

**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, 2015, 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".

BANGKOK
May 8, 2015

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

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT MARCH 31, 2015

BAHT: '000

	CONSOLIDATED		THE BANK'S	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	"UNAUDITED"		"UNAUDITED"	
	As at March 31, 2015	As at December 31, 2014	As at March 31, 2015	As at December 31, 2014
ASSETS				
CASH	26,915,557	31,154,503	26,828,393	31,077,762
INTERBANK AND MONEY MARKET ITEMS, NET	190,590,970	80,363,742	187,714,662	77,210,265
CLAIMS ON SECURITY	20,204,731	-	20,204,731	-
DERIVATIVES ASSETS	21,671,101	2,653,196	21,671,101	2,653,196
INVESTMENTS, NET (Note 7.2)	112,082,610	60,572,815	112,069,033	60,852,251
INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES, NET (Note 7.3)	1,323,752	1,217,448	48,231,169	48,231,169
LOANS TO CUSTOMERS AND ACCRUED INTEREST RECEIVABLES, NET (Note 7.4)				
Loans to customers	1,280,203,731	1,057,635,974	1,145,909,710	904,469,031
Accrued interest receivables	3,840,074	2,636,440	2,770,950	1,557,735
Total loans to customers and accrued interest receivables	1,284,043,805	1,060,272,414	1,148,680,660	906,026,766
<u>Less</u> Deferred revenue	(45,441,641)	(44,875,328)	(17,612,130)	(14,279,451)
<u>Less</u> Allowance for doubtful accounts (Note 7.5)	(42,603,127)	(38,159,030)	(24,549,457)	(19,796,925)
<u>Less</u> Revaluation allowance for debt restructuring (Note 7.6)	(1,608,650)	(1,616,773)	(480,780)	(563,209)
Net loans and accrued interest receivables	1,194,390,387	975,621,283	1,106,038,293	871,387,181
CUSTOMERS' LIABILITY UNDER ACCEPTANCE	493,336	508,328	493,336	508,328
PROPERTIES FOR SALE, NET	5,298,519	5,456,180	2,824,091	2,842,702
PREMISES AND EQUIPMENT, NET	19,951,873	19,952,366	18,255,655	18,219,369
GOODWILL AND OTHER INTANGIBLE ASSETS, NET	14,793,648	14,583,611	3,738,554	3,394,164
DEFERRED TAX ASSETS	5,034,531	4,982,739	585,682	485,060
ACCOUNTS RECEIVABLE FOR INVESTMENTS	3,994,834	2,133,297	3,994,834	2,133,297
OTHER ASSETS, NET	16,082,071	12,162,110	11,991,876	7,745,702
TOTAL ASSETS	1,632,827,920	1,211,361,618	1,564,641,410	1,126,740,446

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

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION (CONTINUED)
AS AT MARCH 31, 2015

BAHT: '000

	CONSOLIDATED		THE BANK'S	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	"UNAUDITED"		"UNAUDITED"	
	As at	As at	As at	As at
	March 31, 2015	December 31, 2014	March 31, 2015	December 31, 2014
LIABILITIES AND EQUITY				
DEPOSITS	1,010,483,809	837,555,978	1,016,329,851	843,747,653
INTERBANK AND MONEY MARKET ITEMS, NET	213,948,462	46,612,062	215,659,361	48,256,752
LIABILITY PAYABLE ON DEMAND	5,195,735	1,935,682	5,195,735	1,935,682
LIABILITY TO DELIVER SECURITY	20,204,731	-	20,204,731	-
DERIVATIVES LIABILITIES	19,169,743	2,159,708	19,169,743	2,159,708
DEBT ISSUED AND BORROWINGS (Note 7.7)	138,074,358	151,805,341	101,947,681	97,267,531
BANK'S LIABILITY UNDER ACCEPTANCE	493,336	508,328	493,336	508,328
PROVISIONS (Note 7.8)	6,119,268	5,450,935	5,578,760	4,931,302
DEFERRED TAX LIABILITIES	25,743	24,036	-	-
ACCOUNTS PAYABLE FOR INVESTMENTS	2,786,317	518	2,786,317	518
OTHER LIABILITIES	33,559,528	33,639,023	16,891,813	16,023,896
TOTAL LIABILITIES	1,450,061,030	1,079,691,611	1,404,257,328	1,014,831,370
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	
6,074,143,747 ordinary shares of				
Baht 10 each		60,741,437		60,741,437
PREMIUM ON ORDINARY SHARES	52,878,749	13,802,216	52,878,749	13,802,216
OTHER RESERVES	2,184,730	7,337,670	2,158,662	7,310,755
RETAINED EARNINGS				
Appropriated				
Legal reserve	2,877,700	2,877,700	2,877,700	2,877,700
Unappropriated	50,755,508	46,451,470	28,911,353	27,176,968
TOTAL BANK'S EQUITY	182,254,305	131,210,493	160,384,082	111,909,076
NON-CONTROLLING INTEREST	512,585	459,514	-	-
TOTAL EQUITY	182,766,890	131,670,007	160,384,082	111,909,076
TOTAL LIABILITIES AND EQUITY	1,632,827,920	1,211,361,618	1,564,641,410	1,126,740,446

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

(Mr. Noriaki Goto)
President and Chief Executive Officer

(Mrs. Janice Rae Van Ekeren)
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, 2015
"UNAUDITED"

BAHT : '000

	CONSOLIDATED		THE BANK'S	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2015	2014	2015	2014
INTEREST INCOME (Note 7.16)	20,776,348	18,274,964	14,557,874	11,888,789
INTEREST EXPENSES (Note 7.17)	6,919,602	6,778,318	6,549,899	6,224,831
INTEREST INCOME, NET	13,856,746	11,496,646	8,007,975	5,663,958
FEES AND SERVICE INCOME	5,571,522	4,491,050	2,851,932	2,125,071
FEES AND SERVICE EXPENSES	1,279,826	1,043,672	661,932	519,925
FEES AND SERVICE INCOME, NET	4,291,696	3,447,378	2,190,000	1,605,146
GAINS ON TRADING AND FOREIGN EXCHANGE				
TRANSACTIONS, NET	441,369	424,721	444,846	426,305
GAINS ON INVESTMENTS, NET	279,355	24,556	279,355	24,556
SHARE OF PROFIT FROM INVESTMENT FOR USING				
EQUITY METHOD	106,304	61,965	-	-
DIVIDEND INCOME	67,026	82,513	67,026	82,513
BAD DEBTS RECOVERIES	717,306	712,876	18,936	9,368
GAINS ON SALE PROPERTIES FOR SALE	144,508	116,978	40,130	60,742
OTHER OPERATING INCOME	214,986	218,656	214,838	84,182
TOTAL OPERATING INCOME	20,119,296	16,586,289	11,263,106	7,956,770
OTHER OPERATING EXPENSES				
Employee's expenses	4,574,727	4,034,815	3,315,972	2,578,884
Directors' remuneration	10,915	9,269	9,870	8,251
Premises and equipment expenses	1,696,485	1,584,288	1,309,596	1,181,489
Taxes and duties	634,862	577,062	454,992	407,687
Others	2,404,149	2,100,235	1,319,562	1,074,084
Total other operating expenses	9,321,138	8,305,669	6,409,992	5,250,395
IMPAIRMENT LOSS OF LOANS AND				
DEBT SECURITIES	5,252,664	4,083,922	2,659,614	900,000
PROFIT FROM OPERATING BEFORE				
INCOME TAX EXPENSES	5,545,494	4,196,698	2,193,500	1,806,375
INCOME TAX EXPENSES	1,166,162	893,951	436,967	349,850
NET PROFIT	4,379,332	3,302,747	1,756,533	1,456,525

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, 2015
"UNAUDITED"

BAHT : '000

	CONSOLIDATED		THE BANK'S		
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS		
	2015	2014	2015	2014	
OTHER COMPREHENSIVE INCOME					
Items that may be reclassified subsequently to profit or loss:					
Loss arising from translating the financial statements of a foreign operation	(923)	-	-	-	
Gain on remeasuring available-for-sales investment	123,926	714,741	123,926	720,503	
Related income tax	(24,785)	(142,948)	(24,785)	(144,101)	
Total other comprehensive income, net	98,218	571,793	99,141	576,402	
TOTAL COMPREHENSIVE INCOME	4,477,550	3,874,540	1,855,674	2,032,927	
NET PROFIT ATTRIBUTABLE					
Owners of the Bank	4,325,984	3,266,261	1,756,533	1,456,525	
Non-controlling interest	53,348	36,486	-	-	
	4,379,332	3,302,747	1,756,533	1,456,525	
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE					
Owners of the Bank	4,424,479	3,838,054	1,855,674	2,032,927	
Non-controlling interest	53,071	36,486	-	-	
	4,477,550	3,874,540	1,855,674	2,032,927	
EARNINGS PER SHARE OF OWNERS OF THE BANK					
BASIC EARNINGS PER SHARE	BAHT	0.59	0.54	0.24	0.24
DILUTED EARNINGS PER SHARE	BAHT	0.59	0.54	0.24	0.24
WEIGHTED AVERAGE NUMBER OF					
ORDINARY SHARES	SHARES	7,298,800,972	6,074,143,747	7,298,800,972	6,074,143,747

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

(Mr. Noriaki Goto)
President and Chief Executive Officer

(Mrs. Janice Rae Van Ekeren)
Director

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN EQUITY

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015

"UNAUDITED"

BAHT : '000

	CONSOLIDATED FINANCIAL STATEMENTS										
	Owners of the Bank								Non-	Total	
	Issued and Paid-up Share Capital	Premium on Share Capital	Other reserves				Retained Earnings		Total		
			Asset	Revaluation	Foreign	Deficit from Business	Appropriated	Unappropriated	Bank's		
			Appraisal Surplus	Surplus (deficit) on Investments	Currency Translation	Combination under Common Control	Legal Reserve	Equity	Interest		
Balance as of January 1, 2014	60,741,437	13,802,216	6,672,878	(100,442)	-	-	2,042,700	38,115,540	121,274,329	278,899	121,553,228
Change in revaluation surplus	-	-	(87,552)	-	-	-	-	87,552	-	-	-
Total comprehensive income	-	-	-	571,793	-	-	-	3,266,261	3,838,054	36,486	3,874,540
Balance as of March 31, 2014	60,741,437	13,802,216	6,585,326	471,351	-	-	2,042,700	41,469,353	125,112,383	315,385	125,427,768
Balance as of January 1, 2015 as previously reported	60,741,437	13,802,216	6,390,131	947,098	441	-	2,877,700	46,451,470	131,210,493	459,514	131,670,007
Effects on application of the new accounting policy (Note 3)	-	-	-	-	-	-	-	(55,626)	(55,626)	-	(55,626)
Balance as of January 1, 2015 as adjusted	60,741,437	13,802,216	6,390,131	947,098	441	-	2,877,700	46,395,844	131,154,867	459,514	131,614,381
Issue of ordinary shares related to business combination	12,816,181	39,076,533	-	-	-	(5,217,755)	-	-	46,674,959	-	46,674,959
Change in revaluation surplus	-	-	(33,680)	-	-	-	-	33,680	-	-	-
Total comprehensive income	-	-	-	99,141	(646)	-	-	4,325,984	4,424,479	53,071	4,477,550
Balance as of March 31, 2015	73,557,618	52,878,749	6,356,451	1,046,239	(205)	(5,217,755)	2,877,700	50,755,508	182,254,305	512,585	182,766,890

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

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015

"UNAUDITED"

