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 March 31, 2017, and the related consolidated and Bank's statements of profit or loss and other comprehensive income, changes in equity and cash flows for the three-month period then ended, 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
May 9, 2017

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT MARCH 31, 2017

BAHT: '000

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	"UNAUDITED"		"UNAUDITED"	
	As at March 31, 2017	As at December 31, 2016	As at March 31, 2017	As at December 31, 2016
ASSETS				
CASH	32,356,113	36,142,429	31,880,747	35,670,918
INTERBANK AND MONEY MARKET ITEMS, NET	184,958,926	200,283,418	179,205,401	194,452,735
CLAIM ON SECURITY	6,565,503	13,838,550	6,565,503	13,838,550
DERIVATIVES ASSETS	19,321,764	29,117,399	19,343,548	29,117,399
INVESTMENTS, NET (Note 7.2)	150,415,027	131,781,831	150,391,463	131,762,520
INVESTMENTS IN SUBSIDIARIES				
AND JOINT VENTURES, NET (Note 7.3)	1,994,850	1,919,378	55,910,546	55,710,546
LOANS TO CUSTOMERS AND ACCRUED				
INTEREST RECEIVABLES, NET (Note 7.4)				
Loans to customers	1,491,574,830	1,506,222,326	1,356,569,108	1,371,970,480
Accrued interest receivables	4,083,808	3,864,375	2,503,420	2,316,251
Total loans to customers and accrued				
interest receivables	1,495,658,638	1,510,086,701	1,359,072,528	1,374,286,731
Less Deferred revenue	(59,535,458)	(57,340,352)	(39,677,583)	(36,656,980)
Less Allowance for doubtful accounts (Note 7.5)	(50,153,365)	(48,273,619)	(34,820,210)	(32,647,817)
Less Revaluation allowance for debt				
restructuring (Note 7.6)	(1,242,189)	(1,187,903)	(36,639)	(28,026)
Net loans and accrued interest receivables	1,384,727,626	1,403,284,827	1,284,538,096	1,304,953,908
CUSTOMERS' LIABILITY UNDER ACCEPTANCE	450,219	476,024	450,219	476,024
PROPERTIES FOR SALE, NET	4,047,260	4,256,248	2,267,992	2,388,268
PREMISES AND EQUIPMENT, NET	24,953,158	25,221,074	23,149,742	23,326,968
GOODWILL AND OTHER INTANGIBLE ASSETS, NET	16,756,124	16,698,596	3,470,556	3,585,090
DEFERRED TAX ASSETS	4,776,035	4,713,693	-	-
ACCOUNTS RECEIVABLE FOR INVESTMENTS	11,163,177	52,668	11,163,177	52,668
OTHER ASSETS, NET	14,518,273	15,402,070	12,380,278	10,631,652
TOTAL ASSETS	1,857,004,055	1,883,188,205	1,780,717,268	1,805,967,246

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 MARCH 31, 2017

BAHT: '000

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	"UNAUDITED"		"UNAUDITED"	
	As at March 31, 2017	As at December 31, 2016	As at March 31, 2017	As at December 31, 2016
LIABILITIES AND EQUITY				
DEPOSITS	1,125,464,076	1,108,287,927	1,121,530,182	1,102,914,201
INTERBANK AND MONEY MARKET ITEMS, NET	268,599,884	314,399,699	272,246,326	317,482,684
LIABILITY PAYABLE ON DEMAND	5,778,416	4,176,569	5,778,383	4,176,258
LIABILITY TO DELIVER SECURITY	6,565,503	13,838,550	6,565,503	13,838,550
DERIVATIVES LIABILITIES	17,527,122	20,581,038	17,527,122	20,581,236
DEBT ISSUED AND BORROWINGS (Note 7.7)	173,876,439	160,325,732	146,901,386	133,918,957
BANK'S LIABILITY UNDER ACCEPTANCE	450,219	476,024	450,219	476,024
PROVISIONS (Note 7.8)	7,793,583	7,333,340	6,870,574	6,456,427
DEFERRED TAX LIABILITIES	238,201	456,479	198,945	293,890
ACCOUNTS PAYABLE FOR INVESTMENTS	1,739,929	65,526	1,739,929	65,526
OTHER LIABILITIES	34,634,588	44,479,313	17,251,377	27,037,238
TOTAL LIABILITIES	1,642,667,960	1,674,420,197	1,597,059,946	1,627,240,991
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	3,837,915	4,062,842	3,889,558	3,963,430
RETAINED EARNINGS				
Appropriated				
Legal reserve	4,371,800	4,371,800	4,371,800	4,371,800
Unappropriated	79,016,968	73,308,328	48,959,597	43,954,658
TOTAL BANK'S EQUITY	213,663,050	208,179,337	183,657,322	178,726,255
NON-CONTROLLING INTEREST	673,045	588,671	-	-
TOTAL EQUITY	214,336,095	208,768,008	183,657,322	178,726,255
TOTAL LIABILITIES AND EQUITY	1,857,004,055	1,883,188,205	1,780,717,268	1,805,967,246

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 MARCH 31, 2017

"UNAUDITED"

BAHT : '000

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2017	**2016**	**2017**	**2016**
INTEREST INCOME (Note 7.16)	22,762,597	20,874,858	15,384,959	14,651,624
INTEREST EXPENSES (Note 7.17)	6,279,243	5,882,305	5,813,633	5,733,465
INTEREST INCOME, NET	16,483,354	14,992,553	9,571,326	8,918,159
FEES AND SERVICE INCOME	6,286,195	6,030,670	3,297,313	3,078,650
FEES AND SERVICE EXPENSES	1,617,387	1,486,914	992,360	868,274
FEES AND SERVICE INCOME, NET	4,668,808	4,543,756	2,304,953	2,210,376
GAINS ON TRADING AND FOREIGN EXCHANGE				
TRANSACTIONS, NET	1,017,674	851,224	1,041,032	851,777
GAINS ON INVESTMENTS, NET	193,000	199,053	193,000	199,053
SHARE OF PROFIT FROM INVESTMENT FOR USING				
EQUITY METHOD	75,472	70,871	-	-
DIVIDEND INCOME	68,638	37,970	2,827,360	3,052,280
BAD DEBTS RECOVERIES	1,232,058	926,826	165,066	64,670
GAINS ON SALE PROPERTIES FOR SALE	170,022	240,124	136,586	84,573
OTHER OPERATING INCOME	250,143	214,987	214,226	194,900
TOTAL OPERATING INCOME	24,159,169	22,077,364	16,453,549	15,575,788
OTHER OPERATING EXPENSES				
Employee's expenses	6,297,187	5,160,081	4,367,468	3,714,464
Directors' remuneration	12,776	11,207	11,333	10,795
Premises and equipment expenses	2,036,730	1,748,799	1,554,175	1,370,629
Taxes and duties	647,595	630,841	434,945	440,791
Others	2,786,790	2,578,959	1,538,095	1,431,317
Total other operating expenses	11,781,078	10,129,887	7,906,016	6,967,996
IMPAIRMENT LOSS OF LOANS AND				
DEBT SECURITIES	5,243,516	5,414,041	3,100,753	2,961,274
PROFIT FROM OPERATING BEFORE				
INCOME TAX EXPENSES	7,134,575	6,533,436	5,446,780	5,646,518
INCOME TAX EXPENSES	1,404,909	1,319,203	505,735	525,535
NET PROFIT	5,729,666	5,214,233	4,941,045	5,120,983

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

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

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2017

"UNAUDITED"

BAHT : '000

		CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
		2017	2016	2017	2016
OTHER COMPREHENSIVE INCOME					
Items that will be reclassified subsequently to profit or loss:					
Gain (loss) on remeasuring available-for-sales investments		(12,473)	797,296	(12,473)	797,296
Loss arising from translating the financial statements of a foreign operation		(189,046)	(704)	-	-
Income tax relating to components of other comprehensive income		39,940	(159,461)	2,495	(159,461)
Total other comprehensive income, net		(161,579)	637,131	(9,978)	637,835
TOTAL COMPREHENSIVE INCOME		5,568,087	5,851,364	4,931,067	5,758,818
NET PROFIT ATTRIBUTABLE					
Owners of the Bank		5,644,746	5,150,235	4,941,045	5,120,983
Non-controlling interest		84,920	63,998	-	-
		5,729,666	5,214,233	4,941,045	5,120,983
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE					
Owners of the Bank		5,483,713	5,787,577	4,931,067	5,758,818
Non-controlling interest		84,374	63,787	-	-
		5,568,087	5,851,364	4,931,067	5,758,818
EARNINGS PER SHARE OF OWNERS OF THE BANK					
BASIC EARNINGS PER SHARE	**BAHT**	0.77	0.70	0.67	0.70
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 CHANGES IN EQUITY

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2017

"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, 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	-	-	(34,421)	-	-	-	-	34,421	-	-	-
Total comprehensive income	-	-	-	637,835	(493)	-	-	5,150,235	5,787,577	63,787	5,851,364
Balance as of March 31, 2016	73,557,618	52,878,749	6,209,199	1,589,934	2,675	(5,217,755)	3,584,800	63,537,550	196,142,770	456,312	196,599,082
Balance as of January 1, 2017	73,557,618	52,878,749	8,422,604	758,581	99,412	(5,217,755)	4,371,800	73,308,328	208,179,337	588,671	208,768,008
Change in revaluation surplus	-	-	(63,894)	-	-	-	-	63,894	-	-	-
Total comprehensive income	-	-	-	(9,978)	(151,055)	-	-	5,644,746	5,483,713	84,374	5,568,087
Balance as of March 31, 2017	73,557,618	52,878,749	8,358,710	748,603	(51,643)	(5,217,755)	4,371,800	79,016,968	213,663,050	673,045	214,336,095

