

REVIEW REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

TO THE BOARD OF DIRECTORS

BANK OF AYUDHYA PUBLIC COMPANY LIMITED

We have reviewed the consolidated balance sheet of Bank of Ayudhya Public Company Limited and its subsidiaries and the separate balance sheet of Bank of Ayudhya Public Company Limited as at September 30, 2009, and the related consolidated and separate statements of income for the quarters and nine-month periods ended September 30, 2009 and 2008, and the related consolidated and separate statements of changes in shareholders' equity and cash flows for the nine-month periods ended September 30, 2009 and 2008. These financial statements are the responsibility of the Bank's management as to their correctness and completeness of the presentation. Our responsibility is to report on these financial statements based on our reviews.

We conducted our reviews in accordance with the Standard on Auditing applicable to review engagements. The Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit in accordance with generally accepted auditing standards, and accordingly, we do not express an opinion.

Based on our reviews, nothing has come to our attention that causes us to believe that the aforementioned consolidated and separate financial statements are not presented fairly, in all material respects, in accordance with generally accepted accounting principles.

We have previously audited, in accordance with generally accepted auditing standards, the consolidated and separate financial statements of the Bank for the year ended December 31, 2008 and expressed an unqualified opinion in our report dated February 16, 2009. The consolidated and separate balance sheets of the Bank as at December 31, 2008, presented herein for comparison, have been derived from such consolidated and separate financial statements which have been audited and reported on.

BANGKOK

November 10, 2009

Dr. Suphamit Techamontrikul
Certified Public Accountant (Thailand)
Registration No. 3356

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS

AS AT SEPTEMBER 30, 2009 AND DECEMBER 31, 2008

BAHT : '000

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	"UNAUDITED"		"UNAUDITED"	
	As at	As at	As at	As at
	September 30, 2009	December 31, 2008	September 30, 2009	December 31, 2008
ASSETS				
CASH	16,878,110	20,419,455	16,861,806	20,416,524
INTERBANK AND MONEY MARKET ITEMS				
Domestic items				
Interest bearing	74,886,230	69,551,643	74,343,566	69,236,247
Non-interest bearing	5,101,785	6,111,102	4,500,747	5,695,120
Foreign items				
Interest bearing	2,400,623	2,658,865	2,400,623	2,658,865
Non-interest bearing	1,421,010	6,532,735	1,421,010	6,532,735
Total interbank and money market items, net	83,809,648	84,854,345	82,665,946	84,122,967
INVESTMENTS (Note 5)				
Current investments, net	24,057,292	27,151,289	23,972,810	27,151,289
Long-term investments, net	38,262,570	28,945,951	38,021,592	28,686,537
Investments in subsidiaries and associated companies, net	869,737	777,293	29,660,160	28,139,559
Investments, net	63,189,599	56,874,533	91,654,562	83,977,385
LOANS AND ACCRUED INTEREST RECEIVABLE (Note 6)				
Loans	557,553,420	557,077,228	535,321,854	540,442,537
Accrued interest receivable	1,542,498	1,682,914	1,432,921	1,580,155
Total loans and accrued interest receivable	559,095,918	558,760,142	536,754,775	542,022,692
Less Allowance for doubtful accounts (Note 7)	(37,326,643)	(31,410,158)	(26,773,441)	(22,828,654)
Less Revaluation allowance for debt restructuring (Note 8)	(351,662)	(897,460)	(351,512)	(896,757)
Net loans and accrued interest receivable	521,417,613	526,452,524	509,629,822	518,297,281
PROPERTIES FORECLOSED, NET	19,410,359	21,370,609	10,543,476	13,146,938
CUSTOMERS' LIABILITIES UNDER ACCEPTANCES	669,042	664,826	669,042	664,826
CUSTOMERS' LIABILITIES UNDER COLLATERAL	8,180,000	-	8,180,000	-
PROPERTY, PREMISES AND EQUIPMENT, NET	17,388,109	16,085,231	16,685,384	15,535,299
INTANGIBLE ASSETS, NET	11,165,995	11,030,032	1,197,256	1,150,089
OTHER ASSETS	8,492,769	7,003,071	5,653,603	4,910,204
TOTAL ASSETS	750,601,244	744,754,626	743,740,897	742,221,513

Notes to the consolidated and separate financial statements form an integral part of these statements

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS (CONTINUED)

AS AT SEPTEMBER 30, 2009 AND DECEMBER 31, 2008

BAHT : '000

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	"UNAUDITED"		"UNAUDITED"	
	As at	As at	As at	As at
	September 30, 2009	December 31, 2008	September 30, 2009	December 31, 2008
LIABILITIES AND SHAREHOLDERS' EQUITY				
DEPOSITS				
Deposits in Baht	510,077,663	533,830,841	513,507,158	537,224,146
Deposits in foreign currencies	3,266,653	3,522,669	3,266,654	3,522,669
Total deposits	<u>513,344,316</u>	<u>537,353,510</u>	<u>516,773,812</u>	<u>540,746,815</u>
INTERBANK AND MONEY MARKET ITEMS				
Domestic items				
Interest bearing	28,858,114	17,924,881	26,796,998	17,098,829
Non-interest bearing	1,596,329	1,601,863	1,612,103	1,619,776
Foreign items				
Interest bearing	698,023	437,317	698,023	437,317
Non-interest bearing	50,236	39,287	50,236	39,287
Total interbank and money market items	<u>31,202,702</u>	<u>20,003,348</u>	<u>29,157,360</u>	<u>19,195,209</u>
LIABILITIES PAYABLE ON DEMAND	2,303,756	1,672,752	2,303,756	1,672,663
BORROWINGS (Notes 9 and 10)				
Short-term borrowings	38,009,098	9,013,752	38,009,098	9,013,752
Long-term borrowings	46,760,602	72,843,151	47,760,602	72,843,151
Total borrowings	<u>84,769,700</u>	<u>81,856,903</u>	<u>85,769,700</u>	<u>81,856,903</u>
BANK'S LIABILITIES UNDER ACCEPTANCES	669,042	664,826	669,042	664,826
BANK'S LIABILITIES UNDER COLLATERAL DELIVER	8,180,000	-	8,180,000	-
PROVISIONS (Note 11)	229,177	388,908	229,177	388,908
OTHER LIABILITIES	<u>19,398,758</u>	<u>17,446,950</u>	<u>13,123,342</u>	<u>12,223,403</u>
TOTAL LIABILITIES	<u>660,097,451</u>	<u>659,387,197</u>	<u>656,206,189</u>	<u>656,748,727</u>