BAHT : '000

	THE BANK'S FINANCIAL STATEMENTS							
	Issued and Paid-up Share Capital	Premium on Share Capital	Other reserves			Retained Earnings		Total
			Asset Appraisal Surplus	Revaluation Surplus (deficit) on Investments	Deficit from Business Combination under Common Control	Appropriated Legal Reserve	Unappropriated	
Balance as of January 1, 2014	60,741,437	13,802,216	6,645,590	(113,709)	-	2,042,700	16,268,614	99,386,848
Change in revaluation surplus	-	-	(87,351)	-	-	-	87,351	-
Total comprehensive income	-	-	-	576,402	-	-	1,456,525	2,032,927
Balance as of March 31, 2014	60,741,437	13,802,216	6,558,239	462,693	-	2,042,700	17,812,490	101,419,775
Balance as of January 1, 2015 as previously reported	60,741,437	13,802,216	6,363,657	947,098	-	2,877,700	27,176,968	111,909,076
Effects on application of the new accounting policy (Note 3)	-	-	-	-	-	-	(55,627)	(55,627)
Balance as of January 1, 2015 as adjusted	60,741,437	13,802,216	6,363,657	947,098	-	2,877,700	27,121,341	111,853,449
Issue of ordinary shares related to business combination	12,816,181	39,076,533	-	-	(5,217,755)	-	-	46,674,959
Change in revaluation surplus	-	-	(33,479)	-	-	-	33,479	-
Total comprehensive income	-	-	-	99,141	-	-	1,756,533	1,855,674
Balance as of March 31, 2015	73,557,618	52,878,749	6,330,178	1,046,239	(5,217,755)	2,877,700	28,911,353	160,384,082

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

(Mr. Noriaki Goto)

President and Chief Executive Officer

(Mrs. Janice Rae Van Ekeren)

Director

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015

"UNAUDITED"

BAHT : '000

	CONSOLIDATED		THE BANK'S	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2015	2014	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES				
Income from operating before income tax expenses	5,545,494	4,196,698	2,193,500	1,806,375
Adjustments to reconcile income to cash received (paid)				
from operating activities:				
Depreciation and amortization	811,756	858,847	504,435	579,539
Deferred interest expenses	690	1,164	690	1,164
Bad debt and doubtful accounts	4,979,965	3,692,708	2,739,189	911,238
Losses on debt restructuring (reversal)	272,699	391,214	(79,575)	(11,238)
(Gains) losses on translation in foreign currencies	(615,823)	101,915	(615,823)	101,915
Share of profit from investment for using equity method	(106,304)	(61,965)	-	-
Gains on investments	(279,356)	(24,556)	(279,355)	(24,556)
Decrease in discount on investments	(25,566)	(30,949)	(25,566)	(31,153)
Gains on sales of properties for sale	(144,508)	(116,978)	(40,130)	(60,742)
(Gains) losses on sales of premises and equipment	786	(6,822)	1,326	328
Loss on impairment of properties for sale (reversal)	(96,680)	30,107	(98,295)	-
Loss on impairment of premises and equipment	102	98	-	-
Loss on impairment of other assets	15,367	6,640	44,375	11,751
Provision for contingent liabilities	62,360	66,292	62,360	66,292
Increase in other reserves	243,470	129,187	222,595	48,174
Interest income, net	(13,856,746)	(11,496,646)	(8,007,975)	(5,663,958)
Income tax refunded	16,409	-	-	-
Interest received	20,558,144	18,477,516	14,330,107	12,117,662
Interest paid	(7,409,552)	(6,595,301)	(7,074,670)	(6,927,517)
Dividend income	(67,026)	(82,513)	(67,026)	(82,513)
Dividend received	67,837	36,046	12,779	36,046
Decrease in other accrued expenses	(1,082,656)	(1,189,197)	(881,536)	(1,701,717)
Income tax paid	(113,664)	(188,253)	(68,470)	(55,833)
Income from operations before changes in				
operating assets and liabilities	8,777,198	8,195,252	2,872,935	1,121,257
(Increase) decrease in operating assets				
Interbank and money market items	3,820,122	(8,182,390)	3,812,371	(3,940,534)
Derivatives assets	1,542,475	2,439,331	1,542,475	2,439,331
Current investments - securities for trading	790,236	(4,259,726)	1,083,250	(4,254,726)
Loans to customers	4,663,568	619,747	(8,226,000)	(2,802,458)
Properties for sale	2,223,614	420,365	532,905	158,198
Other assets	(3,419,628)	4,775,312	(3,738,919)	2,695,604

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015

"UNAUDITED"

BAHT : '000

	CONSOLIDATED		THE BANK'S	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2015	2014	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES (CONTINUED)				
Increase (decrease) in operating liabilities				
Deposits	26,793,840	16,586,860	26,448,206	15,080,080
Interbank and money market items	(47,196,195)	8,531,693	(47,129,986)	8,591,419
Liability payable on demand	2,705,652	352,616	2,705,652	352,616
Derivatives liabilities	456,225	(2,872,253)	456,225	(2,872,253)
Other liabilities	(832,717)	(5,154,295)	617,987	152,304
Net cash from operating activities	<u>324,390</u>	<u>21,452,512</u>	<u>(19,022,899)</u>	<u>16,720,838</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sales of investments in securities	198,525,688	326,718,650	199,590,036	326,656,685
Cash paid for purchases of investments in securities	(169,179,500)	(324,653,446)	(169,176,957)	(324,653,446)
Proceeds from sales of premises and equipment	96,442	21,345	2,405	904
Cash paid for purchases of premises and equipment	(516,711)	(486,515)	(338,749)	(365,765)
Cash paid for purchases of other assets	(355,727)	(102,234)	(311,926)	(69,592)
Net cash from investing activities	<u>28,570,192</u>	<u>1,497,800</u>	<u>29,764,809</u>	<u>1,568,786</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from debts issued and borrowings	85,354,153	59,815,277	84,809,300	46,674,000
Proceeds from business combination	71,767	-	71,767	-
Cash paid for repayment of debts issued and borrowings	(118,775,895)	(88,111,560)	(99,819,909)	(66,361,560)
Cash paid for repayment of liabilities under finance lease agreements	(8,537)	(7,850)	(8,537)	(7,850)
Net cash from financing activities	<u>(33,358,512)</u>	<u>(28,304,133)</u>	<u>(14,947,379)</u>	<u>(19,695,410)</u>
Total	<u>(4,463,930)</u>	<u>(5,353,821)</u>	<u>(4,205,469)</u>	<u>(1,405,786)</u>
Gains arising from translating the financial statements of a foreign operation	(646)	-	-	-
Effect of exchange rate change on cash	<u>(43,900)</u>	<u>(12,956)</u>	<u>(43,900)</u>	<u>(12,956)</u>
Net decrease in cash and cash equivalents	<u>(4,508,476)</u>	<u>(5,366,777)</u>	<u>(4,249,369)</u>	<u>(1,418,742)</u>
Cash and cash equivalents as at January 1,	<u>34,198,183</u>	<u>30,031,231</u>	<u>31,077,762</u>	<u>28,167,503</u>
Cash and cash equivalents as at March 31,	<u><u>29,689,707</u></u>	<u><u>24,664,454</u></u>	<u><u>26,828,393</u></u>	<u><u>26,748,761</u></u>

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

(Mr. Noriaki Goto)

President and Chief Executive Officer

(Mrs. Janice Rae Van Ekeren)

Director

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
THE CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015
“UNAUDITED”

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BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
THE CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015
“UNAUDITED”

1. GENERAL INFORMATION

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

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 2014) “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. 11/2553 regarding the Preparation and Announcement of Financial Statements of Commercial Banks and Holding Companies of Financial Industry dated December 3, 2010.

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

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

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

Certain financial information which is normally included in the financial statements prepared in accordance with Thai Financial Reporting Standards, but which is not required for interim reporting purposes, has been omitted. In addition, interim financial statements should be read in conjunction with the financial statements and notes thereto included in the audited financial statements for the year ended December 31, 2014.

The consolidated and the Bank's statements of financial position as at December 31, 2014, presented herein as comparative information, have been derived from the consolidated and the Bank's financial statements for the year then ended which have been audited.

The results of operations for the three-month period ended March 31, 2015 are not necessarily indicative of the operating results anticipated for the full year.

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

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

	Business Type	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Bank (%)	
			As at	
			March 31, 2015	December 31, 2014
Subsidiaries				
Ayudhya Development Leasing Company Limited	Leasing and hire-purchase	Thailand	99.99	99.99
Ayudhya Capital Auto Lease Public Company Limited	Hire-purchase and auto leasing	Thailand	100.00	100.00
CFG Services Company Limited	Hire-purchase and motorcycle loans	Thailand	100.00	100.00
Ayudhya Card Services Company Limited ⁽¹⁾	Credit cards and personal loans	Thailand	100.00	100.00
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 Company Limited	Car rental services and personnel services	Thailand	100.00	100.00
Total Service Solutions Public Company Limited	Collection services	Thailand	100.00	100.00
Krungsri Asset Management Company Limited	Fund management	Thailand	76.59	76.59
Krungsri Ayudhya AMC Limited	Asset management	Thailand	100.00	100.00
Krungsri Securities Public Company Limited	Securities	Thailand	98.71	98.71
Krungsri Factoring Company Limited	Factoring	Thailand	100.00	100.00
Krungsri Life Assurance Broker Limited ⁽²⁾	Life assurance broker	Thailand	100.00	100.00
Krungsri General Insurance Broker Limited ⁽²⁾	General insurance broker	Thailand	100.00	100.00
Krungsri Leasing Services Company Limited ⁽³⁾	Hire-purchase, leasing and sales finance	Lao PDR	70.00	70.00

⁽¹⁾ Subsidiary is in the process of liquidation.

⁽²⁾ Indirectly holding via Ayudhya Capital Services Company Limited of 100%

⁽³⁾ Indirectly holding via Ayudhya Capital Services Company Limited of 35% and Ayudhya Capital Auto Lease Public Company Limited of 35%

All material intercompany transactions and balances have been eliminated.

3. ADOPTION OF NEW AND REVISED THAI FINANCIAL REPORTING STANDARDS

Since January 1, 2015, the Bank and its subsidiaries have adopted the new and revised Thai Financial Reporting Standards (TFRSs) issued by the Federation of Accounting Professions, which are effective for the financial statements for the accounting periods beginning on or after January 1, 2015. Thai Financial Reporting Standards which are related to the Bank and subsidiaries are as follows:

Thai Accounting Standards (TAS)

TAS 1 (Revised 2014)	Presentation of Financial Statements
TAS 7 (Revised 2014)	Statement of Cash Flows
TAS 8 (Revised 2014)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (Revised 2014)	Events After the Reporting Period
TAS 12 (Revised 2014)	Income Taxes
TAS 16 (Revised 2014)	Property, Plant and Equipment
TAS 17 (Revised 2014)	Leases
TAS 18 (Revised 2014)	Revenue
TAS 19 (Revised 2014)	Employee Benefits
TAS 21 (Revised 2014)	The Effects of Changes in Foreign Exchange Rate
TAS 23 (Revised 2014)	Borrowing Costs
TAS 24 (Revised 2014)	Related Party Disclosures
TAS 26 (Revised 2014)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (Revised 2014)	Separate Financial Statements
TAS 28 (Revised 2014)	Investments in Associates and Joint Ventures
TAS 29 (Revised 2014)	Financial Reporting in Hyperinflationary Economies
TAS 33 (Revised 2014)	Earnings per Share
TAS 34 (Revised 2014)	Interim Financial Reporting
TAS 36 (Revised 2014)	Impairment of Assets
TAS 37 (Revised 2014)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (Revised 2014)	Intangible Assets

Thai Financial Reporting Standards (TFRS)

TFRS 3 (Revised 2014)	Business Combinations
TFRS 5 (Revised 2014)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8 (Revised 2014)	Operating Segments
TFRS 10	Consolidated Financial Statements
TFRS 11	Joint Arrangements
TFRS 12	Disclosure of Interests in Other Entities
TFRS 13	Fair Value Measurement

Thai Standards Interpretations (TSIC)

TSIC 15 (Revised 2014)	Operating Leases - Incentives
TSIC 25 (Revised 2014)	Income Taxes - Changes in the Tax Status of an Enterprise or its Shareholders
TSIC 27 (Revised 2014)	Evaluating the Substance of Transactions in the Legal Form of a Lease
TSIC 31 (Revised 2014)	Revenue - Barter Transactions Involving Advertising Services
TSIC 32 (Revised 2014)	Intangible Assets - Web Site Costs

Thai Financial Reporting Standard Interpretations (TFRIC)

TFRIC 1 (Revised 2014)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (Revised 2014)	Determining whether an Arrangement contains a Lease
TFRIC 5 (Revised 2014)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (Revised 2014)	Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies
TFRIC 10 (Revised 2014)	Interim Financial Reporting and Impairment
TFRIC 13 (Revised 2014)	Customer Loyalty Programmes
TFRIC 14	TAS 19 (Revised 2014) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TFRIC 17 (Revised 2014)	Distributions of Non - cash Assets to Owners
TFRIC 18 (Revised 2014)	Transfers of Assets from Customers

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

New and revised TFRSs on Consolidated and Separate Financial Statements, Investment in Associates and Joint Ventures, Joint Arrangements and Disclosure of Interests in Other Entities

In December 2014, the Federation of Accounting Professions issued a package of five TFRSs comprising: TFRS 10 "Consolidated Financial Statement", TFRS 11 "Joint Arrangements", TFRS 12 "Disclosure of Interests in Other Entities", TAS 27 (Revised 2014) "Separate Financial Statements" and TAS 28 (Revised 2014) "Investments in Associates and Joint Ventures" to be effective to the financial statements for the period beginning on or after January 1, 2015 onwards.

