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, 2018, 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".

Chavala Tienpasertkij
Certified Public Accountant (Thailand)
Registration No. 4301
DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

BANGKOK
May 9, 2018

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT MARCH 31, 2018

BAHT: '000

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	"UNAUDITED" As at March 31, 2018	As at December 31, 2017	"UNAUDITED" As at March 31, 2018	As at December 31, 2017
ASSETS				
CASH	33,604,083	38,244,197	32,977,501	37,671,005
INTERBANK AND MONEY MARKET ITEMS, NET	393,281,649	330,797,381	388,080,136	325,640,238
CLAIM ON SECURITY	41,812,779	47,134,759	41,812,779	47,134,759
DERIVATIVES ASSETS	19,084,446	14,561,586	19,096,420	14,572,899
INVESTMENTS, NET (Note 7.2)	77,725,502	83,934,465	77,488,439	83,702,705
INVESTMENTS IN SUBSIDIARIES				
AND JOINT VENTURES, NET (Note 7.3)	2,334,631	2,222,431	57,869,606	57,869,606
LOANS TO CUSTOMERS AND ACCRUED				
INTEREST RECEIVABLES, NET (Note 7.4)				
Loans to customers	1,646,440,996	1,619,357,880	1,480,963,426	1,473,612,160
Accrued interest receivables	4,148,655	3,916,985	2,538,524	2,295,796
Total loans to customers and accrued				
interest receivables	1,650,589,651	1,623,274,865	1,483,501,950	1,475,907,956
Less Deferred revenue	(73,391,344)	(68,953,805)	(55,280,756)	(50,190,371)
Less Allowance for doubtful accounts (Note 7.5)	(57,204,231)	(54,172,854)	(41,466,336)	(38,493,249)
Less Revaluation allowance for debt				
restructuring (Note 7.6)	(1,295,264)	(1,302,828)	(52,397)	(48,016)
Net loans and accrued interest receivables	1,518,698,812	1,498,845,378	1,386,702,461	1,387,176,320
CUSTOMERS' LIABILITY UNDER ACCEPTANCE	689,272	500,108	689,272	500,108
PROPERTIES FOR SALE, NET	3,519,982	3,684,841	1,991,220	2,088,299
PREMISES AND EQUIPMENT, NET	26,107,777	26,401,168	24,085,577	24,344,496
GOODWILL AND OTHER INTANGIBLE ASSETS, NET	16,560,681	16,756,121	3,581,995	3,630,013
DEFERRED TAX ASSETS	4,854,481	4,823,047	-	-
ACCOUNTS RECEIVABLE FOR INVESTMENTS	1,652,776	1,315,317	1,652,776	1,315,317
OTHER ASSETS, NET	20,301,457	19,551,268	14,120,011	14,163,285
TOTAL ASSETS	2,160,228,328	2,088,772,067	2,050,148,193	1,999,809,050

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, 2018

BAHT: '000

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	"UNAUDITED" As at March 31, 2018	As at December 31, 2017	"UNAUDITED" As at March 31, 2018	As at December 31, 2017
LIABILITIES AND EQUITY				
DEPOSITS	1,369,427,226	1,319,228,951	1,366,868,980	1,316,704,846
INTERBANK AND MONEY MARKET ITEMS, NET	268,410,684	279,720,847	272,380,459	284,477,010
LIABILITY PAYABLE ON DEMAND	6,749,753	6,296,314	6,749,713	6,296,270
LIABILITY TO DELIVER SECURITY	41,812,779	47,134,759	41,812,779	47,134,759
DERIVATIVES LIABILITIES	20,867,953	15,723,571	20,867,953	15,723,571
DEBT ISSUED AND BORROWINGS (Note 7.7)	171,258,939	142,866,150	122,987,796	111,994,878
BANK'S LIABILITY UNDER ACCEPTANCE	689,272	500,108	689,272	500,108
PROVISIONS (Note 7.8)	7,592,213	7,467,766	6,636,969	6,549,941
DEFERRED TAX LIABILITIES	186,359	106,529	183,250	103,853
ACCOUNTS PAYABLE FOR INVESTMENTS	896,774	1,587,891	896,774	1,587,891
OTHER LIABILITIES	40,244,236	42,151,955	21,939,565	23,210,217
TOTAL LIABILITIES	1,928,136,188	1,862,784,841	1,862,013,510	1,814,283,344
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	3,250,169	3,496,606	3,845,687	3,820,139
RETAINED EARNINGS				
Appropriated				
Legal reserve	5,006,800	5,006,800	5,006,800	5,006,800
Unappropriated	96,469,340	90,190,736	52,845,829	50,262,400
TOTAL BANK'S EQUITY	231,162,676	225,130,509	188,134,683	185,525,706
NON-CONTROLLING INTEREST	929,464	856,717	-	-
TOTAL EQUITY	232,092,140	225,987,226	188,134,683	185,525,706
TOTAL LIABILITIES AND EQUITY	2,160,228,328	2,088,772,067	2,050,148,193	1,999,809,050

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, 2018

"UNAUDITED"

BAHT : '000

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2018	**2017**	**2018**	**2017**
INTEREST INCOME (Note 7.16)	25,524,733	22,762,597	17,702,226	15,384,959
INTEREST EXPENSES (Note 7.17)	7,502,260	6,279,243	7,045,822	5,813,633
INTEREST INCOME, NET	18,022,473	16,483,354	10,656,404	9,571,326
FEES AND SERVICE INCOME	7,206,784	6,286,195	3,859,519	3,297,313
FEES AND SERVICE EXPENSES	1,886,748	1,617,387	1,219,708	992,360
FEES AND SERVICE INCOME, NET	5,320,036	4,668,808	2,639,811	2,304,953
GAINS ON TRADING AND FOREIGN EXCHANGE TRANSACTIONS, NET	1,314,310	1,017,674	1,304,853	1,041,032
GAINS ON INVESTMENTS, NET	228,008	193,000	228,008	193,000
SHARE OF PROFIT FROM INVESTMENT USING EQUITY METHOD	112,200	75,472	-	-
DIVIDEND INCOME	50,384	68,638	50,384	2,827,360
BAD DEBTS RECOVERIES	1,442,412	1,232,058	281,273	165,066
GAINS ON SALE PROPERTIES FOR SALE	195,330	170,022	122,093	136,586
OTHER OPERATING INCOME	201,651	250,143	213,831	214,226
TOTAL OPERATING INCOME	26,886,804	24,159,169	15,496,657	16,453,549
OTHER OPERATING EXPENSES				
Employee's expenses	6,538,612	6,297,187	4,316,560	4,367,468
Directors' remuneration	15,372	12,776	14,259	11,333
Premises and equipment expenses	2,096,584	2,036,730	1,575,119	1,554,175
Taxes and duties	685,552	647,595	445,517	434,945
Others	3,062,682	2,786,790	1,652,168	1,538,095
Total other operating expenses	12,398,802	11,781,078	8,003,623	7,906,016
IMPAIRMENT LOSS ON LOANS AND DEBT SECURITIES	6,683,021	5,243,516	4,408,785	3,100,753
PROFIT FROM OPERATING BEFORE INCOME TAX EXPENSES	7,804,981	7,134,575	3,084,249	5,446,780
INCOME TAX EXPENSES	1,516,167	1,404,909	564,855	505,735
NET PROFIT	6,288,814	5,729,666	2,519,394	4,941,045

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, 2018

"UNAUDITED"

BAHT : '000

		CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
		2018	2017	2018	2017
OTHER COMPREHENSIVE INCOME					
Items that will be reclassified subsequently to profit or loss:					
Gain (loss) on remeasuring available-for-sale investments		111,979	(12,473)	111,979	(12,473)
Loss arising from translating the financial statements of a foreign operation		(338,113)	(189,046)	-	-
Income tax relating to components of other comprehensive income		42,238	39,940	(22,396)	2,495
Total other comprehensive income, net		(183,896)	(161,579)	89,583	(9,978)
TOTAL COMPREHENSIVE INCOME		6,104,918	5,568,087	2,608,977	4,931,067
NET PROFIT ATTRIBUTABLE					
Owners of the Bank		6,214,569	5,644,746	2,519,394	4,941,045
Non-controlling interest		74,245	84,920	-	-
		6,288,814	5,729,666	2,519,394	4,941,045
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE					
Owners of the Bank		6,032,167	5,483,713	2,608,977	4,931,067
Non-controlling interest		72,751	84,374	-	-
		6,104,918	5,568,087	2,608,977	4,931,067
EARNINGS PER SHARE OF OWNERS OF THE BANK					
BASIC EARNINGS PER SHARE	**BAHT**	0.84	0.77	0.34	0.67
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, 2018

"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				Retained Earnings		Total Bank's Equity		
			Asset Appraisal Surplus	Revaluation Surplus on Investments	Foreign Currency Translation	Deficit from Business Combination under Common Control	Appropriated Legal Reserve	Unappropriated			
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
Balance as of January 1, 2018	73,557,618	52,878,749	8,148,936	888,958	(323,533)	(5,217,755)	5,006,800	90,190,736	225,130,509	856,717	225,987,226
Change in revaluation surplus	-	-	(64,035)	-	-	-	-	64,035	-	-	-
Dividend payment	-	-	-	-	-	-	-	-	-	(4)	(4)
Total comprehensive income	-	-	-	89,583	(271,985)	-	-	6,214,569	6,032,167	72,751	6,104,918
Balance as of March 31, 2018	73,557,618	52,878,749	8,084,901	978,541	(595,518)	(5,217,755)	5,006,800	96,469,340	231,162,676	929,464	232,092,140

