,880	4,068
Ngern Tid Lor Company Limited (Formerly CFG Services Company Limited)	Hire-purchase and motorcycle loans	Common stock	2,290	100.00	2,126	300
		Preferred stock			1	-
Ayudhya Card Services Company Limited [1]	Credit cards and personal loans	Common stock	180	100.00	-	-
Ayudhya Capital Services Company Limited	Credit cards and personal loans	Common stock	5,925	100.00	11,941	-
General Card Services Limited	Credit cards and personal loans	Common stock	2,058	100.00	2,181	-
Krungsriayudhya Card Company Limited	Credit cards and personal loans	Common stock	5,906	100.00	6,275	-
Siam Realty and Services Security Company Limited (formerly Siam Realty and Services Company Limited)	Car rental services and personnel services	Common stock	100	100.00	100	-
Total Services Solutions Public Company Limited	Collection services	Common stock	401	100.00	1,614	-
Krungsri Asset Management Company Limited	Fund management	Common stock	350	76.59	205	938
Krungsri Ayudhya AMC Limited	Asset management	Common stock	2,700	100.00	4,565	-
Krungsri Securities Public Company Limited	Securities	Common stock	600	98.71	731	-
Krungsri Factoring Company Limited	Factoring	Common stock	300	100.00	300	-
Associated Company						
Metro Designee Company Limited [2]	Special purpose vehicle	Common stock	-	22.00	-	-
Investments in subsidiaries and associated company					53,848	5,306
Less Allowance for impairment					(4,952)	-
Investments in subsidiaries and associated company, net					48,896	5,306

(1) Subsidiary is in the process of liquidation.

(2) The company which was established for the transfer of the throughout rights as per the concession agreement between MRT and BEM in case BEM, breaches agreement with MRT or BEM breaches the loan agreement with the creditor group.

DISCLOSURE OF THE STATEMENTS OF CASH FLOWS OF ASSET MANAGEMENT COMPANY

KRUNGSRI AYUDHYA AMC LIMITED
STATEMENTS OF CASH FLOWS
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2016
"UNAUDITED"

Unit: Million Baht

	2016	**2015**
Cash flows from operating activities		
Income before income tax	120	184
Adjustments to reconcile income to cash provided (paid) from operating activities		
Bad debt and doubtful accounts	5	4
Loss on impairment of properties for sale	20	1
Depreciation and amortization	1	1
Gain on sales of properties for sale	(70)	(99)
Employment benefits expenses	6	5
Interest income, net	(87)	(78)
Interest received	87	78
Income tax paid	(27)	(82)
Income from operations before changes in operating assets and liabilities	55	14
(Increase) decrease in operating assets		
Investment in receivables	33	14
Loans to customers	17	7
Properties for sale	244	319
Other assets	(22)	26
Decrease in operating liabilities		
Other liabilities	(3)	(22)
Net cash from operating activities	324	358
Cash flows from investing activities		
Cash paid for purchases of equipment Net cash from investing activities	-	(1)
Net cash from investing activities	-	(1)
Cash flows from financing activities		
Cash paid for repatriation capital	-	(1,435)
Net cash from financing activities	-	(1,435)
Net increase (decrease) in cash and cash equivalents	324	(1,078)
Cash and cash equivalents as at January 1,	458	1,451
Cash and cash equivalents as at September 30,	782	373

7.4 Loans to customers and accrued interest receivables, net

Loans to customers and accrued interest receivables, net as at September 30, 2016 and December 31, 2015 are as follows:

(1) Classified by products

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	September 30, 2016	**December 31, 2015**	**September 30, 2016**	**December 31, 2015**
Overdrafts	54,213	54,637	54,153	54,532
Loan against contract	729,064	649,911	774,322	744,533
Trade bill	276,309	269,242	277,340	270,382
Hire-purchase receivable	335,664	309,212	216,198	164,227
Lease contract receivable	11,641	13,825	3,135	2,578
Credit card receivable	47,845	53,310	-	-
Others	4,277	3,422	3,367	2,454
Total	1,459,013	1,353,559	1,328,515	1,238,706
Less Deferred revenue	(55,074)	(50,105)	(34,420)	(27,093)
Loans to customers after deferred revenue, net	1,403,939	1,303,454	1,294,095	1,211,613
Add Accrued interest receivables	4,079	3,573	2,497	2,359
Loans to customers and accrued interest receivable after deferred revenue, net	1,408,018	1,307,027	1,296,592	1,213,972
Less Allowance for doubtful accounts				
1) BOT requirement :				
- Individual approach	(23,570)	(22,966)	(18,786)	(17,621)
- Collective approach	(7,425)	(6,912)	(4,774)	(3,428)
2) Surplus reserve	(16,547)	(13,340)	(8,076)	(5,238)
Less Revaluation allowance for debt restructuring	(1,466)	(1,726)	(356)	(412)
Total loans to customers, net	1,359,010	1,262,083	1,264,600	1,187,273

(2) Classified by currency and residence of debtors

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS					
	September 30, 2016			**December 31, 2015**		
	Domestic	**Foreign**	**Total**	**Domestic**	**Foreign**	**Total**
Baht	1,296,021	11,726	1,307,747	1,228,060	10,948	1,239,008
US Dollar	58,280	22,380	80,660	53,126	6,236	59,362
Other currencies	12,735	2,797	15,532	1,915	3,169	5,084
Total	1,367,036	36,903	1,403,939	1,283,101	20,353	1,303,454

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS					
	September 30, 2016			**December 31, 2015**		
	Domestic	**Foreign**	**Total**	**Domestic**	**Foreign**	**Total**
Baht	1,200,753	10,982	1,211,735	1,136,251	10,948	1,147,199
US Dollar	58,280	8,431	66,711	53,126	6,232	59,358
Other currencies	12,735	2,914	15,649	1,915	3,141	5,056
Total	1,271,768	22,327	1,294,095	1,191,292	20,321	1,211,613

(3) Classified by business type and classification

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2016

	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total
Agriculture and mining	17,001	627	101	117	773	18,619
Manufacturing and trading	350,864	20,264	1,917	1,809	5,676	380,530
Real estate and construction	81,042	2,271	916	197	1,819	86,245
Public utilities and services	152,418	7,876	259	434	1,809	162,796
Housing loans	184,811	1,619	870	1,333	2,620	191,253
Others	526,732	26,035	5,283	2,493	3,953	564,496
Total	1,312,868	58,692	9,346	6,383	16,650	1,403,939

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2015

	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total
Agriculture and mining	13,747	1,104	86	109	764	15,810
Manufacturing and trading	336,142	14,798	2,675	2,714	3,442	359,771
Real estate and construction	74,491	2,923	915	691	880	79,900
Public utilities and services	140,557	4,879	481	524	1,836	148,277
Housing loans	154,115	1,881	1,102	1,269	1,790	160,157
Others	503,753	22,825	5,565	3,105	4,291	539,539
Total	1,222,805	48,410	10,824	8,412	13,003	1,303,454

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS

September 30, 2016

	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total
Agriculture and mining	13,151	619	94	113	146	14,123
Manufacturing and trading	347,415	19,992	1,892	1,805	4,999	376,103
Real estate and construction	80,380	2,270	821	196	1,815	85,482
Public utilities and services	152,407	7,876	259	435	1,424	162,401
Housing loans	182,189	1,616	867	1,331	2,592	188,595
Others	449,200	13,040	1,928	1,694	1,529	467,391
Total	1,224,742	45,413	5,861	5,574	12,505	1,294,095

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS

December 31, 2015

	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total
Agriculture and mining	13,682	1,104	86	109	118	15,099
Manufacturing and trading	336,006	14,550	2,625	2,681	2,702	358,564
Real estate and construction	74,419	2,839	915	669	872	79,714
Public utilities and services	140,523	4,879	481	524	1,439	147,846
Housing loans	154,115	1,881	1,102	1,270	1,748	160,116
Others	436,808	9,180	1,969	1,649	668	450,274
Total	1,155,553	34,433	7,178	6,902	7,547	1,211,613

(4) Classified by type of classification

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS September 30, 2016			
	Loans to Customers and Accrued Interest Receivables	**Outstanding Balance Use for Calculation Allowance**	**% Use for Calculation Allowance(3)**	**Allowance for Doubtful Accounts(4)**
1. Minimum allowance per BOT guideline				
Normal	1,316,703	878,988	1	9,851
Special mention	58,935	47,454	2, 13	4,236
Substandard	9,346	6,735	49, 100	5,459
Doubtful	6,383	3,677	45, 100	3,088
Doubtful of loss	16,651	6,965	100	8,361
Total	1,408,018	943,819		30,995(1)
2. Surplus Reserve				16,547(2)
Total				47,542

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS December 31, 2015			
	Loans to Customers and Accrued Interest Receivables	**Outstanding Balance Use for Calculation Allowance**	**% Use for Calculation Allowance(3)**	**Allowance for Doubtful Accounts(4)**
1. Minimum allowance per BOT guideline				
Normal	1,226,187	845,656	1	9,204
Special mention	48,598	36,427	2, 13	3,802
Substandard	10,824	7,229	52, 100	6,255
Doubtful	8,412	4,692	49, 100	4,271
Doubtful of loss	13,006	5,459	100	6,346
Total	1,307,027	899,463		29,878(1)
2. Surplus Reserve				13,340(2)
Total				43,218

(1) Including allowance for doubtful accounts on a collective approach for hire-purchase loans as at September 30, 2016 and December 31, 2015, of Baht 7,425 million and Baht 6,912 million, respectively.