From the assessment, TAS 27 (Revised 2014) “Separate Financial Statement” has no impact as this TFRSs applies to only the Bank's financial statements. For four remaining new and revised standards, the Bank and its subsidiaries have reviewed its investments in other entities to assess whether the conclusion to consolidate, classification and accounting for the investments are different from the previous TFRSs and what the additional financial disclosure are. No significant differences were found except for the classification of investment in Tesco Card Services Limited, Tesco Life Assurance Broker Limited and Tesco General Insurance Broker Limited as investment in joint venture in accordance with TFRS 11 “Joint Arrangements” as disclosed in Note 5 and per the accounting policy below. As investment in joint venture shall be accounted for using the cost method in the separate financial statements in accordance with TAS 27 “Separate Financial Statement” and equity method in the consolidated financial statements in accordance with TAS 28 (Revised 2014) “Investment in Associates and Joint Venture” the same as the accounting treatment applied when such investments were previously presented as investment in associates, there is no financial impact from this change.

Accounting policy for joint arrangement

A joint arrangement is an arrangement over which two or more parties have joint control. Investment in joint arrangement are classified as either joint operation or joint ventures, depending on the legal form, contractual rights and obligations, other factors and circumstances. The accounting for investment in joint operation, the entity recognized its direct right to the (and its share of) jointly held assets, liabilities, revenues and expenses of joint operation while investment in joint venture is accounted for using the equity method.

New TFRSs on fair value measurement

TFRS 13 “Fair Value Measurement” defines fair value, set out a single fair value measurement framework and disclosure requirements. This TFRS applies to both financial and non-financial instrument items for which other TFRSs requires or permits fair value measurement and disclosures about fair value measurements except for certain items as detailed in TFRS.

In order to comply with TFRS 13, the counterparty's credit risk is required to be reflected in the fair value measurement as the credit valuation adjustment (CVA). CVA is an estimate of the adjustment to fair value of derivative products to account for the possibility that the counterparty may default and the Bank and its subsidiaries may not receive the full market value of the transactions. CVA is calculated by taking the expected exposure (EE) multiply by probability of default (PD) and loss given default (LGD). The Bank and its subsidiaries have recognized the effect of this first time adoption by adjusting to the beginning retained earnings balance as at January 1, 2015 as allowed by TFRS on the transitional application as follows:

	Unit: Million Baht	
	CONSOLIDATED FINANCIAL STATEMENTS 2015	THE BANK'S FINANCIAL STATEMENTS 2015
Retained earnings - Unappropriated		
Beginning balance as at January 1 before application of new accounting policy	46,451	27,177
Decrease in derivative assets	(70)	(70)
Increase in deferred tax assets	14	14
Beginning balance as at January 1 after application of new accounting policy	<u>46,395</u>	<u>27,121</u>
Derivative assets		
Beginning balance as at January 1 before application of new accounting policy	2,653	2,653
Decrease in derivative assets	(70)	(70)
Beginning balance as at January 1 after application of new accounting policy	<u>2,583</u>	<u>2,583</u>
Deferred tax assets		
Beginning balance as at January 1 before application of new accounting policy	4,983	485
Increase in deferred tax assets	14	14
Beginning balance as at January 1 after application of new accounting policy	<u>4,997</u>	<u>499</u>

Disclosure requirement of TFRS 13

Disclosure requirement of TFRS 13 needs not be applied in comparative information provided for period before the initial application. Therefore, the disclosure of fair value measurement for the balance as at December 31, 2014 has not been made for comparative purpose. The Bank and its subsidiaries' certain financial assets and liabilities are measured at fair value as at March 31, 2015. The information relating to fair value measurement is summarized in the table below:

Unit: Million Baht

Financial assets/ financial liabilities	Fair value as at March 31, 2015	Fair value hierarchy	Valuation techniques
Derivative assets Derivative liabilities	21,346 16,521	Level 2 Level 2	The valuation technique using to determine the fair value of derivatives is dependent on the instrument type and available market data. 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.
Investment in debt securities for trading and available-for-sale	106,165	Level 2	Discounted cash flow using Thai BMA yield curve as the discount rate.
Investment in equity securities for trading and available-for-sale	2,926 1,623	Level 1 Level 2	Unadjusted quoted price in the active market for identical assets. Unadjusted quoted price announced by the asset management companies for identical assets.

4. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements have been prepared based on the basis, accounting policies and method of computation consistent with those used in the annual financial statements for the year ended December 31, 2014, except for the new and revised TFRSs as mentioned in Note 3.

5. ESTIMATES AND ASSUMPTIONS

Significant judgement on classification of joint arrangement

Tesco Card Services Limited is a separate limited liability company that Ayudhya Capital Services Company Limited (A subsidiary of the Bank) holds 50% of interests under the joint arrangement agreement which requires unanimous consent from the parties to the agreement for the relevant activities. Furthermore, there is no contractual arrangement or any other facts and circumstances indicate that Ayudhya Capital Services Company Limited and the party to the joint arrangement have rights to the assets and obligations for the liabilities of the joint arrangement. For Tesco Life Assurance Broker Limited and Tesco General Insurance Broker Limited, they are also separate limited liability companies that Tesco Card Services Limited wholly holds 100% of interest. Accordingly, Tesco Card Services Limited, Tesco Life Assurance Broker Limited and Tesco General Insurance Broker Limited are classified as a joint venture of the Bank and its subsidiaries.

6. CAPITAL FUND

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

The Bank maintains its capital funds in accordance with the criteria, methodologies and conditions prescribed by the Bank of Thailand which is in line with the Basel III. As at March 31, 2015 and December 31, 2014, the Bank has capital fund and capital adequacy ratio as follows:

	Unit : Million Baht		
	March 31, 2015	December 31, 2014	
Common Equity Tier 1 capital			
Issued and paid-up share capital	73,558	60,741	
Premium on share capital	52,879	13,802	
Statutory reserve	2,878	2,878	
Unappropriated retained earning	23,592	23,592	
Other comprehensive income	6,837	6,693	
Owner changes - other	(5,218)	-	
Less Deduction items from Common Equity Tier 1	(9,424)	(8,719)	
Total Common Equity Tier 1 capital	145,102	98,987	
Additional Tier 1	-	-	
Total Tier 1 capital	145,102	98,987	
Tier 2 capital	30,495	33,438	
Total capital fund	175,597	132,425	
Total risk weighted assets	1,165,660	901,315	
Capital adequacy ratio (%)			
	BOT regulatory minimum requirement	March 31, 2015	December 31, 2014
Total Common Equity Tier 1 capital / Total risk weighted assets	4.5	12.45	10.98
Total Tier 1 capital / Total risk weighted assets	6.0	12.45	10.98
Total capital / Total risk weighted assets	8.5	15.06	14.69

The Bank discloses the capital maintenance information under the Notification of the Bank of Thailand Re : Public Disclosure of Capital Maintenance for Commercial Bank with details as follows.

Location of disclosure	www.krungsri.com
Date of disclosure	April 27, 2015
Information as at	December 31, 2014

7. ADDITIONAL INFORMATION

7.1 Additional information of cash flows

7.1.1 Non-cash transactions of premises and equipment for the three-month periods ended March 31, are as follows:

	CONSOLIDATED		Unit: Million Baht THE BANK'S	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2015	2014	2015	2014
Premises and equipment payable at the beginning of the periods	555	291	455	226
Purchases of premises and equipment	467	327	357	225
<u>Less</u> Cash payment	<u>(517)</u>	<u>(487)</u>	<u>(339)</u>	<u>(366)</u>
Premises and equipment payable at the end of the periods	<u>505</u>	<u>131</u>	<u>473</u>	<u>85</u>

7.1.2 Non-cash transactions of computer software for the three-month periods ended March 31, are as follows:

	CONSOLIDATED		Unit: Million Baht THE BANK'S	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2015	2014	2015	2014
Computer software payable at the beginning of the periods	300	97	283	69
Purchases of computer software	523	58	482	47
<u>Less</u> Cash payment	<u>(356)</u>	<u>(102)</u>	<u>(312)</u>	<u>(70)</u>
Computer software payable at the end of the periods	<u>467</u>	<u>53</u>	<u>453</u>	<u>46</u>

7.1.3 Others non-cash transactions for the three-month periods ended March 31, are as follows:

	CONSOLIDATED		Unit: Million Baht THE BANK'S	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2015	2014	2015	2014
Increase in revaluation surplus on investments	124	715	124	721
Accumulated depreciation of premises appraisal deducted from premises revaluation surplus	42	109	42	109
Properties for sale debt repayment	1,823	-	373	-

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

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

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

- 7.1.5 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, 2015 and December 31, 2014 consisted of the following:

Unit: Million Baht								
CONSOLIDATED FINANCIAL STATEMENTS								
March 31, 2015				December 31, 2014				
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	3,722	1	-	3,723	4,251	2	(2)	4,251
Private sector's debt securities	-	-	-	-	16	-	-	16
Domestic marketable equity securities	131	-	(2)	129	-	-	-	-
	3,853	1	(2)	3,852	4,267	2	(2)	4,267
<u>Less</u> Revaluation allowance	(1)		-	-				-
Total	3,852		3,852	4,267				4,267
Securities Available-for-Sale								
Government and state enterprise securities	90,611	668	-	91,279	38,760	564	-	39,324
Private sector's debt securities	11,055	455	-	11,510	11,367	402	-	11,769
Domestic marketable equity securities	4,240	477	(292)	4,425	4,641	471	(253)	4,859
	105,906	1,600	(292)	107,214	54,768	1,437	(253)	55,952
<u>Add</u> Revaluation allowance	1,308		-	1,184				-
<u>Less</u> Allowance for impairment	(352)		(352)	(13)				(13)
Total	106,862		106,862	55,939				55,939
Securities Held-to-Maturity								
Private sector's debt securities	50			50				
Investment in accounts receivable	1,186			163				
	1,236			213				
<u>Less</u> Allowance for impairment	(64)			(64)				
Total	1,172			149				
Securities for General Investments								
Domestic non-marketable equity securities	388			408				
Foreign non-marketable equity securities	27			28				
	415			436				
<u>Less</u> Allowance for impairment	(218)			(218)				
Total	197			218				
Total Investments, net	112,083			60,573				

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS

	March 31, 2015				December 31, 2014			
	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	3,722	1	-	3,723	4,251	2	(2)	4,251
Private sector's debt securities	3	-	-	3	312	-	-	312
Domestic marketable equity securities	131	-	(2)	129	-	-	-	-
	3,856	1	(2)	3,855	4,563	2	(2)	4,563
<u>Less</u> Revaluation allowance	(1)			-	-			-
Total	3,855			3,855	4,563			4,563
Securities Available-for-Sale								
Government and state enterprise securities	90,611	668	-	91,279	38,760	564	-	39,324
Private sector's debt securities	10,708	455	-	11,163	11,367	402	-	11,769
Domestic marketable equity securities	4,240	477	(292)	4,425	4,641	471	(253)	4,859
	105,559	1,600	(292)	106,867	54,768	1,437	(253)	55,952
<u>Add</u> Revaluation allowance	1,308			-	1,184			-
<u>Less</u> Allowance for impairment	(5)			(5)	(13)			(13)
Total	106,862			106,862	55,939			55,939
Securities Held-to-Maturity								
Private sector's debt securities	50				50			
Investment in accounts receivable	1,186				163			
	1,236				213			
<u>Less</u> Allowance for impairment	(64)				(64)			
Total	1,172				149			
Securities for General Investments								
Domestic non-marketable equity securities	355				375			
Foreign non-marketable equity securities	27				28			
	382				403			
<u>Less</u> Allowance for impairment	(202)				(202)			
Total	180				201			
Total Investments, net	112,069				60,852			

As at March 31, 2015 and December 31, 2014, the Bank and its subsidiaries had investments in general investments in the consolidated and the Bank's financial statements of 2 and 1 companies, respectively, subject to being delisted from the SET, with cost of Baht 12 million and market price of Baht 0.