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS (CONTINUED)

AS AT SEPTEMBER 30, 2009 AND DECEMBER 31, 2008

BAHT : '000

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	"UNAUDITED"		"UNAUDITED"	
	As at	As at	As at	As at
	September 30, 2009	December 31, 2008	September 30, 2009	December 31, 2008
LIABILITIES AND SHAREHOLDERS' EQUITY				
(CONTINUED)				
SHAREHOLDERS' EQUITY				
SHARE CAPITAL (Note 12)				
Authorized share capital				
7,089,392,755 ordinary shares of				
Baht 10 each	<u>70,893,928</u>	<u>70,893,928</u>	<u>70,893,928</u>	<u>70,893,928</u>
Issued and paid-up share capital				
6,074,143,747 ordinary shares of				
Baht 10 each, fully paid	60,741,437	60,741,437	60,741,437	60,741,437
 PREMIUM ON ORDINARY SHARE				
CAPITAL, NET	13,802,216	13,802,216	13,802,216	13,802,216
LAND REVALUATION SURPLUS	3,824,098	2,905,038	3,824,098	2,905,038
PREMISES REVALUATION SURPLUS	3,374,228	2,536,566	3,374,228	2,536,566
REVALUATION SURPLUS (DEFICIT)				
ON INVESTMENTS	30,857	(143,430)	39,782	(127,007)
RETAINED EARNINGS				
Appropriated				
Statutory reserve	582,500	582,500	582,500	582,500
Unappropriated	<u>7,983,135</u>	<u>4,845,394</u>	<u>5,170,447</u>	<u>5,032,036</u>
Total	90,338,471	85,269,721	87,534,708	85,472,786
 MINORITY INTEREST	<u>165,322</u>	<u>97,708</u>	<u>-</u>	<u>-</u>
TOTAL SHAREHOLDERS' EQUITY	<u>90,503,793</u>	<u>85,367,429</u>	<u>87,534,708</u>	<u>85,472,786</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u><u>750,601,244</u></u>	<u><u>744,754,626</u></u>	<u><u>743,740,897</u></u>	<u><u>742,221,513</u></u>

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

BALANCE SHEETS (CONTINUED)

AS AT SEPTEMBER 30, 2009 AND DECEMBER 31, 2008

BAHT : '000

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	"UNAUDITED"		"UNAUDITED"	
	As at	As at	As at	As at
	September 30, 2009	December 31, 2008	September 30, 2009	December 31, 2008
OFF -BALANCE SHEET				
ITEMS – CONTINGENCIES (Note 13)				
AVALS TO BILLS AND GUARANTEES				
OF LOANS	3,186,417	3,037,196	3,186,417	3,337,196
LIABILITY UNDER UNMATURED				
IMPORT BILLS	1,426,128	2,056,521	1,426,128	2,056,521
LETTERS OF CREDIT	5,580,295	3,690,631	5,580,295	3,833,653
OTHER CONTINGENCIES	261,959,846	243,919,764	262,643,440	243,932,358

Notes to the consolidated and separate financial statements form an integral part of these statements

(Mrs. Janice Rae Van Ekeren)
Director

(Mr. Pongpinit Tejagupta)
Director

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF INCOME

FOR THE QUARTERS ENDED SEPTEMBER 30, 2009 AND 2008

"UNAUDITED"

Baht : '000

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2009	2008	2009	2008
INTEREST AND DIVIDEND INCOME				
Interest on loans	5,638,341	6,352,785	6,422,848	7,425,486
Interest on interbank and money market items	140,424	577,354	168,740	572,952
Hire purchase and financial lease income	3,205,057	3,345,982	-	-
Investments	531,619	640,305	878,597	766,468
Total Interest and Dividend Income	<u>9,515,441</u>	<u>10,916,426</u>	<u>7,470,185</u>	<u>8,764,906</u>
INTEREST EXPENSES				
Interest on deposits	1,208,074	2,723,774	1,239,593	2,728,513
Interest on interbank and money market items	196,175	252,643	172,124	94,737
Interest on short-term borrowings	332,638	122,622	332,509	63,484
Interest on long-term borrowings	513,231	721,642	514,822	721,642
Total Interest Expenses	<u>2,250,118</u>	<u>3,820,681</u>	<u>2,259,048</u>	<u>3,608,376</u>
Interest and Dividend Income, net	7,265,323	7,095,745	5,211,137	5,156,530
BAD DEBT AND DOUBTFUL ACCOUNTS	3,074,133	2,036,875	2,035,052	1,167,550
LOSS ON DEBT RESTRUCTURING (Reversal)	<u>(536,606)</u>	<u>32,402</u>	<u>(535,052)</u>	<u>32,450</u>
Interest and Dividend Income after				
Bad Debt and Doubtful Accounts and Loss on				
Debt Restructuring, net	<u>4,727,796</u>	<u>5,026,468</u>	<u>3,711,137</u>	<u>3,956,530</u>
NON-INTEREST INCOME				
Gain (loss) on investments	130,989	(897,840)	112,847	(906,652)
Loss from equity interest in associated company	(20,617)	(66,977)	-	-
Fees and service income				
Acceptances, aval and guarantees	11,652	13,075	11,664	13,075
Others	2,288,300	1,979,787	1,430,318	1,321,457
Gain on exchange	196,229	234,096	195,955	233,989
Gain on sales of properties foreclosed	307,786	156,152	192,004	62,589
Income from investments in receivables	155,724	75,700	-	-
Excess of net fair value of acquired subsidiaries				
over purchase cost	142,194	-	-	-
Other income	523,447	96,879	11,374	40,304
Total Non-Interest Income	<u>3,735,704</u>	<u>1,590,872</u>	<u>1,954,162</u>	<u>764,762</u>
NON-INTEREST EXPENSES				
Personnel expenses	2,094,407	2,087,868	1,596,109	1,630,084
Premises and equipment expenses	1,063,785	1,086,581	847,278	864,441
Taxes and duties	273,644	290,210	257,060	275,142
Fees and service expenses	767,932	717,173	360,029	296,843
Directors' remuneration	7,113	8,973	6,595	6,489
Contributions to the Financial Institution				
Development Fund and Deposit Protection Agency	526,177	527,636	520,132	527,636
Other expenses	958,807	607,137	717,139	413,881
Total Non-Interest Expenses	<u>5,691,865</u>	<u>5,325,578</u>	<u>4,304,342</u>	<u>4,014,516</u>