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 THREE-MONTH PERIOD ENDED MARCH 31, 2017

"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, 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	-	-	(34,248)	-	-	-	34,248	-
Total comprehensive income	-	-	-	637,835	-	-	5,120,983	5,758,818
Balance as of March 31, 2016	73,557,618	52,878,749	6,189,782	1,589,934	(5,217,755)	3,584,800	39,754,670	172,337,798
Balance as of January 1, 2017	73,557,618	52,878,749	8,422,604	758,581	(5,217,755)	4,371,800	43,954,658	178,726,255
Change in revaluation surplus	-	-	(63,894)	-	-	-	63,894	-
Total comprehensive income	-	-	-	(9,978)	-	-	4,941,045	4,931,067
Balance as of March 31, 2017	73,557,618	52,878,749	8,358,710	748,603	(5,217,755)	4,371,800	48,959,597	183,657,322

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 THREE-MONTH PERIOD ENDED MARCH 31, 2017

"UNAUDITED"

BAHT : '000

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2017	**2016**	**2017**	**2016**
CASH FLOWS FROM OPERATING ACTIVITIES				
Income from operations before income tax expenses	7,134,575	6,533,436	5,446,780	5,646,518
Adjustments to reconcile income to cash received (paid)				
from operating activities:				
Depreciation and amortization	943,763	803,800	739,029	572,298
Deferred interest expenses	401	483	278	483
Impairment loss of loans and debt securities	5,243,516	5,414,041	3,100,753	2,961,274
Gains on translation in foreign currencies	(6,978,225)	(3,913,972)	(6,978,225)	(3,913,972)
Share of profit from investment for using equity method	(75,472)	(70,871)	-	-
Gains on investments	(193,000)	(199,053)	(193,000)	(199,053)
Increase (decrease) in discount on investments	(6,450)	54,452	(6,450)	54,452
Gains on sales of properties for sale	(170,022)	(240,124)	(136,586)	(84,573)
(Gains) losses on sales of premises and equipment	(863)	(3,803)	77	2,665
Loss on impairment of properties for sale	64,460	60,275	62,560	21,314
Loss on impairment of other assets (reversal)	27,338	(90,372)	29,369	22,191
Increase in other reserves	460,243	131,683	405,818	103,183
Interest income, net	(16,483,354)	(14,992,553)	(9,571,326)	(8,918,159)
Interest received	25,522,962	22,277,920	11,969,672	12,172,085
Interest paid	(7,420,392)	(6,830,831)	(6,963,938)	(6,735,326)
Dividend income	(68,638)	(37,970)	(2,827,360)	(3,052,280)
Dividend received	32,124	13,916	31,985	13,916
Decrease in other accrued expenses	(1,620,839)	(1,554,383)	(1,220,833)	(1,077,640)
Income tax paid	(279,218)	(137,958)	(104,199)	(88,664)
Income from operations before changes in				
operating assets and liabilities	6,132,909	7,218,116	(6,215,596)	(2,499,288)
(Increase) decrease in operating assets				
Interbank and money market items	14,338,543	(27,318,978)	14,319,753	(27,335,384)
Derivatives assets	9,762,109	5,509,179	9,740,325	5,509,179
Current investments - securities for trading	(21,719,941)	(16,968,495)	(23,136,199)	(16,968,495)
Loans to customers	6,447,638	(6,839,588)	16,909,588	820,842
Properties for sale	2,065,307	2,106,229	1,286,669	979,057
Other assets	776,948	2,993,351	875,942	3,201,599

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2017

"UNAUDITED"

BAHT : '000

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2017	2016	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES (CONTINUED)				
Increase (decrease) in operating liabilities				
Deposits	19,107,462	(13,130,080)	20,547,294	(13,808,984)
Interbank and money market items	(36,970,305)	33,270,922	(36,406,847)	33,668,585
Liability payable on demand	1,659,847	4,457,608	1,660,125	4,457,608
Derivatives liabilities	(3,015,944)	(2,533,848)	(3,016,142)	(2,533,848)
Other liabilities	(8,941,518)	(8,343,330)	(7,867,059)	(7,477,156)
Net cash from operating activities	(10,356,945)	(19,578,914)	(11,302,147)	(21,986,285)
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sales of investments in securities	26,726,957	54,611,801	26,795,540	54,611,802
Cash paid for purchases of investments in securities	(32,914,531)	(37,997,413)	(31,562,604)	(37,997,413)
Cash paid for investment in subsidiaries	-	-	(200,000)	-
Dividend received from subsidiaries	-	-	-	3,014,310
Proceeds from sales of premises and equipment	22,469	20,399	1,762	684
Cash paid for purchases of premises and equipment	(461,776)	(742,945)	(364,025)	(566,510)
Cash paid for purchases of other assets	(162,244)	(301,781)	(91,745)	(277,414)
Net cash from investing activities	(6,789,125)	15,590,061	(5,421,072)	18,785,459
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from debts issued and borrowings	107,485,086	71,450,000	106,407,161	70,950,000
Cash paid for repayment of debts issued and borrowings	(93,944,117)	(70,255,290)	(93,424,733)	(70,255,290)
Cash paid for repayment of liabilities under finance lease agreements	(7,050)	(7,495)	(7,050)	(7,495)
Net cash from financing activities	13,533,919	1,187,215	12,975,378	687,215
Total	(3,612,151)	(2,801,638)	(3,747,841)	(2,513,611)
Loss arising from translating the financial statements of a foreign operation	(189,046)	(492)	-	-
Effect of exchange rate change on cash	(42,330)	(11,530)	(42,330)	(11,529)
Net decrease in cash and cash equivalents	(3,843,527)	(2,813,660)	(3,790,171)	(2,525,140)
Cash and cash equivalents as at January 1,	39,576,980	35,468,254	35,670,918	33,595,831
Cash and cash equivalents as at March 31,	35,733,453	32,654,594	31,880,747	31,070,691

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 PERIOD ENDED MARCH 31, 2017
"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 March 31, 2017 and December 31, 2016, the Bank has 18 subsidiaries and 17 subsidiaries, respectively, with significant changes during the three-month period ended March 31, 2017 as follows:

Krungsri Finnovate Company Limited was incorporated in Thailand on March 27, 2017 and is located at 1222, 10th Floor, Rama III Road, Bang Phongphang Subdistrict, Yannawa District, Bangkok. The subsidiary's main business is venture capital.

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 2016), "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, 2016.

The consolidated and the Bank's statements of financial position as at December 31, 2016, 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 three-month period ended March 31, 2017 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.

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 March 31, 2017	December 31, 2016
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	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
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

Subsidiaries (continued)	Business Type	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Bank (%) As at March 31, 2017	December 31, 2016
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 Finnovate Company Limited	Venture Capital	Thailand	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	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, 2017, 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 on the financial statements for the accounting periods beginning on or after January 1, 2017. Thai Financial Reporting Standards which are related to the Bank and its subsidiaries are as follows:

Thai Accounting Standards (“TAS”)

TAS 1 (Revised 2016)	Presentation of Financial Statements
TAS 7 (Revised 2016)	Statement of Cash Flows
TAS 8 (Revised 2016)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (Revised 2016)	Events After the Reporting Period
TAS 12 (Revised 2016)	Income Taxes
TAS 16 (Revised 2016)	Property, Plant and Equipment
TAS 17 (Revised 2016)	Leases
TAS 18 (Revised 2016)	Revenue
TAS 19 (Revised 2016)	Employee Benefits
TAS 20 (Revised 2016)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (Revised 2016)	The Effects of Changes in Foreign Exchange Rate
TAS 23 (Revised 2016)	Borrowing Cost
TAS 24 (Revised 2016)	Related Party Disclosures
TAS 26 (Revised 2016)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (Revised 2016)	Separate Financial Statements
TAS 28 (Revised 2016)	Investments in Associates and Joint Ventures
TAS 29 (Revised 2016)	Financial Reporting in Hyperinflationary Economics
TAS 33 (Revised 2016)	Earnings per Share
TAS 34 (Revised 2016)	Interim Financial Reporting
TAS 36 (Revised 2016)	Impairment of Assets
TAS 37 (Revised 2016)	Provisions, Contingent Liabilities and Contingent Assets

Thai Accounting Standards (“TAS”) (Continued)

TAS 38 (Revised 2016)	Intangible Assets
TAS 40 (Revised 2016)	Investment Property
TAS 104 (Revised 2016)	Accounting for Troubled Debt Restructuring
TAS 105 (Revised 2016)	Accounting for Investments in Debt and Equity Securities
TAS 107 (Revised 2016)	Financial Instruments Disclosure and Presentation

Thai Financial Reporting Standards (“TFRS”)

TFRS 2 (Revised 2016)	Share-based Payment
TFRS 3 (Revised 2016)	Business Combinations
TFRS 5 (Revised 2016)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8 (Revised 2016)	Operating Segments
TFRS 10 (Revised 2016)	Consolidated Financial Statements
TFRS 11 (Revised 2016)	Joint Arrangements
TFRS 12 (Revised 2016)	Disclosure of Interests in Other Entities
TFRS 13 (Revised 2016)	Fair Value Measurement

Thai Standards Interpretations Committee (“TSIC”)

TSIC 15 (Revised 2016)	Operating Leases - Incentives
TSIC 27 (Revised 2016)	Evaluating the Substance of Transactions in the Legal Form of a Lease
TSIC 31 (Revised 2016)	Revenue - Barter Transactions Involving Advertising Services
TSIC 32 (Revised 2016)	Intangible Assets - Web Site Costs