7.3 Investments in subsidiaries, associates and joint ventures, net

The Bank's and its subsidiaries' investments in companies in which the Bank holds more than 20% of the paid-up capital, with the percentage of beneficial ownership and amount of investments as at March 31, 2015 and December 31, 2014 are as follows:

Unit: Million Baht							
CONSOLIDATED FINANCIAL STATEMENTS							
March 31, 2015							
Company Name	Business Type	Securities Investment Type	Registered Share Capital	Proportion of Ownership Interest and Voting Power Held by the Bank (%)	Investment (Cost)	Investment (Equity Method)	Dividend
Joint ventures							
Tesco Card Services Limited ⁽¹⁾	Credit cards and personal loans	Common Stock	2,080	50.00	1,040	1,180	-
Tesco Life Assurance Broker Limited ⁽²⁾	Life assurance Broker	Common Stock	12	50.00	-	53	-
Tesco General Insurance Broker Limited ⁽²⁾	General insurance broker	Common Stock	107	50.00	-	91	-
Associate							
Metro Designee Company Limited ⁽³⁾	Special Purpose vehicle	Common Stock	-	22.00	-	-	-
Investments in associate and joint ventures, net					<u>1,040</u>	<u>1,324</u>	<u>-</u>

Unit: Million Baht							
CONSOLIDATED FINANCIAL STATEMENTS							
December 31, 2014							
Company Name	Business Type	Securities Investment Type	Registered Share Capital	Proportion of Ownership Interest and Voting Power Held by the Bank (%)	Investment (Cost)	Investment (Equity Method)	Dividend
Associates							
Tesco Card Services Limited ⁽¹⁾	Credit cards and personal loans	Common Stock	2,080	50.00	1,040	1,086	650
Tesco Life Assurance Broker Limited ⁽²⁾	Life assurance Broker	Common Stock	12	50.00	-	52	5
Tesco General Insurance Broker Limited ⁽²⁾	General insurance broker	Common Stock	107	50.00	-	79	15
Metro Designee Company Limited ⁽³⁾	Special Purpose vehicle	Common Stock	-	22.00	-	-	-
Investments in associates, net					<u>1,040</u>	<u>1,217</u>	<u>670</u>

⁽¹⁾ Indirect holding via Ayudhya Capital Services Company Limited

⁽²⁾ Indirect holding via Tesco Card Services Limited

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

Unit: Million Baht						
THE BANK'S FINANCIAL STATEMENTS						
March 31, 2015						
Company Name	Business Type	Securities Investment Type	Registered Share Capital	Proportion of Ownership Interest and Voting Power Held by the Bank (%)	Investment (Cost)	Dividend
Subsidiaries						
Ayudhya Development Leasing Company Limited	Leasing and hire- purchase	Common stock	1,905	99.99	2,129	-
Ayudhya Capital Auto Lease Public Company Limited	Hire-purchase and auto leasing	Common stock	25,545	100.00	19,880	-
CFG Services Company Limited	Hire-purchase and motorcycle loans	Common stock } Preferred stock }	1,990	100.00	1,826 1	-
Ayudhya Card Services Company Limited ⁽¹⁾	Credit cards and personal loans	Common stock	180	100.00	-	-
Ayudhya Capital Services Company Limited	Credit cards and personal loans	Common stock	5,925	100.00	11,941	-
General Card Services Limited	Credit cards and personal loans	Common stock	2,058	100.00	2,181	-
Krungsriayudhya Card Company Limited	Credit cards and personal loans	Common stock	5,906	100.00	6,275	-
Siam Realty and Services 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	6,000	100.00	6,000	-
Krungsri Securities Public Company Limited	Securities	Common stock	600	98.71	731	-
Krungsri Factoring Company Limited	Factoring	Common stock	300	100.00	300	-
Associated Company						
Metro Designee Company Limited ⁽²⁾	Special purpose vehicle	Common stock	-	22.00	-	-
Investments in subsidiaries and associated company					53,183	-
Less Allowance for impairment					(4,952)	-
Investments in subsidiaries and associated company, net					<u>48,231</u>	<u>-</u>

⁽¹⁾ Subsidiary is in the process of liquidation.

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

Unit: Million Baht						
THE BANK'S FINANCIAL STATEMENTS						
December 31, 2014						
Company Name	Business Type	Securities Investment Type	Registered Share Capital	Proportion of Ownership Interest and Voting Power Held by the Bank (%)	Investment (Cost)	Dividend
Subsidiaries						
Ayudhya Development Leasing Company Limited	Leasing and hire- purchase	Common stock	1,905	99.99	2,129	-
Ayudhya Capital Auto Lease Public Company Limited	Hire-purchase and auto leasing	Common stock	25,545	100.00	19,880	-
CFG Services Company Limited	Hire-purchase and motorcycle loans	Common stock } Preferred stock }	1,990	100.00	1,826 1	600 -
Ayudhya Card Services Company Limited ⁽¹⁾	Credit cards and personal loans	Common stock	180	100.00	-	-
Ayudhya Capital Services Company Limited	Credit cards and personal loans	Common stock	5,925	100.00	11,941	5,800
General Card Services Limited	Credit cards and personal loans	Common stock	2,058	100.00	2,181	1,300
Krungsriayudhya Card Company Limited	Credit cards and personal loans	Common stock	5,906	100.00	6,275	2,000
Siam Realty and Services Company Limited	Car rental services and personnel services	Common stock	100	100.00	100	20
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	6,000	100.00	6,000	-
Krungsri Securities Public Company Limited	Securities	Common stock	600	98.71	731	-
Krungsri Factoring Company Limited	Factoring	Common stock	300	100.00	300	-
Associated Company						
Metro Designee Company Limited ⁽²⁾	Special purpose vehicle	Common stock	-	22.00	-	-
Investments in subsidiaries and associated company					53,183	9,720
<u>Less</u> Allowance for impairment					(4,952)	-
Investments in subsidiaries and associated company, net					<u>48,231</u>	<u>9,720</u>

⁽¹⁾ Subsidiary is in the process of liquidation.

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

DISCLOSURE OF THE STATEMENTS OF CASH FLOWS OF ASSET MANAGEMENT COMPANY

KRUNGSRI AYUDHYA AMC LIMITED
STATEMENTS OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015
“UNAUDITED”

	Unit: Million Baht	
	2015	2014
Cash flows from operating activities		
Income before income tax	60	42
Adjustments to reconcile income to cash provided (paid) from operating activities		
Bad debt and doubtful accounts	4	-
Loss on impairment of properties for sale	-	45
Depreciation and amortization	-	1
Gain on sales of properties for sale	(41)	(47)
Employment benefits expenses	4	4
Interest income, net	(28)	(30)
Interest received	28	32
Interest paid	-	(3)
Income tax paid	(63)	(92)
Loss from operations before changes in operating assets and liabilities	(36)	(48)
Decrease in operating assets		
Investment in receivables	4	22
Loans to customers	2	18
Properties for sale	123	219
Other assets	7	4
Increase in operating liabilities		
Other liabilities	53	85
Net cash from operating activities	153	300
Cash flows from financing activities		
Cash paid for repayment of bill of exchange	-	(241)
Net cash from financing activities	-	(241)
Net increase in cash and cash equivalents	153	59
Cash and cash equivalents as at January 1,	1,451	20
Cash and cash equivalents as at March 31,	1,604	79

7.4 Loans to customers and accrued interest receivables, net

Loans to customers and accrued interest receivables, net as at March 31, 2015 and December 31, 2014 are as follows:

(1) Classified by products

	CONSOLIDATED FINANCIAL STATEMENTS		Unit: Million Baht THE BANK'S FINANCIAL STATEMENTS	
	March 31, 2015	December 31, 2014	March 31, 2015	December 31, 2014
Overdrafts	59,609	59,049	59,490	58,918
Loan against contract	613,768	468,548	722,691	583,006
Trade bill	259,685	180,136	259,643	180,094
Hire-purchase receivable	283,820	279,665	101,425	81,095
Lease contract receivable	17,284	18,713	1,430	1,158
Credit card receivable	43,758	50,291	-	-
Others	2,280	1,234	1,231	198
Total	1,280,204	1,057,636	1,145,910	904,469
<u>Less</u> Deferred revenue	(45,442)	(44,875)	(17,612)	(14,279)
Loans to customers after deferred revenue, net	1,234,762	1,012,761	1,128,298	890,190
<u>Add</u> Accrued interest receivables	3,840	2,636	2,770	1,557
Loans to customers and accrued interest receivable after deferred revenue, net	1,238,602	1,015,397	1,131,068	891,747
<u>Less</u> Allowance for doubtful accounts				
1) BOT requirement :				
Individual approach	(22,931)	(19,099)	(16,721)	(12,966)
Collective approach	(5,584)	(5,556)	(1,724)	(1,267)
2) Surplus reserve	(14,088)	(13,504)	(6,104)	(5,564)
<u>Less</u> Revaluation allowance for debt restructuring	(1,609)	(1,617)	(481)	(563)
Total loans to customers, net	1,194,390	975,621	1,106,038	871,387

(2) Classified by currency and residence of debtors

Unit: Million Baht						
CONSOLIDATED FINANCIAL STATEMENTS						
March 31, 2015			December 31, 2014			
Domestic	Foreign	Total	Domestic	Foreign	Total	
Baht	1,155,496	10,811	1,166,307	979,088	10,521	989,609
US Dollar	55,024	7,454	62,478	14,057	7,301	21,358
Other currencies	1,558	4,419	5,977	516	1,278	1,794
Total	<u>1,212,078</u>	<u>22,684</u>	<u>1,234,762</u>	<u>993,661</u>	<u>19,100</u>	<u>1,012,761</u>

Unit: Million Baht						
THE BANK'S FINANCIAL STATEMENTS						
March 31, 2015			December 31, 2014			
Domestic	Foreign	Total	Domestic	Foreign	Total	
Baht	1,049,062	10,781	1,059,843	856,518	10,520	867,038
US Dollar	55,024	7,454	62,478	14,057	7,301	21,358
Other currencies	1,558	4,419	5,977	516	1,278	1,794
Total	<u>1,105,644</u>	<u>22,654</u>	<u>1,128,298</u>	<u>871,091</u>	<u>19,099</u>	<u>890,190</u>