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF INCOME (CONTINUED)
FOR THE QUARTERS ENDED SEPTEMBER 30, 2009 AND 2008
"UNAUDITED"

Baht : '000

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2009	2008	2009	2008
INCOME BEFORE INCOME TAX	2,771,635	1,291,762	1,360,957	706,776
INCOME TAX EXPENSES	595,705	275,141	337,493	-
NET INCOME	<u>2,175,930</u>	<u>1,016,621</u>	<u>1,023,464</u>	<u>706,776</u>
ATTRIBUTABLE TO				
EQUITY HOLDERS OF THE BANK	2,171,775	1,019,012	1,023,464	706,776
MINORITY INTEREST	4,155	(2,391)	-	-
NET INCOME	<u>2,175,930</u>	<u>1,016,621</u>	<u>1,023,464</u>	<u>706,776</u>
BASIC EARNINGS PER SHARE (Note 14)	BAHT			
	0.36	0.17	0.17	0.12
DILUTED EARNINGS PER SHARE (Note 14)	BAHT			
	0.36	0.17	0.17	0.12

Notes to the consolidated and separate financial statements form an integral part of these statements

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF INCOME
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2009 AND 2008
"UNAUDITED"

Baht : '000

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2009	2008	2009	2008
INTEREST AND DIVIDEND INCOME				
Interest on loans	17,326,758	19,050,227	19,835,815	20,762,392
Interest on interbank and money market items	758,965	1,877,144	772,901	1,868,269
Hire purchase and financial lease income	9,177,802	7,540,563	-	-
Investments	1,375,780	1,924,868	2,097,436	2,080,972
Total Interest and Dividend Income	<u>28,639,305</u>	<u>30,392,802</u>	<u>22,706,152</u>	<u>24,711,633</u>
INTEREST EXPENSES				
Interest on deposits	5,465,219	7,811,221	5,492,485	7,821,050
Interest on interbank and money market items	570,134	771,759	489,202	253,029
Interest on short-term borrowings	608,403	459,201	607,965	147,965
Interest on long-term borrowings	1,910,602	1,631,437	1,912,192	1,631,437
Total Interest Expenses	<u>8,554,358</u>	<u>10,673,618</u>	<u>8,501,844</u>	<u>9,853,481</u>
Interest and Dividend Income, net	20,084,947	19,719,184	14,204,308	14,858,152
BAD DEBT AND DOUBTFUL ACCOUNTS	6,503,775	5,316,409	3,981,471	3,048,867
LOSS ON DEBT RESTRUCTURING	<u>547,391</u>	<u>551,028</u>	<u>548,529</u>	<u>551,133</u>
Interest and Dividend Income after				
Bad Debt and Doubtful Accounts and Loss on				
Debt Restructuring, net	<u>13,033,781</u>	<u>13,851,747</u>	<u>9,674,308</u>	<u>11,258,152</u>
NON-INTEREST INCOME				
Gain (loss) on investments	291,378	(1,585,150)	246,367	(1,603,144)
Income from equity interest in associated company	92,444	33,472	-	-
Fees and service income				
Acceptances, aval and guarantees	35,842	38,201	35,853	41,949
Others	6,382,460	5,626,674	4,079,873	3,810,091
Gain on exchange	521,169	719,951	541,777	719,940
Gain on sales of properties foreclosed	508,988	882,562	247,170	272,988
Income from investments in receivables	300,574	229,548	-	-
Excess of net fair value of acquired subsidiaries				
over purchase cost	780,594	-	-	-
Other income	835,209	354,191	85,679	183,642
Total Non-Interest Income	<u>9,748,658</u>	<u>6,299,449</u>	<u>5,236,719</u>	<u>3,425,466</u>
NON-INTEREST EXPENSES				
Personnel expenses	6,413,777	5,941,515	4,995,039	4,714,138
Premises and equipment expenses	3,088,547	3,160,775	2,488,430	2,602,435
Taxes and duties	824,007	915,877	784,582	858,017
Fees and service expenses	2,174,144	1,843,976	1,013,293	840,915
Directors' remuneration	22,360	25,962	19,236	19,466
Contributions to the Financial Institution				
Development Fund and Deposit Protection Agency	1,578,224	1,541,694	1,557,472	1,541,694
Other expenses	2,517,334	2,114,867	1,699,322	1,632,946
Total Non-Interest Expenses	<u>16,618,393</u>	<u>15,544,666</u>	<u>12,557,374</u>	<u>12,209,611</u>