(2) Including allowance for doubtful accounts of loans granted to subsidiaries as at September 30, 2016 and December 31, 2015, at the rate of 1% of Baht 113,527 million and Baht 145,769 million equal to Baht 1,135 million and Baht 1,458 million, respectively, which are not eliminated but treated as surplus reserve in the consolidated financial statements.

(3) % set up are the minimum rates required by the Bank of Thailand for loans to customers and the rates used for the collective approach valuation.

(4) Excluding revaluation allowance for debt restructuring as at September 30, 2016 and December 31, 2015, of Baht 1,466 million and Baht 1,726 million, respectively, and excluding allowance for doubtful accounts for interbank and money market items as at September 30, 2016 and December 31, 2015, of Baht 305 million and Baht 369 million, respectively.

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS			
	September 30, 2016			
	Loans to Customers and Accrued Interest Receivables	**Outstanding Balance Use for Calculation Allowance**	**% Use for Calculation Allowance[(3)]**	**Allowance for Doubtful Accounts[(4)]**
1. Minimum allowance per BOT guideline				
Normal	1,227,098	793,448	1	8,865
Special mention	45,554	35,541	2, 12	3,175
Substandard	5,861	3,440	42, 100	3,066
Doubtful	5,574	2,926	42, 100	2,732
Doubtful of loss	12,505	4,220	100	5,722
Total	1,296,592	839,575		23,560[(1)]
2. Surplus Reserve				8,076[(2)]
Total				31,636

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS			
	December 31, 2015			
	Loans to Customers and Accrued Interest Receivables	**Outstanding Balance Use for Calculation Allowance**	**% Use for Calculation Allowance[(3)]**	**Allowance for Doubtful Accounts[(4)]**
1. Minimum allowance per BOT guideline				
Normal	1,157,819	781,259	1	8,462
Special mention	34,526	23,706	2, 13	2,537
Substandard	7,178	3,686	45, 100	3,750
Doubtful	6,902	3,445	45, 100	3,574
Doubtful of loss	7,547	1,860	100	2,726
Total	1,213,972	813,956		21,049[(1)]
2. Surplus Reserve				5,238[(2)]
Total				26,287

(1) Including allowance for doubtful accounts on a collective approach for hire-purchase loans as at September 30, 2016 and December 31, 2015 of Baht 4,774 million and Baht 3,428 million, respectively.

(2) Including allowance for doubtful accounts of loan granted to subsidiaries as at September 30, 2016 and December 31, 2015, at the rate of 1% of Baht 113,527 million and Baht 145,769 million, equal to Baht 1,135 million and Baht 1,458 million, respectively.

(3) % set up are the minimum rates required by the Bank of Thailand for loans to customers and the rates used for the collective approach valuation.

(4) Excluding revaluation allowance for debt restructuring as at September 30, 2016 and December 31, 2015, of Baht 356 million and Baht 412 million, respectively and excluding allowance for doubtful accounts for interbank and money market items as at September 30, 2016 and December 31, 2015, of Baht 305 million and Baht 369 million, respectively.

For the nine-month periods ended September 30, 2016 and 2015, the Bank entered into agreements to sell non-performing loans (NPLs) to the third parties as follows:

	Unit: Million Baht	
	CONSOLIDATED AND THE BANK'S FINANCIAL STATEMENTS	
	2016	**2015**
Book value	1,152	1,396
Net book value	820	954
Sale price	820	954

As at September 30, 2016 and December 31, 2015, the Bank and Krungsri Ayudhya AMC Limited ("AMC") had non-performing loans which included interbank and money market items as follows:

			Unit: Million Baht
	September 30, 2016		
	The Bank	**AMC**	**The Bank and AMC**
Non-performing loans	23,940	550	24,490
Percentage of total loans	1.67	100.00	1.71
Non-performing loans, net	12,419	355	12,774
Percentage of total loans, net	0.87	100.00	0.90

			Unit: Million Baht
	December 31, 2015		
	The Bank	**AMC**	**The Bank and AMC**
Non-performing loans	21,627	624	22,251
Percentage of total loans	1.60	100.00	1.64
Non-performing loans, net	11,578	433	12,011
Percentage of total loans, net	0.86	100.00	0.89

As at September 30, 2016 and December 31, 2015, the Bank and its subsidiaries' non-performing loans are Baht 32,379 million and Baht 32,239 million, respectively.

(5) Troubled debt restructuring

For the three-month and nine-month periods ended September 30, 2016 and 2015, the Bank and its subsidiaries had restructured the following debts:

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

Form of Restructuring	For the three-month period ended September 30, 2016				For the three-month period ended September 30, 2015			
	Number of Debtors	Amount of Debt Before Restructuring	Type of Assets Acquired	Fair Value	Number of Debtors	Amount of Debt Before Restructuring	Type of Assets Acquired	Fair Value
Debt equity conversion	-	-	-	-	-	-	-	-
Modification of terms	5,855	1,458	-	-	6,935	1,101	-	-
Reduction of principal and interest	1,493	75	-	-	1,583	283	-	-
Various forms of restructuring	228	819	-	-	126	608	-	-
Total	7,576	2,352		-	8,644	1,992		-

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

Form of Restructuring	For the nine-month period ended September 30, 2016				For the nine-month period ended September 30, 2015			
	Number of Debtors	Amount of Debt Before Restructuring	Type of Assets Acquired	Fair Value	Number of Debtors	Amount of Debt Before Restructuring	Type of Assets Acquired	Fair Value
Debt equity conversion	-	-	-	-	3	2	-	-
Modification of terms	16,088	3,671	-	-	17,536	2,924	-	-
Reduction of principal and interest	4,817	244	-	-	4,940	618	-	-
Various forms of restructuring	612	4,641	-	-	209	1,190	-	-
Total	21,517	8,556		-	22,688	4,734		-

Unit : Million Baht

THE BANK'S FINANCIAL STATEMENTS

Form of Restructuring	For the three-month period ended September 30, 2016				For the three-month period ended September 30, 2015			
	Number of Debtors	Amount of Debt Before Restructuring	Type of Assets Acquired	Fair Value	Number of Debtors	Amount of Debt Before Restructuring	Type of Assets Acquired	Fair Value
Debt equity conversion	-	-	-	-	-	-	-	-
Modification of terms	330	671	-	-	160	298	-	-
Reduction of principal and interest	-	-	-	-	25	207	-	-
Various forms of restructuring	228	819	-	-	126	608	-	-
Total	558	1,490		-	311	1,113		-

Unit : Million Baht

	THE BANK'S FINANCIAL STATEMENTS							
	For the nine-month period ended September 30, 2016				For the nine-month period ended September 30, 2015			
Form of Restructuring	Number of Debtors	Amount of Debt Before Restructuring	Type of Assets Acquired	Fair Value	Number of Debtors	Amount of Debt Before Restructuring	Type of Assets Acquired	Fair Value
Debt equity conversion	-	-	-	-	3	2	-	-
Modification of terms	602	1,842	-	-	418	998	-	-
Reduction of principal and interest	-	-	-	-	95	385	-	-
Various forms of restructuring	612	4,641	-	-	209	1,190	-	-
Total	1,214	6,483		-	725	2,575		-