(3) Classified by business type and classification

Unit: Million Baht						
CONSOLIDATED FINANCIAL STATEMENTS						
March 31, 2015						
Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total	
Agriculture and mining	13,140	360	72	146	779	14,497
Manufacturing and trading	347,479	13,332	2,246	2,504	2,635	368,196
Real estate and construction	62,726	1,828	953	1,780	1,520	68,807
Public utilities and services	119,892	7,549	677	604	1,387	130,109
Housing loans	129,214	1,800	737	1,340	1,744	134,835
Others	482,914	22,475	4,679	3,167	5,083	518,318
Total	<u>1,155,365</u>	<u>47,344</u>	<u>9,364</u>	<u>9,541</u>	<u>13,148</u>	<u>1,234,762</u>

Unit: Million Baht						
CONSOLIDATED FINANCIAL STATEMENTS						
December 31, 2014						
Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total	
Agriculture and mining	9,857	289	76	127	758	11,107
Manufacturing and trading	251,983	6,022	1,812	1,679	2,146	263,642
Real estate and construction	61,685	1,524	943	2,038	1,149	67,339
Public utilities and services	92,565	3,990	936	668	1,103	99,262
Housing loans	127,778	1,718	1,009	1,241	1,216	132,962
Others	405,878	19,484	5,255	2,848	4,984	438,449
Total	<u>949,746</u>	<u>33,027</u>	<u>10,031</u>	<u>8,601</u>	<u>11,356</u>	<u>1,012,761</u>

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS

March 31, 2015

	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total
Agriculture and mining	13,140	345	72	146	121	13,824
Manufacturing and trading	347,013	13,284	2,031	2,417	1,676	366,421
Real estate and construction	62,580	1,796	809	1,780	1,428	68,393
Public utilities and services	119,846	7,549	677	604	973	129,649
Housing loans	129,214	1,800	737	1,340	1,675	134,766
Others	405,625	6,958	1,266	1,075	321	415,245
Total	<u>1,077,418</u>	<u>31,732</u>	<u>5,592</u>	<u>7,362</u>	<u>6,194</u>	<u>1,128,298</u>

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS

December 31, 2014

	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total
Agriculture and mining	9,857	271	76	126	93	10,423
Manufacturing and trading	251,424	5,996	1,571	1,615	1,190	261,796
Real estate and construction	61,351	1,523	943	2,008	1,061	66,886
Public utilities and services	92,550	3,990	936	616	727	98,819
Housing loans	127,778	1,718	1,009	1,241	1,143	132,889
Others	314,111	3,169	1,405	505	187	319,377
Total	<u>857,071</u>	<u>16,667</u>	<u>5,940</u>	<u>6,111</u>	<u>4,401</u>	<u>890,190</u>

(4) Classified by type of classification

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2015

	Loans to Customers and Accrued Interest Receivables	Outstanding Balance Use for Calculation Allowance	% Use for Calculation Allowance ⁽³⁾	Allowance for Doubtful Accounts ⁽⁴⁾
1. Minimum allowance per BOT guideline				
Normal	1,159,010	800,221	1	8,560
Special mention	47,536	35,725	2, 12	3,451
Substandard	9,364	6,208	47, 100	5,334
Doubtful	9,541	4,228	45, 100	3,763
Doubtful of loss	13,151	6,244	100	7,407
Total	<u>1,238,602</u>	<u>852,626</u>		<u>28,515⁽¹⁾</u>
2. Surplus Reserve				<u>14,088⁽²⁾</u>
Total				<u>42,603</u>

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2014

	Loans to Customers and Accrued Interest Receivables	Outstanding Balance Use for Calculation Allowance	% Use for Calculation Allowance ⁽³⁾	Allowance for Doubtful Accounts ⁽⁴⁾
1. Minimum allowance per BOT guideline				
Normal	952,203	593,981	1	6,665
Special mention	33,202	21,223	2, 13	3,239
Substandard	10,031	5,710	47, 100	4,969
Doubtful	8,601	3,519	47, 100	3,341
Doubtful of loss	11,360	5,866	100	6,441
Total	<u>1,015,397</u>	<u>630,299</u>		<u>24,655⁽¹⁾</u>
2. Surplus Reserve				<u>13,504⁽²⁾</u>
Total				<u>38,159</u>

(1) Including allowance for doubtful accounts on a collective approach for hire-purchase loans as at March 31, 2015 and December 31, 2014, of Baht 5,584 million and Baht 5,556 million, respectively

(2) Including allowance for doubtful accounts of loans granted to subsidiaries as at March 31, 2015 and December 31, 2014, at the rate of 1% of Baht 155,515 million and Baht 160,837 million equal to Baht 1,555 million and Baht 1,608 million, respectively, which are not eliminated but treated as surplus reserve in the consolidated financial statements

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

(4) Excluding revaluation allowance for debt restructuring as at March 31, 2015 and December 31, 2014, of Baht 1,609 million and Baht 1,617 million, respectively, and excluding allowance for doubtful accounts for interbank and money market items as at March 31, 2015 and December 31, 2014, of Baht 394 million and Baht 182 million, respectively

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS

March 31, 2015

	Loans to Customers and Accrued Interest Receivables	Outstanding Balance Use for Calculation Allowance	% Use for Calculation Allowance ⁽³⁾	Allowance for Doubtful Accounts ⁽⁴⁾
1. Minimum allowance per BOT guideline				
Normal	1,080,075	726,855	1	7,949
Special mention	31,845	21,335	2, 11	1,994
Substandard	5,592	2,831	39, 100	2,984
Doubtful	7,362	2,652	39, 100	2,962
Doubtful of loss	6,194	1,949	100	2,556
Total	<u>1,131,068</u>	<u>755,622</u>		<u>18,445⁽¹⁾</u>
2. Surplus Reserve				<u>6,104⁽²⁾</u>
Total				<u>24,549</u>

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS

December 31, 2014

	Loans to Customers and Accrued Interest Receivables	Outstanding Balance Use for Calculation Allowance	% Use for Calculation Allowance ⁽³⁾	Allowance for Doubtful Accounts ⁽⁴⁾
1. Minimum allowance per BOT guideline				
Normal	858,545	507,013	1	5,956
Special mention	16,750	6,051	2, 13	1,635
Substandard	5,940	2,143	40, 100	2,532
Doubtful	6,111	1,753	40, 100	2,307
Doubtful of loss	4,401	1,306	100	1,803
Total	<u>891,747</u>	<u>518,266</u>		<u>14,233⁽¹⁾</u>
2. Surplus Reserve				<u>5,564⁽²⁾</u>
Total				<u>19,797</u>

⁽¹⁾ Including allowance for doubtful accounts on a collective approach for hire-purchase loans as at March 31, 2015 and December 31, 2014 of Baht 1,724 million and Baht 1,267 million, respectively.

⁽²⁾ Including allowance for doubtful accounts of loan granted to subsidiaries as at March 31, 2015 and December 31, 2014, at the rate of 1% of Baht 155,515 million and Baht 160,837 million, equal to Baht 1,555 million and Baht 1,608 million, respectively

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

⁽⁴⁾ Excluding revaluation allowance for debt restructuring as at March 31, 2015 and December 31, 2014, of Baht 481 million and Baht 563 million, respectively and excluding allowance for doubtful accounts for interbank and money market items as at March 31, 2015 and December 31, 2014, of Baht 394 million and Baht 182 million, respectively

As at March 31, 2015 and December 31, 2014, 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, 2015

	The Bank	AMC	The Bank and AMC
Non-performing loans	19,148	707	19,855
Percentage of total loans	1.53	100.00	1.58
Non-performing loans, net	10,645	468	11,113
Percentage of total loans, net	0.85	100.00	0.89

Unit: Million Baht			
December 31, 2014			
	The Bank	AMC	The Bank and AMC
Non-performing loans	16,452	742	17,194
Percentage of total loans	1.73	100.00	1.81
Non-performing loans, net	9,745	485	10,230
Percentage of total loans, net	1.03	100.00	1.08

As at March 31, 2015 and December 31, 2014, the Bank and its subsidiaries' non-performing loans are Baht 32,053 million and Baht 29,988 million, respectively.

(5) Troubled debt restructuring

For the three-month periods ended March 31, 2015 and 2014, the Bank and its subsidiaries had restructured the following debts:

Unit: Million Baht								
CONSOLIDATED FINANCIAL STATEMENTS								
Form of Restructuring	For the three-month period ended March 31, 2015				For the three-month period ended March 31, 2014			
	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	5,343	1,065	-	-	4,741	783	-	-
Reduction of principal and interest	1,794	155	-	-	2,696	263	-	-
Various forms of restructuring	49	477	-	-	44	146	-	-
Total	7,186	1,697		-	7,481	1,192		-

Unit : Million Baht								
THE BANK'S FINANCIAL STATEMENTS								
Form of Restructuring	For the three-month period ended March 31, 2015				For the three-month period ended March 31, 2014			
	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	123	446	-	-	158	523	-	-
Reduction of principal and interest	30	81	-	-	74	137	-	-
Various forms of restructuring	49	477	-	-	44	146	-	-
Total	202	1,004		-	276	806		-

For the three-month periods ended March 31, 2015 and 2014, the Bank and its subsidiaries calculated the net realizable value for the trouble debt restructured by the modification of terms using the present value of future cash flows under the restructured loan agreement, discounted by the market rate, together with the fair value of collateral as follows:

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS								
Method	For the three-month period ended March 31, 2015				For the three-month period ended March 31, 2014			
	Average	Number	Amount of Debt		Average	Number	Amount of Debt	
	Aging	of	Before	After	Aging	of	Before	After
	(Year)	Debtor	Restructuring	Restructuring	(Year)	Debtor	Restructuring	Restructuring
Present value of future cash flows	4.62	5,224	805	752	4.44	4,590	357	357
Fair value of collateral	8.23	119	260	260	7.02	151	426	426

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS								
Method	For the three-month period ended March 31, 2015				For the three-month period ended March 31, 2014			
	Average	Number	Amount of Debt		Average	Number	Amount of Debt	
	Aging	of	Before	After	Aging	of	Before	After
	(Year)	Debtor	Restructuring	Restructuring	(Year)	Debtor	Restructuring	Restructuring
Present value of future cash flows	4.35	4	186	186	4.55	7	97	97
Fair value of collateral	8.23	119	260	260	7.02	151	426	426

For the three-month periods ended March 31, 2015 and 2014, 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:

CONSOLIDATED FINANCIAL STATEMENTS				Unit: Million Baht	
For the three-month periods ended March 31,				THE BANK'S FINANCIAL STATEMENTS	
2015				For the three-month periods ended March 31,	
				2015	2014
Losses on debt restructured (reversal)	273	391	(79)	(11)	
Interest received from debt restructured	155	250	144	186	

As at March 31, 2015 and December 31, 2014, the Bank and its subsidiaries recorded balances of total debt restructured and debt restructured during the three-month period ended March 31, 2015 and during the year ended December 31, 2014, in the statements of financial position as follows:

CONSOLIDATED FINANCIAL STATEMENTS				Unit: Million Baht	
March 31, 2015				THE BANK'S FINANCIAL STATEMENTS	
				March 31, 2015	December 31, 2014
Balances of total debt restructured	19,859	19,112	14,989	14,503	
Balances of debt restructured during the period/year	1,739	5,914	1,003	2,749	

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

				Unit: Million Baht
CONSOLIDATED FINANCIAL STATEMENTS				
March 31, 2015				
	Within 1 Year	Amount due per agreements Greater than 1-5 Years	Greater than 5 Years	Total
Minimum lease payments	90,907	175,692	34,505	301,104
<u>Less</u> Unearned interest income				(45,379)
Present value of the minimum lease payments				255,725
<u>Less</u> Allowance for doubtful accounts				(12,254)
Total lease receivables, net				<u>243,471</u>