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF INCOME (CONTINUED)
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2009 AND 2008
"UNAUDITED"

Baht : '000

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2009	2008	2009	2008
INCOME BEFORE INCOME TAX	6,164,046	4,606,530	2,353,653	2,474,007
INCOME TAX EXPENSES	1,207,753	558,244	401,400	-
NET INCOME	<u>4,956,293</u>	<u>4,048,286</u>	<u>1,952,253</u>	<u>2,474,007</u>
ATTRIBUTABLE TO				
EQUITY HOLDERS OF THE BANK	4,951,583	4,051,901	1,952,253	2,474,007
MINORITY INTEREST	4,710	(3,615)	-	-
NET INCOME	<u>4,956,293</u>	<u>4,048,286</u>	<u>1,952,253</u>	<u>2,474,007</u>
BASIC EARNINGS PER SHARE (Note 14)	BAHT			
	0.82	0.70	0.32	0.43
DILUTED EARNINGS PER SHARE (Note 14)	BAHT			
	0.82	0.70	0.32	0.43

Notes to the consolidated and separate financial statements form an integral part of these statements

(Mrs. Janice Rae Van Ekeren)
Director

(Mr. Pongpinit Tejagupta)
Director

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2009 AND 2008

"UNAUDITED"

	Baht : '000								
	CONSOLIDATED FINANCIAL STATEMENTS								
	Ordinary Share	Share subscriptions	Premium on	Appraisal Surplus	Revaluation	Retained Earnings		Minority	Total
	Capital	received in	Share Capital		Deficit on	Appropriated	Unappropriated	Interests	
		advance			Investments	Legal reserve			
Balance as of December 31, 2007	57,477,468	177,476	13,149,422	5,611,977	(2,740)	436,750	1,003,959	212,587	78,066,899
Properties appraisal surplus decrease	-	-	-	(128,244)	-	-	-	-	(128,244)
Revaluation deficit on investments increase	-	-	-	-	(348,022)	-	-	(4)	(348,026)
Expenses recognized in									
shareholders' equity	-	-	-	(128,244)	(348,022)	-	-	(4)	(476,270)
Net income	-	-	-	-	-	-	4,051,901	(3,615)	4,048,286
Total income (expenses) recognized									
in the period	-	-	-	(128,244)	(348,022)	-	4,051,901	(3,619)	3,572,016
Dividend payment (Note 12.4)	-	-	-				(903,908)	-	(903,908)
Share subscriptions received in advance	-	3,739,287	-	-	-	-	-	-	3,739,287
Increase in share capital	3,263,969	(3,263,969)	-	-	-	-	-	-	-
Increase in premium on share capital	-	(652,794)	652,794	-	-	-	-	-	-
Increase in shareholding in									
subsidiary company	-	-	-	-	-	-	-	(113,133)	(113,133)
Ending balance as of September 30, 2008	60,741,437	-	13,802,216	5,483,733	(350,762)	436,750	4,151,952	95,835	84,361,161

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2009 AND 2008
"UNAUDITED"

Baht : '000

CONSOLIDATED FINANCIAL STATEMENTS							
Ordinary Share Capital	Premium on Share Capital	Appraisal Surplus	Revaluation Surplus (Deficit) on Investments	Retained Earnings		Minority Interests	Total
				Appropriated Legal reserve	Unappropriated		
60,741,437	13,802,216	5,441,604	(143,430)	582,500	4,845,394	97,707	85,367,428
-	-	1,756,722	-	-	-	-	1,756,722
-	-	-	174,287	-	-	3	174,290
-	-	1,756,722	174,287	-	-	3	1,931,012
-	-	-	-	-	4,951,583	4,710	4,956,293
-	-	1,756,722	174,287	-	4,951,583	4,713	6,887,305
-	-	-	-	-	(1,813,842)	(1)	(1,813,843)
-	-	-	-	-	-	62,903	62,903
60,741,437	13,802,216	7,198,326	30,857	582,500	7,983,135	165,322	90,503,793

Notes to the consolidated and separate financial statements form an and integral part of these statements

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2009 AND 2008

"UNAUDITED"

Baht : '000

	SEPARATE FINANCIAL STATEMENTS							
	Ordinary Share Capital	Share subscriptions received in advance	Premium on Share Capital	Appraisal Surplus	Revaluation Deficit on Investments	Retained Earnings		Total
						Appropriated Legal reserve	Unappropriated	
Balance as of December 31, 2007	57,477,468	177,476	13,149,422	5,611,977	(385)	435,500	3,154,334	80,005,792
Properties appraisal surplus decrease	-	-	-	(128,244)	-	-	-	(128,244)
Revaluation deficit on investments increase	-	-	-	-	(343,283)	-	-	(343,283)
Expenses recognized in shareholders' equity	-	-	-	(128,244)	(343,283)	-	-	(471,527)
Net income	-	-	-	-	-	-	2,474,007	2,474,007
Total income (expenses) recognized in the period	-	-	-	(128,244)	(343,283)	-	2,474,007	2,002,480
Dividend payment (Note 12.4)	-	-	-	-	-	-	(903,907)	(903,907)
Share subscriptions received in advance	-	3,739,287	-	-	-	-	-	3,739,287
Increase in share capital	3,263,969	(3,263,969)	-	-	-	-	-	-
Increase in premium on share capital	-	(652,794)	652,794	-	-	-	-	-
Ending balance as of September 30, 2008	60,741,437	-	13,802,216	5,483,733	(343,668)	435,500	4,724,434	84,843,652