For the nine-month periods ended September 30, 2016 and 2015, the Bank and its subsidiaries calculated the net realizable value for the trouble debt restructured by the modification of terms using the present value of future cash flows under the restructured loan agreement, discounted by the market rate, together with the fair value of collateral as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS							
	For the nine-month period ended September 30, 2016				For the nine-month period ended September 30, 2015			
Method	Average	Number	Amount of Debt		Average	Number	Amount of Debt	
	Aging (Year)	of Debtor	Before Restructuring	After Restructuring	Aging (Year)	of Debtor	Before Restructuring	After Restructuring
Present value of future cash flows	4.74	15,448	2,383	2,415	4.62	17,078	1,976	2,034
Fair value of collateral	7.05	640	1,288	1,286	7.84	458	948	948

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS							
	For the nine-month period ended September 30, 2016				For the nine-month period ended September 30, 2015			
Method	Average	Number	Amount of Debt		Average	Number	Amount of Debt	
	Aging (Year)	of Debtor	Before Restructuring	After Restructuring	Aging (Year)	of Debtor	Before Restructuring	After Restructuring
Present value of future cash flows	7.43	18	559	559	4.67	5	52	52
Fair value of collateral	7.72	584	1,283	1,281	8.70	413	946	946

For the three-month and nine-month periods ended September 30, 2016 and 2015, the Bank and its subsidiaries recognized losses on debt restructured and interest received from debt restructured in the statements of profit or loss and other comprehensive income as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	For the three-month periods ended September 30,		For the three-month periods ended September 30,	
	2016	2015	2016	2015
Losses on debt restructured (reversal)	346	389	(9)	(17)
Interest received from debt restructured	176	217	132	146

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS For the nine-month periods ended September 30,		THE BANK'S FINANCIAL STATEMENTS For the nine-month periods ended September 30,	
	2016	2015	2016	2015
Losses on debt restructured (reversal)	718	968	(49)	(136)
Interest received from debt restructured	603	623	392	445

As at September 30, 2016 and December 31, 2015, the Bank and its subsidiaries recorded balances of total debt restructured and debt restructured during the nine-month period ended September 30, 2016 and during the year ended December 31, 2015, in the statements of financial position as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	September 30, 2016	December 31, 2015	September 30, 2016	December 31, 2015
Balances of total debt restructured	16,632	15,943	11,830	11,018
Balances of debt restructured during the period/year	7,581	5,440	5,968	2,865

(6) Lease receivables (Included hire-purchase receivables and finance lease)

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS September 30, 2016 Amount due per agreements			
	Within 1 Year	Greater than 1-5 Years	Greater than 5 Years	Total
Minimum lease payments	93,730	199,924	53,651	347,305
Less Unearned interest income				(55,014)
Present value of the minimum lease payments				292,291
Less Allowance for doubtful accounts				(12,040)
Total lease receivables, net				280,251

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS December 31, 2015 Amount due per agreements			
	Within 1 Year	Greater than 1-5 Years	Greater than 5 Years	Total
Minimum lease payments	91,666	185,408	45,963	323,037
Less Unearned interest income				(50,047)
Present value of the minimum lease payments				272,990
Less Allowance for doubtful accounts				(12,655)
Total lease receivables, net				260,335

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS September 30, 2016 Amount due per agreements			
	Within 1 Year	Greater than 1-5 Years	Greater than 5 Years	Total
Minimum lease payments	39,230	130,726	49,377	219,333
Less Unearned interest income				(34,368)
Present value of the minimum lease payments				184,965
Less Allowance for doubtful accounts				(4,774)
Total lease receivables, net				180,191

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS December 31, 2015 Amount due per agreements			
	Within 1 Year	Greater than 1-5 Years	Greater than 5 Years	Total
Minimum lease payments	27,526	99,571	39,708	166,805
Less Unearned interest income				(27,041)
Present value of the minimum lease payments				139,764
Less Allowance for doubtful accounts				(3,427)
Total lease receivables, net				136,337

7.5 Allowance for doubtful accounts

Allowance for doubtful accounts as at September 30, 2016 and December 31, 2015 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS September 30, 2016						
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Surplus Reserve	Total
Beginning balance	9,204	3,802	6,255	4,271	6,346	13,340	43,218
Items arising from business combination	143	-	26	12	6	19	206
Doubtful accounts	672	702	3,065	993	6,667	3,190	15,289
Bad debts written off	(168)	(268)	(3,887)	(2,188)	(4,317)	-	(10,828)
Bad debts written off from sales of NPLs	-	-	-	-	(341)	-	(341)
Other	-	-	-	-	-	(2)	(2)
Ending balance	9,851	4,236	5,459	3,088	8,361	16,547	47,542

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS						
	December 31, 2015						
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Surplus Reserve	Total
Beginning balance	6,665	3,239	4,969	3,341	6,441	13,504	38,159
Items arising from business combination	1,991	155	-	377	-	-	2,523
Doubtful accounts (reversal)	596	803	6,687	2,677	8,266	(174)	18,855
Bad debts written off	(48)	(395)	(5,401)	(2,023)	(7,508)	-	(15,375)
Bad debts written off from sales of NPLs	-	-	-	(101)	(853)	-	(954)
Other	-	-	-	-	-	10	10
Ending balance	9,204	3,802	6,255	4,271	6,346	13,340	43,218

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS						
	September 30, 2016						
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Surplus Reserve	Total
Beginning balance	8,462	2,537	3,750	3,574	2,726	5,238	26,287
Doubtful accounts (reversal)	571	906	(449)	1,346	3,781	2,839	8,994
Bad debts written off	(168)	(268)	(235)	(2,188)	(444)	-	(3,303)
Bad debts written off from sales of NPLs	-	-	-	-	(341)	-	(341)
Other	-	-	-	-	-	(1)	(1)
Ending balance	8,865	3,175	3,066	2,732	5,722	8,076	31,636

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS						
	December 31, 2015						
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Surplus Reserve	Total
Beginning balance	5,956	1,635	2,532	2,307	1,803	5,564	19,797
Items arising from business combination	1,991	155	-	377	-	-	2,523
Doubtful accounts (reversal)	563	1,142	1,870	3,014	3,073	(330)	9,332
Bad debts written off	(48)	(395)	(652)	(2,023)	(1,297)	-	(4,415)
Bad debts written off from sales of NPLs	-	-	-	(101)	(853)	-	(954)
Other	-	-	-	-	-	4	4
Ending balance	8,462	2,537	3,750	3,574	2,726	5,238	26,287

As at September 30, 2016 and December 31, 2015, the Bank and its subsidiaries estimated the minimum total allowance under the BOT Guidelines as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	September 30, 2016	**December 31, 2015**	**September 30, 2016**	**December 31, 2015**
Allowance for doubtful accounts*	32,766	31,974	24,221	21,830

* Such allowance for doubtful accounts consists of allowance for doubtful accounts for loans to customers and accrued interest receivables, allowance for doubtful accounts for interbank and money market items and revaluation allowance for debt restructuring.

The Bank and its subsidiaries recorded allowance for doubtful accounts* in the financial statements as follows:

Unit: Million Baht

	September 30, 2016	**December 31, 2015**
Consolidated financial statements	49,313	45,313
The Bank and Krungsri Ayudhya AMC Limited	32,623	27,401
The Bank's financial statements	32,296	27,069

* Such allowance for doubtful accounts consists of allowance for doubtful accounts for loans to customers and accrued interest receivables, allowance for doubtful accounts for interbank and money market items and revaluation allowance for debt restructuring.