				Unit: Million Baht
CONSOLIDATED FINANCIAL STATEMENTS				
December 31, 2014				
	Within 1 Year	Amount due per agreements Greater than 1-5 Years	Greater than 5 Years	Total
Minimum lease payments	91,597	176,554	30,227	298,378
<u>Less</u> Unearned interest income				(44,836)
Present value of the minimum lease payments				253,542
<u>Less</u> Allowance for doubtful accounts				(12,115)
Total lease receivables, net				<u>241,427</u>

				Unit: Million Baht
THE BANK'S FINANCIAL STATEMENTS				
March 31, 2015				
	Within 1 Year	Amount due per agreements Greater than 1-5 Years	Greater than 5 Years	Total
Minimum lease payments	15,609	60,662	26,584	102,855
<u>Less</u> Unearned interest income				(17,551)
Present value of the minimum lease payments				85,304
<u>Less</u> Allowance for doubtful accounts				(1,724)
Total lease receivables, net				<u>83,580</u>

				Unit: Million Baht
THE BANK'S FINANCIAL STATEMENTS				
December 31, 2014				
	Within 1 Year	Amount due per agreements Greater than 1-5 Years	Greater than 5 Years	Total
Minimum lease payments	12,137	48,127	21,989	82,253
<u>Less</u> Unearned interest income				(14,249)
Present value of the minimum lease payments				68,004
<u>Less</u> Allowance for doubtful accounts				(1,267)
Total lease receivables, net				<u>66,737</u>

7.5 Allowance for doubtful accounts

Allowance for doubtful accounts as at March 31, 2015 and December 31, 2014, are as follows:

Unit: Million Baht							
CONSOLIDATED FINANCIAL STATEMENTS							
March 31, 2015							
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Surplus Reserve	Total
Beginning balance	6,665	3,239	4,969	3,341	6,441	13,504	38,159
Items arising from business combination	1,991	155	-	377	-	-	2,523
Doubtful accounts (reversal)	(88)	115	1,610	269	2,457	585	4,948
Bad debts written off	(8)	(58)	(1,245)	(224)	(1,491)	-	(3,026)
Other	-	-	-	-	-	(1)	(1)
Ending balance	8,560	3,451	5,334	3,763	7,407	14,088	42,603

Unit: Million Baht							
CONSOLIDATED FINANCIAL STATEMENTS							
December 31, 2014							
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Surplus Reserve	Total
Beginning balance	5,713	3,664	4,419	5,706	3,197	14,767	37,466
Doubtful accounts (reversal)	953	(425)	4,932	(697)	13,257	(1,264)	16,756
Bad debts written off	(1)	-	(4,381)	(1,153)	(9,229)	-	(14,764)
Bad debts written off from sales of NPLs	-	-	(1)	(515)	(784)	-	(1,300)
Other	-	-	-	-	-	1	1
Ending balance	6,665	3,239	4,969	3,341	6,441	13,504	38,159

As at March 31, 2015 and December 31, 2014, the consolidated financial statements included the allowance for doubtful account of hire-purchase loans applying a collective approach basis in the amounts of Baht 5,584 million and Baht 5,556 million, respectively.

Unit: Million Baht							
THE BANK'S FINANCIAL STATEMENTS							
March 31, 2015							
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Surplus Reserve	Total
Beginning balance	5,956	1,635	2,532	2,307	1,803	5,564	19,797
Items arising from business combination	1,991	155	-	377	-	-	2,523
Doubtful accounts (reversal)	10	262	519	502	874	541	2,708
Bad debts written off	(8)	(58)	(67)	(224)	(121)	-	(478)
Other	-	-	-	-	-	(1)	(1)
Ending balance	7,949	1,994	2,984	2,962	2,556	6,104	24,549

Unit: Million Baht							
THE BANK'S FINANCIAL STATEMENTS							
December 31, 2014							
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Surplus Reserve	Total
Beginning balance	4,957	1,654	1,718	4,167	1,181	6,242	19,919
Doubtful accounts (reversal)	1,000	(19)	942	(192)	4,108	(679)	5,160
Bad debts written off	(1)	-	(127)	(1,153)	(2,702)	-	(3,983)
Bad debts written off from							
sales of NPLs	-	-	(1)	(515)	(784)	-	(1,300)
Other	-	-	-	-	-	1	1
Ending balance	<u>5,956</u>	<u>1,635</u>	<u>2,532</u>	<u>2,307</u>	<u>1,803</u>	<u>5,564</u>	<u>19,797</u>

As at March 31, 2015 and December 31, 2014, the Bank estimated the minimum total allowance under the BOT Guidelines as follows:

Unit: Million Baht				
THE BANK'S				
FINANCIAL STATEMENTS				
	March 31, 2015	December 31, 2014	March 31, 2015	December 31, 2014
Allowance for doubtful accounts*	30,518	26,453	19,320	14,978

* 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, 2015	December 31, 2014
Consolidated financial statements	44,606	39,958
The Bank and Krungsri Ayudhya AMC Limited	25,804	20,947
The Bank's financial statements	25,425	20,542

* 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, 2015 and December 31, 2014, 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 “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, 2015			
	Number	Outstanding Balance	Collateral Allowance for Doubtful Accounts
Companies subject to be delisted by SET	3	2,405	939
Total	3	2,405	939

Unit: Million Baht			
CONSOLIDATED AND THE BANK'S FINANCIAL STATEMENTS December 31, 2014			
	Number	Outstanding Balance	Collateral Allowance for Doubtful Accounts
Companies subject to be delisted by SET	3	2,440	940
Total	3	2,440	940

7.6 Revaluation allowance for debt restructuring

Revaluation allowance for debt restructuring as at March 31, 2015 and December 31, 2014, are as follows:

Unit: Million Baht			
CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	March 31, 2015	December 31, 2014	March 31, 2015
Beginning balance	1,617	1,520	563
Increase (decrease) during the period/year	273	1,368	(79)
Amount written off	(281)	(1,271)	(3)
Ending balance	1,609	1,617	481

7.7 Debt issued and borrowings

Debt issued and borrowings as at March 31, 2015 and December 31, 2014, are as follows:

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS									
	Currency	Interest rate (%)	Maturity	Domestic	March 31, 2015		December 31, 2014		
					Foreign	Total	Domestic	Foreign	Total
Subordinated									
debentures	THB	4.70-5.50	2020-2022	34,844	-	34,844	34,844	-	34,844
Senior securities	THB	2.32-4.50	2015-2019	66,491	-	66,491	90,983	-	90,983
Bill of exchange	THB	1.06-2.90	2015	36,716	-	36,716	25,949	-	25,949
Other borrowings	THB	0.50	2015-2017	23	-	23	29	-	29
				<u>138,074</u>	<u>-</u>	<u>138,074</u>	<u>151,805</u>	<u>-</u>	<u>151,805</u>

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS									
	Currency	Interest rate (%)	Maturity	Domestic	March 31, 2015		December 31, 2014		
					Foreign	Total	Domestic	Foreign	Total
Subordinated									
debentures	THB	4.70-5.50	2020-2022	34,844	-	34,844	34,844	-	34,844
Senior securities	THB	2.32-3.59	2015-2017	37,602	-	37,602	62,387	-	62,387
Bill of exchange	THB	1.06-1.80	2015	29,479	-	29,479	8	-	8
Other borrowings	THB	0.50	2015-2017	23	-	23	29	-	29
				<u>101,948</u>	<u>-</u>	<u>101,948</u>	<u>97,268</u>	<u>-</u>	<u>97,268</u>

Additional information on debts issued and borrowings is as follows:

- On June 23, 2010, the Bank issued subordinated debentures No. 1/2010 in the amount of Baht 20,000 million with maturity on June 23, 2020 at the fixed interest rates of 4.35% per annum for years 1-3, 4.75% per annum for years 4-6 and 5.50% per annum for years 7-10, payable quarterly on the 23rd of March, June, September and December of each year. The Bank has the right to redeem debentures No. 1/2010 before the maturity date subject to the approval of the BOT. The Bank may redeem the debentures prior to the fifth anniversary of the issued date if the Bank is notified by the BOT that the debentures shall not be treated as tier 2 capital or the debentures shall be treated as tier 2 capital less than 50% of tier 1 capital of the Bank.
- On November 7, 2012, the Bank issued subordinated debentures No. 1/2012 in the amount of Baht 14,844 million for a 10-year tenor at the fixed interest rate of 4.70% per annum, payable quarterly in February, May, August and November of each year. The Bank has the right to redeem debentures on the fifth anniversary of the issued date or on any interest payment date after the fifth anniversary subject to the approval of the BOT.

7.8 Provisions

Provisions for the three-month period ended March 31, 2015 and for the year ended December 31, 2014, are as follows:

CONSOLIDATED FINANCIAL STATEMENTS				
	Balance at January 1, 2014	Increase (Decrease)	Balance at December 31, 2014	Increase (Decrease)
				Balance at March 31, 2015
Provision for post-employment benefits obligation	2,892	819	3,711	460
Others	1,691	49	1,740	208
Total	4,583	868	5,451	668

THE BANK'S FINANCIAL STATEMENTS				
	Balance at January 1, 2014	Increase (Decrease)	Balance at December 31, 2014	Increase (Decrease)
				Balance at March 31, 2015
Provision for post-employment benefits obligation	2,365	845	3,210	441
Others	1,688	33	1,721	207
Total	4,053	878	4,931	648

7.9 Share capital

7.9.1 Issued and paid-up share capital

The Board of Directors Meeting No. 12/2014 held on December 17, 2014 resolved to approve the allotment of 1,281,618,026 newly issued ordinary shares as a private placement to The Bank of Tokyo-Mitsubishi UFJ, Ltd. (“BTMU”) with the par value of Baht 10 per share and the offering price of Baht 40.49 per share as consideration and/or exchange for the transfer of business of The Bank of Tokyo-Mitsubishi UFJ, Ltd. Bangkok Branch (“BTMU’s Bangkok Branch”) in accordance with the resolution of the Extraordinary General Meeting of Shareholders No. 1/2013 held on October 31, 2013.

On January 5, 2015, the Bank has completed the business transfer of BTMU’s Bangkok Branch, then allotted 1,281,618,026 newly issued ordinary shares as a private placement to BTMU with the par value of Baht 10 per share. In this regards, the Bank has received payment for these shares in kind by net asset of BTMU’s Bangkok Branch and has completed the registration of paid-up share capital to the Ministry of Commerce. As a result, the issued and paid-up share capital and premium on ordinary shares will be increased as follows:

	Unit: Million Baht	
	January 5, 2015 (After allotment)	December 31, 2014 (Before allotment)
Issued and paid-up share capital	73,558	60,741
Premium on ordinary shares	52,879	13,802

7.9.2 Dividend payment

The Annual General Meeting of Shareholders No. 102 held on April 9, 2014, approved the dividend payment for the six-month period ended December 31, 2013 to the shareholders of 6,074,143,747 ordinary shares at Baht 0.40 per share totaling Baht 2,430 million with payment date on May 7, 2014.

The Board of Directors' Meeting No. 8/2014 held on August 27, 2014, approved the interim dividend payment for the six-month period ended June 30, 2014 to the shareholders of 6,074,143,747 ordinary shares at Baht 0.40 per share totaling Baht 2,430 million with payment date on September 25, 2014.

7.10 Assets with obligations and restrictions

As at March 31, 2015 and December 31, 2014, government and state enterprise securities with book value of Baht 59 million and Baht 4,995 million, respectively, are used as collateral for other commitments with government departments and state enterprises.