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, 2018

"UNAUDITED"

BAHT : '000

THE BANK'S FINANCIAL STATEMENTS

	Issued and Paid-up Share Capital	Premium on Share Capital	Other reserves: Asset Appraisal Surplus	Other reserves: Revaluation Surplus on Investments	Other reserves: Deficit from Business Combination under Common Control	Retained Earnings: Appropriated Legal Reserve	Retained Earnings: Unappropriated	Total
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
Balance as of January 1, 2018	73,557,618	52,878,749	8,148,936	888,958	(5,217,755)	5,006,800	50,262,400	185,525,706
Change in revaluation surplus	-	-	(64,035)	-	-	-	64,035	-
Total comprehensive income	-	-	-	89,583	-	-	2,519,394	2,608,977
Balance as of March 31, 2018	73,557,618	52,878,749	8,084,901	978,541	(5,217,755)	5,006,800	52,845,829	188,134,683

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, 2018

"UNAUDITED"

BAHT : '000

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2018	2017	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES				
Income from operating before income tax expenses	7,804,981	7,134,575	3,084,249	5,446,780
Adjustments to reconcile income to cash received (paid) from operating activities:				
Depreciation and amortization	919,837	943,763	685,304	739,029
Interest expenses from finance lease	175	401	72	278
Impairment loss on loans and debt securities	6,683,021	5,243,516	4,408,785	3,100,753
Gain on translation in foreign currencies	(7,757,301)	(6,978,225)	(7,757,301)	(6,978,225)
Share of profit from investment using equity method	(112,200)	(75,472)	-	-
Gain on investments	(228,008)	(193,000)	(228,008)	(193,000)
Increase (decrease) in discount on investments	29,422	(6,450)	29,422	(6,450)
Gain on sales of properties for sale	(195,330)	(170,022)	(122,093)	(136,586)
(Gain) loss on sales of premises and equipment	(1,656)	(863)	2,019	77
Loss on impairment of properties for sale	68,845	64,460	23,607	62,560
Loss on impairment of premises and equipment	1,144	-	-	-
Loss on impairment of other assets	37,809	27,338	23,332	29,369
Increase in other reserves	118,410	460,243	81,100	405,818
Interest income, net	(18,022,473)	(16,483,354)	(10,656,404)	(9,571,326)
Interest received	25,397,501	25,522,962	17,544,359	11,969,672
Interest paid	(8,249,482)	(7,420,392)	(7,771,833)	(6,963,938)
Dividend income	(50,384)	(68,638)	(50,384)	(2,827,360)
Dividends received	35,531	32,124	35,531	31,985
Decrease in other accrued expenses	(2,018,733)	(1,620,839)	(1,427,413)	(1,220,833)
Income tax paid	(407,830)	(279,218)	(150,856)	(104,199)
Income (loss) from operations before changes in operating assets and liabilities	4,053,279	6,132,909	(2,246,512)	(6,215,596)
(Increase) decrease in operating assets				
Interbank and money market items	(62,915,393)	14,338,543	(62,982,134)	14,319,753
Derivatives assets	(1,177,734)	9,762,109	(1,178,394)	9,740,325
Current investments - securities for trading	(1,618,670)	(21,719,941)	(1,613,808)	(23,136,199)
Loans to customers	(31,303,947)	6,447,638	(7,998,971)	16,909,588
Properties for sale	2,631,802	2,065,307	1,862,429	1,286,669
Other assets	(1,077,575)	776,948	(162,635)	875,942

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2018

"UNAUDITED"

BAHT : '000

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2018	2017	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES (CONTINUED)				
Increase (decrease) in operating liabilities				
Deposits	51,925,345	19,107,462	51,891,205	20,547,294
Interbank and money market items	(1,894,462)	(36,970,305)	(2,680,850)	(36,406,847)
Liability payable on demand	512,274	1,659,847	512,278	1,660,125
Derivatives liabilities	1,805,789	(3,015,944)	1,805,789	(3,016,142)
Other liabilities	28,318	(8,941,518)	667,276	(7,867,059)
Net cash from operating activities	(39,030,974)	(10,356,945)	(22,124,327)	(11,302,147)
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sales of investments in securities	25,005,589	26,726,957	25,007,703	26,795,540
Cash paid for purchases of investments in securities	(17,915,223)	(32,914,531)	(17,916,896)	(31,562,604)
Cash paid for investment in subsidiaries	-	-	-	(200,000)
Proceeds from sales of premises and equipment	11,840	22,469	489	1,762
Cash paid for purchases of premises and equipment	(520,283)	(461,776)	(397,157)	(364,025)
Cash paid for purchases of other assets	(231,708)	(162,244)	(181,489)	(91,745)
Net cash from investing activities	6,350,215	(6,789,125)	6,512,650	(5,421,072)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from debts issued and borrowings	32,554,760	107,485,086	15,000,000	106,407,161
Cash paid for repayment of debts issued and borrowings	(4,160,249)	(93,944,117)	(4,007,082)	(93,424,733)
Cash paid for repayment of liabilities under finance lease agreements	(7,241)	(7,050)	(5,923)	(7,050)
Dividend payment	(4)	-	-	-
Net cash from financing activities	28,387,266	13,533,919	10,986,995	12,975,378
Total	(4,293,493)	(3,612,151)	(4,624,682)	(3,747,841)
Loss arising from translating the financial statements of a foreign operation	(166,769)	(189,046)	-	-
Effect of exchange rate change on cash	(68,822)	(42,330)	(68,822)	(42,330)
Net decrease in cash and cash equivalents	(4,529,084)	(3,843,527)	(4,693,504)	(3,790,171)
Cash and cash equivalents as at January 1,	41,701,147	39,576,980	37,671,005	35,670,918
Cash and cash equivalents as at March 31,	37,172,063	35,733,453	32,977,501	31,880,747

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, 2018
"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. ("BTMU") and Mitsubishi UFJ Financial Group, Inc., respectively, both companies are registered in Japan.

On April 1, 2018, BTMU has changed its name to MUFG Bank, Ltd.

As at March 31, 2018 and December 31, 2017, the Bank has 17 subsidiaries, with changes during the three-month period ended March 31, 2018 as follows:

1.1 Ayudhya Development Leasing Company Limited has changed its registered address from 1222, 16th Floor, Bank of Ayudhya, Rama III Road, Bang Phongphang Subdistrict, Yannawa District, Bangkok to 550, 14th Floor, Krungsri Ploenchit Tower, Ploenchit Road, Lumphini Subdistrict, Pathumwan District, Bangkok.

1.2 Ayudhya Capital Services Company Limited has changed its registered address from 87/1, 1st-6th and 8th-11th Floor, Capital Tower, All Seasons Place, Wireless Road, Lumpini Subdistrict, Pathumwan District, Bangkok to 550, Krungsri Ploenchit Tower, Ploenchit Road, Lumphini Subdistrict, Pathumwan District, Bangkok.

1.3 General Card Services Limited has changed its registered address from 87/1, 1st-6th and 8th Floor, Capital Tower, All Seasons Place, Wireless Road, Lumpini Subdistrict, Pathumwan District, Bangkok to 550, Krungsri Ploenchit Tower, Ploenchit Road, Lumphini Subdistrict, Pathumwan District, Bangkok.

1.4 Krungsriayudhya Card Company Limited has changed its registered address from 87/1, 1st-6th and 8th-11th Floor, Capital Tower, All Seasons Place, Wireless Road, Lumpini Subdistrict, Pathumwan District, Bangkok to 550, Krungsri Ploenchit Tower, Ploenchit Road, Lumphini Subdistrict, Pathumwan District, Bangkok.

1.5 Krungsri Life Assurance Broker Limited has changed its registered address from 87/1, Capital Tower, All Seasons Place, Wireless Road, Lumpini Subdistrict, Pathumwan District, Bangkok to 550, Krungsri Ploenchit Tower, Ploenchit Road, Lumphini Subdistrict, Pathumwan District, Bangkok.

1.6 Krungsri General Insurance Broker Limited has changed its registered address from 87/1, Capital Tower, All Seasons Place, Wireless Road, Lumpini Subdistrict, Pathumwan District, Bangkok to 550, Krungsri Ploenchit Tower, Ploenchit Road, Lumphini Subdistrict, Pathumwan District, Bangkok.

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 2017), "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 annual 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, 2017.

The consolidated and the Bank's statements of financial position as at December 31, 2017, 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 unaudited results of operations for the three-month period ended March 31, 2018 are not necessarily indicative of the operating results anticipated for the full year.

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

Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective in 2018

The Federation of Accounting Professions has issued the Notification regarding Thai Financial Reporting Standard ("TFRS") No.15 "Revenue from Contracts with Customers" which has been announced in the Royal Gazette on March 14, 2018 and will be effective for the financial statements for the period beginning on or after January 1, 2019 onwards.