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2009 AND 2008

"UNAUDITED"

	Baht : '000						
	SEPARATE FINANCIAL STATEMENTS						
	Ordinary Share	Premium on	Appraisal Surplus	Revaluation Surplus	Retained Earnings		Total
	Capital	Share Capital		(Deficit) on	Appropriated	Unappropriated	
				Investments	Legal reserve		
Balance as of December 31, 2008	60,741,437	13,802,216	5,441,604	(127,007)	582,500	5,032,036	85,472,786
Properties appraisal surplus increase	-	-	1,756,722	-	-	-	1,756,722
Revaluation surplus on investments increase	-	-	-	166,789	-	-	166,789
Income recognized in shareholders' equity	-	-	1,756,722	166,789	-	-	1,923,511
Net income	-	-	-	-	-	1,952,253	1,952,253
Total income recognized in the period	-	-	1,756,722	166,789	-	1,952,253	3,875,764
Dividend payment (Note 12.4)	-	-	-	-	-	(1,813,842)	(1,813,842)
Ending balance as of September 30, 2009	60,741,437	13,802,216	7,198,326	39,782	582,500	5,170,447	87,534,708

Notes to the consolidated and separate financial statements form an integral part of these statements

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2009 AND 2008
"UNAUDITED"

Baht : '000

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2009	2008	2009	2008
CASH FLOWS FROM OPERATING ACTIVITIES				
Income before tax	6,164,046	4,606,530	2,353,653	2,474,007
Adjustments to reconcile income to cash provided by (used in) operating activities:				
Depreciation and amortization	1,248,817	1,246,927	962,749	944,223
Leasehold right amortization	21,035	45,194	21,035	45,194
Bad debt and doubtful accounts	6,503,775	5,316,409	3,981,471	3,048,867
Loss on debt restructuring	547,391	551,028	548,529	551,133
(Gain) loss on foreign currency exchange	189,801	(975,990)	189,801	(975,990)
(Gain) loss on investments	(291,378)	1,586,069	(246,367)	1,603,144
Excess of net fair value of acquired subsidiaries over purchase cost	(780,594)	-	-	-
Discretion of discount on investments	(383,267)	(290,627)	(184,462)	(292,065)
Gain on reclassification from investments in receivable to loans	-	(919)	-	-
(Gain) loss on sales of property foreclosed	(508,988)	(882,562)	(247,170)	(272,988)
(Gain) loss on sales of property, premises and equipment	7,188	(40,832)	(3,847)	(4,021)
Loss on impairment of properties foreclosed	327,405	363,613	399,648	323,880
Gain on equity interest in associated company	(92,444)	(33,472)	-	-
Interest and dividend income	(28,639,305)	(30,392,802)	(22,706,152)	(24,711,632)
Interest received	28,724,104	29,961,924	21,979,494	24,558,138
Dividend received	271,891	440,416	969,564	409,301
Interest expenses	8,554,358	10,673,618	8,501,844	9,853,481
Increase in other accrued expenses	303,885	1,442,609	315,856	636,806
Increase (decrease) in other reserve	(77,468)	151,183	(77,468)	151,183
Interest paid	(9,259,631)	(10,708,432)	(8,859,944)	(9,877,916)
Income tax paid	(1,557,490)	(478,614)	(191,269)	(106,732)
Income from operations before changes in operating assets and liabilities	11,273,131	12,581,270	7,706,965	8,358,013
(Increase) decrease in operating assets				
Interbank and money market items	25,952,558	(21,244,463)	1,113,659	(20,768,006)
Securities purchased under resale agreements	-	76,000,000	-	76,000,000
Current investments - securities for trading	6,478,556	(1,206,624)	2,383,427	(1,277,383)
Loans	18,183,402	(31,506,548)	3,401,114	(92,689,515)
Properties foreclosed	2,498,643	2,582,131	2,704,934	1,713,146
Other assets	(2,049,441)	1,617,362	(1,302,993)	417,364
Increase (decrease) in operating liabilities				
Deposits	(43,303,253)	5,516,376	(23,830,571)	5,915,161
Interbank and money market items	4,023,528	(68,074,262)	10,021,962	(1,185,822)
Liabilities payable on demand	596,994	210,675	631,093	209,675
Other liabilities	1,279,919	405,601	2,411,010	1,012,961
Net cash provided by (used in) operating activities	24,934,037	(23,118,482)	5,240,600	(22,294,406)

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2009 AND 2008
"UNAUDITED"