7.11 Contingencies

Contingencies as at March 31, 2015 and December 31, 2014, are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		Unit: Million Baht THE BANK'S FINANCIAL STATEMENTS	
	March 31, 2015	December 31, 2014	March 31, 2015	December 31, 2014
Avals to bills	1,811	1,893	1,811	1,893
Guarantees of loans	99	54	99	54
Liability under unmatured import bills	2,128	7,688	2,128	7,688
Letters of credit	6,139	5,701	6,139	5,701
Other contingencies				
- Unused overdraft limit	66,800	61,583	66,930	61,713
- Other guarantees	57,915	46,397	57,915	46,397
- Others	143	139	143	139
Total	<u>135,035</u>	<u>123,455</u>	<u>135,165</u>	<u>123,585</u>

The Bank and its subsidiaries have entered into a long-term information technology service agreement, which will be expired in 2019 with a local company. As at March 31, 2015 and December 31, 2014, the Bank and its subsidiaries have a commitment to pay in the amounts of Baht 3,102 million and Baht 3,445 million, respectively.

As at March 31, 2015 and December 31, 2014, the Bank has commitments to pay regarding the information technology services the amounts of Baht 839 million and Baht 762 million, respectively.

7.12 Related party transactions

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

According to the Bank of Thailand's Notification Sor.Nor.Sor. 19/2555 regarding the "Guideline on Consolidated Supervision (No.2)" dated December 17, 2012, and Sor.Nor.Sor. 6/2553 regarding the "Guideline on Consolidated Supervision" dated June 28, 2010, the Bank is required to disclose the Inter-Group Transactions in the Financial Business Group Policy and the Risk Management for Inter-Group Transactions in the Financial Business Group Policy as follows:

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

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

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

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

Related party transactions are as follows:

7.12.1 Assets, liabilities and contingencies with certain officers from the levels of Bank's Directors, Executive Vice Presidents and higher, and Vice Presidents/equivalent positions and higher in the Finance and Accounting Functions and the companies in which they and/or the Bank directors and/or their related parties and/or the Bank owned and the companies in which the directors and/or shareholders of the Bank have significant voting right either directly and indirectly, as at March 31, 2015 and December 31, 2014 are as follows:

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2015

	Interbank and money market items (Asset)	Loans	Derivative (Asset)	Other assets	Deposits	Borrowings	Derivative (Liability)	Derivative (Notional amount)	Others*
Parent company									
The Bank of Tokyo-Mitsubishi UFJ Ltd.	7,131	-	3,891	2,906	687	167,763	6,406	461,454	6,386
Total	7,131	-	3,891	2,906	687	167,763	6,406	461,454	6,386
Joint ventures									
Tesco Card Services Limited	-	8,606	-	-	223	-	-	-	-
Tesco Life Assurance Broker Limited	-	-	-	-	128	-	-	-	-
Tesco General Insurance Broker Limited	-	-	-	-	419	-	-	-	-
<u>Less</u> Allowance for doubtful accounts	-	(86)	-	-	-	-	-	-	-
Total	-	8,520	-	-	770	-	-	-	-
Related companies having joint major shareholders or directors	-	6,649	46	-	5,063	554	25	-	8,907
<u>Less</u> Allowance for doubtful accounts	-	(45)	-	-	-	-	-	-	-
Total	-	6,604	46	-	5,063	554	25	-	8,907
Individual and related parties		285	-	-	828	-	-	-	-
<u>Less</u> Allowance for doubtful accounts	-	(1)	-	-	-	-	-	-	-
Total	-	284	-	-	828	-	-	-	-
Total	7,131	15,408	3,937	2,906	7,348	168,317	6,431	461,454	15,293

* Others contain investment and contingencies

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2014

	Interbank and money market items (Asset)	Loans	Derivative (Asset)	Other assets	Deposits	Borrowings	Derivative (Liability)	Derivative (Notional amount)	Others*
Parent company									
The Bank of Tokyo-Mitsubishi UFJ Ltd.	-	-	10	-	2	-	1	1,535	-
Total	-	-	10	-	2	-	1	1,535	-
Associates									
Tesco Card Services Limited	-	10,864	-	-	395	-	-	-	-
Tesco Life Assurance Broker Limited	-	-	-	-	94	-	-	-	-
Tesco General Insurance Broker Limited	-	-	-	-	392	-	-	-	-
<u>Less</u> Allowance for doubtful accounts	-	(109)	-	-	-	-	-	-	-
Total	-	10,755	-	-	881	-	-	-	-
Related companies having joint major shareholders or directors	-	2,972	-	-	3,705	-	-	-	5,716
<u>Less</u> Allowance for doubtful accounts	-	(27)	-	-	-	-	-	-	-
Total	-	2,945	-	-	3,705	-	-	-	5,716
Individual and related parties		294	-	-	638	-	-	-	-
<u>Less</u> Allowance for doubtful accounts	-	(1)	-	-	-	-	-	-	-
Total	-	293	-	-	638	-	-	-	-
Total	-	13,993	10	-	5,226	-	1	1,535	5,716

* Others contain investment and contingencies

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS

March 31, 2015

	Interbank and money market items (Asset)	Loans	Derivative (Asset)	Other assets	Deposits	Borrowings	Derivative (Liability)	Derivative (Notional amount)	Others*
Parent company									
The Bank of Tokyo-Mitsubishi UFJ Ltd.	7,131	-	3,891	2,906	687	167,763	6,406	461,454	6,386
Total	7,131	-	3,891	2,906	687	167,763	6,406	461,454	6,386
Subsidiaries									
Ayudhya Development Leasing Company Limited	-	6,076	-	-	4	-	-	-	1
Ayudhya Capital Auto Lease Public Company	-	82,132	-	-	230	-	-	-	3
CFG Services Company Limited	-	6,286	-	-	487	-	-	-	1
Ayudhya Capital Services Company Limited	-	23,873	-	-	366	-	-	-	3
General Card Services Limited	-	10,953	-	-	164	-	-	-	-
Krungsriayudhya Card Company Limited	-	25,618	-	-	410	-	-	-	1
Siam Realty and Services Company Limited	-	577	-	-	30	-	-	-	-
Total Services Solutions Public Company Limited	-	-	-	-	997	-	-	-	-
Krungsri Asset Management Company Limited	-	-	-	-	299	-	-	-	651
Krungsri Ayudhya AMC Limited	-	-	-	-	1,603	-	-	-	38
Krungsri Securities Public Company Limited	-	-	-	-	1,415	-	-	-	-
Krungsri Factoring Company Limited	-	-	-	-	163	-	-	-	-
Krungsri Life Assurance Broker Company Limited	-	-	-	-	529	-	-	-	-
Krungsri General Insurance Broker Company Limited	-	-	-	-	835	-	-	-	-
Total	-	155,515	-	-	7,532	-	-	-	698
<u>Less</u> Allowance for doubtful accounts	-	(1,555)	-	-	-	-	-	-	-
Total	-	153,960	-	-	7,532	-	-	-	698
Associates									
Tesco Card Services Limited	-	8,606	-	-	223	-	-	-	-
Tesco Life Assurance Broker Limited	-	-	-	-	128	-	-	-	-
Tesco General Insurance Broker Limited	-	-	-	-	419	-	-	-	-
<u>Less</u> Allowance for doubtful accounts	-	(86)	-	-	-	-	-	-	-
Total	-	8,520	-	-	770	-	-	-	-
Related companies having joint major shareholders or directors	-	6,649	46	-	5,063	554	25	-	8,907
<u>Less</u> Allowance for doubtful accounts	-	(45)	-	-	-	-	-	-	-
Total	-	6,604	46	-	5,063	554	25	-	8,907
Individual and related parties	-	250	-	-	828	-	-	-	-
Total	7,131	169,334	3,937	2,906	14,880	168,317	6,431	461,454	15,991

* Others contain investment and contingencies

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS

December 31, 2014

	Interbank and money market items (Asset)	Loans	Derivative (Asset)	Other assets	Deposits	Borrowings	Derivative (Liability)	Derivative (Notional amount)	Others*
Parent company									
The Bank of Tokyo-Mitsubishi UFJ Ltd.	-	-	10	-	2	-	1	1,535	-
Total	-	-	10	-	2	-	1	1,535	-
Subsidiaries									
Ayudhya Development Leasing Company Limited	-	6,819	-	-	9	-	-	-	1
Ayudhya Capital Auto Lease Public Company	-	78,583	-	-	406	-	-	-	296
CFG Services Company Limited	-	6,430	-	-	72	-	-	-	2
Ayudhya Capital Services Company Limited	-	25,013	-	-	870	-	-	-	3
General Card Services Limited	-	12,472	-	-	261	-	-	-	-
Krungsriayudhya Card Company Limited	-	30,943	-	-	720	-	-	-	1
Siam Realty and Services Company Limited	-	577	-	-	30	-	-	-	-
Total Services Solutions Public Company Limited	-	-	-	-	899	-	-	-	-
Krungsri Asset Management Company Limited	-	-	-	-	150	-	-	-	659
Krungsri Ayudhya AMC Limited	-	-	-	-	1,450	-	-	-	38
Krungsri Securities Public Company Limited	-	-	-	-	1,496	-	-	-	-
Krungsri Factoring Company Limited	-	-	-	-	188	-	-	-	-
Krungsri Life Assurance Broker Company Limited	-	-	-	-	501	-	-	-	-
Krungsri General Insurance Broker Company Limited	-	-	-	-	784	-	-	-	-
Total	-	160,837	-	-	7,836	-	-	-	1,000
<u>Less</u> Allowance for doubtful accounts	-	(1,608)	-	-	-	-	-	-	-
Total	-	159,229	-	-	7,836	-	-	-	1,000
Associates									
Tesco Card Services Limited	-	10,864	-	-	395	-	-	-	-
Tesco Life Assurance Broker Limited	-	-	-	-	94	-	-	-	-
Tesco General Insurance Broker Limited	-	-	-	-	392	-	-	-	-
<u>Less</u> Allowance for doubtful accounts	-	(109)	-	-	-	-	-	-	-
Total	-	10,755	-	-	881	-	-	-	-
Related companies having joint major shareholders or directors	-	2,972	-	-	3,705	-	-	-	5,716
<u>Less</u> Allowance for doubtful accounts	-	(27)	-	-	-	-	-	-	-
Total	-	2,945	-	-	3,705	-	-	-	5,716
Individual and related parties	-	240	-	-	638	-	-	-	-
Total	-	173,169	10	-	13,062	-	1	1,535	6,716

* Others contain investment and contingencies

As at March 31, 2015 and December 31, 2014, the Bank charges interest rates to the officer or related parties at 1.00% - 25.00% p.a. and 1.00% - 15.99% p.a., respectively.

As at March 31, 2015 and December 31, 2014, the allowance for doubtful accounts of loans granted to subsidiaries of Baht 1,555 million and Baht 1,608 million, respectively, are not eliminated but treated as surplus reserve in the consolidated financial statements.