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

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

	Business Type	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Bank (%) As at	
Subsidiaries			March 31, 2018	December 31, 2017
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 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	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	99.84	99.84
Krungsri Factoring Company Limited	Factoring	Thailand	100.00	100.00
Krungsri Life Assurance Broker Limited(1)	Life assurance broker	Thailand	100.00	100.00
Krungsri General Insurance Broker Limited(1)	General insurance broker	Thailand	100.00	100.00
Krungsri Finnovate Company Limited	Venture Capital	Thailand	100.00	100.00
Krungsri Leasing Services Company Limited(2)	Hire-purchase, leasing and sales finance	Lao PDR	90.00	90.00
Hattha Kaksekar Limited	Micro finance	Cambodia	100.00	100.00

(1) Indirectly holding via Ayudhya Capital Services Company Limited of 100%.
(2) Indirectly holding via Ayudhya Capital Auto Lease Public Company Limited of 78% and Ayudhya Capital Services Company Limited of 12%.

All material intercompany transactions and balances have been eliminated.

3. ADOPTION OF REVISED THAI FINANCIAL REPORTING STANDARDS

Thai Financial Reporting Standards affecting the presentation and disclosure in the current period financial statements

During the period, the Bank and its subsidiaries have adopted the revised financial reporting standards issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after January 1, 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Bank and its subsidiaries financial statements.

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, 2017, except for the revised TFRSs as mentioned in Note 3.

5. 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 assets and liabilities are determined according to the following hierarchy:

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

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

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

Financial assets and liabilities measured at fair value

Classification of financial assets and liabilities measured at fair value by the level of fair value hierarchy as at March 31, 2018 and December 31, 2017 are as follows:

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

	March 31, 2018				December 31, 2017			
	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	-	19,030	19,030	19,030	-	14,520	14,520	14,520
Investments - trading	103	293	396	396	-	355	355	355
Investments - available-for-sale	4,569	56,045	60,614	60,614	3,082	63,715	66,797	66,797
Derivatives liabilities - trading book	-	15,994	15,994	15,994	-	12,741	12,741	12,741

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS

	March 31, 2018				December 31, 2017			
	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	-	19,042	19,042	19,042	-	14,531	14,531	14,531
Investments - trading	98	293	391	391	-	355	355	355
Investments - available-for-sale	4,569	56,045	60,614	60,614	3,082	63,715	66,797	66,797
Derivatives liabilities - trading book	-	15,994	15,994	15,994	-	12,741	12,741	12,741

There are no transfers of financial assets and liabilities measured at fair value between level 1 and level 2 for the three-month period ended March 31, 2018 and for the year ended December 31, 2017.

Valuation technique for financial assets and liabilities measured at fair value are as follows:

Derivatives - trading book

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

Investments

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

Equity securities traded in the 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, 2018 and December 31, 2017 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, 2018	**December 31, 2017**
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	5,007	5,007
Unappropriated retained earning	78,166	78,166
Other comprehensive income	8,380	8,590
Owner changes - other	(5,218)	(5,218)
Less Deduction items from Common Equity Tier 1 capital	(21,613)	(21,056)
Total Common Equity Tier 1 capital	191,159	191,926
Additional Tier 1	971	1,307
Total Tier 1 capital	192,130	193,233
Tier 2 capital	59,282	58,936
Total capital fund	251,412	252,169

Capital adequacy ratio (%)

	BOT regulatory Minimum requirement*		Basel III Consolidated Supervision	
	March 31, 2018	**December 31, 2017**	**March 31, 2018**	**December 31, 2017**
Total Common Equity Tier 1 capital / Total risk weighted assets	6.375	5.75	12.31	12.56
Total Tier 1 capital / Total risk weighted assets	7.875	7.25	12.37	12.64
Total capital / Total risk weighted assets	10.375	9.75	16.19	16.50
Capital after deducting capital add-on arising from Single Lending Limit (Million Baht)			251,412	252,169
Capital ratio after deducting capital add-on arising from Single Lending Limit			16.19	16.50

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

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

Unit : Million Baht

	Basel III The Bank	
	March 31, 2018	**December 31, 2017**
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	5,007	5,007
Unappropriated retained earning	44,704	44,704
Other comprehensive income	9,063	8,938
Owner changes - other	(5,218)	(5,218)
Less Deduction items from Common Equity Tier 1 capital	(12,614)	(12,337)
Total Common Equity Tier 1 capital	167,379	167,531
Additional Tier 1	-	-
Total Tier 1 capital	167,379	167,531
Tier 2 capital	54,082	51,502
Total capital fund	221,461	219,033

Capital adequacy ratio (%)

	BOT regulatory Minimum requirement*		Basel III The Bank	
	March 31, 2018	**December 31, 2017**	**March 31, 2018**	**December 31, 2017**
Total Common Equity Tier 1 capital / Total risk weighted assets	6.375	5.75	11.80	11.97
Total Tier 1 capital / Total risk weighted assets	7.875	7.25	11.80	11.97
Total capital / Total risk weighted assets	10.375	9.75	15.61	15.65
Capital after deducting capital add-on arising from Single Lending Limit (Million Baht)			221,461	219,033
Capital ratio after deducting capital add-on arising from Single Lending Limit			15.61	15.65

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

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

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 27, 2018
Information as at	December 31, 2017

7. ADDITIONAL INFORMATION

7.1 Additional information of cash flows

7.1.1 Non-cash transactions for the three-month periods ended March 31, 2018 and 2017 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,	
	2018	2017	2018	2017
Increase (decrease) in revaluation surplus on investments	112	(12)	112	(12)
Accumulated depreciation of premises appraisal deducted from premises revaluation surplus	(79)	(80)	(79)	(80)
Properties for sale debt repayment	2,325	1,751	1,657	1,092
Properties and premises transferred to be properties for sale	10	-	10	-

7.1.2 Changes in liabilities arising from financing activity for the three-month periods ended March 31, 2018 and 2017 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2018	2017	2018	2017
Beginning balance	142,890	160,356	112,005	133,949
Financing cash flows	28,387	13,534	10,987	12,975
Other non-cash items	(2)	9	-	-
Ending balance	171,275	173,899	122,992	146,924

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, 2018 and December 31, 2017 consist of the following:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS							
	March 31, 2018				December 31, 2017			
	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	293	-	-	293	355	-	-	355
Domestic marketable equity securities	104	1	(2)	103	-	-	-	-
	397	1	(2)	396	355	-	-	355
Less Revaluation allowance	(1)			-	-			-
Total	396			396	355			355
Securities Available-for-Sale								
Government and state enterprise securities	45,347	163	-	45,510	51,612	235	-	51,847
Private sector's debt securities	9,499	406	-	9,905	10,601	392	-	10,993
Domestic marketable equity securities	4,829	859	(205)	5,483	3,757	605	(121)	4,241
	59,675	1,428	(205)	60,898	65,970	1,232	(121)	67,081
Add Revaluation allowance	1,223			-	1,111			-
Less Allowance for impairment	(284)			(284)	(284)			(284)
Total	60,614			60,614	66,797			66,797
Securities Held-to-Maturity								
Private sector's debt securities	16,000				16,000			
Investment in accounts receivable	389				452			
	16,389				16,452			
Less Allowance for impairment	(14)				(14)			
Total	16,375				16,438			
Securities for General Investments								
Domestic non-marketable equity securities	524				525			
Foreign non-marketable equity securities	1				3			
	525				528			
Less Allowance for impairment	(184)				(184)			
Total	341				344			
Total Investments, net	77,726				83,934			

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS							
	March 31, 2018				December 31, 2017			
	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	293	-	-	293	355	-	-	355
Domestic marketable equity securities	99	1	(2)	98	-	-	-	-
	392	1	(2)	391	355	-	-	355
Less Revaluation allowance	(1)			-	-			-
Total	391			391	355			355
Securities Available-for-Sale								
Government and state enterprise securities	45,347	163	-	45,510	51,612	235	-	51,847
Private sector's debt securities	9,220	406	-	9,626	10,322	392	-	10,714
Domestic marketable equity securities	4,829	859	(205)	5,483	3,757	605	(121)	4,241
	59,396	1,428	(205)	60,619	65,691	1,232	(121)	66,802
Add Revaluation allowance	1,223			-	1,111			-
Less Allowance for impairment	(5)			(5)	(5)			(5)
Total	60,614			60,614	66,797			66,797
Securities Held-to-Maturity								
Private sector's debt securities	16,000				16,000			
Investment in accounts receivable	389				452			
	16,389				16,452			
Less Allowance for impairment	(14)				(14)			
Total	16,375				16,438			
Securities for General Investments								
Domestic non-marketable equity securities	275				278			
Foreign non-marketable equity securities	1				3			
	276				281			
Less Allowance for impairment	(168)				(168)			
Total	108				113			
Total Investments, net	77,488				83,703			

As at March 31, 2018 and December 31, 2017, the Bank and its subsidiaries had investments in general investments in the consolidated financial statements of 2 companies and 3 companies, respectively and the Bank's financial statements of 1 company, 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, 2018 and December 31, 2017 consist of the following:

Unit: Million Baht

Company Name	Business Type	Securities Investment Type	Issued and Paid-up Share Capital	Proportion of Ownership Interest and Voting Power Held by the Bank (%)	Investment (Cost Method)	Investment (Equity Method)	Dividend
			CONSOLIDATED FINANCIAL STATEMENTS March 31, 2018				
Joint ventures							
Tesco Card Services Limited [(1)]	Credit cards and personal loans	Common stock	2,080	50.00	1,040	2,084	-
Tesco Life Assurance Broker Limited [(2)]	Life assurance broker	Common stock	12	50.00	-	61	-
Tesco General Insurance Broker Limited [(2)]	General insurance broker	Common stock	107	50.00	-	190	-
Investments in joint ventures, net					1,040	2,335	-

Unit: Million Baht

Company Name	Business Type	Securities Investment Type	Issued and Paid-up Share Capital	Proportion of Ownership Interest and Voting Power Held by the Bank (%)	Investment (Cost Method)	Investment (Equity Method)	Dividend
			CONSOLIDATED FINANCIAL STATEMENTS December 31, 2017				
Joint ventures							
Tesco Card Services Limited [(1)]	Credit cards and personal loans	Common stock	2,080	50.00	1,040	2,000	-
Tesco Life Assurance Broker Limited [(2)]	Life assurance broker	Common stock	12	50.00	-	60	-
Tesco General Insurance Broker Limited [(2)]	General insurance broker	Common stock	107	50.00	-	162	-
Investments in joint ventures, net					1,040	2,222	-

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

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS

March 31, 2018

Company Name	Business Type	Securities Investment Type	Issued and Paid-up Share Capital	Proportion of Ownership Interest and Voting Power Held by the Bank (%)	Investment (Cost Method)	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	-
Ngern Tid Lor Company Limited	Hire-purchase and motorcycle loans	Common stock	3,290	100.00	3,126	-
		Preferred stock			1	-
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	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	1,350	99.84	1,497	-
Krungsri Factoring Company Limited	Factoring	Common stock	300	100.00	300	-
Krungsri Finnovate Company Limited	Venture capital	Common stock	700	100.00	700	-
Hattha Kaksekar Limited	Micro finance	Common stock	1,031	100.00	6,208	-
Investments in subsidiaries					62,922	-
Less Allowance for impairment					(5,052)	-
Investments in subsidiaries, net					57,870	-

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS

December 31, 2017

Company Name	Business Type	Securities Investment Type	Issued and Paid-up Share Capital	Proportion of Ownership Interest and Voting Power Held by the Bank (%)	Investment (Cost Method)	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	2,759
Ngern Tid Lor Company Limited	Hire-purchase and motorcycle loans	Common stock	3,290	100.00	3,126	-
		Preferred stock			1	-
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	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	1,350	99.84	1,497	-
Krungsri Factoring Company Limited	Factoring	Common stock	300	100.00	300	-
Krungsri Finnovate Company Limited	Venture capital	Common stock	700	100.00	700	-
Hattha Kaksekar Limited	Micro finance	Common stock	1,031	100.00	6,208	-
Investments in subsidiaries					62,922	3,027
Less Allowance for impairment					(5,052)	-
Investments in subsidiaries, net					57,870	3,027

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, 2018
"UNAUDITED"

Unit: Million Baht

	2018	**2017**
Cash flows from operating activities		
Income before income tax	35	35
Adjustments to reconcile income to cash provided (paid) from operating activities		
Bad debt and doubtful accounts	-	17
Loss on impairment of properties for sale	-	3
Gain on sales of properties for sale	(44)	(12)
Employment benefits expenses	2	4
Interest income, net	(13)	(36)
Interest received	13	36
Income tax paid	(1)	(1)
Income (loss) from operations before changes in operating assets and liabilities	(8)	46
Decrease in operating assets		
Investment in receivables	13	5
Loans to customers	-	1
Properties for sale	80	41
Other assets	1	19
Decrease in operating liabilities		
Other liabilities	(32)	(40)
Net cash from operating activities	54	72
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	54	72
Cash and cash equivalents as at January 1,	1,429	957
Cash and cash equivalents as at March 31,	1,483	1,029

7.4 Loans to customers and accrued interest receivables, net

Loans to customers and accrued interest receivables, net as at March 31, 2018 and December 31, 2017 are as follows:

(1) Classified by products

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	March 31, 2018	**December 31, 2017**	**March 31, 2018**	**December 31, 2017**
Overdrafts	61,180	60,432	61,131	60,382
Loan against contract	812,915	792,493	797,455	810,399
Trade bill	277,555	283,266	279,609	285,321
Hire-purchase receivable	421,484	400,930	334,222	309,557
Lease contract receivable	14,473	14,707	4,316	3,923
Credit card receivable	53,071	62,007	-	-
Others	5,763	5,523	4,230	4,030
Total	1,646,441	1,619,358	1,480,963	1,473,612
Less Deferred revenue	(73,391)	(68,954)	(55,281)	(50,190)
Loans to customers after deferred revenue, net	1,573,050	1,550,404	1,425,682	1,423,422
Add Accrued interest receivables	4,148	3,917	2,538	2,296
Loans to customers and accrued interest receivable after deferred revenue, net	1,577,198	1,554,321	1,428,220	1,425,718
Less Allowance for doubtful accounts				
1) BOT requirement :				
- Individual approach	(26,904)	(26,805)	(21,879)	(21,992)
- Collective approach	(9,300)	(8,916)	(7,490)	(6,984)
2) Surplus reserve	(21,000)	(18,452)	(12,097)	(9,518)
Less Revaluation allowance for debt restructuring	(1,295)	(1,303)	(52)	(48)
Total loans to customers, net	1,518,699	1,498,845	1,386,702	1,387,176

(2) Classified by currency and residence of debtors

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS					
	March 31, 2018			December 31, 2017		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Baht	1,485,675	11,358	1,497,033	1,452,878	11,159	1,464,037
US Dollar	44,166	26,914	71,080	55,437	26,225	81,662
Other currencies	1,131	3,806	4,937	980	3,725	4,705
Total	1,530,972	42,078	1,573,050	1,509,295	41,109	1,550,404

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS					
	March 31, 2018			December 31, 2017		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Baht	1,358,518	10,564	1,369,082	1,345,001	10,426	1,355,427
US Dollar	44,166	8,791	52,957	55,437	8,983	64,420
Other currencies	1,131	2,512	3,643	980	2,595	3,575
Total	1,403,815	21,867	1,425,682	1,401,418	22,004	1,423,422

(3) Classified by business type and classification

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS					
	March 31, 2018					
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total
Agriculture and mining	18,557	1,128	109	96	821	20,711
Manufacturing and trading	361,928	15,493	2,504	3,050	9,185	392,160
Real estate and construction	97,092	4,076	567	551	1,471	103,757
Public utilities and services	140,019	10,664	164	213	1,804	152,864
Housing loans	214,165	2,779	979	1,328	3,219	222,470
Others	646,781	22,852	5,135	2,571	3,749	681,088
Total	1,478,542	56,992	9,458	7,809	20,249	1,573,050

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS					
	December 31, 2017					
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total
Agriculture and mining	18,510	1,080	109	121	800	20,620
Manufacturing and trading	371,182	12,402	3,396	2,620	8,803	398,403
Real estate and construction	89,539	3,946	806	374	1,541	96,206
Public utilities and services	138,883	10,781	270	244	1,693	151,871
Housing loans	209,100	2,749	1,238	1,191	2,820	217,098
Others	631,929	22,681	5,460	2,471	3,665	666,206
Total	1,459,143	53,639	11,279	7,021	19,322	1,550,404

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS					
	March 31, 2018					
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total
Agriculture and mining	14,791	1,115	100	63	186	16,255
Manufacturing and trading	357,704	15,247	2,499	3,002	8,637	387,089
Real estate and construction	95,961	4,067	553	550	1,415	102,546
Public utilities and services	140,011	10,664	164	213	1,489	152,541
Housing loans	212,217	2,779	978	1,326	3,204	220,504
Others	526,032	14,479	2,286	1,873	2,077	546,747
Total	1,346,716	48,351	6,580	7,027	17,008	1,425,682

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS					
	December 31, 2017					
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total
Agriculture and mining	14,663	1,071	85	78	163	16,060
Manufacturing and trading	366,965	12,152	3,370	2,590	8,201	393,278
Real estate and construction	88,414	3,936	792	372	1,467	94,981
Public utilities and services	138,869	10,781	270	244	1,376	151,540
Housing loans	207,318	2,749	1,236	1,187	2,805	215,295
Others	532,545	13,540	2,377	1,811	1,995	552,268
Total	1,348,774	44,229	8,130	6,282	16,007	1,423,422

(4) Classified by type of classification

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS			
	March 31, 2018			
	Loans to Customers and Accrued Interest Receivables	Outstanding Balance Used for Calculation Allowance	% Used for Calculation Allowance[3]	Allowance for Doubtful Accounts[4]
1. Minimum allowance per BOT guideline				
Normal	1,482,419	995,978	1, 2	12,218
Special mention	57,263	42,740	2, 16	3,114
Substandard	9,458	6,719	50, 100	4,914
Doubtful	7,809	5,188	44, 100	4,263
Doubtful of loss	20,249	9,728	100	11,695
Total	1,577,198	1,060,353		36,204 [1]
2. Surplus Reserve				21,000 [2]
Total				57,204

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS			
	December 31, 2017			
	Loans to Customers and Accrued Interest Receivables	Outstanding Balance Used for Calculation Allowance	% Used for Calculation Allowance[3]	Allowance for Doubtful Accounts[4]
1. Minimum allowance per BOT guideline				
Normal	1,462,823	985,804	1, 2	11,863
Special mention	53,876	39,273	2, 15	2,998
Substandard	11,279	7,561	50, 100	5,938
Doubtful	7,021	4,724	46, 100	3,902
Doubtful of loss	19,322	9,251	100	11,020
Total	1,554,321	1,046,613		35,721 [1]
2. Surplus Reserve				18,452 [2]
Total				54,173

[1] Including allowance for doubtful accounts on a collective approach for hire-purchase loans as at March 31, 2018 and December 31, 2017, of Baht 9,300 million and Baht 8,916 million, respectively.