Thai Financial Reporting Standards Interpretations Committee (“TFRIC”)

TFRIC 1 (Revised 2016)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (Revised 2016)	Determining whether an Arrangement contains a Lease
TFRIC 5 (Revised 2016)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 10 (Revised 2016)	Interim Financial Reporting and Impairment
TFRIC 13 (Revised 2016)	Customer Loyalty Programmes
TFRIC 14 (Revised 2016)	TAS 19 (Revised 2016) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TFRIC 17 (Revised 2016)	Distributions of Non-cash Assets to Owners
TFRIC 18 (Revised 2016)	Transfers of Assets from Customers
TFRIC 21 (Revised 2016)	Levies

Guideline on Accounting

Guideline on Accounting regarding Derecognition of Financial Assets and Liabilities

The above TFRSs have no material impact to the Bank and its subsidiaries' financial statements except Thai Accounting Standards No. 38 (Revised 2016) "Intangible Assets". The Bank and its subsidiaries have changed amortization method of intangible assets from revenue-based method to be straight-line method. The effects of such change are as follows:

		Unit: Million Baht
	CONSOLIDATED FINANCIAL STATEMENTS	**THE BANK'S FINANCIAL STATEMENTS**
Statements of profit or loss and other comprehensive income for the three-month period ended March 31, 2017		
Decrease in other expenses – amortization expenses	31.76	0.51
Increase in profit from operating before income tax expenses	31.76	0.51

4. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements have been prepared based on accounting policies and method of computation consistent with those used in the annual financial statements for the year ended December 31, 2016, except for the new and revised TFRSs as mentioned in Note 3.

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 hierarchies:

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 March 31, 2017 and December 31, 2016 are summarized as follows:

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

	March 31, 2017				**December 31, 2016**			
	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	-	17,924	17,924	17,924	-	23,380	23,380	23,380
Investments - trading	128	12,569	12,697	12,697	-	425	425	425
Investments - available-for-sale	3,567	117,375	120,942	120,942	3,420	111,077	114,497	114,497
Derivative liabilities - trading book	-	14,262	14,262	14,262	-	19,758	19,758	19,758

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS

	March 31, 2017				**December 31, 2016**			
	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	-	17,946	17,946	17,946	-	23,380	23,380	23,380
Investments - trading	123	12,569	12,692	12,692	-	425	425	425
Investments - available-for-sale	3,567	117,375	120,942	120,942	3,420	111,077	114,497	114,497
Derivative liabilities - trading book	-	14,262	14,262	14,262	-	19,758	19,758	19,758

There is no transfer of financial assets and liabilities measured at fair value between level 1 and level 2 for the three-month period ended March 31, 2017.

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 standard models 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 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 BOT 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 Bank maintains its capital fund in accordance with the Financial Institution Business Act B.E. 2551 by maintaining its capital fund as a proportion of risk weighted assets in accordance with the criteria, methodologies, and conditions prescribed by the BOT. The Bank is required to calculate its Capital Funds in accordance with Basel III. As at March 31, 2017 and December 31, 2016 the Consolidated Supervision and the Bank's total capital funds and capital adequacy ratios can be categorized as follows:

Unit : Million Baht

	Basel III Consolidated Supervision	
	March 31, 2017	**December 31, 2016**
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	4,372	4,372
Unappropriated retained earning	62,305	62,305
Other comprehensive income	8,880	8,959
Owner changes - other	(5,218)	(5,218)
Less Deduction items from Common Equity Tier 1 capital	(21,147)	(20,220)
Total Common Equity Tier 1 capital	175,629	176,635
Additional Tier 1	1,144	1,387
Total Tier 1 capital	176,773	178,022
Tier 2 capital	40,656	41,080
Total capital fund	217,429	219,102

Capital adequacy ratio (%)

	BOT regulatory Minimum requirement*		Basel III Consolidated Supervision	
	March 31, 2017	**December 31, 2016**	**March 31, 2017**	**December 31, 2016**
Total Common Equity Tier 1 capital / Total risk weighted assets	5.75	5.125	12.27	12.14
Total Tier 1 capital / Total risk weighted assets	7.25	6.625	12.35	12.24
Total capital / Total risk weighted assets	9.75	9.125	15.19	15.06
Capital after deducting capital add-on arising from Single Lending Limit (Million Baht)			217,429	219,102
Capital ratio after deducting capital add-on arising from Single Lending Limit			15.19	15.06

* 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	
	March 31, 2017	**December 31, 2016**
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	4,372	4,372
Unappropriated retained earning	36,052	36,052
Other comprehensive income	9,009	8,988
Owner changes - other	(5,218)	(5,218)
Less Deduction items from Common Equity Tier 1 capital	(12,446)	(11,803)
Total Common Equity Tier 1 capital	158,206	158,828
Additional Tier 1	-	-
Total Tier 1 capital	158,206	158,828
Tier 2 capital	33,073	32,266
Total capital fund	191,279	191,094

Capital adequacy ratio (%)

	BOT regulatory Minimum requirement*		Basel III The Bank	
	March 31, 2017	**December 31, 2016**	**March 31, 2017**	**December 31, 2016**
Total Common Equity Tier 1 capital / Total risk weighted assets	5.75	5.125	11.91	11.77
Total Tier 1 capital / Total risk weighted assets	7.25	6.625	11.91	11.77
Total capital / Total risk weighted assets	9.75	9.125	14.40	14.16
Capital after deducting capital add-on arising from Single Lending Limit (Million Baht)			191,279	191,094
Capital ratio after deducting capital add-on arising from Single Lending Limit			14.40	14.16

* 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 BOT'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	April 26, 2017
Information as at	December 31, 2016

7. ADDITIONAL INFORMATION

7.1 Additional information of cash flows

7.1.1 Other non-cash transactions for the three-month periods ended March 31, 2017 and 2016 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2017	**2016**	**2017**	**2016**
Increase (decrease) in revaluation surplus on investments	(12)	797	(12)	797
Accumulated depreciation of premises appraisal deducted from premises revaluation surplus	(80)	(43)	(80)	(43)
Properties for sale debt repayment	1,751	1,747	1,092	829

7.1.2 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 was on September 12, 2016.

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

Consolidated financial statements

	Book Value	Fair Value
		Unit: Million Baht
Assets		
Cash	361	361
Receivable and loans	14,246	14,705
Intangible assets	-	161
Others	4,806	4,752
	19,413	19,979
Liabilities		
Deposit and borrowings	15,591	15,604
Others	1,725	1,858
	17,316	17,462
Net assets	2,097	2,517
Goodwill		2,806
Cash payment to acquire shares		5,323
Less Cash of the subsidiary		(361)
Net cash payment		4,962

During the three-month period ended March 31, 2017, the Bank has adjusted the fair value of assets and liabilities based on the Final Purchase Price Allocation Report. Therefore, the Bank made an adjustment to goodwill, which had been previously recognized on the acquisition date in the consolidated statements of financial position as at March 31, 2017 as follows:

Unit: Million Baht

	Fair value as previously reported	Increase (decrease)	Fair value as final reported
Net assets	2,846	(329)	2,517
Purchase price	5,323	-	5,323
Goodwill	2,477	329	2,806

7.1.3 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 March 31, 2017 and December 31, 2016 consisted of the following:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS							
	March 31, 2017				December 31, 2016			
	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	12,569	1	(1)	12,569	425	-	-	425
Domestic marketable equity securities	128	1	(1)	128	-	-	-	-
	12,697	2	(2)	12,697	425	-	-	425
Add Revaluation allowance	-			-	-			-
Total	12,697			12,697	425			425
Securities Available-for-Sale								
Government and state enterprise securities	103,664	319	(29)	103,954	95,728	296	(66)	95,958
Private sector's debt securities	11,897	343	(19)	12,221	13,358	399	(25)	13,732
Domestic marketable equity securities	4,729	503	(181)	5,051	4,747	532	(188)	5,091
	120,290	1,165	(229)	121,226	113,833	1,227	(279)	114,781
Add Revaluation allowance	936			-	948			-
Less Allowance for impairment	(284)			(284)	(284)			(284)
Total	120,942			120,942	114,497			114,497
Securities Held-to-Maturity								
Private sector's debt securities	16,050				16,050			
Investment in accounts receivable	634				714			
	16,684				16,764			
Less Allowance for impairment	(64)				(64)			
Total	16,620				16,700			
Securities for General Investments								
Domestic non-marketable equity securities	318				322			
Foreign non-marketable equity securities	30				30			
	348				352			
Less Allowance for impairment	(192)				(192)			
Total	156				160			
Total Investments, net	150,415				131,782			

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS							
	March 31, 2017				December 31, 2016			
	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	12,569	1	(1)	12,569	425	-	-	425
Domestic marketable equity securities	123	1	(1)	123	-	-	-	-
	12,692	2	(2)	12,692	425	-	-	425
Add Revaluation allowance	-			-	-			-
Total	12,692			12,692	425			425
Securities Available-for-Sale								
Government and state enterprise securities	103,664	319	(29)	103,954	95,728	296	(66)	95,958
Private sector's debt securities	11,618	343	(19)	11,942	13,079	399	(25)	13,453
Domestic marketable equity securities	4,729	503	(181)	5,051	4,747	532	(188)	5,091
	120,011	1,165	(229)	120,947	113,554	1,227	(279)	114,502
Add Revaluation allowance	936			-	948			-
Less Allowance for impairment	(5)			(5)	(5)			(5)
Total	120,942			120,942	114,497			114,497
Securities Held-to-Maturity								
Private sector's debt securities	16,050				16,050			
Investment in accounts receivable	634				714			
	16,684				16,764			
Less Allowance for impairment	(64)				(64)			
Total	16,620				16,700			
Securities for General Investments								
Domestic non-marketable equity securities	283				287			
Foreign non-marketable equity securities	30				30			
	313				317			
Less Allowance for impairment	(176)				(176)			
Total	137				141			
Total Investments, net	150,391				131,763			