Baht : '000

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2009	2008	2009	2008
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sales of investments - securities available-for-sale and other investments	114,722,560	76,969,248	114,515,897	76,943,461
Cash paid for purchase of investments - securities available-for-sale and other investments	(123,823,157)	(80,982,344)	(122,673,972)	(80,982,343)
Proceeds from sales of subsidiary	62,590	-	62,590	-
Cash paid for purchase of subsidiaries	(1,360,555)	(15,452,810)	(1,560,160)	(16,277,377)
Cash paid for additional investment in subsidiaries	-	-	-	(500,000)
Cash paid to minority shareholder for purchase of additional shares	-	(132,822)	-	(132,822)
Proceeds from sales of property, premises and equipment	300,792	88,140	37,846	37,989
Cash paid for purchase of property, premises and equipment	(1,176,165)	(849,309)	(1,240,188)	(706,928)
Cash paid for purchase of other assets	(366,340)	(285,466)	(270,318)	(199,622)
Net cash used in investing activities	<u>(11,640,275)</u>	<u>(20,645,363)</u>	<u>(11,128,305)</u>	<u>(21,817,642)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from issuance of senior securities notes	-	38,943,200	-	38,943,200
Proceeds from issuance of bills of exchange	16,225,600	10,575,700	17,225,600	10,575,700
Increase in long-term borrowings	48,450	-	48,450	-
Cash paid for bills of exchange extinguishment	(13,089,000)	(11,223,800)	(13,089,000)	(11,223,800)
Cash paid for redemption of short-term debentures	(693,039)	(1,000,000)	-	(1,000,000)
Cash paid for repayment of short-term borrowings	-	(492,724)	-	(200,000)
Cash paid for repayment of long-term borrowings	(17,513,523)	(23,256)	(61,500)	(23,256)
Cash paid for liabilities under finance lease agreement	-	(2,605)	-	-
Warrant converted to ordinary shares	-	3,739,287	-	3,739,287
Dividend payment	(1,836,874)	(903,908)	(1,813,842)	(903,907)
Net cash provided by (used in) financing activities	<u>(16,858,386)</u>	<u>39,611,894</u>	<u>2,309,708</u>	<u>39,907,224</u>
Total	<u>(3,564,624)</u>	<u>(4,151,951)</u>	<u>(3,577,997)</u>	<u>(4,204,824)</u>
Effect of exchange rate change on cash	<u>23,279</u>	<u>10,016</u>	<u>23,279</u>	<u>10,016</u>
Net decrease in cash and cash equivalents	(3,541,345)	(4,141,935)	(3,554,718)	(4,194,808)
Cash and cash equivalents as at January 1,	<u>20,419,455</u>	<u>19,199,531</u>	<u>20,416,524</u>	<u>19,197,131</u>
Cash and cash equivalents as at September 30,	<u>16,878,110</u>	<u>15,057,596</u>	<u>16,861,806</u>	<u>15,002,323</u>

Notes to the consolidated and separate financial statements form an integral part of these statements

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE QUARTERS AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2009 AND 2008
“UNAUDITED”

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BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE QUARTERS AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2009 AND 2008
“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 Bank has 16 subsidiaries as follows:

- 1.1 Siam Realty and Services Company Limited, incorporated in Thailand since June 20, 1988 and located at 550 Ploenchit Road, Lumpini Subdistrict, Patumwan District, Bangkok. The subsidiary’s main business is car leasing and personnel services.
- 1.2 Ayudhya Development Leasing Company Limited, incorporated in Thailand since July 25, 1991 and located at 65/182-185 Chamnanpenchat Business Center Building, Fl 22, Rama IX Road, Huey Khuang Subdistrict, Huey Khuang District, Bangkok. The subsidiary’s main business includes leasing and hire purchase.
- 1.3 Ayudhya Auto Lease Public Company Limited, incorporated in Thailand since February 1, 1994 and located at 898 Ploenchit Tower Building, Fl 3, Ploenchit Road, Lumpini Subdistrict, Patumwan District, Bangkok. The subsidiary’s main business is auto leasing.

Currently, the subsidiary ceased writing new auto hire purchase business and is servicing the portfolio run-off. Moreover, the subsidiary delisted its ordinary shares and warrants from The Stock Exchange of Thailand (“the SET”) when The Board of Governors of the SET approved the delisting of the Company’s ordinary shares and warrants on June 12, 2007.

- 1.4 K. S. Law Office Company Limited, incorporated in Thailand since February 2, 1996 and located at 550 Ploenchit Road, Lumpini Subdistrict, Patumwan District, Bangkok. The subsidiary’s main business is legal advisory services. The Company is currently in the process of liquidation.
- 1.5 Ayudhya Fund Management Company Limited, incorporated in Thailand since December 19, 1996 and located at 898 Ploenchit Tower Building, Fl 12, Ploenchit Road, Lumpini Subdistrict, Patumwan District, Bangkok. The subsidiary’s main business is mutual fund and individual private fund management.
- 1.6 Ayudhya Asset Management Company Limited, incorporated in Thailand since August 18, 2000 and located at 1222 Rama III Road, Bang Pongphang Subdistrict, Yannawa District, Bangkok. The subsidiary’s main business is to develop, manage and sell assets transferred from the financial institutions.
- 1.7 Ayudhya Securities Public Company Limited, incorporated in Thailand since April 16, 2004 and located at 999/9 The Offices at Central World Building, Fl 12, Rama I Road, Patumwan Subdistrict, Patumwan District, Bangkok. The subsidiary’s main business is securities business.

- 1.8 Ayudhya Capital Lease Company Limited, incorporated in Thailand since December 27, 2006 and located at 898 Ploenchit Tower Building, Fl 16, Ploenchit Road, Lumpini Subdistrict, Patumwan District, Bangkok. The subsidiary's main business is auto leasing service.

On December 5, 2008, the subsidiary transferred its entire business to Ayudhya Capital Auto Lease Public Company Limited (formerly GE Capital Auto Lease Public Company Limited) and an extraordinary shareholders' meeting of the subsidiary approved a resolution to liquidate the subsidiary on December 17, 2008, with an effective date on December 26, 2008. Currently, the subsidiary is in the process of liquidation.

- 1.9 Ayudhya Factoring Company Limited, incorporated in Thailand since February 1, 2007 and located at 550 Ploenchit Road, Lumpini Subdistrict, Patumwan District, Bangkok. The subsidiary's main business is factoring.

- 1.10 Ayudhya Hire Purchase Company Limited, incorporated in Thailand since January 24, 2008 and located at 550 Ploenchit Road, Lumpini Subdistrict, Patumwan District, Bangkok. The subsidiary's main business is hire-purchase of used car for sale and lease back to individuals.

On December 5, 2008, the subsidiary transferred its entire business to Ayudhya Capital Auto Lease Public Company Limited (formerly GE Capital Auto Lease Public Company Limited) and an extraordinary shareholders' meeting of the subsidiary approved a resolution to liquidate the subsidiary on December 17, 2008, with an effective date on December 26, 2008. Currently, the subsidiary is in the process of liquidation.