7.12.2 The Bank has investments in subsidiaries, associates and joint ventures as disclosed in note 7.3 to the financial statements and has investments in related companies as follows:

Unit: Million Baht							
CONSOLIDATED AND THE BANK'S FINANCIAL STATEMENTS							
				March 31, 2015		December 31, 2014	
	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	32	326	51
<u>Less</u> Allowance for impairment				(5)	-	(5)	-
Investment in related company, net				<u>321</u>	<u>32</u>	<u>321</u>	<u>51</u>

7.12.3 Income and expenses between the Bank and its subsidiaries, associates and related companies for the three-month periods ended March 31, 2015 and 2014 are as follows:

Unit: Million Baht								
CONSOLIDATED FINANCIAL STATEMENTS								
	For the three-month period ended March 31, 2015				For the three-month period ended March 31, 2014			
	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.	-	(282)	36	173	-	-	-	64
Total	-	(282)	36	173	-	-	-	64
Joint ventures / associates								
Tesco Card Services Limited	85	121	-	1	98	95	-	1
Tesco General Insurance Broker Limited	-	5	1	-	-	4	1	-
Total	85	126	1	1	98	99	1	1
Related companies having joint major shareholders or directors								
	70	74	17	57	36	10	14	39
Total	70	74	17	57	36	10	14	39
Individual and related parties								
	2	-	3	-	2	-	3	-
Total	157	(82)	57	231	136	109	18	104

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS								
	For the three-month period ended March 31, 2015				For the three-month period ended March 31, 2014			
	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.	-	(282)	36	173	-	-	-	64
Total	-	(282)	36	173	-	-	-	64
Subsidiaries								
Ayudhya Development Leasing Company Limited	56	2	-	-	90	3	-	-
Ayudhya Capital Auto Lease Public Company Limited	809	140	1	77	1,238	19	1	100
CFG Services Company Limited	75	10	-	-	101	2	-	-
Ayudhya Capital Services Company Limited	217	52	-	7	228	54	-	4
General Card Services Limited	93	5	-	1	100	2	-	1
Krungsriayudhya Card Company Limited	210	32	-	27	246	35	1	21
Siam Realty and Services Company Limited	4	-	-	128	5	1	-	115
Total Services Solutions Public Company Limited	-	-	3	27	-	-	4	16
Krungsri Asset Management Company Limited	-	105	-	2	-	64	1	3
Krungsri Ayudhya AMC Limited	-	3	-	-	3	4	-	-
Krungsri Securities Public Company Limited	-	4	5	3	-	5	4	3
Krungsri Factoring Company Limited	-	4	-	-	-	2	-	-
Krungsri Life Assurance Broker Limited	-	-	1	-	-	-	1	-
Krungsri General Insurance Broker Limited	-	-	1	-	-	-	1	-
Total	1,464	357	11	272	2,011	191	13	263
Joint ventures / associates								
Tesco Card Services Limited	85	5	-	1	98	5	-	1
Tesco General Insurance Broker Limited	-	2	1	-	-	2	1	-
Total	85	7	1	1	98	7	1	1
Related companies having joint major shareholders or directors								
	70	74	17	57	36	10	14	39
Total	70	74	17	57	36	10	14	39
Individual and related parties								
	2	-	3	-	2	-	3	-
Total	1,621	156	68	503	2,147	208	31	367

7.12.4 For the three-month periods ended March 31, 2015 and 2014, related party transactions among subsidiaries included collection services and other services of Baht 221 million and Baht 211 million, respectively, and office and vehicle rental and facilities service of Baht 16 million and Baht 16 million, respectively.

7.12.5 For the three-month periods ended March 31, 2015 and 2014, subsidiaries had related party transactions from the licenses relevant to technology and software for Baht 11 million and Baht 18 million, respectively.

7.12.6 For the three-month periods ended March 31, 2015 and 2014, related party transactions among subsidiaries from other services were Baht 338 million and Baht 321 million, respectively.

7.13 Management compensation

For the three-month periods ended March 31, 2015 and 2014, compensations paid to key management personnel under TAS 24 (Revised 2014) “Related Party Disclosures” are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS For the three-month periods ended March 31,		Unit: Million Baht THE BANK'S FINANCIAL STATEMENTS For the three-month periods ended March 31,	
	2015	2014	2015	2014
Short-term employee benefits	614	461	505	339
Post-employment benefits	12	9	8	5
Total	<u>626</u>	<u>470</u>	<u>513</u>	<u>344</u>

7.14 Operating segments

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

The business segments are described below:

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

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

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

During the three-month periods ended March 31, 2015 and 2014, no revenue from transactions with a single external customer or counterparty amounted to 10% or more of the total revenue.

Operating segment by businesses for the three-month periods ended March 31, 2015 and 2014 are as follows:

	Unit: Million Baht			
	CONSOLIDATED FINANCIAL STATEMENTS			
	For the three-month period ended March 31, 2015			
	Retail	Commercial	Others	Total
Interest income, net	8,107	5,750	-	13,857
Other operating income	4,806	1,775	(319)	6,262
Total operating income	12,913	7,525	(319)	20,119
Operating expenses	7,066	2,243	12	9,321
Impairment loss of loans and debt securities	3,630	964	659	5,253
Profit (loss) before tax	2,217	4,318	(990)	5,545
Taxation	449	905	(188)	1,166
Net Profit (loss)	1,768	3,413	(802)	4,379

	Unit: Million Baht			
	CONSOLIDATED FINANCIAL STATEMENTS			
	For the three-month period ended March 31, 2014			
	Retail	Commercial	Others	Total
Interest income, net	7,542	3,955	-	11,497
Other operating income	4,218	1,102	(231)	5,089
Total operating income	11,760	5,057	(231)	16,586
Operating expenses	6,149	2,032	124	8,305
Impairment loss of loans and debt securities	3,737	515	(168)	4,084
Profit (loss) before tax	1,874	2,510	(187)	4,197
Taxation	390	535	(31)	894
Net Profit (loss)	1,484	1,975	(156)	3,303

	Unit: Million Baht			
	CONSOLIDATED FINANCIAL STATEMENTS			
	Retail	Commercial	Others	Total
Total assets				
As at March 31, 2015	546,867	1,296,678	(210,717)	1,632,828
As at December 31, 2014	543,367	884,740	(216,745)	1,211,362

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, 2015 and December 31, 2014 are as follows:

Unit: Million Baht				
CONSOLIDATED FINANCIAL STATEMENTS				
March 31, 2015				
	Domestic	Foreign	Elimination	Total
Total assets	1,631,308	17,727	(16,207)	1,632,828
Interbank and money market items, net (Assets)	187,918	2,673	-	190,591
Investments, net*	113,246	160	-	113,406
Loans to customers and accrued interest receivable, net	1,187,860	6,530	-	1,194,390
Deposits	1,009,288	1,196	-	1,010,484
Interbank and money market items, net (Liabilities)	213,930	18	-	213,948
Debt issued and borrowings	138,074	-	-	138,074

Unit: Million Baht				
CONSOLIDATED FINANCIAL STATEMENTS				
December 31, 2014				
	Domestic	Foreign	Elimination	Total
Total assets	1,209,966	17,985	(16,589)	1,211,362
Interbank and money market items, net (Assets)	78,277	2,087	-	80,364
Investments, net*	61,641	149	-	61,790
Loans to customers and accrued interest receivable, net	968,439	7,182	-	975,621
Deposits	836,546	1,010	-	837,556
Interbank and money market items, net (Liabilities)	46,571	41	-	46,612
Debt issued and borrowings	151,805	-	-	151,805

Unit: Million Baht				
THE BANK'S FINANCIAL STATEMENTS				
March 31, 2015				
	Domestic	Foreign	Elimination	Total
Total assets	1,563,219	17,629	(16,207)	1,564,641
Interbank and money market items, net (Assets)	185,080	2,635	-	187,715
Investments, net*	160,140	160	-	160,300
Loans to customers and accrued interest receivable, net	1,099,537	6,501	-	1,106,038
Deposits	1,015,134	1,196	-	1,016,330
Interbank and money market items, net (Liabilities)	215,641	18	-	215,659
Debt issued and borrowings	101,948	-	-	101,948

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS

December 31, 2014

	Domestic	Foreign	Elimination	Total
Total assets	1,125,442	17,887	(16,589)	1,126,740
Interbank and money market items, net (Assets)	75,186	2,024	-	77,210
Investments, net*	108,934	149	-	109,083
Loans to customers and accrued interest receivable, net	864,206	7,181	-	871,387
Deposits	842,738	1,010	-	843,748
Interbank and money market items, net (Liabilities)	48,216	41	-	48,257
Debt issued and borrowings	97,268	-	-	97,268

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

(2) Results of operations classified by business

Results of operations classified by domestic and foreign business for the three-month periods ended March 31, 2015 and 2014 are as follows:

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

For the three-month period ended March 31, 2015

	Domestic	Foreign	Elimination	Total
Interest income	20,723	53	-	20,776
Interest expenses	6,919	1	-	6,920
Net interest income	13,804	52	-	13,856
Fees and service income, net	4,283	9	-	4,292
Other operating income	3,427	(8)	(1,448)	1,971
Other operating expenses	15,972	50	(1,448)	14,574
Profit from operating before tax	5,542	3	-	5,545

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

For the three-month period ended March 31, 2014

	Domestic	Foreign	Elimination	Total
Interest income	18,226	49	-	18,275
Interest expenses	6,777	1	-	6,778
Net interest income	11,449	48	-	11,497
Fees and service income, net	3,440	7	-	3,447
Other operating income	2,546	(11)	(892)	1,643
Other operating expenses	13,232	50	(892)	12,390
Profit (loss) from operating before tax	4,203	(6)	-	4,197

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS
For the three-month period ended March 31, 2015

	Domestic	Foreign	Elimination	Total
Interest income	14,505	53	-	14,558
Interest expenses	6,549	1	-	6,550
Net interest income	7,956	52	-	8,008
Fees and service income, net	2,182	8	-	2,190
Other operating income	2,521	(8)	(1,448)	1,065
Other operating expenses	10,482	36	(1,448)	9,070
Profit from operating before tax	2,177	16	-	2,193

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS
For the three-month period ended March 31, 2014

	Domestic	Foreign	Elimination	Total
Interest income	11,840	49	-	11,889
Interest expenses	6,224	1	-	6,225
Net interest income	5,616	48	-	5,664
Fees and service income, net	1,598	7	-	1,605
Other operating income	1,591	(11)	(892)	688
Other operating expenses	6,993	50	(892)	6,151
Profit (loss) from operating before tax	1,812	(6)	-	1,806

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, 2015 and 2014 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,	
	2015	2014	2015	2014
Interbank and money market items	871	638	862	631
Investment and trading transactions	28	33	28	33
Investment in debt securities	647	522	647	522
Loans to customers	14,047	12,114	11,821	10,657
Hire purchase and financial lease	5,183	4,968	1,200	46
Total interest income	20,776	18,275	14,558	11,889

7.17 Interest expenses

Interest expenses for the three-month periods ended March 31, 2015 and 2014 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS For the three-month periods ended March 31,		Unit: Million Baht THE BANK'S FINANCIAL STATEMENTS For the three-month periods ended March 31,	
	2015	2014	2015	2014
Deposits	4,159	3,991	4,163	3,995
Interbank and money market items	317	336	322	340
Contributions to Financial Institution Development Fund and Deposit Protection Agency	1,219	994	1,219	994
Debt issued and borrowing				
- Subordinated debenture	395	395	395	395
- Other	824	1,058	447	500
Borrowing fee expense	2	-	3	-
Other	4	4	1	1
Total interest expenses	<u>6,920</u>	<u>6,778</u>	<u>6,550</u>	<u>6,225</u>

7.18 Reclassifications

The reclassifications in the statements of financial position as at December 31, 2014, presented for comparison are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS Current classifications		Unit: Million Baht THE BANK'S FINANCIAL STATEMENTS Current classifications	
	Previous classifications		Previous classifications	
Deferred tax assets	4,983	7,889	485	2,642
Deferred tax liabilities	24	2,931	-	2,157

7.19 Events after the reporting period

- 7.19.1. The Annual General Meeting of Shareholders No. 103 held on April 23, 2015, approved the dividend payment for the six-month period ended December 31, 2014 to the shareholders of 7,355,761,773 ordinary shares at Baht 0.40 per share totaling Baht 2,942 million and the payment of dividend is scheduled to be made on May 22, 2015.
- 7.19.2 On June 23, 2010, the Bank issued subordinated debentures No. 1/2010 in the amount of Baht 20,000 million with maturity on June 23, 2020. The Bank has the right to redeem debentures No. 1/2010 before the maturity date subject to the approval of the BOT. The BOT has granted the early redemption to the Bank for the whole amount of the subordinated debentures on March 19, 2015. Therefore, the Bank will exercise the right to redeem the subordinated debentures on June 23, 2015.

7.20 Approval of interim financial statements

These interim financial statements have been approved for issue by the Executive Committee on May 8, 2015.