As at September 30, 2016 and December 31, 2015, the Bank and its subsidiaries had loans to customers and accrued interest receivables to companies which have certain problems in financial position and result of operations as defined in the Guideline of SET dated July 8, 1998 regarding the Quality of Assets and Transactions with Related Parties and the allowance for doubtful accounts for such loans as follows:

Unit: Million Baht

	CONSOLIDATED AND THE BANK'S FINANCIAL STATEMENTS			
	September 30, 2016			
	Number	**Outstanding Balance**	**Collateral**	**Allowance for Doubtful Accounts**
Companies subject to be delisted by SET	2	2,225	845	1,330
Total	2	2,225	845	1,330

Unit: Million Baht

	CONSOLIDATED AND THE BANK'S FINANCIAL STATEMENTS			
	December 31, 2015			
	Number	**Outstanding Balance**	**Collateral**	**Allowance for Doubtful Accounts**
Companies subject to be delisted by SET	2	2,225	845	1,291
Total	2	2,225	845	1,291

7.6 Revaluation allowance for debt restructuring

Revaluation allowance for debt restructuring as at September 30, 2016 and December 31, 2015 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	September 30, 2016	**December 31, 2015**	**September 30, 2016**	**December 31, 2015**
Beginning balance	1,726	1,617	412	563
Increase (decrease) during the period / year	718	1,328	(49)	(145)
Amount written off	(978)	(1,219)	(7)	(6)
Ending balance	1,466	1,726	356	412

7.7 Debt issued and borrowings

Debt issued and borrowings as at September 30, 2016 and December 31, 2015 are as follows:

Unit: Million Baht

				CONSOLIDATED FINANCIAL STATEMENTS					
				September 30, 2016			December 31, 2015		
	Currency	Interest rate (%)	Maturity	Domestic	Foreign	Total	Domestic	Foreign	Total
Subordinated debentures	THB	0.00-10.85	2019-2027	24,844	858	25,702	14,844	-	14,844
Senior securities	THB	1.85-4.50	2016-2020	73,075	-	73,075	55,843	-	55,843
Bill of exchange	THB	0.50-1.75	2016-2017	31,300	-	31,300	37,420	-	37,420
Other borrowings	THB	0.00-11.80	2016-2023	7	3,628	3,635	13	-	13
				129,226	4,486	133,712	108,120	-	108,120

Unit: Million Baht

				THE BANK'S FINANCIAL STATEMENTS					
				September 30, 2016			December 31, 2015		
	Currency	Interest rate (%)	Maturity	Domestic	Foreign	Total	Domestic	Foreign	Total
Subordinated debentures	THB	3.5-4.70	2022-2027	24,844	-	24,844	14,844	-	14,844
Senior securities	THB	1.86-3.34	2016-2019	52,500	-	52,500	36,000	-	36,000
Bill of exchange	THB	0.50-1.37	2016-2017	30,552	-	30,552	37,421	-	37,421
Other borrowings	THB	0.50	2017	7	-	7	13	-	13
				107,903	-	107,903	88,278	-	88,278

Additional information on debts issued and borrowings is as follows:

1. On November 7, 2012, the Bank issued subordinated debentures No. 1/2012 in the amount of Baht 14,844 million for a 10-year tenor at the fixed interest rate of 4.7% per annum, payable quarterly in February, May, August and November of each year. The Bank has the right to redeem subordinated debentures on the fifth anniversary of the issued date or on any interest payment date after the fifth anniversary subject to the approval of the BOT.

2. On August 11, 2016, the Bank issued subordinated debentures (Subordinated Instrument to be qualified as Tier 2 Capital) No. 1/2016 in amount of Baht 10,000 million for a 10-year and 6 month tenor at the fixed interest rate of 3.5% per annum, payable quarterly in February, May, August and November of each year. The Bank has the right to redeem debentures on any interest payment date after the fifth anniversary subject to the approval of the BOT.

7.8 Provisions

Provisions for the nine-month period ended September 30, 2016 and for the year ended December 31, 2015 are as follows:

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS	Balance at January 1, 2015	Increase (Decrease)	Balance at December 31, 2015	Increase (Decrease)	Balance at September 30, 2016
Provision for post-employment benefits obligation	3,710	1,041	4,751	449	5,200
Others	1,741	267	2,008	(27)	1,981
Total	5,451	1,308	6,759	422	7,181

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS	Balance at January 1, 2015	Increase (Decrease)	Balance at December 31, 2015	Increase (Decrease)	Balance at September 30, 2016
Provision for post-employment benefits obligation	3,210	947	4,157	310	4,467
Others	1,721	260	1,981	(29)	1,952
Total	4,931	1,207	6,138	281	6,419

7.9 Dividend payment

The Annual General Meeting of Shareholders No. 103 held on April 23, 2015, approved the dividend payment for the six-month period ended December 31, 2014 to the shareholders of 7,355,761,773 ordinary shares at Baht 0.40 per share totaling Baht 2,942 million with payment date on May 22, 2015.

The Board of Directors' Meeting No. 8/2015 held on August 26, 2015, approved the interim dividend payment for the six-month period ended June 30, 2015 to the shareholders of 7,355,761,773 ordinary shares at Baht 0.40 per share totaling Baht 2,942 million with payment date on September 24, 2015.

The Annual General Meeting of Shareholders No. 104 held on April 28, 2016, approved the dividend payment for the six-month period ended December 31, 2015 to the shareholders of 7,355,761,773 ordinary shares at Baht 0.40 per share totaling Baht 2,942 million with payment date on May 26, 2016.

The Board of Directors' Meeting No. 8/2016 held on August 24, 2016, approved the interim dividend payment for the six-month period ended June 30, 2016 to the shareholders of 7,355,761,773 ordinary shares at Baht 0.40 per share totaling Baht 2,942 million with payment date on September 22, 2016.

7.10 Assets with obligations and restrictions

As at September 30, 2016 and December 31, 2015, government and state enterprise securities with book value of Baht 26,396 million and Baht 24,296 million, respectively, are used as collateral for other commitments with government departments and state enterprises.

7.11 Contingencies

Contingencies as at September 30, 2016 and December 31, 2015 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	September 30, 2016	December 31, 2015	September 30, 2016	December 31, 2015
Avals to bills	1,153	2,158	1,153	2,158
Guarantees of loans	94	108	94	108
Liability under unmatured import bills	1,598	2,560	1,598	2,560
Letters of credit	6,744	4,727	6,744	4,727
Other contingencies				
- Unused overdraft limit	42,133	48,231	42,133	48,321
- Unused credit line	27,009	35,467	27,589	35,467
- Other guarantees	56,739	54,622	56,739	54,622
- Others	147	101	147	101
Total	135,617	147,974	136,197	148,064

The Bank and its subsidiaries have entered into a long-term information technology service agreement, which will be expired in 2019 with a local company. As at September 30, 2016 and December 31, 2015, the Bank and its subsidiaries have a commitment to pay in the amounts of Baht 2,085 million and Baht 2,677 million, respectively.

As at September 30, 2016 and December 31, 2015, the Bank has commitments to pay regarding the information technology services the amounts of Baht 2,252 million and Baht 1,420 million, respectively.

As at September 30, 2016 and December 31, 2015, the Bank has commitment payment amount of Baht 1,588 million and 1,601 million as a result of entering to the construction agreement of the office building.

7.12 Related party transactions

The Bank has business transactions with subsidiaries, associates, joint ventures and related companies. These transactions are with companies that have shareholding and/or major shareholders and/or joint directors with the Bank and with related persons. Such loans to related party have the allowance for doubtful accounts policy which comply with the same BOT regulations as those granted to other debtors.

According to the Bank of Thailand's Notification Sor.Nor.Sor. 19/2555 regarding the "Guideline on Consolidated Supervision (No.2)" dated December 17, 2012, and Sor.Nor.Sor. 6/2553 regarding the "Guideline on Consolidated Supervision" dated June 18, 2010, the Bank is required to disclose the Inter-Group Transactions in the Financial Business Group Policy and the Risk Management for Inter-Group Transactions in the Financial Business Group Policy as follows:

1. The Inter-Group Transactions in the Financial Business Group Policy

   The inter-group transactions shall be the same conditions or criteria, including interest rate or service fee charged, as applied when the Bank conducts the transactions with general customers with the same risk level and the Bank does not allow the companies in the financial business group borrow from or lend to each other.

2. The Risk Management for Inter-Group Transactions in the Financial Business Group Policy

   The Bank manages risk for all inter-group transactions based on the Credit Risk Management for the Financial Business Policy which covers the key credit risk management process, namely credit risk control, credit risk measurement, and credit risk monitoring, in accordance with the Bank's policy and the Bank of Thailand's requirements.