- 1.11 Ayudhya Capital Auto Lease Public Company Limited (formerly GE Capital Auto Lease Public Company Limited), incorporated in Thailand since November 27, 1995 and located at 87/1, Fl 3, Capital Tower, and 87/2, Fl 30, CRC Tower, All Seasons Place, Wireless Road, Lumpini Subdistrict, Patumwan District, Bangkok. The subsidiary's main business is auto hire-purchase, leasing service and refinancing to individuals and corporates. The subsidiary became the Bank's subsidiary on February 14, 2008.

On September 24, 2008, a meeting of Board of Directors of the Bank approved a resolution on the entire business transfer of two subsidiaries, carrying out the similar business, to Ayudhya Capital Auto Lease Public Company Limited, the Bank's subsidiary. The transferor subsidiaries were Ayudhya Capital Lease Company Limited (see note 1.8) and Ayudhya Hire Purchase Company Limited (see note 1.10). The Bank of Thailand approved the entire business transfer on November 5, 2008 and this transaction was executed on December 5, 2008.

- 1.12 Ayudhya Total Solutions Public Company Limited (formerly AIG Retail Bank Public Company Limited), incorporated in Thailand since May 9, 1994 to carry out the financial and security businesses. On December 7, 2006, the subsidiary was granted a banking license from the Bank of Thailand and it had changed its operation to be banking business since March 6, 2007. The registered office is located at 990 Abdulrahim Place, Fl 7 and Fl 10, Rama IV Road, Silom Subdistrict, Bangrak District, Bangkok. The subsidiary's main business is hire-purchase business. The subsidiary became the Bank's subsidiary on April 8, 2009.

On September 25, 2009, the subsidiary returned the banking license to the Bank of Thailand to be in compliance with the Bank of Thailand's regulations.

- 1.13 Ayudhya Card Services Company Limited (formerly AIG Card (Thailand) Company Limited), incorporated in Thailand since December 4, 1997 and located at 968 U Chu Liang Building, Fl 20, Rama IV Road, Silom Subdistrict, Bangrak District, Bangkok. The subsidiary's main business is credit card business including personal loans. The subsidiary became the Bank's subsidiary on April 8, 2009.

- 1.14 CFG Service Company Limited, incorporated in Thailand since October 24, 2006 and located at 52/53, 54, 59-60 Pathumthani-Samkok Road, Bangprok, Muang, Pathumtani. The subsidiary's main business is hire-purchase loan and secured personal loan for vehicles and motorcycles. The subsidiary became the Bank's subsidiary on September 9, 2009.
- 1.15 Ayudhya Derivatives Company Limited, which is 99.99% held by Ayudhya Securities Public Company Limited, incorporated in Thailand since June 15, 2005 and located at 999/9 The Offices at Central World Building, Fl 12, Rama I Road, Patumwan Subdistrict, Patumwan District, Bangkok. The subsidiary's main business is financial derivatives business and derivatives trading broker.

On December 1, 2008 the subsidiary had transferred its derivatives business and employees to Ayudhya Securities Public Company Limited. After such business transfer, the subsidiary returned the derivatives business license to the Office of the Securities and Exchange Commission.

By the special resolution passed by the subsidiary's shareholders extraordinary meeting on February 20, 2009, the subsidiary was authorized to decrease its share capital from Baht 120 million (1,200,000 ordinary shares of Baht 100 each) to Baht 30 million (300,000 ordinary shares of Baht 100 each). The decrease capital of Baht 90 million compensated the subsidiary's accumulated deficit loss of Baht 23 million with the residual to be refunded to the subsidiary's shareholders on April 30, 2009. The subsidiary registered with the Ministry of Commerce for the capital reduction on April 20, 2009.

By the special resolution of the Annual General Shareholders Meeting of the subsidiary held on April 22, 2009, it resolved to dissolve the subsidiary. The subsidiary had registered with the Ministry of commerce for the dissolution on May 19, 2009. Currently, the subsidiary is in process of liquidation.

- 1.16 PrimaVest Asset Management Company Limited, which is 99.99% held by Ayudhya Fund Management Company Limited, incorporated in Thailand since May 7, 1997 and located at 900 Tonson Tower, Fl 18, Ploenchit Road, Lumpini, Pathumwan, Bangkok. The subsidiary's main business is fund management. The subsidiary became Ayudhya Fund Management Company Limited's subsidiary on September 18, 2009.

2. BASIS FOR PREPARATION OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

- 2.1 The interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (revised 2007) "Interim Financial Reporting" (previously No. 41) and the regulation of The Stock Exchange of Thailand dated January 22, 2001, regarding the Preparation and Filing of Financial Statements and Reports on Financial Status and Results of Operations of Listed Companies, B.E. 2544 including the Procedures, Policies and Presentation in accordance with the Bank of Thailand ("BOT") Notification regarding the Preparation and Announcement of Financial Statements of Commercial Banks and Holding Companies of Financial Industry dated August 3, 2008 and Thai Accounting Standard No.1 (revised 2007) "Presentation of Financial Statements" (previously No.35).

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

The Bank prepares its interim financial statements in the Thai language in conformity with Thai Accounting 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 financial statements prepared in accordance with generally accepted accounting principles, 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, 2008.

The consolidated and the separate balance sheets as at December 31, 2008, presented herein for comparison, have been derived from the consolidated and the separate financial statements for the year then ended which have been audited.

The results of operations for the quarter and nine-month period ended September 30, 2009 are not necessarily indicative of the operating results anticipated for the full year.

The preparation of financial statements in conformity with generally accepted accounting principles 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.