As at March 31, 2017 and December 31, 2016, 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 and joint ventures, net

Investments in subsidiaries and joint ventures net as at March 31, 2017 and December 31, 2016 consisted of the following:

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2017

Company Name	Business Type	Securities Investment Type	Registered Share Capital	Proportion of Ownership Interest and Voting Power Held by the Bank (%)	Investment (Cost)	Investment (Equity Method)	Dividend
Joint ventures							
Tesco Card Services Limited [1]	Credit cards and personal loans	Common Stock	2,080	50.00	1,040	1,789	-
Tesco Life Assurance Broker Limited [2]	Life assurance Broker	Common Stock	12	50.00	-	57	-
Tesco General Insurance Broker Limited [2]	General insurance broker	Common Stock	107	50.00	-	149	-
Investments in joint ventures, net					1,040	1,995	-

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2016

Company Name	Business Type	Securities Investment Type	Registered Share Capital	Proportion of Ownership Interest and Voting Power Held by the Bank (%)	Investment (Cost)	Investment (Equity Method)	Dividend
Joint ventures							
Tesco Card Services Limited [1]	Credit cards and personal loans	Common Stock	2,080	50.00	1,040	1,715	-
Tesco Life Assurance Broker Limited [2]	Life assurance Broker	Common Stock	12	50.00	-	57	-
Tesco General Insurance Broker Limited [2]	General insurance broker	Common Stock	107	50.00	-	147	-
Investments in joint ventures, net					1,040	1,919	-

(1) Indirect holding via Ayudhya Capital Services Company Limited
(2) Indirect holding via Tesco Card Services Limited

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)	Dividend
			THE BANK'S FINANCIAL STATEMENTS March 31, 2017			
Subsidiaries						
Ayudhya Development Leasing Company Limited	Hire- purchase and leasing	Common stock	1,235	99.99	3,929	-
Ayudhya Capital Auto Lease Public Company Limited	Hire-purchase and auto leasing	Common stock	25,545	100.00	19,880	2,759
Ngern Tid Lor Company Limited	Hire-purchase and motorcycle loans	Common stock	3,290	100.00	3,126	-
		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	2,458	100.00	2,581	-
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	-
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	-
Krungsri Finnovate Company Limited	Venture Capital	Common stock	200	100.00	200	-
Hattha Kaksekar Limited	Micro finance	Common stock	237	100.00	5,415	-
Investments in subsidiaries					60,863	2,759
Less Allowance for impairment					(4,952)	-
Investments in subsidiaries net					55,911	2,759

[1] Subsidiary is in the process of liquidation.

Unit: Million Baht

			THE BANK'S FINANCIAL STATEMENTS			
				December 31, 2016		
Company Name	**Business Type**	**Securities Investment Type**	**Registered Share Capital**	**Proportion of Ownership Interest and Voting Power Held by the Bank (%)**	**Investment (Cost)**	**Dividend**
Subsidiaries						
Ayudhya Development Leasing Company Limited	Hire- purchase and leasing	Common stock	1,235	99.99	3,929	-
Ayudhya Capital Auto Lease Public Company Limited	Hire-purchase and auto leasing	Common stock	25,545	100.00	19,880	4,708
Ngern Tid Lor Company Limited	Hire-purchase and motorcycle loans	Common stock	3,290	100.00	3,126	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	2,458	100.00	2,581	400
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	5,415	-
Investments in subsidiaries					60,663	6,376
Less Allowance for impairment					(4,952)	-
Investments in subsidiaries net					55,711	6,376

[2] Subsidiary is in the process of liquidation.

DISCLOSURE OF THE STATEMENTS OF CASH FLOWS OF ASSET MANAGEMENT COMPANY

KRUNGSRI AYUDHYA AMC LIMITED
STATEMENTS OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2017
“UNAUDITED”

Unit: Million Baht

	2017	2016
Cash flows from operating activities		
Income before income tax	35	53
Adjustments to reconcile income to cash provided (paid) from operating activities		
Bad debt and doubtful accounts	17	1
Loss on impairment of properties for sale	3	1
Gain on sales of properties for sale	(12)	(29)
Employment benefits expenses	4	4
Interest income, net	(36)	(26)
Interest received	36	26
Income tax paid	(1)	(3)
Income from operations before changes in operating assets and liabilities	46	27
(Increase) decrease in operating assets		
Investment in receivables	5	16
Loans to customers	1	4
Properties for sale	41	96
Other assets	19	(27)
(Increase) decrease in operating liabilities		
Other liabilities	(40)	5
Net cash from operating activities	72	121
Cash flows from investing activities		
Net cash from investing activities	-	-
Cash flows from financing activities		
Net cash from financing activities	-	-
Net increase in cash and cash equivalents	72	121
Cash and cash equivalents as at January 1,	957	458
Cash and cash equivalents as at March 31,	1,029	579

7.4 Loans to customers and accrued interest receivables, net

Loans to customers and accrued interest receivables, net as at March 31, 2017 and December 31, 2016 are as follows:

(1) Classified by products

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	March 31, 2017	**December 31, 2016**	**March 31, 2017**	**December 31, 2016**
Overdrafts	55,598	55,297	55,547	55,243
Loan against contract	730,712	737,450	760,873	782,688
Trade bill	283,860	296,147	284,874	297,178
Hire-purchase receivable	355,280	344,044	249,931	232,016
Lease contract receivable	13,891	14,413	3,570	3,452
Credit card receivable	49,396	56,542	-	-
Others	2,838	2,329	1,774	1,394
Total	1,491,575	1,506,222	1,356,569	1,371,971
Less Deferred revenue	(59,536)	(57,340)	(39,677)	(36,657)
Loans to customers after deferred revenue, net	1,432,039	1,448,882	1,316,892	1,335,314
Add Accrued interest receivables	4,084	3,865	2,503	2,316
Loans to customers and accrued interest receivable after deferred revenue, net	1,436,123	1,452,747	1,319,395	1,337,630
Less Allowance for doubtful accounts				
1) BOT requirement :				
- Individual approach	(25,613)	(24,525)	(21,061)	(20,006)
- Collective approach	(7,762)	(7,693)	(5,530)	(5,220)
2) Surplus reserve	(16,778)	(16,056)	(8,229)	(7,422)
Less Revaluation allowance for debt restructuring	(1,242)	(1,188)	(37)	(28)
Total loans to customers, net	1,384,728	1,403,285	1,284,538	1,304,954

(2) Classified by currency and residence of debtors

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS					
	March 31, 2017			December 31, 2016		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Baht	1,338,146	11,624	1,349,770	1,350,834	11,571	1,362,405
US Dollar	56,345	20,785	77,130	60,759	21,891	82,650
Other currencies	1,491	3,648	5,139	1,575	2,252	3,827
Total	1,395,982	36,057	1,432,039	1,413,168	35,714	1,448,882

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS					
	March 31, 2017			December 31, 2016		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Baht	1,239,623	10,937	1,250,560	1,253,181	10,846	1,264,027
US Dollar	56,345	5,818	62,163	60,759	6,079	66,838
Other currencies	1,491	2,678	4,169	1,575	2,874	4,449
Total	1,297,459	19,433	1,316,892	1,315,515	19,799	1,335,314

(3) Classified by business type and classification

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS					
	March 31, 2017					
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total
Agriculture and mining	17,069	620	88	81	809	18,667
Manufacturing and trading	359,765	14,255	4,435	1,061	7,469	386,985
Real estate and construction	82,929	2,711	1,066	239	1,751	88,696
Public utilities and services	144,236	12,762	261	257	2,046	159,562
Housing loans	195,283	1,950	920	1,359	2,968	202,480
Others	541,677	22,645	5,146	2,175	4,006	575,649
Total	1,340,959	54,943	11,916	5,172	19,049	1,432,039

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS					
	December 31, 2016					
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total
Agriculture and mining	17,101	658	93	103	777	18,732
Manufacturing and trading	377,983	15,831	4,187	1,411	6,250	405,662
Real estate and construction	83,854	2,834	1,321	172	1,587	89,768
Public utilities and services	146,896	13,020	275	530	1,700	162,421
Housing loans	191,176	2,045	1,197	1,419	2,266	198,103
Others	539,300	23,350	5,491	2,241	3,814	574,196
Total	1,356,310	57,738	12,564	5,876	16,394	1,448,882

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS					
	March 31, 2017					
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total
Agriculture and mining	13,180	582	74	68	189	14,093
Manufacturing and trading	355,910	13,987	4,424	1,033	6,793	382,147
Real estate and construction	82,018	2,710	974	238	1,746	87,686
Public utilities and services	144,220	12,762	261	257	1,665	159,165
Housing loans	191,758	1,945	915	1,355	2,947	198,920
Others	457,164	12,119	1,869	1,540	2,189	474,881
Total	1,244,250	44,105	8,517	4,491	15,529	1,316,892

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS					
	December 31, 2016					
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total
Agriculture and mining	13,074	645	84	94	158	14,055
Manufacturing and trading	374,203	15,590	4,178	1,383	5,579	400,933
Real estate and construction	83,072	2,835	1,226	171	1,581	88,885
Public utilities and services	146,864	13,019	275	530	1,317	162,005
Housing loans	188,055	2,040	1,195	1,416	2,241	194,947
Others	457,110	11,815	2,095	1,539	1,930	474,489
Total	1,262,378	45,944	9,053	5,133	12,806	1,335,314

(4) Classified by type of classification

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS			
	March 31, 2017			
	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	1,344,791	890,888	1, 2	10,778
Special mention	55,193	42,988	2, 14	2,954
Substandard	11,916	8,590	51, 100	7,228
Doubtful	5,172	2,621	46, 100	1,891
Doubtful of loss	19,051	8,618	100	10,524
Total	1,436,123	953,705		33,375(1)
2. Surplus Reserve				16,778(2)
Total				50,153

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS			
	December 31, 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	1,359,936	907,176	1	10,426
Special mention	57,976	45,028	2, 14	3,100
Substandard	12,564	8,493	50, 100	7,254
Doubtful	5,876	2,964	46, 100	2,388
Doubtful of loss	16,395	7,385	100	9,050
Total	1,452,747	971,046		32,218[1]
2. Surplus Reserve				16,056[2]
Total				48,274

[1] Including allowance for doubtful accounts on a collective approach for hire-purchase loans as at March 31, 2017 and December 31, 2016, of Baht 7,762 million and Baht 7,693 million, respectively.