Related party transactions are as follows:

7.12.1 Assets, liabilities and contingencies with certain officers from the levels of Bank's Directors, Executive Vice Presidents and higher, and Vice Presidents/equivalent positions and higher in the Finance and Accounting Functions and the companies in which they and/or the Bank directors and/or their related parties and/or the Bank owned and the companies in which the directors and/or shareholders of the Bank have significant voting right either directly and indirectly, as at September 30, 2016 and December 31, 2015 are as follows:

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2016

	Interbank and money market items (Assets)	Loans	Accrued Interest Receivables	Derivative Assets	Other assets	Deposits	Interbank and money market items (Liabilities)	Borrowings	Derivative Liabilities	Other Liabilities	Derivative (Notional amount)	Contingencies
Parent company												
The Bank of Tokyo-Mitsubishi UFJ Ltd.	16,643	-	-	1,873	4,874	-	217,333	-	6,467	475	450,984	6,978
Total	16,643	-	-	1,873	4,874	-	217,333	-	6,467	475	450,984	6,978
Joint ventures												
Tesco Card Services Limited	-	8,009	25	-	55	305	-	-	-	4	-	-
Tesco Life Assurance Broker Limited	-	-	-	-	-	127	-	-	-	-	-	-
Tesco General Insurance Broker Limited	-	-	-	-	2	517	-	-	-	-	-	-
Less Allowance for doubtful accounts	-	(80)	-	-	-	-	-	-	-	-	-	-
Total	-	7,929	25	-	57	949	-	-	-	4	-	-
Related companies having joint major shareholders or directors	12	18,630	50	239	-	8,124	268	1,105	134	10	19,563	1,936
Less Allowance for doubtful accounts	-	(85)	-	-	-	-	-	-	-	-	-	-
Total	12	18,545	50	239	-	8,124	268	1,105	134	10	19,563	1,936
Individual and related parties	-	423	-	-	-	1,287	-	-	-	551	-	-
Less Allowance for doubtful accounts	-	(1)	-	-	-	-	-	-	-	-	-	-
Total	-	422	-	-	-	1,287	-	-	-	551	-	-
Total	16,655	26,896	75	2,112	4,931	10,360	217,601	1,105	6,601	1,040	470,547	8,914

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2015

	Interbank and money market items (Assets)	Loans	Accrued Interest Receivables	Derivative Assets	Other assets	Deposits	Interbank and money market items (Liabilities)	Borrowings	Derivative Liabilities	Other Liabilities	Derivative (Notional amount)	Contingencies
Parent company												
The Bank of Tokyo-Mitsubishi UFJ Ltd.	15,927	-	-	2,747	4,239	-	229,036	-	6,579	311	544,233	6,192
Less Allowance for doubtful accounts	(1)	-	-	-	-	-	-	-	-	-	-	-
Total	15,926	-	-	2,747	4,239	-	229,036	-	6,579	311	544,233	6,192
Joint ventures												
Tesco Card Services Limited	-	8,873	27	-	321	391	-	-	-	4	-	-
Tesco Life Assurance Broker Limited	-	-	-	-	8	134	-	-	-	-	-	-
Tesco General Insurance Broker Limited	-	-	-	-	22	499	-	-	-	-	-	-
Less Allowance for doubtful accounts	-	(89)	-	-	-	-	-	-	-	-	-	-
Total	-	8,784	27	-	351	1,024	-	-	-	4	-	-
Related companies having joint major shareholders or directors	13	8,714	28	207	-	8,711	210	858	208	14	11,220	3,167
Less Allowance for doubtful accounts	-	(85)	-	-	-	-	-	-	-	-	-	-
Total	13	8,629	28	207	-	8,711	210	858	208	14	11,220	3,167
Individual and related parties	-	311	-	-	-	779	-	-	-	477	-	-
Less Allowance for doubtful accounts	-	(1)	-	-	-	-	-	-	-	-	-	-
Total	-	310	-	-	-	779	-	-	-	477	-	-
Total	15,939	17,723	55	2,954	4,590	10,514	229,246	858	6,787	806	555,453	9,359

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS

September 30, 2016

	Interbank and money market items (Assets)	Loans	Accrued Interest Receivables	Derivative Assets	Other assets	Deposits	Interbank and money market items (Liabilities)	Borrowings	Derivative Liabilities	Other Liabilities	Derivative (Notional amount)	Contingencies
Parent company												
The Bank of Tokyo-Mitsubishi UFJ Ltd.	16,643	-	-	1,873	4,874	-	217,333	-	6,467	475	450,984	6,978
Total	16,643	-	-	1,873	4,874	-	217,333	-	6,467	475	450,984	6,978
Subsidiaries												
Ayudhya Development Leasing Company Limited	-	2,925	-	3	3	4	-	-	2	1	3,819	34
Ayudhya Capital Auto Lease Public Company	-	42,489	121	-	117	193	-	-	-	113	-	-
Ngern Tid Lor Company Limited (formerly CFG Services Company Limited)	-	4,966	1	-	1,009	90	-	-	-	-	-	2
Ayudhya Capital Services Company Limited	-	25,194	78	-	77	551	-	-	-	17	-	3
General Card Services Limited	-	11,061	25	-	9	283	-	-	-	-	-	-
Krungsriayudhya Card Company Limited	-	25,188	44	-	148	491	-	-	-	7	-	1
Siam Realty and Services Security Company Limited (formerly Siam Realty and Services Company Limited)	-	535	-	-	-	59	-	-	-	66	-	-
Total Services Solutions Public Company Limited	-	-	-	-	2	1,158	-	-	-	23	-	-
Krungsri Asset Management Company Limited	-	-	-	-	78	-	2,007	-	-	7	-	-
Krungsri Ayudhya AMC Limited	-	-	-	-	3	781	-	-	-	79	-	38
Krungsri Securities Public Company Limited	-	-	-	-	2	2	1,434	-	-	7	47	-
Krungsri Factoring Company Limited	-	-	-	-	1	205	-	-	-	-	-	-
Krungsri Life Assurance Broker Company Limited	-	-	-	-	-	810	-	-	-	1	-	-
Krungsri General Insurance Broker Company Limited	-	-	-	-	-	1,273	-	-	-	1	-	-

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS (CONTINUED)

September 30, 2016

	Interbank and money market items (Assets)	Loans	Accrued Interest Receivables	Derivative Assets	Other Assets	Deposits	Interbank and money market items (Liabilities)	Borrowings	Derivative Liabilities	Other Liabilities	Derivative (Notional amount)	Contingencies
Krungsri Leasing Services Company Limited	-	1,169	-	-	-	37	-	-	-	2	-	-
Total	-	113,527	269	3	1,449	5,937	3,441	-	2	324	3,866	78
Less Allowance for doubtful accounts	-	(1,135)	-	-	-	-	-	-	-	-	-	-
Total	-	112,392	269	3	1,449	5,937	3,441	-	2	324	3,866	78
Joint ventures												
Tesco Card Services Limited	-	8,009	25	-	9	305	-	-	-	-	-	-
Tesco Life Assurance Broker Limited	-	-	-	-	-	127	-	-	-	-	-	-
Tesco General Insurance Broker Limited	-	-	-	-	1	517	-	-	-	-	-	-
Less Allowance for doubtful accounts	-	(80)	-	-	-	-	-	-	-	-	-	-
Total	-	7,929	25	-	10	949	-	-	-	-	-	-
Related companies having joint major shareholders or directors	12	18,630	50	239	-	8,124	268	1,105	134	10	19,563	1,936
Less Allowance for doubtful accounts	-	(85)	-	-	-	-	-	-	-	-	-	-
Total	12	18,545	50	239	-	8,124	268	1,105	134	10	19,563	1,936
Individual and related parties	-	371	-	-	-	1,287	-	-	-	407	-	-
Total	16,655	139,237	344	2,115	6,333	16,297	221,042	1,105	6,603	1,216	474,413	8,992

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS

December 31, 2015

	Interbank and money market items (Assets)	Loans	Accrued Interest Receivables	Derivative Assets	Other assets	Deposits	Interbank and money market items (Liabilities)	Borrowings	Derivative Liabilities	Other Liabilities	Derivative (Notional amount)	Contingencies
Parent company												
The Bank of Tokyo-Mitsubishi UFJ Ltd.	15,927	-	-	2,747	4,239	-	229,036	-	6,579	311	544,233	6,192
Less Allowance for doubtful accounts	(1)	-	-	-	-	-	-	-	-	-	-	-
Total	15,926	-	-	2,747	4,239	-	229,036	-	6,579	311	544,233	6,192
Subsidiaries												
Ayudhya Development Leasing Company Limited	-	3,207	1	-	1	4	-	-	-	-	-	1
Ayudhya Capital Auto Lease Public Company	-	67,175	173	-	153	358	-	-	-	206	-	-
Ngern Tid Lor Company Limited (formerly CFG Services Company Limited)	-	5,886	3	-	9	91	-	-	-	-	-	2
Ayudhya Capital Services Company Limited	-	25,855	95	-	91	909	-	-	-	23	-	3
General Card Services Limited	-	12,494	32	-	53	325	-	-	-	-	-	-
Krungsriayudhya Card Company Limited	-	30,267	41	-	401	682	-	-	-	7	-	1
Siam Realty and Services Security Company Limited (formerly Siam Realty and Services Company Limited)	-	540	-	-	-	56	-	-	-	48	-	-
Total Services Solutions Public Company Limited	-	-	-	-	1	1,085	-	-	-	17	-	-
Krungsri Asset Management Company Limited	-	-	-	-	63	-	1,096	-	-	-	-	722
Krungsri Ayudhya AMC Limited	-	-	-	-	-	458	-	-	-	69	-	37
Krungsri Securities Public Company Limited	-	-	-	-	6	2	1,090	-	-	2	-	-
Krungsri Factoring Company Limited	-	-	-	-	-	191	-	-	-	-	-	-
Krungsri Life Assurance Broker Company Limited	-	-	-	-	-	629	-	-	-	-	-	-
Krungsri General Insurance Broker Company Limited	-	-	-	-	-	986	-	-	-	-	-	-