[2] Including allowance for doubtful accounts of loans granted to subsidiaries as at March 31, 2018 and December 31, 2017, at the rate of 1% of Baht 72,041 million and Baht 102,882 million equal to Baht 720 million and Baht 1,029 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, 2018 and December 31, 2017, of Baht 1,295 million and Baht 1,303 million, respectively, and excluding allowance for doubtful accounts for interbank and money market items as at March 31, 2018 and December 31, 2017, of Baht 410 million and Baht 366 million, respectively.

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS			
	March 31, 2018			
	Loans to Customers and Accrued Interest Receivables	Outstanding Balance Used for Calculation Allowance	% Used for Calculation Allowance[3]	Allowance for Doubtful Accounts[4]
1. Minimum allowance per BOT guideline				
Normal	1,349,065	870,063	1, 2	10,652
Special mention	48,540	34,522	2, 10	2,411
Substandard	6,580	3,873	37, 100	2,905
Doubtful	7,027	4,482	37, 100	3,705
Doubtful of loss	17,008	7,831	100	9,696
Total	1,428,220	920,771		29,369 [1]
2. Surplus Reserve				12,097 [2]
Total				41,466

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS			
	December 31, 2017			
	Loans to Customers and Accrued Interest Receivables	**Outstanding Balance Used for Calculation Allowance**	**% Used for Calculation Allowance[3]**	**Allowance for Doubtful Accounts[4]**
1. Minimum allowance per BOT guideline				
Normal	1,350,928	883,154	1, 2	10,549
Special mention	44,371	30,378	2, 10	2,287
Substandard	8,130	4,511	38, 100	3,731
Doubtful	6,282	4,043	38, 100	3,425
Doubtful of loss	16,007	7,319	100	8,984
Total	1,425,718	929,405		28,976 [1]
2. Surplus Reserve				9,518 [2]
Total				38,494

[1] Including allowance for doubtful accounts on a collective approach for hire-purchase loans as at March 31, 2018 and December 31, 2017, of Baht 7,490 million and Baht 6,984 million, respectively.

[2] Including allowance for doubtful accounts of loan granted to subsidiaries as at March 31, 2018 and December 31, 2017, at the rate of 1% of Baht 72,041 million and Baht 102,882 million, equal to Baht 720 million and Baht 1,029 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, 2018 and December 31, 2017, of Baht 52 million and Baht 48 million, respectively and excluding allowance for doubtful accounts for interbank and money market items as at March 31, 2018 and December 31, 2017, of Baht 410 million and Baht 366 million, respectively.

As at March 31, 2018 and December 31, 2017, 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, 2018		
	The Bank	**AMC**	**The Bank and AMC**
Non-performing loans	30,615	478	31,093
Percentage of total loans	1.73	100.00	1.76
Non-performing loans, net	14,309	321	14,630
Percentage of total loans, net	0.82	100.00	0.84

Unit: Million Baht

	December 31, 2017		
	The Bank	**AMC**	**The Bank and AMC**
Non-performing loans	30,419	491	30,910
Percentage of total loans	1.78	100.00	1.81
Non-performing loans, net	14,279	334	14,613
Percentage of total loans, net	0.85	100.00	0.86

As at March 31, 2018 and December 31, 2017, the Bank and its subsidiaries' non-performing loans are Baht 37,516 million and Baht 37,622 million, respectively.

(5) Troubled debt restructuring

For the three-month periods ended March 31, 2018 and 2017, the Bank and its subsidiaries had restructured the following debts:

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

	For the three-month period ended March 31, 2018				For the three-month period ended March 31, 2017			
Form of Restructuring	**Number of Debtors**	**Amount of Debt Before Restructuring**	**Type of Assets Acquired**	**Fair Value**	**Number of Debtors**	**Amount of Debt Before Restructuring**	**Type of Assets Acquired**	**Fair Value**
Modification of terms	4,828	889	-	-	6,170	1,015	-	-
Reduction of principal and interest	1,914	95	-	-	1,881	90	-	-
Various forms of restructuring	259	1,247	-	-	242	981	-	-
Total	7,001	2,231		-	8,293	2,086		-

Unit : Million Baht

THE BANK'S FINANCIAL STATEMENTS

	For the three-month period ended March 31, 2018				For the three-month period ended March 31, 2017			
Form of Restructuring	**Number of Debtors**	**Amount of Debt Before Restructuring**	**Type of Assets Acquired**	**Fair Value**	**Number of Debtors**	**Amount of Debt Before Restructuring**	**Type of Assets Acquired**	**Fair Value**
Modification of terms	457	585	-	-	806	601	-	-
Various forms of restructuring	259	1,246	-	-	242	981	-	-
Total	716	1,831		-	1,048	1,582		-

For the three-month periods ended March 31, 2018 and 2017, the Bank and its subsidiaries calculated the net realizable value for the troubled 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, 2018				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	Average Aging (Year)	Number of Debtors	Amount of Debt Before Restructuring	Amount of Debt After Restructuring
Present value of future cash flows	4.82	4,718	428	424	4.67	6,026	640	633
Fair value of collateral	8.78	110	461	461	9.23	144	375	375

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS

Method	For the three-month period ended March 31, 2018				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	Average Aging (Year)	Number of Debtors	Amount of Debt Before Restructuring	Amount of Debt After Restructuring
Present value of future cash flows	5.14	349	124	120	4.60	675	227	224
Fair value of collateral	8.95	108	461	461	10.15	131	374	374

For the three-month periods ended March 31, 2018 and 2017, 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,	
	2018	2017	2018	2017
Losses on debt restructured	356	393	13	9
Interest received from debt restructured	284	236	194	147

As at March 31, 2018 and December 31, 2017, the Bank and its subsidiaries recorded balances of total debt restructured and debt restructured during the three-month period ended March 31, 2018 and during the year ended December 31, 2017, in the statements of financial position as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	March 31, 2018	December 31, 2017	March 31, 2018	December 31, 2017
Balances of total debt restructured	21,033	20,542	16,463	15,801
Balances of debt restructured during the period/year	2,105	11,271	1,705	9,426

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

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS March 31, 2018 Amount due per agreements			
	Within 1 Year	Greater than 1-5 Years	Greater than 5 Years	Total
Minimum lease payments	102,171	240,625	93,161	435,957
Less Unearned interest income				(73,356)
Present value of the minimum lease payments				362,601
Less Allowance for doubtful accounts				(14,093)
Total lease receivables, net				348,508

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS December 31, 2017 Amount due per agreements			
	Within 1 Year	Greater than 1-5 Years	Greater than 5 Years	Total
Minimum lease payments	100,122	231,619	83,896	415,637
Less Unearned interest income				(68,929)
Present value of the minimum lease payments				346,708
Less Allowance for doubtful accounts				(12,848)
Total lease receivables, net				333,860

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS March 31, 2018 Amount due per agreements			
	Within 1 Year	Greater than 1-5 Years	Greater than 5 Years	Total
Minimum lease payments	62,928	190,786	84,824	338,538
Less Unearned interest income				(55,254)
Present value of the minimum lease payments				283,284
Less Allowance for doubtful accounts				(7,490)
Total lease receivables, net				275,794

	THE BANK'S FINANCIAL STATEMENTS December 31, 2017 Amount due per agreements Within 1 Year	Greater than 1-5 Years	Greater than 5 Years	Total
Minimum lease payments	58,715	179,117	75,648	313,480
Less Unearned interest income				(50,174)
Present value of the minimum lease payments				263,306
Less Allowance for doubtful accounts				(6,984)
Total lease receivables, net				256,322

Unit: Million Baht

7.5 Allowance for doubtful accounts

Allowance for doubtful accounts as at March 31, 2018 and December 31, 2017 are as follows:

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2018

	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Surplus Reserve	Total
Beginning balance	11,863	2,998	5,938	3,902	11,020	18,452	54,173
Doubtful accounts	375	293	573	1,135	1,351	2,554	6,281
Bad debts written off	(13)	(177)	(1,596)	(770)	(673)	-	(3,229)
Other	(7)	-	(1)	(4)	(3)	(6)	(21)
Ending balance	12,218	3,114	4,914	4,263	11,695	21,000	57,204

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

December 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	1,579	468	4,866	4,416	7,845	2,407	21,581
Bad debts written off	(124)	(570)	(6,177)	(2,886)	(5,103)	-	(14,860)
Bad debts written off from sales of NPLs	(3)	-	(1)	(11)	(774)	-	(789)
Other	(15)	-	(4)	(5)	2	(11)	(33)
Ending balance	11,863	2,998	5,938	3,902	11,020	18,452	54,173