[2] Including allowance for doubtful accounts of loans granted to subsidiaries as at March 31, 2017 and December 31, 2016, at the rate of 1% of Baht 103,654 million and Baht 118,284 million equal to Baht 1,037 million and Baht 1,183 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 BOT for loans to customers and the rates used for the collective approach valuation.

[4] Excluding revaluation allowance for debt restructuring as at March 31, 2017 and December 31, 2016, of Baht 1,242 million and Baht 1,188 million, respectively, and excluding allowance for doubtful accounts for interbank and money market items as at March 31, 2017 and December 31, 2016, of Baht 291 million and Baht 439 million, respectively.

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS			
	March 31, 2017			
	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	1,246,591	799,742	1, 2	9,681
Special mention	44,267	33,297	2, 11	2,118
Substandard	8,517	5,376	40, 100	4,889
Doubtful	4,491	1,964	40, 100	1,552
Doubtful of loss	15,529	6,549	100	8,351
Total	1,319,395	846,928		26,591[1]
2. Surplus Reserve				8,229[2]
Total				34,820

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS			
	December 31, 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	1,264,559	819,366	1	9,378
Special mention	46,079	34,415	2, 12	2,157
Substandard	9,053	5,164	41, 100	4,819
Doubtful	5,133	2,280	41, 100	2,035
Doubtful of loss	12,806	5,356	100	6,837
Total	1,337,630	866,581		25,226[1]
2. Surplus Reserve				7,422[2]
Total				32,648

[1] Including allowance for doubtful accounts on a collective approach for hire-purchase loans as at March 31, 2017 and December 31, 2016 of Baht 5,530 million and Baht 5,220 million, respectively.

[2] Including allowance for doubtful accounts of loan granted to subsidiaries as at March 31, 2017 and December 31, 2016, at the rate of 1% of Baht 103,654 million and Baht 118,284 million, equal to Baht 1,037 million and Baht 1,183 million, respectively.

[3] % set up are the minimum rates required by the BOT for loans to customers and the rates used for the collective approach valuation.

[4] Excluding revaluation allowance for debt restructuring as at March 31, 2017 and December 31, 2016, of Baht 37 million and Baht 28 million, respectively and excluding allowance for doubtful accounts for interbank and money market items as at March 31, 2017 and December 31, 2016, of Baht 291 million and Baht 439 million, respectively.

As at March 31, 2017 and December 31, 2016, the Bank and Krungsri Ayudhya AMC Limited ("AMC") had non-performing loans which included interbank and money market items as follows:

Unit: Million Baht

	March 31, 2017		
	The Bank	**AMC**	**The Bank and AMC**
Non-performing loans	28,537	531	29,068
Percentage of total loans	1.99	100.00	2.02
Non-performing loans, net	13,745	359	14,104
Percentage of total loans, net	0.97	100.00	0.99

Unit: Million Baht

	December 31, 2016		
	The Bank	**AMC**	**The Bank and AMC**
Non-performing loans	26,992	541	27,533
Percentage of total loans	1.84	100.00	1.88
Non-performing loans, net	13,300	359	13,659
Percentage of total loans, net	0.92	100.00	0.94

As at March 31, 2017 and December 31, 2016, the Bank and its subsidiaries' non-performing loans are Baht 36,137 million and Baht 34,834 million, respectively.

(5) Troubled debt restructuring

For the three-month periods ended March 31, 2017 and 2016, 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 March 31, 2017: Number of Debtors	Amount of Debt Before Restructuring	Type of Assets Acquired	Fair Value	For the three-month period ended March 31, 2016: Number of Debtors	Amount of Debt Before Restructuring	Type of Assets Acquired	Fair Value
Modification of terms	6,170	1,015	-	-	5,421	862	-	-
Reduction of principal and interest	1,881	90	-	-	1,790	83	-	-
Various forms of restructuring	242	981	-	-	182	2,874	-	-
Total	8,293	2,086		-	7,393	3,819		-

Unit : Million Baht

THE BANK'S FINANCIAL STATEMENTS

Form of Restructuring	For the three-month period ended March 31, 2017: Number of Debtors	Amount of Debt Before Restructuring	Type of Assets Acquired	Fair Value	For the three-month period ended March 31, 2016: Number of Debtors	Amount of Debt Before Restructuring	Type of Assets Acquired	Fair Value
Modification of terms	806	601	-	-	155	453	-	-
Reduction of principal and interest	-	-	-	-	-	-	-	-
Various forms of restructuring	242	981	-	-	182	2,874	-	-
Total	1,048	1,582		-	337	3,327		-

For the three-month periods ended March 31, 2017 and 2016, 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

Method	For the three-month period ended March 31, 2017: Average Aging (Year)	Number of Debtors	Amount of Debt: Before Restructuring	Amount of Debt: After Restructuring	For the three-month period ended March 31, 2016: Average Aging (Year)	Number of Debtors	Amount of Debt: Before Restructuring	Amount of Debt: After Restructuring
Present value of future cash flows	4.67	6,026	640	633	4.70	5,254	436	438
Fair value of collateral	9.23	144	375	375	10.07	167	426	426

Unit: Million Baht

Method	THE BANK'S FINANCIAL STATEMENTS							
	For the three-month period ended March 31, 2017				For the three-month period ended March 31, 2016			
	Average Aging (Year)	Number of Debtors	Amount of Debt Before Restructuring	Amount of Debt After Restructuring	Average Aging (Year)	Number of Debtors	Amount of Debt Before Restructuring	Amount of Debt After Restructuring
Present value of future cash flows	4.60	675	227	224	4.33	3	27	27
Fair value of collateral	10.15	131	374	374	11.06	152	426	426

For the three-month periods ended March 31, 2017 and 2016, 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 For the three-month periods ended March 31,		THE BANK'S FINANCIAL STATEMENTS For the three-month periods ended March 31,	
	2017	2016	2017	2016
Losses on debt restructured (reversal)	393	59	9	(14)
Interest received from debt restructured	236	237	147	130

As at March 31, 2017 and December 31, 2016, the Bank and its subsidiaries recorded balances of total debt restructured and debt restructured during the three-month period ended March 31, 2017 and during the year ended December 31, 2016, in the statements of financial position as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	March 31, 2017	December 31, 2016	March 31, 2017	December 31, 2016
Balances of total debt restructured	20,173	19,541	15,310	14,803
Balances of debt restructured during the period/year	1,978	11,976	1,476	9,880

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

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS March 31, 2017 Amount due per agreements			
	Within 1 Year	**Greater than 1-5 Years**	**Greater than 5 Years**	**Total**
Minimum lease payments	95,156	209,512	64,503	369,171
Less Unearned interest income				(59,493)
Present value of the minimum lease payments				309,678
Less Allowance for doubtful accounts				(11,905)
Total lease receivables, net				297,773

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS December 31, 2016 Amount due per agreements			
	Within 1 Year	**Greater than 1-5 Years**	**Greater than 5 Years**	**Total**
Minimum lease payments	94,225	204,456	59,776	358,457
Less Unearned interest income				(57,293)
Present value of the minimum lease payments				301,164
Less Allowance for doubtful accounts				(11,874)
Total lease receivables, net				289,290

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS March 31, 2017 Amount due per agreements			
	Within 1 Year	**Greater than 1-5 Years**	**Greater than 5 Years**	**Total**
Minimum lease payments	46,857	149,142	57,502	253,501
Less Unearned interest income				(39,646)
Present value of the minimum lease payments				213,855
Less Allowance for doubtful accounts				(5,530)
Total lease receivables, net				208,325

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS December 31, 2016 Amount due per agreements			
	Within 1 Year	Greater than 1-5 Years	Greater than 5 Years	Total
Minimum lease payments	42,952	139,794	52,722	235,468
Less Unearned interest income				(36,619)
Present value of the minimum lease payments				198,849
Less Allowance for doubtful accounts				(5,220)
Total lease receivables, net				193,629

7.5 Allowance for doubtful accounts

Allowance for doubtful accounts as at March 31, 2017 and December 31, 2016 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS March 31, 2017						
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Surplus Reserve	Total
Beginning balance	10,426	3,100	7,254	2,388	9,050	16,056	48,274
Doubtful accounts (reversal)	361	(23)	1,437	293	2,202	726	4,996
Bad debts written off	(7)	(123)	(1,851)	(788)	(728)	-	(3,497)
Other	(2)	-	388	(2)	-	(4)	380
Ending balance	10,778	2,954	7,228	1,891	10,524	16,778	50,153