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS (CONTINUED)

December 31, 2015

	Interbank and money market items (Assets)	Loans	Accrued Interest Receivables	Derivative Assets	Other assets	Deposits	Interbank and money market items (Liabilities)	Borrowings	Derivative Liabilities	Other Liabilities	Derivative (Notional amount)	Contingencies
Krungsri Leasing Services Company Limited	-	341	-	-	-	5	-	-	-	-	-	-
Total	-	145,765	345	-	778	5,781	2,186	-	-	372	-	766
Less Allowance for doubtful accounts	-	(1,458)	-	-	-	-	-	-	-	-	-	-
Total	-	144,307	345	-	778	5,781	2,186	-	-	372	-	766
Joint ventures												
Tesco Card Services Limited	-	8,873	27	-	29	391	-	-	-	-	-	-
Tesco Life Assurance Broker Limited	-	-	-	-	-	134	-	-	-	-	-	-
Tesco General Insurance Broker Limited	-	-	-	-	-	499	-	-	-	-	-	-
Less Allowance for doubtful accounts	-	(89)	-	-	-	-	-	-	-	-	-	-
Total	-	8,784	27	-	29	1,024	-	-	-	-	-	-
Related companies having joint major shareholders or directors	13	8,714	28	207	-	8,711	210	858	208	14	11,220	3,167
Less Allowance for doubtful accounts	-	(85)	-	-	-	-	-	-	-	-	-	-
Total	13	8,629	28	207	-	8,711	210	858	208	14	11,220	3,167
Individual and related parties	-	251	-	-	-	779	-	-	-	349	-	-
Total	15,939	161,971	400	2,954	5,046	16,295	231,432	858	6,787	1,046	555,453	10,125

As at September 30, 2016 and December 31, 2015, the Bank charges interest rates to related parties at 0.50% - 22.99% p.a. and 1.00% - 21.78% p.a., respectively.

As at September 30, 2016 and December 31, 2015, the allowance for doubtful accounts of loans granted to subsidiaries of Baht 1,135 million and Baht 1,458 million, respectively, are not eliminated but treated as surplus reserve in the consolidated financial statements.

7.12.2 The Bank has investments in subsidiaries, associates and joint ventures as disclosed in Note 7.3 and has investments in related companies as follows:

Unit: Million Baht

				CONSOLIDATED AND THE BANK'S FINANCIAL STATEMENTS			
				September 30, 2016		December 31, 2015	
	Business Type	Registered Share Capital	Ownership (%)	Investment Cost	Dividend Amount	Investment Cost	Dividend Amount
Related company							
Sri Ayudhya Capital Public Company Limited	Investment holding company	250	8.50	326	43	326	53
Less Allowance for impairment				(5)	-	(5)	-
Investment in related company, net				321	43	321	53

7.12.3 Income and expenses between the Bank and its subsidiaries, associates, joint ventures and related companies for the three-month and nine-month periods ended September 30, 2016 and 2015 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS							
	For the three-month period ended September 30, 2016				For the three-month period ended September 30, 2015			
	Income		Expenses		Income		Expenses	
	Interest income	Non-interest income	Interest expenses	Non- interest expenses	Interest income	Non-interest income	Interest expenses	Non-interest expenses
Parent company								
The Bank of Tokyo-Mitsubishi UFJ Ltd.	1	(279)	527	302	1	(1,962)	285	(139)
Total	1	(279)	527	302	1	(1,962)	285	(139)
Joint ventures								
Tesco Card Services Limited	57	102	-	1	67	120	-	2
Tesco Life Assurance Broker Limited	-	2	-	-	-	1	-	-
Tesco General Insurance Broker Limited	-	5	1	-	-	3	1	-
Total	57	109	1	1	67	124	1	2
Related companies having joint major shareholders or directors	100	51	19	38	62	(127)	18	44
Total	100	51	19	38	62	(127)	18	44
Individual and related parties	3	1	3	-	2	-	3	-
Total	161	(118)	550	341	132	(1,965)	307	(93)

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS							
	For the nine-month period ended September 30, 2016				For the nine-month period ended September 30, 2015			
	Income		Expenses		Income		Expenses	
	Interest income	Non-interest income	Interest expenses	Non- interest expenses	Interest income	Non-interest income	Interest expenses	Non-interest expenses
Parent company								
The Bank of Tokyo-Mitsubishi UFJ Ltd.	4	(1,544)	1,469	634	5	(2,128)	659	261
Total	4	(1,544)	1,469	634	5	(2,128)	659	261
Joint ventures								
Tesco Card Services Limited	176	345	-	3	224	364	-	3
Tesco Life Assurance Broker Limited	-	4	1	-	-	1	1	-
Tesco General Insurance Broker Limited	-	15	3	-	-	10	2	-
Total	176	364	4	3	224	375	3	3
Related companies having joint major shareholders or directors	240	244	47	136	198	(44)	57	165
Total	240	244	47	136	198	(44)	57	165
Individual and related parties	9	2	8	-	7	1	10	-
Total	429	(934)	1,528	773	434	(1,796)	729	429

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS							
	For the three-month period ended September 30, 2016				For the three-month period ended September 30, 2015			
	Income		Expenses		Income		Expenses	
	Interest income	Non-interest income	Interest expenses	Non- interest expenses	Interest income	Non-interest income	Interest expenses	Non-interest expenses
Parent company								
The Bank of Tokyo-Mitsubishi UFJ Ltd.	1	(279)	527	302	1	(1,962)	285	(139)
Total	1	(279)	527	302	1	(1,962)	285	(139)
Subsidiaries								
Ayudhya Development Leasing Company Limited	26	6	-	-	47	2	-	-
Ayudhya Capital Auto Lease Public Company Limited	453	161	-	105	807	185	-	84
Ngern Tid Lor Company Limited (formerly CFG Services Company Limited)	50	15	-	-	64	11	-	-
Ayudhya Capital Services Company Limited	177	63	-	9	205	63	-	8
General Card Services Limited	71	9	-	1	80	8	-	1
Krungsriayudhya Card Company Limited	156	43	-	37	179	47	-	33
Siam Realty and Services Security Company Limited (formerly Siam Realty and Services Company Limited)	3	1	-	128	3	1	-	125
Total Services Solutions Public Company Limited	-	-	4	20	-	-	2	24
Krungsri Asset Management Company Limited	-	201	6	2	-	141	3	1
Krungsri Ayudhya AMC Limited	-	3	-	-	-	3	-	-
Krungsri Securities Public Company Limited	-	5	4	2	-	6	4	1
Krungsri Factoring Company Limited	-	1	-	-	-	2	-	-
Krungsri Life Assurance Broker Limited	-	-	3	-	-	-	2	-
Krungsri General Insurance Broker Limited	-	-	4	-	-	-	2	-
Krungsri Leasing Services Company Limited	14	-	-	-	5	-	-	-
Total	950	508	21	304	1,390	469	13	277
Joint ventures								
Tesco Card Services Limited	57	6	-	1	67	7	-	1
Tesco Life Assurance Broker Limited	-	-	-	-	-	1	-	-
Tesco General Insurance Broker Limited	-	2	1	-	-	2	1	-
Total	57	8	1	1	67	10	1	1
Related companies having joint major shareholders or directors	100	51	19	38	62	(127)	18	44
Total	100	51	19	38	62	(127)	18	44
Individual and related parties	2	1	2	-	2	-	2	-
Total	1,110	289	570	645	1,522	(1,610)	319	183