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS March 31, 2018						
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Surplus Reserve	Total
Beginning balance	10,549	2,287	3,731	3,425	8,984	9,518	38,494
Doubtful accounts	116	301	(420)	1,050	721	2,581	4,349
Bad debts written off	(13)	(177)	(406)	(770)	(9)	-	(1,375)
Other	-	-	-	-	-	(2)	(2)
Ending balance	10,652	2,411	2,905	3,705	9,696	12,097	41,466

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS December 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	1,298	700	108	4,287	5,170	2,099	13,662
Bad debts written off	(124)	(570)	(1,195)	(2,886)	(2,255)	-	(7,030)
Bad debts written off from sales of NPLs	(3)	-	(1)	(11)	(768)	-	(783)
Other	-	-	-	-	-	(3)	(3)
Ending balance	10,549	2,287	3,731	3,425	8,984	9,518	38,494

As at March 31, 2018 and December 31, 2017, 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, 2018	December 31, 2017	March 31, 2018	December 31, 2017
Allowance for doubtful accounts*	37,910	37,389	29,832	29,389

* 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, 2018	December 31, 2017
Consolidated financial statements	58,910	55,841
The Bank and Krungsri Ayudhya AMC Limited	42,242	39,220
The Bank's financial statements	41,929	38,907

* 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, 2018 and December 31, 2017, 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, 2018			
	Number	Outstanding Balance	Collateral	Allowance for Doubtful Accounts
Companies subject to be delisted by SET	6	1,167	673	510
Total	6	1,167	673	510

Unit: Million Baht

	CONSOLIDATED AND THE BANK'S FINANCIAL STATEMENTS			
	December 31, 2017			
	Number	Outstanding Balance	Collateral	Allowance for Doubtful Accounts
Companies subject to be delisted by SET	5	1,180	673	524
Total	5	1,180	673	524

7.6 Revaluation allowance for debt restructuring

Revaluation allowance for debt restructuring as at March 31, 2018 and December 31, 2017 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	March 31, 2018	December 31, 2017	March 31, 2018	December 31, 2017
Beginning balance	1,303	1,188	48	28
Increase during the period/year	356	1,512	13	39
Amount written off	(364)	(1,397)	(9)	(19)
Ending balance	1,295	1,303	52	48

7.7 Debt issued and borrowings

Debt issued and borrowings as at March 31, 2018 and December 31, 2017 are as follows:

Unit: Million Baht

	Currency	Interest rate (%)	Maturity	CONSOLIDATED FINANCIAL STATEMENTS					
				March 31, 2018			December 31, 2017		
				Domestic	Foreign	Total	Domestic	Foreign	Total
Subordinated debentures	THB	3.40 - 3.90	2027	41,985	-	41,985	41,985	-	41,985
	USD	7.50 -10.85	2019-2027	-	755	755	-	823	823
Senior securities	THB	1.60 - 4.50	2018-2022	123,125	-	123,125	96,325	-	96,325
Bill of exchange	THB	-	-	1	-	1	8	-	8
Other borrowings	THB	0.00 - 9.00	2018-2023	2	275	277	2	276	278
	USD	0.00 - 7.59	2018-2023	-	5,053	5,053	-	3,381	3,381
	KHR	10.25 - 10.50	2018	-	63	63	-	66	66
				165,113	6,146	171,259	138,320	4,546	142,866

Unit: Million Baht

	Currency	Interest rate (%)	Maturity	THE BANK'S FINANCIAL STATEMENTS					
				March 31, 2018			December 31, 2017		
				Domestic	Foreign	Total	Domestic	Foreign	Total
Subordinated debentures	THB	3.40 - 3.90	2027	41,985	-	41,985	41,985	-	41,985
Senior securities	THB	1.85 - 2.25	2018-2021	81,000	-	81,000	70,000	-	70,000
Bill of exchange	THB	-	-	1	-	1	8	-	8
Other borrowings	THB	0.00	2023	2	-	2	2	-	2
				122,988	-	122,988	111,995	-	111,995

Additional information on debts issued and borrowings is as follows:

1. 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 subordinated debentures on any interest payment date after the fifth anniversary subject to the approval of the BOT.

2. On May 24, 2017, the Bank issued subordinated debentures No. 1/2017 in amount of Baht 17,007 million for a 10-year and 6-month tenor at the fixed interest rate of 3.9% per annum, payable quarterly in February, May, August and November of each year. The Bank has the right to redeem subordinated debentures on any interest payment date after the fifth anniversary subject to the approval of the BOT.

3. On November 17, 2017, the Bank issued subordinated debentures No. 2/2017 in the amount of Baht 14,978 million for a 10-year tenor at the fixed interest rate of 3.4% 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 any interest payment date thereafter subject to the approval of the BOT.

7.8 Provisions

Provisions for the three-month period ended March 31, 2018 and for the year ended December 31, 2017 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS				
	Balance at January 1, 2017	Increase (Decrease)	Balance at December 31, 2017	Increase (Decrease)	Balance at March 31, 2018
Provision for post-employment benefits obligation	5,241	80	5,321	118	5,439
Others	2,092	55	2,147	6	2,153
Total	7,333	135	7,468	124	7,592

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS				
	Balance at January 1, 2017	Increase (Decrease)	Balance at December 31, 2017	Increase (Decrease)	Balance at March 31, 2018
Provision for post-employment benefits obligation	4,480	51	4,531	90	4,621
Others	1,976	43	2,019	(3)	2,016
Total	6,456	94	6,550	87	6,637

7.9 Dividend payment

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 with payment date on May 25, 2017.

The Board of Directors' Meeting No. 8/2017 held on August 23, 2017, approved the interim dividend payment for the six-month period ended June 30, 2017 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 21, 2017.

7.10 Assets with obligations and restrictions

As at March 31, 2018 and December 31, 2017, government and state enterprise securities with book value of Baht 7,079 million and Baht 59 million, respectively, are used as collateral for other commitments with government departments and state enterprises.

7.11 Contingencies

Contingencies as at March 31, 2018 and December 31, 2017 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	March 31, 2018	December 31, 2017	March 31, 2018	December 31, 2017
Avals to bills	2,157	1,636	2,157	1,636
Guarantees of loans	1,826	1,369	1,826	1,369
Liability under unmatured import bills	1,335	1,437	1,335	1,437
Letters of credit	7,763	7,744	7,763	7,744
Other contingencies				
- Unused overdraft limit	6,399	6,390	6,399	6,390
- Unused credit line	32,476	36,052	37,895	41,915
- Other guarantees	56,593	57,196	56,593	57,196
- Others	356	372	356	372
Total	108,905	112,196	114,324	118,059

The Bank and its subsidiaries have entered into a long-term information technology service agreement, which will be expired in 2023 with a local company. As at March 31, 2018 and December 31, 2017, the Bank and its subsidiaries have a commitment to pay in the amounts of Baht 814 million and Baht 1,034 million, respectively.

As at March 31, 2018 and December 31, 2017, the Bank has commitments to pay regarding the information technology services the amounts of Baht 2,799 million and Baht 2,659 million, respectively.

As at March 31, 2018 and December 31, 2017, the Bank has commitment payment amount of Baht 377 million and Baht 645 million as a result of entering to the construction agreement of the office building, respectively.

7.12 Related party transactions

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

According to the Bank of Thailand's Notification Sor.Nor.Sor. 8/2560 regarding the "Guideline on Consolidated Supervision" dated April 27, 2017, 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 have 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.

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 processes, namely credit risk control, credit risk measurement, and credit risk monitoring, in accordance with the Bank's policy and the Bank of Thailand's requirements.

Related party transactions are as follows:

7.12.1 Assets, liabilities and contingencies with certain officers from the levels of Bank's Directors, Executive Vice Presidents and higher, and Vice Presidents/equivalent positions and higher in the Finance and Accounting Functions and the companies in which they and/or the Bank directors and/or their related parties and/or the Bank owned and the companies in which the directors and/or shareholders of the Bank have significant voting right either directly and indirectly, as at March 31, 2018 and December 31, 2017 are as follows:

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2018

	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.	10,190	-	-	2,674	488	-	194,083	-	1,676	1,656	328,228	6,239
Total	10,190	-	-	2,674	488	-	194,083	-	1,676	1,656	328,228	6,239
Joint ventures												
Tesco Card Services Limited	-	7,673	19	-	100	356	-	-	-	1	-	-
Tesco Life Assurance Broker Limited	-	-	-	-	2	140	-	-	-	-	-	-
Tesco General Insurance Broker Limited	-	-	-	-	3	552	-	-	-	3	-	-
Less Allowance for doubtful accounts	-	(77)	-	-	-	-	-	-	-	-	-	-
Total	-	7,596	19	-	105	1,048	-	-	-	4	-	-
Related companies having joint major shareholders or directors	1	8,875	37	791	23	8,799	119	-	9	24	17,943	1,279
Less Allowance for doubtful accounts	-	(83)	-	-	-	-	-	-	-	-	-	-
Total	1	8,792	37	791	23	8,799	119	-	9	24	17,943	1,279
Individual and related parties	-	457	-	-	-	4,090	-	-	-	1,058	-	-
Less Allowance for doubtful accounts	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	457	-	-	-	4,090	-	-	-	1,058	-	-
Total	10,191	16,845	56	3,465	616	13,937	194,202	-	1,685	2,742	346,171	7,518