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS December 31, 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	18	205
Doubtful accounts (reversal)	1,256	(281)	6,356	1,125	9,277	2,727	20,460
Bad debts written off	(177)	(421)	(5,383)	(2,996)	(5,809)	(28)	(14,814)
Bad debts written off from sales of NPLs	-	-	-	(24)	(770)	-	(794)
Other	-	-	-	-	-	(1)	(1)
Ending balance	10,426	3,100	7,254	2,388	9,050	16,056	48,274

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS March 31, 2017						
	Normal	**Special Mention**	**Substandard**	**Doubtful**	**Doubtful of Loss**	**Surplus Reserve**	**Total**
Beginning balance	9,378	2,157	4,819	2,035	6,837	7,422	32,648
Doubtful accounts	311	84	201	304	1,529	807	3,236
Bad debts written off	(8)	(123)	(131)	(787)	(15)	-	(1,064)
Ending balance	9,681	2,118	4,889	1,552	8,351	8,229	34,820

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS December 31, 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	1,092	41	1,499	1,482	5,683	2,185	11,982
Bad debts written off	(176)	(421)	(430)	(2,997)	(802)	-	(4,826)
Bad debts written off from sales of NPLs	-	-	-	(24)	(770)	-	(794)
Other	-	-	-	-	-	(1)	(1)
Ending balance	9,378	2,157	4,819	2,035	6,837	7,422	32,648

As at March 31, 2017 and December 31, 2016, 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	
	March 31, 2017	**December 31, 2016**	**March 31, 2017**	**December 31, 2016**
Allowance for doubtful accounts*	34,908	33,844	26,919	25,692

* 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

	March 31, 2017	**December 31, 2016**
Consolidated financial statements	51,687	49,900
The Bank and Krungsri Ayudhya AMC Limited	35,480	33,433
The Bank's financial statements	35,148	33,114

* 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 March 31, 2017 and December 31, 2016, 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			
	March 31, 2017			
	Number	**Outstanding Balance**	**Collateral**	**Allowance for Doubtful Accounts**
Companies subject to be delisted by SET	2	2,225	623	1,600
Total	2	2,225	623	1,600

Unit: Million Baht

	CONSOLIDATED AND THE BANK'S FINANCIAL STATEMENTS			
	December 31, 2016			
	Number	**Outstanding Balance**	**Collateral**	**Allowance for Doubtful Accounts**
Companies subject to be delisted by SET	2	2,220	623	1,595
Total	2	2,220	623	1,595

7.6 Revaluation allowance for debt restructuring

Revaluation allowance for debt restructuring as at March 31, 2017 and December 31, 2016 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	March 31, 2017	**December 31, 2016**	**March 31, 2017**	**December 31, 2016**
Beginning balance	1,188	1,726	28	412
Increase (decrease) during the period/year	393	786	9	(376)
Amount written off	(339)	(1,324)	-	(8)
Ending balance	1,242	1,188	37	28

7.7 Debt issued and borrowings

Debt issued and borrowings as at March 31, 2017 and December 31, 2016 are as follows:

Unit: Million Baht

				CONSOLIDATED FINANCIAL STATEMENTS					
				March 31, 2017			December 31, 2016		
	Currency	Interest rate (%)	Maturity	Domestic	Foreign	Total	Domestic	Foreign	Total
Subordinated debentures[1]	THB, USD	0.00 - 10.85	2019-2027	24,844	855	25,699	24,844	907	25,751
Senior securities	THB	1.85 - 4.50	2017-2020	95,975	-	95,975	89,275	-	89,275
Bill of exchange	THB	0.56 - 1.75	2017	48,802	-	48,802	41,817	-	41,817
Other borrowings	THB, USD, KHR	0.00 - 11.80	2017-2023	5	3,395	3,400	7	3,476	3,483
				169,626	4,250	173,876	155,943	4,383	160,326

Unit: Million Baht

				THE BANK'S FINANCIAL STATEMENTS					
				March 31, 2017			December 31, 2016		
	Currency	Interest rate (%)	Maturity	Domestic	Foreign	Total	Domestic	Foreign	Total
Subordinated debentures[1]	THB	3.50 - 4.70	2022-2027	24,844	-	24,844	24,844	-	24,844
Senior securities	THB	1.86 - 3.34	2017-2020	73,500	-	73,500	67,500	-	67,500
Bill of exchange	THB	0.56 - 1.25	2017	48,552	-	48,552	41,568	-	41,568
Other borrowings	THB	0.00 - 0.50	2017-2023	5	-	5	7	-	7
				146,901	-	146,901	133,919	-	133,919

[1] Included as a part of Tier 2 capital, which is determined under the conditions as specified in the BOT's notification.

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 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 three-month period ended March 31, 2017 and for the year ended December 31, 2016 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS				
	Balance at January 1, 2016	Increase (Decrease)	Balance at December 31, 2016	Increase (Decrease)	Balance at March 31, 2017
Provision for post-employment benefits obligation	4,751	490	5,241	122	5,363
Others	2,008	84	2,092	339	2,431
Total	6,759	574	7,333	461	7,794

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS				
	Balance at January 1, 2016	Increase (Decrease)	Balance at December 31, 2016	Increase (Decrease)	Balance at March 31, 2017
Provision for post-employment benefits obligation	4,157	323	4,480	93	4,573
Others	1,981	(5)	1,976	322	2,298
Total	6,138	318	6,456	415	6,871

7.9 Dividend payment

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 March 31, 2017 and December 31, 2016, government and state enterprise securities with book value of Baht 25,074 million and Baht 38,737 million, respectively, are used as collateral for other commitments with government departments and state enterprises.

7.11 Contingencies

Contingencies as at March 31, 2017 and December 31, 2016 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	March 31, 2017	December 31, 2016	March 31, 2017	December 31, 2016
Avals to bills	1,640	1,475	1,640	1,475
Guarantees of loans	79	90	79	90
Liability under unmatured import bills	1,488	1,601	1,488	1,601
Letters of credit	8,354	8,425	8,354	8,425
Other contingencies				
- Unused overdraft limit	6,719	17,903	6,719	17,903
- Unused credit line	33,498	31,968	34,511	31,962
- Other guarantees	61,233	60,038	61,233	60,038
- Others	270	196	270	196
Total	113,281	121,696	114,294	121,690

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 March 31, 2017 and December 31, 2016, the Bank and its subsidiaries have a commitment to pay in the amount of Baht 1,671 million and Baht 1,885 million, respectively.

As at March 31, 2017 and December 31, 2016, the Bank has commitments to pay regarding the information technology services amounts of Baht 2,716 million and Baht 1,496 million, respectively.

As at March 31, 2017 and December 31, 2016, the Bank has commitment payment amount of Baht 1,278 million and Baht 1,479 million as a result of entering into the construction agreement of the office building, respectively.

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 BOT'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 BOT'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 March 31, 2017 and December 31, 2016 are as follows:

Unit: Million Baht

	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
	CONSOLIDATED FINANCIAL STATEMENTS											
	March 31, 2017											
Parent company												
The Bank of Tokyo-Mitsubishi UFJ Ltd.	22,057	-	-	2,056	1,200	-	210,585	-	2,536	520	389,990	7,144
Total	22,057	-	-	2,056	1,200	-	210,585	-	2,536	520	389,990	7,144
Joint ventures												
Tesco Card Services Limited	-	7,713	21	-	29	296	-	-	-	4	-	-
Tesco Life Assurance Broker Limited	-	-	-	-	-	128	-	-	-	-	-	-
Tesco General Insurance Broker Limited	-	-	-	-	1	538	-	-	-	-	-	-
Less Allowance for doubtful accounts	-	(77)	-	-	-	-	-	-	-	-	-	-
Total	-	7,636	21	-	30	962	-	-	-	4	-	-
Related companies having joint major shareholders or directors	-	12,391	43	317	21	10,281	52	1,198	104	13	21,408	2,482
Less Allowance for doubtful accounts	-	(77)	-	-	-	-	-	-	-	-	-	-
Total	-	12,314	43	317	21	10,281	52	1,198	104	13	21,408	2,482
Individual and related parties	-	404	-	-	-	1,195	-	-	-	427	-	-
Less Allowance for doubtful accounts	-	(1)	-	-	-	-	-	-	-	-	-	-
Total	-	403	-	-	-	1,195	-	-	-	427	-	-
Total	22,057	20,353	64	2,373	1,251	12,438	210,637	1,198	2,640	964	411,398	9,626

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

December 31, 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.	18,243	-	-	3,533	790	-	231,673	-	3,432	507	436,115	7,409
Total	18,243	-	-	3,533	790	-	231,673	-	3,432	507	436,115	7,409
Joint ventures												
Tesco Card Services Limited	-	8,502	24	-	89	288	-	-	-	4	-	-
Tesco Life Assurance Broker Limited	-	-	-	-	-	126	-	-	-	-	-	-
Tesco General Insurance Broker Limited	-	-	-	-	1	554	-	-	-	-	-	-
Less Allowance for doubtful accounts	-	(85)	-	-	-	-	-	-	-	-	-	-
Total	-	8,417	24	-	90	968	-	-	-	4	-	-
Related companies having joint major shareholders or directors	12	18,141	38	200	-	9,585	263	1,094	356	10	28,597	2,170
Less Allowance for doubtful accounts	-	(77)	-	-	-	-	-	-	-	-	-	-
Total	12	18,064	38	200	-	9,585	263	1,094	356	10	28,597	2,170
Individual and related parties	-	469	-	-	-	1,178	-	-	-	396	-	-
Less Allowance for doubtful accounts	-	(1)	-	-	-	-	-	-	-	-	-	-
Total	-	468	-	-	-	1,178	-	-	-	396	-	-
Total	18,255	26,949	62	3,733	880	11,731	231,936	1,094	3,788	917	464,712	9,579