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS							
	For the nine-month period ended September 30, 2016				For the nine-month period ended September 30, 2015			
	Income		Expenses		Income		Expenses	
	Interest income	Non-interest income	Interest expenses	Non- interest expenses	Interest income	Non-interest income	Interest expenses	Non-interest expenses
Parent company								
The Bank of Tokyo-Mitsubishi UFJ Ltd.	4	(1,544)	1,469	634	5	(2,128)	659	261
Total	4	(1,544)	1,469	634	5	(2,128)	659	261
Subsidiaries								
Ayudhya Development Leasing Company Limited	81	13	-	-	154	6	-	-
Ayudhya Capital Auto Lease Public Company Limited	1,633	469	1	305	2,434	497	1	227
Ngern Tid Lor Company Limited (formerly CFG Services Company Limited)	168	37	-	1	206	32	-	-
Ayudhya Capital Services Company Limited	543	184	-	31	632	176	-	22
General Card Services Limited	220	26	-	3	258	23	-	3
Krungsriayudhya Card Company Limited	484	126	-	106	577	129	1	89
Siam Realty and Services Security Company Limited (formerly Siam Realty and Services Company Limited)	10	2	-	387	10	2	-	377
Total Services Solutions Public Company Limited	-	1	12	64	-	1	7	76
Krungsri Asset Management Company Limited	-	449	13	5	-	383	3	6
Krungsri Ayudhya AMC Limited	-	8	1	-	-	9	1	-
Krungsri Securities Public Company Limited	-	15	11	7	-	13	13	6
Krungsri Factoring Company Limited	-	4	-	-	-	7	-	-
Krungsri Life Assurance Broker Limited	-	1	7	-	-	1	4	-
Krungsri General Insurance Broker Limited	-	1	9	-	-	1	5	-
Krungsri Leasing Services Company Limited	36	-	-	-	7	-	-	-
Total	3,175	1,336	54	909	4,278	1,280	35	806
Joint ventures								
Tesco Card Services Limited	176	17	-	2	224	19	-	2
Tesco Life Assurance Broker Limited	-	-	1	-	-	-	1	-
Tesco General Insurance Broker Limited	-	7	3	-	-	7	2	-
Total	176	24	4	2	224	26	3	2
Related companies having joint major shareholders or directors	240	244	47	136	198	(44)	57	165
Total	240	244	47	136	198	(44)	57	165
Individual and related parties	7	2	6	-	5	1	7	-
Total	3,602	62	1,580	1,681	4,710	(865)	761	1,234

7.12.4 For the nine-month periods ended September 30, 2016 and 2015, related party transactions among subsidiaries included collection services and other services of Baht 735 million and Baht 682 million, respectively, and office and vehicle rental and facilities service of Baht 47 million and Baht 47 million, respectively.

7.12.5 For the nine-month periods ended September 30, 2016 and 2015, subsidiaries had related party transactions from the licenses relevant to technology and software for Baht 39 million and Baht 33 million, respectively.

7.12.6 For the nine-month periods ended September 30, 2016 and 2015, related party transactions among subsidiaries from other services were Baht 1,139 million and Baht 1,020 million, respectively.

7.13 Management compensation

For the three-month and nine-month periods ended September 30, 2016 and 2015, compensations paid to key management personnel under TAS 24 (Revised 2015) "Related Party Disclosures" are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS For the three-month periods ended September 30,		THE BANK'S FINANCIAL STATEMENTS For the three-month periods ended September 30,	
	2016	**2015**	**2016**	**2015**
Short-term employee benefits	397	51	264	(43)
Post-employment benefits	13	12	9	8
Total	410	63	273	(35)

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS For the nine-month periods ended September 30,		THE BANK'S FINANCIAL STATEMENTS For the nine-month periods ended September 30,	
	2016	**2015**	**2016**	**2015**
Short-term employee benefits	1,349	1,148	915	839
Post-employment benefits	40	36	28	25
Total	1,389	1,184	943	864

7.14 Operating segments

The business segment results are prepared based on the Bank and its subsidiaries' internal management reporting which reflects the organizational management structure. The operating results by business segment provided to Chief Operating Decision Maker to make decision about resources allocations, and assess the performance of, operating segments. The operating segment results are measured in accordance with Thai Financial Reporting Standards, which are also adjusted in accordance with internal management accounting rules and practices. Amounts for each business segment are shown after the allocation of certain centralized costs, income from investment, and the application of transfer pricing, where appropriate. Transactions between segments are recorded on the same basis as the transaction conducted with the third party transactions. Transactions between segments are eliminated on consolidation.

The business segments are described below:

Retail: provides individual customers with a diverse range of banking and related financial services. The products and services available to customers include current and savings accounts, fixed deposits, bill of exchange, housing loan, credit cards, personal loans and sale finance loans, hire-purchase and leasing, wealth management and bancassurance products.

Commercial: provides financial services and products to institutional clients including corporate, small and medium-sized businesses and financial institutions. Products and services comprise the full range of credit facilities from short term working capital, cash management, trade finance, transactional banking, advisory services, and treasury and money markets products.

Others: encompasses other income and expenses generating activities that are not attributed to the business segments described above and eliminated transactions for preparation of consolidated financial statements.

During the three-month and nine-month periods ended September 30, 2016 and 2015, no revenue from transactions with a single external customer or counter party amounted to 10% or more of the Bank's total revenue.

Operating segment by businesses for the three-month and nine-month periods ended September 30, 2016 and 2015 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS For the three-month period ended September 30, 2016			
	Retail	**Commercial**	**Others**	**Total**
Interest income, net	9,831	5,742	5	15,578
Other operating income	5,723	2,566	(312)	7,977
Total operating income	15,554	8,308	(307)	23,555
Operating expenses	8,121	2,411	348	10,880
Impairment loss of loans and debt securities	3,908	(348)	1,715	5,275
Profit (loss) before tax	3,525	6,245	(2,370)	7,400
Taxation	714	1,248	(468)	1,494
Net Profit (loss)	2,811	4,997	(1,902)	5,906

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS For the three-month period ended September 30, 2015			
	Retail	**Commercial**	**Others**	**Total**
Interest income, net	8,481	5,580	-	14,061
Other operating income	5,254	1,814	(357)	6,711
Total operating income	13,735	7,394	(357)	20,772
Operating expenses	7,526	2,298	(36)	9,788
Impairment loss of loans and debt securities	4,620	(635)	854	4,839
Profit (loss) before tax	1,589	5,731	(1,175)	6,145
Taxation	325	1,127	(222)	1,230
Net Profit (loss)	1,264	4,604	(953)	4,915

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS For the nine-month period ended September 30, 2016			
	Retail	**Commercial**	**Others**	**Total**
Interest income, net	28,187	17,630	8	45,825
Other operating income	16,827	6,287	(965)	22,149
Total operating income	45,014	23,917	(957)	67,974
Operating expenses	23,406	6,993	950	31,349
Impairment loss of loans and debt securities	11,731	1,375	2,838	15,944
Profit (loss) before tax	9,877	15,549	(4,745)	20,681
Taxation	1,978	3,190	(948)	4,220
Net Profit (loss)	7,899	12,359	(3,797)	16,461

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS For the nine-month period ended September 30, 2015			
	Retail	**Commercial**	**Others**	**Total**
Interest income, net	24,726	16,986	-	41,712
Other operating income	15,179	5,290	(996)	19,473
Total operating income	39,905	22,276	(996)	61,185
Operating expenses	21,902	6,858	(97)	28,663
Impairment loss of loans and debt securities	12,639	1,202	1,468	15,309
Profit (loss) before tax	5,364	14,216	(2,367)	17,213
Taxation	1,099	2,851	(439)	3,511
Net Profit (loss)	4,265	11,365	(1,928)	13,702

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS			
	Retail	**Commercial**	**Others**	**Total**
Total assets				
As at September 30, 2016	696,568	1,307,615	(176,312)	1,827,871
As at December 31, 2015	612,931	1,294,104	(201,518)	1,705,517

7.15 Position and results of operations classified by domestic and foreign business

(1) Position classified by type of business

Position classified by domestic and foreign business as at September 30, 2016 and December 31, 2015 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS September 30, 2016			
	Domestic	**Foreign**	**Elimination**	**Total**
Total assets	1,819,324	29,709	(21,162)	1,827,871
Interbank and money market items, net (Assets)	186,381	7,886	-	194,267
Investments, net*	116,996	1	-	116,997
Loans to customers and accrued interest receivable, net	1,341,407	17,603	-	1,359,010
Deposits	1,072,118	13,433	-	1,085,551
Interbank and money market items, net (Liabilities)	300,101	2,153	-	302,254
Debt issued and borrowings	129,225	4,487	-	133,712