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

December 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.	11,889	-	-	1,987	458	-	211,311	-	1,429	1,430	308,370	7,115
Total	11,889	-	-	1,987	458	-	211,311	-	1,429	1,430	308,370	7,115
Joint ventures												
Tesco Card Services Limited	-	10,006	21	-	83	402	-	-	-	1	-	-
Tesco Life Assurance Broker Limited	-	-	-	-	-	136	-	-	-	-	-	-
Tesco General Insurance Broker Limited	-	-	-	-	-	574	-	-	-	2	-	-
Less Allowance for doubtful accounts	-	(100)	-	-	-	-	-	-	-	-	-	-
Total	-	9,906	21	-	83	1,112	-	-	-	3	-	-
Related companies having joint major shareholders or directors	4	7,728	25	621	16	9,265	172	-	50	11	18,320	1,471
Less Allowance for doubtful accounts	-	(72)	-	-	-	-	-	-	-	-	-	-
Total	4	7,656	25	621	16	9,265	172	-	50	11	18,320	1,471
Individual and related parties	-	468	-	-	-	4,665	-	-	-	774	-	-
Less Allowance for doubtful accounts	-	-	-	-	-	-	-	-	-	-	-	-
Total	-	468	-	-	-	4,665	-	-	-	774	-	-
Total	11,893	18,030	46	2,608	557	15,042	211,483	-	1,479	2,218	326,690	8,586

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS

March 31, 2018

	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.	10,190	-	-	2,674	488	-	194,083	-	1,676	1,656	328,228	6,239
Total	10,190	-	-	2,674	488	-	194,083	-	1,676	1,656	328,228	6,239
Subsidiaries												
Ayudhya Development Leasing Company Limited	-	6,923	1	-	8	9	-	-	-	3	-	40
Ayudhya Capital Auto Lease Public Company Limited	-	16,563	65	-	107	2,046	-	-	-	202	-	-
Ngern Tid Lor Company Limited	-	3,690	1	-	15	188	-	-	-	1	-	2
Ayudhya Capital Services Company Limited	-	26,025	78	-	52	1,081	-	-	-	12	-	3
General Card Services Limited	-	9,112	17	-	15	340	-	-	-	-	-	-
Krungsriayudhya Card Company Limited	-	3,961	14	-	206	838	-	-	-	12	-	1
Siam Realty and Services Security Company Limited	-	550	-	-	1	65	-	-	-	54	-	-
Total Services Solutions Public Company Limited	-	-	-	-	-	1,361	-	-	-	10	-	-
Krungsri Asset Management Company Limited	-	-	-	-	112	-	3,793	-	-	26	-	-
Krungsri Ayudhya AMC Limited	-	-	-	-	2	1,482	-	-	-	65	-	35
Krungsri Securities Public Company Limited	-	-	-	-	3	3	2,075	-	-	9	-	-
Krungsri Factoring Company Limited	-	-	-	-	-	196	-	-	-	-	-	-
Krungsri Life Assurance Broker Limited	-	-	-	-	-	520	-	-	-	-	-	-
Krungsri General Insurance Broker Limited	-	-	-	-	-	823	-	-	-	-	-	-

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS (CONTINUED)

March 31, 2018

	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	-	4,280	1	-	2	29	-	-	-	-	-	-
Hattha Kaksekar Limited	-	937	22	12	2	-	-	-	-	-	3,217	-
Krungsri Finnovate Company Limited	-	-	-	-	2	468	-	-	-	-	-	-
Total	-	72,041	199	12	527	9,449	5,868	-	-	394	3,217	81
Less Allowance for doubtful accounts	-	(720)	-	-	-	-	-	-	-	-	-	-
Total	-	71,321	199	12	527	9,449	5,868	-	-	394	3,217	81
Joint ventures												
Tesco Card Services Limited	-	7,673	19	-	6	356	-	-	-	-	-	-
Tesco Life Assurance Broker Limited	-	-	-	-	-	140	-	-	-	-	-	-
Tesco General Insurance Broker Limited	-	-	-	-	1	552	-	-	-	-	-	-
Less Allowance for doubtful accounts	-	(77)	-	-	-	-	-	-	-	-	-	-
Total	-	7,596	19	-	7	1,048	-	-	-	-	-	-
Related companies having joint major shareholders or directors	1	8,875	37	791	-	8,799	119	-	9	23	17,943	1,279
Less Allowance for doubtful accounts	-	(83)	-	-	-	-	-	-	-	-	-	-
Total	1	8,792	37	791	-	8,799	119	-	9	23	17,943	1,279
Individual and related parties	-	397	1	-	-	3,957	-	-	-	435	-	-
Total	10,191	88,106	256	3,477	1,022	23,253	200,070	-	1,685	2,508	349,388	7,599

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS

December 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.	11,889	-	-	1,987	458	-	211,311	-	1,429	1,430	308,370	7,115
Total	11,889	-	-	1,987	458	-	211,311	-	1,429	1,430	308,370	7,115
Subsidiaries												
Ayudhya Development Leasing Company Limited	-	7,171	2	-	3	7	-	-	-	1	-	44
Ayudhya Capital Auto Lease Public Company Limited	-	19,669	78	-	77	675	-	-	-	111	-	-
Ngern Tid Lor Company Limited	-	3,390	1	-	15	213	-	-	-	-	-	2
Ayudhya Capital Services Company Limited	-	29,020	87	-	80	1,026	-	-	-	12	-	3
General Card Services Limited	-	10,554	20	-	88	353	-	-	-	-	-	-
Krungsriayudhya Card Company Limited	-	27,225	32	-	718	1,183	-	-	-	9	-	1
Siam Realty and Services Security Company Limited	-	585	-	-	1	90	-	-	-	58	-	-
Total Services Solutions Public Company Limited	-	-	-	-	2	1,333	-	-	-	10	-	-
Krungsri Asset Management Company Limited	-	-	-	-	116	-	3,440	-	-	18	-	-
Krungsri Ayudhya AMC Limited	-	-	-	-	1	1,429	-	-	-	64	-	35
Krungsri Securities Public Company Limited	-	-	-	-	2	2	2,053	-	-	8	-	-
Krungsri Factoring Company Limited	-	-	-	-	-	198	-	-	-	-	-	-
Krungsri Life Assurance Broker Limited	-	-	-	-	-	1,051	-	-	-	1	-	-
Krungsri General Insurance Broker Limited	-	-	-	-	-	1,427	-	-	-	1	-	-

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS (CONTINUED)

December 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	-	3,993	2	-	2	26	-	-	-	-	-	-
Hattha Kaksekar Limited	-	1,275	7	11	2	-	-	-	-	-	1,569	-
Krungsri Finnovate Company Limited	-	-	-	-	2	471	-	-	-	-	-	-
Total	-	102,882	229	11	1,109	9,484	5,493	-	-	293	1,569	85
Less Allowance for doubtful accounts	-	(1,029)	-	-	-	-	-	-	-	-	-	-
Total	-	101,853	229	11	1,109	9,484	5,493	-	-	293	1,569	85
Joint ventures												
Tesco Card Services Limited	-	10,006	21	-	50	402	-	-	-	-	-	-
Tesco Life Assurance Broker Limited	-	-	-	-	-	136	-	-	-	-	-	-
Tesco General Insurance Broker Limited	-	-	-	-	-	574	-	-	-	-	-	-
Less Allowance for doubtful accounts	-	(100)	-	-	-	-	-	-	-	-	-	-
Total	-	9,906	21	-	50	1,112	-	-	-	-	-	-
Related companies having joint major shareholders or directors	4	7,728	25	621	-	9,265	172	-	50	10	18,320	1,471
Less Allowance for doubtful accounts	-	(72)	-	-	-	-	-	-	-	-	-	-
Total	4	7,656	25	621	-	9,265	172	-	50	10	18,320	1,471
Individual and related parties	-	363	-	-	-	4,518	-	-	-	575	-	-
Total	11,893	119,778	275	2,619	1,617	24,379	216,976	-	1,479	2,308	328,259	8,671

As at March 31, 2018 and December 31, 2017, the Bank charges interest rates to related parties at 0.75% - 28.02% p.a. and 0.75% - 26.47% p.a., respectively.