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS

March 31, 2017

	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.	22,057	-	-	2,056	1,200	-	210,585	-	2,536	520	389,990	7,144
Total	22,057	-	-	2,056	1,200	-	210,585	-	2,536	520	389,990	7,144
Subsidiaries												
Ayudhya Development Leasing Company Limited	-	5,485	1	-	3	11	-	-	-	1	-	45
Ayudhya Capital Auto Lease Public Company Limited	-	29,773	100	-	2,882	1,835	-	-	-	149	-	-
Ngern Tid Lor Company Limited	-	5,000	1	-	13	122	-	-	-	-	-	1
Ayudhya Capital Services Company Limited	-	27,562	78	-	39	843	-	-	-	12	-	3
General Card Services Limited	-	8,237	23	-	10	274	-	-	-	1	-	-
Krungsriayudhya Card Company Limited	-	25,278	41	-	129	543	-	-	-	9	-	1
Siam Realty and Services Security Company Limited (formerly Siam Realty and Services Company Limited)	-	530	-	-	1	49	-	-	-	54	-	-
Total Services Solutions Public Company Limited	-	-	-	-	-	1,235	-	-	-	14	-	-
Krungsri Asset Management Company Limited	-	-	-	-	74	-	2,671	-	-	14	-	-
Krungsri Ayudhya AMC Limited	-	-	-	-	1	1,028	-	-	-	79	-	38
Krungsri Securities Public Company Limited	-	-	-	-	2	3	1,493	-	-	7	-	-
Krungsri Factoring Company Limited	-	-	-	-	-	192	-	-	-	-	-	-
Krungsri Life Assurance Broker Company Limited	-	-	-	-	-	966	-	-	-	1	-	-
Krungsri General Insurance Broker Company Limited	-	-	-	-	-	1,457	-	-	-	1	-	-

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS (CONTINUED)

March 31, 2017

	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
Subsidiaries (continued)												
Krungsri Leasing Services Company Limited	-	1,789	-	-	7	12	-	-	-	-	-	-
Hattha Kaksekar Limited	-	-	-	21	519	-	-	-	-	-	1,860	-
Krungsri Finnovate Company Limited	-	-	-	-	-	200	-	-	-	-	-	-
Total	-	103,654	244	21	3,680	8,770	4,164	-	-	342	1,860	88
Less Allowance for doubtful accounts	-	(1,037)	-	-	-	-	-	-	-	-	-	-
Total	-	102,617	244	21	3,680	8,770	4,164	-	-	342	1,860	88
Joint ventures												
Tesco Card Services Limited	-	7,713	21	-	9	296	-	-	-	-	-	-
Tesco Life Assurance Broker Limited	-	-	-	-	-	128	-	-	-	-	-	-
Tesco General Insurance Broker Limited	-	-	-	-	1	538	-	-	-	-	-	-
Less Allowance for doubtful accounts	-	(77)	-	-	-	-	-	-	-	-	-	-
Total	-	7,636	21	-	10	962	-	-	-	-	-	-
Related companies having joint major shareholders or directors	-	12,391	43	317	21	10,281	52	1,198	104	13	21,408	2,482
Less Allowance for doubtful accounts	-	(77)	-	-	-	-	-	-	-	-	-	-
Total	-	12,314	43	317	21	10,281	52	1,198	104	13	21,408	2,482
Individual and related parties	-	376	-	-	-	1,195	-	-	-	296	-	-
Total	22,057	122,943	308	2,394	4,911	21,208	214,801	1,198	2,640	1,171	413,258	9,714

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS

December 31, 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.	18,243	-	-	3,533	790	-	231,673	-	3,432	507	436,115	7,409
Total	18,243	-	-	3,533	790	-	231,673	-	3,432	507	436,115	7,409
Subsidiaries												
Ayudhya Development Leasing Company Limited	-	5,484	1	-	3	2	-	-	-	1	-	45
Ayudhya Capital Auto Lease Public Company Limited	-	35,857	113	-	118	411	-	-	-	145	-	-
Ngern Tid Lor Company Limited	-	5,055	2	-	11	105	-	-	-	-	-	1
Ayudhya Capital Services Company Limited	-	26,255	79	-	67	996	-	-	-	13	-	3
General Card Services Limited	-	12,506	25	-	53	315	-	-	-	-	-	-
Krungsriayudhya Card Company Limited	-	30,821	47	-	456	864	-	-	-	7	-	1
Siam Realty and Services Security Company Limited (formerly Siam Realty and Services Company Limited)	-	555	-	-	1	41	-	-	-	51	-	-
Total Services Solutions Public Company Limited	-	-	-	-	2	1,211	-	-	-	11	-	-
Krungsri Asset Management Company Limited	-	-	-	-	68	-	2,376	-	-	6	-	-
Krungsri Ayudhya AMC Limited	-	-	-	-	5	957	-	-	-	65	-	38
Krungsri Securities Public Company Limited	-	-	-	-	3	3	1,417	-	-	7	136	-
Krungsri Factoring Company Limited	-	-	-	-	1	196	-	-	-	1	-	-
Krungsri Life Assurance Broker Company Limited	-	-	-	-	-	889	-	-	-	1	-	-
Krungsri General Insurance Broker Company Limited	-	-	-	-	-	1,363	-	-	-	1	-	-

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS (CONTINUED)

December 31, 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
Subsidiaries (continued)												
Krungsri Leasing Services Company Limited	-	1,751	1	-	1	92	-	-	-	-	-	-
Hattha Kaksekar Limited	-	-	-	-	1	-	-	-	-	-	-	-
Total	-	118,284	268	-	790	7,445	3,793	-	-	309	136	88
Less Allowance for doubtful accounts	-	(1,183)	-	-	-	-	-	-	-	-	-	-
Total	-	117,101	268	-	790	7,445	3,793	-	-	309	136	88
Joint ventures												
Tesco Card Services Limited	-	8,502	24	-	31	288	-	-	-	-	-	-
Tesco Life Assurance Broker Limited	-	-	-	-	-	126	-	-	-	-	-	-
Tesco General Insurance Broker Limited	-	-	-	-	1	554	-	-	-	-	-	-
Less Allowance for doubtful accounts	-	(85)	-	-	-	-	-	-	-	-	-	-
Total	-	8,417	24	-	32	968	-	-	-	-	-	-
Related companies having joint major shareholders or directors	12	18,141	38	200	-	9,585	263	1,094	356	10	28,597	2,170
Less Allowance for doubtful accounts	-	(77)	-	-	-	-	-	-	-	-	-	-
Total	12	18,064	38	200	-	9,585	263	1,094	356	10	28,597	2,170
Individual and related parties	-	405	-	-	-	1,178	-	-	-	271	-	-
Total	18,255	143,987	330	3,733	1,612	19,176	235,729	1,094	3,788	1,097	464,848	9,667

As at March 31, 2017 and December 31, 2016, the Bank charges interest rates to related parties at 0.60% - 23.13% p.a. and 0.60% - 23.00% p.a., respectively.

As at March 31, 2017 and December 31, 2016, the allowance for doubtful accounts of loans granted to subsidiaries of Baht 1,037 million and Baht 1,183 million, respectively, are not eliminated but treated as surplus reserve in the consolidated financial statements.

7.12.2 The Bank has investments in subsidiaries 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			
				March 31, 2017		December 31, 2016	
	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	21	326	43
Less Allowance for impairment				(5)	-	(5)	-
Investment in related company, net				321	21	321	43

7.12.3 Income and expenses between the Bank and its subsidiaries, joint ventures and related companies for the three-month periods ended March 31, 2017 and 2016 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS							
	For the three-month period ended March 31, 2017				For the three-month period ended March 31, 2016			
	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.	-	219	702	97	2	(173)	458	142
Total	-	219	702	97	2	(173)	458	142
Joint ventures								
Tesco Card Services Limited	54	119	-	1	61	120	-	1
Tesco Life Assurance Broker Company Limited	-	2	-	-	-	1	-	-
Tesco General Insurance Broker Limited	-	6	1	-	-	5	1	-
Total	54	127	1	1	61	126	1	1
Related companies having joint major shareholders or directors	92	590	22	83	71	256	13	50
Total	92	590	22	83	71	256	13	50
Individual and related parties	4	1	2	-	6	2	3	-
Total	150	937	727	181	140	211	475	193

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS							
	For the three-month period ended March 31, 2017				For the three-month period ended March 31, 2016			
	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.	-	219	702	97	2	(173)	458	142
Total	-	219	702	97	2	(173)	458	142
Subsidiaries								
Ayudhya Development Leasing Company Limited	47	4	-	-	29	4	-	-
Ayudhya Capital Auto Lease Public Company Limited	328	130	3	133	624	142	-	84
Ngern Tid Lor Company Limited	44	14	-	-	61	10	-	-
Ayudhya Capital Services Company Limited	180	71	-	8	186	58	-	13
General Card Services Limited	62	4	-	7	77	9	-	1
Krungsriayudhya Card Company Limited	162	53	-	39	170	46	-	34
Siam Realty and Services Security Company Limited (formerly Siam Realty and Services Company Limited)	3	4	-	132	3	4	-	131
Total Services Solutions Public Company Limited	-	12	4	1	-	-	3	23
Krungsri Asset Management Company Limited	-	190	8	2	-	116	-	2
Krungsri Ayudhya AMC Limited	-	2	-	-	-	3	-	-
Krungsri Securities Public Company Limited	-	6	4	11	-	5	3	3
Krungsri Factoring Company Limited	-	1	-	-	-	1	-	-
Krungsri Life Assurance Broker Limited	-	-	3	-	-	-	3	-
Krungsri General Insurance Broker Limited	-	-	4	-	-	-	3	-
Krungsri Leasing Services Company Limited	23	6	-	-	10	-	-	-
Total	849	497	26	333	1,160	398	12	291
Joint ventures								
Tesco Card Services Limited	54	7	-	1	61	6	-	1
Tesco General Insurance Broker Limited	-	3	1	-	-	2	1	-
Total	54	10	1	1	61	8	1	1
Related companies having joint major shareholders or directors	92	590	22	83	71	256	13	50
Total	92	590	22	83	71	256	13	50
Individual and related parties	4	1	2	-	6	2	3	-
Total	999	1,317	753	514	1,300	491	487	484

7.12.4 For the three-month periods ended March 31, 2017 and 2016, related party transactions among subsidiaries included collection services and other services of Baht 236 million and Baht 234 million, respectively, and office and vehicle rental and facility services of Baht 18 million and Baht 15 million, respectively.