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS			
	December 31, 2015			
	Domestic	Foreign	Elimination	Total
Total assets	1,702,383	16,083	(12,949)	1,705,517
Interbank and money market items, net (Assets)	188,961	5,133	-	194,094
Investments, net*	111,544	58	-	111,602
Loans to customers and accrued interest receivable, net	1,258,107	3,976	-	1,262,083
Deposits	1,044,326	1,964	-	1,046,290
Interbank and money market items, net (Liabilities)	274,213	847	-	275,060
Debt issued and borrowings	108,121	-	-	108,121

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS			
	September 30, 2016			
	Domestic	Foreign	Elimination	Total
Total assets	1,765,195	8,420	(19,952)	1,753,663
Interbank and money market items, net (Assets)	185,369	3,009	-	188,378
Investments, net*	169,209	-	-	169,209
Loans to customers and accrued interest receivable, net	1,262,671	1,929	-	1,264,600
Deposits	1,078,055	1,655	-	1,079,710
Interbank and money market items, net (Liabilities)	304,712	53	-	304,765
Debt issued and borrowings	107,903	-	-	107,903

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS			
	December 31, 2015			
	Domestic	Foreign	Elimination	Total
Total assets	1,649,833	15,332	(12,614)	1,652,551
Interbank and money market items, net (Assets)	187,101	5,111	-	192,212
Investments, net*	158,848	58	-	158,906
Loans to customers and accrued interest receivable, net	1,183,653	3,620	-	1,187,273
Deposits	1,050,108	1,964	-	1,052,072
Interbank and money market items, net (Liabilities)	276,739	507	-	277,246
Debt issued and borrowings	88,278	-	-	88,278

*Includes investments in subsidiaries, associates and joint ventures, net

(2) Results of operations classified by business

Results of operations classified by domestic and foreign business for the three-month and nine-month periods ended September 30, 2016 and 2015 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS			
	For the three-month period ended September 30, 2016			
	Domestic	Foreign	Elimination	Total
Interest income	21,308	206	(39)	21,475
Interest expenses	5,847	89	(39)	5,897
Net interest income	15,461	117	-	15,578
Fees and service income, net	4,592	9	-	4,601
Other operating income	4,778	4	(1,406)	3,376
Other operating expenses	17,460	101	(1,406)	16,155
Profit from operating before tax	7,371	29	-	7,400

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS			
	For the three-month period ended September 30, 2015			
	Domestic	Foreign	Elimination	Total
Interest income	20,033	51	-	20,084
Interest expenses	6,016	7	-	6,023
Net interest income	14,017	44	-	14,061
Fees and service income, net	4,289	9	-	4,298
Other operating income	4,590	8	(2,185)	2,413
Other operating expenses	16,764	48	(2,185)	14,627
Profit from operating before tax	6,132	13	-	6,145

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS			
	For the nine-month period ended September 30, 2016			
	Domestic	Foreign	Elimination	Total
Interest income	63,168	306	(39)	63,435
Interest expenses	17,533	116	(39)	17,610
Net interest income	45,635	190	-	45,825
Fees and service income, net	13,424	28	-	13,452
Other operating income	13,729	59	(5,091)	8,697
Other operating expenses	52,197	187	(5,091)	47,293
Profit from operating before tax	20,591	90	-	20,681

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS			
	For the nine-month period ended September 30, 2015			
	Domestic	Foreign	Elimination	Total
Interest income	61,102	159	-	61,261
Interest expenses	19,537	12	-	19,549
Net interest income	41,565	147	-	41,712
Fees and service income, net	12,779	27	-	12,806
Other operating income	11,928	(10)	(5,251)	6,667
Other operating expenses	49,083	140	(5,251)	43,972
Profit from operating before tax	17,189	24	-	17,213

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS			
	For the three-month period ended September 30, 2016			
	Domestic	Foreign	Elimination	Total
Interest income	14,871	22	-	14,893
Interest expenses	5,700	3	-	5,703
Net interest income	9,171	19	-	9,190
Fees and service income, net	2,272	6	-	2,278
Other operating income	4,790	(3)	(1,406)	3,381
Other operating expenses	11,860	24	(1,406)	10,478
Profit (loss) from operating before tax	4,373	(2)	-	4,371

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS			
	For the three-month period ended September 30, 2015			
	Domestic	Foreign	Elimination	Total
Interest income	13,955	40	-	13,995
Interest expenses	5,838	2	-	5,840
Net interest income	8,117	38	-	8,155
Fees and service income, net	2,038	7	-	2,045
Other operating income	8,921	8	(2,185)	6,744
Other operating expenses	10,856	33	(2,185)	8,704
Profit from operating before tax	8,220	20	-	8,240

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS			
	For the nine-month period ended September 30, 2016			
	Domestic	Foreign	Elimination	Total
Interest income	44,289	77	-	44,366
Interest expenses	17,133	7	-	17,140
Net interest income	27,156	70	-	27,226
Fees and service income, net	6,532	20	-	6,552
Other operating income	15,341	50	(5,091)	10,300
Other operating expenses	35,523	72	(5,091)	30,504
Profit from operating before tax	13,506	68	-	13,574

	Domestic	Foreign	Elimination	Total
	Unit: Million Baht			
	THE BANK'S FINANCIAL STATEMENTS			
	For the nine-month period ended September 30, 2015			
Interest income	42,681	146	-	42,827
Interest expenses	18,729	5	-	18,734
Net interest income	23,952	141	-	24,093
Fees and service income, net	6,215	23	-	6,238
Other operating income	14,386	(9)	(5,251)	9,126
Other operating expenses	31,675	87	(5,251)	26,511
Profit from operating before tax	12,878	68	-	12,946

Income and expenses between the head office and branches or inter-branches are determined by the head office at the rate which approximates actual cost.

7.16 Interest income

Interest income for the three-month and nine-month periods ended September 30, 2016 and 2015 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS For the three-month periods ended September 30,		THE BANK'S FINANCIAL STATEMENTS For the three-month periods ended September 30,	
	2016	2015	2016	2015
Interbank and money market items	711	503	710	502
Investment and trading transactions	38	19	38	19
Investment in debt securities	540	606	540	606
Loans to customers	13,988	13,584	10,762	11,145
Hire purchase and finance lease	6,198	5,372	2,843	1,723
Total interest income	21,475	20,084	14,893	13,995

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS For the nine-month periods ended September 30,		THE BANK'S FINANCIAL STATEMENTS For the nine-month periods ended September 30,	
	2016	2015	2016	2015
Interbank and money market items	2,135	2,133	2,129	2,113
Investment and trading transactions	93	63	93	64
Investment in debt securities	1,578	1,876	1,578	1,873
Loans to customers	41,696	41,378	32,795	34,384
Hire purchase and finance lease	17,933	15,811	7,771	4,393
Total interest income	63,435	61,261	44,366	42,827

7.17 Interest expenses

Interest expenses for the three-month and nine-month periods ended September 30, 2016 and 2015 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS For the three-month periods ended September 30,		THE BANK'S FINANCIAL STATEMENTS For the three-month periods ended September 30,	
	2016	2015	2016	2015
Deposits	3,026	3,744	2,993	3,750
Interbank and money market items	789	455	795	462
Contributions to Financial Institution Development Fund and Deposit Protection Agency	1,315	1,212	1,315	1,212
Debt issued and borrowing				
- Subordinated debenture	230	176	225	176
- Other	530	430	372	239
Borrowing fee expense	3	3	2	1
Other	4	3	1	-
Total interest expenses	5,897	6,023	5,703	5,840

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS For the nine-month periods ended September 30,		THE BANK'S FINANCIAL STATEMENTS For the nine-month periods ended September 30,	
	2016	2015	2016	2015
Deposits	9,344	11,834	9,329	11,852
Interbank and money market items	2,283	1,177	2,302	1,193
Contributions to Financial Institution Development Fund and Deposit Protection Agency	3,877	3,680	3,877	3,680
Debt issued and borrowing				
- Subordinated debenture	578	949	573	949
- Other	1,506	1,879	1,049	1,043
Borrowing fee expense	11	19	7	16
Other	11	11	3	1
Total interest expenses	17,610	19,549	17,140	18,734

7.18 Approval of interim financial statements

These interim financial statements have been approved for issue by the Executive Committee on November 8, 2016.