As at March 31, 2018 and December 31, 2017, the allowance for doubtful accounts of loans granted to subsidiaries of Baht 720 million and Baht 1,029 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 for the three-month period ended March 31, 2018 and for the year ended December 31, 2017 are as follows:

Unit: Million Baht

				CONSOLIDATED AND THE BANK'S FINANCIAL STATEMENTS			
				March 31, 2018		December 31, 2017	
	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	-	326	37
Less Allowance for impairment				(5)	-	(5)	-
Investment in related company, net				321	-	321	37

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, 2018 and 2017 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS							
	For the three-month period ended March 31, 2018				For the three-month period ended March 31, 2017			
	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.	7	(107)	996	128	-	219	702	97
Total	7	(107)	996	128	-	219	702	97
Joint ventures								
Tesco Card Services Limited	58	77	-	2	54	119	-	1
Tesco Life Assurance Broker Company Limited	-	2	-	-	-	2	-	-
Tesco General Insurance Broker Limited	-	6	1	-	-	6	1	-
Total	58	85	1	2	54	127	1	1
Related companies having joint major shareholders or directors	50	266	15	86	92	590	22	83
Total	50	266	15	86	92	590	22	83
Individual and related parties	4	1	7	1	4	1	2	-
Total	119	245	1,019	217	150	937	727	181

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS

	For the three-month period ended March 31, 2018				For the three-month period ended March 31, 2017			
	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.	7	(107)	996	128	-	219	702	97
Total	7	(107)	996	128	-	219	702	97
Subsidiaries								
Ayudhya Development Leasing Company Limited	57	4	-	1	47	4	-	-
Ayudhya Capital Auto Lease Public Company Limited	176	115	4	193	328	130	3	133
Ngern Tid Lor Company Limited	26	12	-	1	44	14	-	-
Ayudhya Capital Services Company Limited	172	82	-	19	180	71	-	8
General Card Services Limited	58	11	-	2	62	4	-	7
Krungsriayudhya Card Company Limited	108	53	-	48	162	53	-	39
Siam Realty and Services Security Company Limited	3	1	-	131	3	4	-	132
Total Services Solutions Public Company Limited	-	-	5	13	-	12	4	1
Krungsri Asset Management Company Limited	-	327	16	3	-	190	8	2
Krungsri Ayudhya AMC Limited	-	1	-	1	-	2	-	-
Krungsri Securities Public Company Limited	-	4	6	2	-	6	4	11
Krungsri Factoring Company Limited	-	1	-	-	-	1	-	-
Krungsri Life Assurance Broker Limited	-	-	1	-	-	-	3	-
Krungsri General Insurance Broker Limited	-	-	1	-	-	-	4	-
Krungsri Leasing Services Company Limited	58	-	-	-	23	6	-	-
Hattha Kaksekar Limited	19	2	-	-	-	-	-	-
Krungsri Finnovate Company Limited	-	2	-	-	-	-	-	-
Total	677	615	33	414	849	497	26	333
Joint ventures								
Tesco Card Services Limited	58	9	-	2	54	7	-	1
Tesco General Insurance Broker Limited	-	3	1	-	-	3	1	-
Total	58	12	1	2	54	10	1	1
Related companies having joint major shareholders or directors	50	264	15	65	92	590	22	83
Total	50	264	15	65	92	590	22	83
Individual and related parties	4	1	4	-	4	1	2	-
Total	796	785	1,049	609	999	1,317	753	514

7.12.4 For the three-month periods ended March 31, 2018 and 2017, compensations paid to key management personnel under TAS 24 (Revised 2017) "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,	
	2018	2017	2018	2017
Short-term employee benefits	514	475	292	307
Post-employment benefits	15	14	10	10
Other long-term benefits	-	17	-	15
Total	529	506	302	332

7.12.5 For the three-month periods ended March 31, 2018 and 2017, related party transactions among subsidiaries included collection services and other services of Baht 241 million and Baht 236 million, respectively, and office and vehicle rental and other services of Baht 19 million and Baht 18 million, respectively.

7.12.6 For the three-month periods ended March 31, 2018 and 2017, subsidiaries had related party transactions from the licenses relevant to technology and software of Baht 14 million and Baht 13 million, respectively.

7.12.7 For the three-month periods ended March 31, 2018 and 2017, related party transactions among subsidiaries from other services were Baht 363 million and Baht 362 million, respectively.

7.13 Management compensation

The Bank and its subsidiaries have no special benefits given to the directors and executive officers beyond the general benefits made as usual, including contingency benefits from employment compensation agreements and other benefits for those persons.

The Bank and its subsidiaries did not sell, give or lease any properties to directors, executive officers, or their related parties, or did not purchase or lease any assets from those persons, except, for the three-month periods ended March 31, 2018, the subsidiary had sold assets to managements in the amount of Baht 2 million with the book value of Baht 1 million.

7.14 Operating segments

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

The business segments are described below:

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

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

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

During the three-month periods ended March 31, 2018 and 2017, 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, 2018 and 2017 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS For the three-month period ended March 31, 2018			
	Retail	**Commercial**	**Others**	**Total**
Interest income, net	12,654	5,371	(3)	18,022
Other operating income	6,898	2,334	(367)	8,865
Total operating income	19,552	7,705	(370)	26,887
Operating expenses	9,273	2,873	253	12,399
Impairment loss on loans and debt securities (reversal)	4,249	(148)	2,582	6,683
Profit (loss) before tax	6,030	4,980	(3,205)	7,805
Taxation	1,194	914	(592)	1,516
Net profit (loss)	4,836	4,066	(2,613)	6,289

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 on 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			
	Retail	**Commercial**	**Others**	**Total**
Total assets				
As at March 31, 2018	834,780	1,468,303	(142,855)	2,160,228
As at December 31, 2017	820,603	1,441,891	(173,722)	2,088,772

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, 2018 and December 31, 2017 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS March 31, 2018			
	Domestic	Foreign	Elimination	Total
Total assets	2,132,246	39,860	(11,878)	2,160,228
Interbank and money market items, net (Assets)	385,800	7,482	-	393,282
Investments, net*	80,060	1	-	80,061
Loans to customers and accrued interest receivable, net	1,493,298	25,401	-	1,518,699
Deposits	1,355,694	13,733	-	1,369,427
Interbank and money market items, net (Liabilities)	263,231	5,180	-	268,411
Debt issued and borrowings	164,176	7,083	-	171,259

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS December 31, 2017			
	Domestic	Foreign	Elimination	Total
Total assets	2,062,031	39,196	(12,455)	2,088,772
Interbank and money market items, net (Assets)	323,049	7,748	-	330,797
Investments, net*	86,156	1	-	86,157
Loans to customers and accrued interest receivable, net	1,474,719	24,126	-	1,498,845
Deposits	1,305,174	14,055	-	1,319,229
Interbank and money market items, net (Liabilities)	274,989	4,732	-	279,721
Debt issued and borrowings	137,045	5,821	-	142,866

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS March 31, 2018			
	Domestic	Foreign	Elimination	Total
Total assets	2,048,298	8,455	(6,605)	2,050,148
Interbank and money market items, net (Assets)	384,311	3,769	-	388,080
Investments, net*	135,358	-	-	135,358
Loans to customers and accrued interest receivable, net	1,385,520	1,182	-	1,386,702
Deposits	1,365,143	1,726	-	1,366,869
Interbank and money market items, net (Liabilities)	272,378	2	-	272,380
Debt issued and borrowings	122,988	-	-	122,988

	Domestic	Foreign	Elimination	Total
	Unit: Million Baht			
	THE BANK'S FINANCIAL STATEMENTS			
	December 31, 2017			
	Domestic	**Foreign**	**Elimination**	**Total**
Total assets	1,997,683	9,274	(7,148)	1,999,809
Interbank and money market items, net (Assets)	321,187	4,453	-	325,640
Investments, net*	141,572	-	-	141,572
Loans to customers and accrued interest receivable, net	1,386,140	1,036	-	1,387,176
Deposits	1,314,657	2,048	-	1,316,705
Interbank and money market items, net (Liabilities)	284,475	2	-	284,477
Debt issued and borrowings	111,995	-	-	111,995

*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, 2018 and 2017 are as follows:

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS
For the three-month period ended
March 31, 2018

	Domestic	Foreign	Elimination	Total
Interest income	24,595	1,006	(76)	25,525
Interest expenses	7,205	375	(78)	7,502
Net interest income	17,390	631	2	18,023
Fees and service income, net	5,301	19	-	5,320
Other operating income	5,727	25	(2,208)	3,544
Other operating expenses	20,881	411	(2,210)	19,082
Profit from operating before tax	7,537	264	4	7,805

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			
	THE BANK'S FINANCIAL STATEMENTS For the three-month period ended March 31, 2018			
	Domestic	Foreign	Elimination	Total
Interest income	17,688	14	-	17,702
Interest expenses	7,044	2	-	7,046
Net interest income	10,644	12	-	10,656
Fees and service income, net	2,635	5	-	2,640
Other operating income	4,398	11	(2,209)	2,200
Other operating expenses	14,604	17	(2,209)	12,412
Profit from operating before tax	3,073	11	-	3,084

	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

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, 2018 and 2017 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,	
	2018	2017	2018	2017
Interbank and money market items	1,703	590	1,701	585
Investment and trading transactions	8	42	8	42
Investment in debt securities	350	644	350	644
Loans to customers	16,265	14,895	11,161	10,822
Hire purchase and finance lease	7,199	6,592	4,482	3,292
Total interest income	25,525	22,763	17,702	15,385

7.17 Interest expenses

Interest expenses for the three-month periods ended March 31, 2018 and 2017 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,	
	2018	2017	2018	2017
Deposits	3,531	2,993	3,361	2,776
Interbank and money market items	1,275	944	1,274	944
Contributions to Financial Institution Development Fund and Deposit Protection Agency	1,638	1,361	1,638	1,361
Debt issued and borrowings				
- Subordinated debenture	396	282	375	258
- Other	641	692	395	473
Borrowing fee expense	16	3	1	1
Other	5	4	2	1
Total interest expenses	7,502	6,279	7,046	5,814

7.18 Events after the reporting period

The Annual General Meeting of shareholders No. 106 held on April 26, 2018 approved the dividend payment for the six-month period ended December 31, 2017 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 21, 2018.

7.19 Approval of interim financial statements

These interim financial statements have been approved for issue by the Executive Committee on May 9, 2018.