7.12.5 For the three-month periods ended March 31, 2017 and 2016, subsidiaries had related party transactions from the licenses relevant to technology and software of Baht 13 million.

7.12.6 For the three-month periods ended March 31, 2017 and 2016, related party transactions among subsidiaries from other services were Baht 362 million and Baht 380 million, respectively.

7.13 Management compensation

For the three-month periods ended March 31, 2017 and 2016, compensations paid to key management personnel under TAS 24 (Revised 2016) "Related Party Disclosures" are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS For the three-month periods ended March 31,		THE BANK'S FINANCIAL STATEMENTS For the three-month periods ended March 31,	
	2017	2016	2017	2016
Short-term employee benefits	475	496	307	364
Post-employment benefits	14	13	10	9
Other long-term benefits	17	-	15	-
Total	506	509	332	373

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 resource 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 are available to customers include current and savings accounts, fixed deposits, bills 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 market 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 periods ended March 31, 2017 and 2016, 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 periods ended March 31, 2017 and 2016 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS For the three-month period ended March 31, 2017			
	Retail	**Commercial**	**Others**	**Total**
Interest income, net	11,060	5,402	21	16,483
Other operating income	5,984	2,035	(343)	7,676
Total operating income	17,044	7,437	(322)	24,159
Operating expenses	8,531	2,765	485	11,781
Impairment loss of loans and debt securities	3,656	780	807	5,243
Profit (loss) before tax	4,857	3,892	(1,614)	7,135
Taxation	979	734	(308)	1,405
Net Profit (loss)	3,878	3,158	(1,306)	5,730

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS For the three-month period ended March 31, 2016			
	Retail	**Commercial**	**Others**	**Total**
Interest income, net	9,005	5,988	-	14,993
Other operating income	5,717	1,728	(361)	7,084
Total operating income	14,722	7,716	(361)	22,077
Operating expenses	7,597	2,265	268	10,130
Impairment loss of loans and debt securities	3,770	1,051	593	5,414
Profit (loss) before tax	3,355	4,400	(1,222)	6,533
Taxation	682	870	(233)	1,319
Net Profit (loss)	2,673	3,530	(989)	5,214

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS			
	Retail	**Commercial**	**Others**	**Total**
Total assets				
As at March 31, 2017	734,185	1,296,822	(174,003)	1,857,004
As at December 31, 2016	723,458	1,343,525	(183,795)	1,883,188

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 March 31, 2017 and December 31, 2016 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS			
	March 31, 2017			
	Domestic	**Foreign**	**Elimination**	**Total**
Total assets	1,831,558	32,103	(6,657)	1,857,004
Interbank and money market items, net (Assets)	178,222	6,737	-	184,959
Investments, net*	152,409	1	-	152,410
Loans to customers and accrued interest receivable, net	1,365,262	19,466	-	1,384,728
Deposits	1,111,275	14,189	-	1,125,464
Interbank and money market items, net (Liabilities)	266,275	2,325	-	268,600
Debt issued and borrowings	169,626	4,250	-	173,876

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS			
	December 31, 2016			
	Domestic	**Foreign**	**Elimination**	**Total**
Total assets	1,859,911	29,055	(5,778)	1,883,188
Interbank and money market items, net (Assets)	192,861	7,422	-	200,283
Investments, net*	133,700	1	-	133,701
Loans to customers and accrued interest receivable, net	1,384,619	18,666	-	1,403,285
Deposits	1,093,458	14,830	-	1,108,288
Interbank and money market items, net (Liabilities)	311,917	2,483	-	314,400
Debt issued and borrowings	155,968	4,358	-	160,326

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS			
	March 31, 2017			
	Domestic	**Foreign**	**Elimination**	**Total**
Total assets	1,778,870	5,985	(4,138)	1,780,717
Interbank and money market items, net (Assets)	176,695	2,510	-	179,205
Investments, net*	206,302	-	-	206,302
Loans to customers and accrued interest receivable, net	1,283,356	1,182	-	1,284,538
Deposits	1,120,045	1,485	-	1,121,530
Interbank and money market items, net (Liabilities)	272,228	18	-	272,246
Debt issued and borrowings	146,901	-	-	146,901

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS			
	December 31, 2016			
	Domestic	**Foreign**	**Elimination**	**Total**
Total assets	1,803,616	6,287	(3,936)	1,805,967
Interbank and money market items, net (Assets)	191,464	2,989	-	194,453
Investments, net*	187,473	-	-	187,473
Loans to customers and accrued interest receivable, net	1,303,858	1,096	-	1,304,954
Deposits	1,100,903	2,011	-	1,102,914
Interbank and money market items, net (Liabilities)	317,462	21	-	317,483
Debt issued and borrowings	133,919	-	-	133,919

*Includes investments in subsidiaries and joint ventures, net

(2) Results of operations classified by business

Results of operations classified by domestic and foreign business for the three-month periods ended March 31, 2017 and 2016 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS			
	For the three-month period ended March 31, 2017			
	Domestic	**Foreign**	**Elimination**	**Total**
Interest income	21,888	902	(27)	22,763
Interest expenses	5,942	364	(27)	6,279
Net interest income	15,946	538	-	16,484
Fees and service income, net	4,640	29	-	4,669
Other operating income	4,371	38	(1,402)	3,007
Other operating expenses	18,060	367	(1,402)	17,025
Profit from operating before tax	6,897	238	-	7,135

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS			
	For the three-month period ended March 31, 2016			
	Domestic	**Foreign**	**Elimination**	**Total**
Interest income	20,834	50	(9)	20,875
Interest expenses	5,879	12	(9)	5,882
Net interest income	14,955	38	-	14,993
Fees and service income, net	4,535	9	-	4,544
Other operating income	3,920	37	(1,417)	2,540
Other operating expenses	16,920	41	(1,417)	15,544
Profit from operating before tax	6,490	43	-	6,533

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS			
	For the three-month period ended March 31, 2017			
	Domestic	Foreign	Elimination	Total
Interest income	15,369	16	-	15,385
Interest expenses	5,811	3	-	5,814
Net interest income	9,558	13	-	9,571
Fees and service income, net	2,299	6	-	2,305
Other operating income	5,958	19	(1,400)	4,577
Other operating expenses	12,385	21	(1,400)	11,006
Profit from operating before tax	5,430	17	-	5,447

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS			
	For the three-month period ended March 31, 2016			
	Domestic	Foreign	Elimination	Total
Interest income	14,621	31	-	14,652
Interest expenses	5,731	2	-	5,733
Net interest income	8,890	29	-	8,919
Fees and service income, net	2,204	6	-	2,210
Other operating income	5,827	37	(1,417)	4,447
Other operating expenses	11,322	24	(1,417)	9,929
Profit from operating before tax	5,599	48	-	5,647

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 periods ended March 31, 2017 and 2016 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	For the three-month periods ended March 31,		For the three-month periods ended March 31,	
	2017	2016	2017	2016
Interbank and money market items	590	623	585	617
Investment and trading transactions	42	30	42	30
Investment in debt securities	644	555	644	555
Loans to customers	14,895	13,882	10,822	11,116
Hire purchase and finance lease	6,592	5,785	3,292	2,334
Total interest income	22,763	20,875	15,385	14,652

7.17 Interest expenses

Interest expenses for the three-month periods ended March 31, 2017 and 2016 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS For the three-month periods ended March 31,		THE BANK'S FINANCIAL STATEMENTS For the three-month periods ended March 31,	
	2017	2016	2017	2016
Deposits	2,993	3,213	2,776	3,222
Interbank and money market items	944	719	944	722
Contributions to Financial Institution Development Fund and Deposit Protection Agency	1,361	1,263	1,361	1,263
Debt issued and borrowing				
- Subordinated debenture	282	174	258	174
- Other	692	503	473	348
Borrowing fee expense	3	7	1	3
Other	4	3	1	1
Total interest expenses	6,279	5,882	5,814	5,733

7.18 Events after the reporting period

The Annual General Meeting of shareholders No. 105 held on April 27, 2017 approved the dividend payment for the six-month period ended December 31, 2016 to the shareholders of 7,355,761,773 ordinary shares at Baht 0.45 per share totaling Baht 3,310 million. The payment of dividend is scheduled to be made on May 25, 2017.

7.19 Approval of interim financial statements

These interim financial statements have been approved for issuing by the Executive Committee on May 9, 2017.