Renumbering of Thai accounting standards

The Federation of Accounting Professions issued the Notification of Federation of Accounting Professions No. 12/2552 dated May 15, 2009 regarding the renumbering of Thai accounting standards (TASs) to be the same as the International Accounting Standards. Therefore, reference TASs in these financial statements have used the new numbers to be in accordance with such Notification.

Accounting standards announced but not yet effective

The Federation of Accounting Professions issued the Notification of Federation of Accounting Professions No. 16/2552 dated May 21, 2009 regarding the following accounting standards that were announced in the Royal Gazette, but not yet in effect in 2009:

Accounting Standards	Effective date
Accounting Framework (Revised 2007)	January 1, 2011
No. 20 Accounting for Government Grants and Disclosure of Government Assistance	January 1, 2012
No. 24 (Revised 2007) Related Party Disclosures (previously No. 47)	January 1, 2011
No. 40 Investment Property	January 1, 2011

The Bank management has assessed the impact of these accounting standards, when they are effective for financial periods beginning on or after the TAsS' effective dates, and does not expect them to have a material effect on the Bank financial statements.

- 2.2 The consolidated financial statements included the accounts of all branches of the Bank and its subsidiaries in which the Bank has control or invested over 50% of their voting rights. These subsidiaries are as follows :

	Business Type	Percentage of Holdings	
		September 30,	December 31,
		2009	2008
Direct Subsidiaries			
Siam Realty and Services Company Limited	Car rent and personnel services	99.99	99.99
Ayudhya Development Leasing Company Limited	Leasing	99.99	99.99
Ayudhya Auto Lease Public Company Limited	Auto leasing	99.55	99.55
K.S. Law Office Company Limited ⁽¹⁾	Legal advisory services	99.99	99.99
Ayudhya Fund Management Company Limited	Fund management	76.59	99.99
Ayudhya Asset Management Company Limited	Assets management	99.99	99.99
Ayudhya Securities Public Company Limited	Securities	86.33	86.33
Ayudhya Capital Lease Company Limited ⁽¹⁾	Auto leasing	99.99	99.99
Ayudhya Factoring Company Limited	Factoring	99.99	99.99
Ayudhya Hire Purchase Company Limited ⁽¹⁾	Hire-purchase of used cars	99.99	99.99
Ayudhya Capital Auto Lease Public Company Limited (formerly GE Capital Auto Lease Public Company Limited)	Hire-purchase and auto leasing	99.99	99.99
Ayudhya Total Solutions Public Company Limited (formerly AIG Retail Bank Public Company Limited)	Hire-purchase	99.76	-
Ayudhya Card Service Company Limited (formerly AIG Card (Thailand) Company Limited)	Credit card and personal loan	99.99	-
CFG Services Company Limited	Hire-purchase	99.99	-

⁽¹⁾ Subsidiary under the liquidation process

As at September 30, 2009 and December 31, 2008, Ayudhya Auto Lease Public Company Limited, held 2,756,950 ordinary shares of the Bank. The acquisition cost was Baht 98 million which was presented as long-term investments-net in the consolidated balance sheets. Such investment was not deducted from shareholders' equity as the amount was immaterial.

All material intercompany transactions and balances have been eliminated.

- 2.3 The consolidated financial statements for the quarters and nine-month periods ended September 30, 2009 and 2008, including financial statements of certain subsidiaries and gain (loss) on equity of certain associated companies, prepared by subsidiaries and associate's management which have not been audited by the auditors as follows:

Unit: Million Baht		
Net Profit(loss)/ Gain (loss) on equity		
Ended September 30, 2009		
	For the quarter	For the nine-month period
Subsidiaries		
1. K.S. Law Office Company Limited	-	-
2. Ayudhya Capital Lease Company Limited	4	13
3. Ayudhya Hire purchase Company Limited	-	2
Associated company		
1. Krungsriayudhya Card Company Limited	(21)	92
	<u>(17)</u>	<u>107</u>

Unit: Million Baht		
Net Profit(loss)/ Gain (loss) on equity		
Ended September 30, 2008		
	For the quarter	For the nine-month period
Subsidiaries		
1. Siam Realty and Services Company Limited	4	(4)
2. K.S. Law Office Company Limited	-	-
3. Ayudhya Factoring Company Limited	8	12
Associated company		
1. Krungsriayudhya Card Company Limited	(67)	33
	<u>(55)</u>	<u>41</u>

3. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements have been prepared based on the basis, accounting policies and calculation method consistent with those used in the financial statements for the year ended December 31, 2008, except as stated below.

3.1 Change in estimates

With effective from January 1, 2009, a subsidiary operating a hire-purchase business changed its estimates for calculating allowance for doubtful accounts on hire-purchase receivables from a collateralized approach to a collective approach by classifying a group of loans having similar credit risk characteristics based on the historical loss experience of each loan category. As a result from this change in estimate, the subsidiary's income before income tax for the quarter and nine-month period ended September 30, 2009 increased by Baht 122 million and 359 million, respectively.

4. ADDITIONAL INFORMATION OF CASH FLOWS

4.1 Non-cash transactions for the nine-month periods ended September 30, are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		Unit : Million Baht SEPARATE FINANCIAL STATEMENTS	
	2009	2008	2009	2008
Revaluation deficit on investments presented as item in shareholders' equity (increase) decrease	174	(348)	167	(343)
Accumulated depreciation of premises for appraisal deducted from premises revaluation surplus	145	128	145	128
Properties foreclosed acquired from debt settlement	117	38	117	38
Properties and premises transferred to be properties foreclosed	30	9	30	9

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

	CONSOLIDATED FINANCIAL STATEMENTS		Unit : Million Baht SEPARATE FINANCIAL STATEMENTS	
	2009	2008	2009	2008
Property, premises and equipment payable at the beginning of the period	432	11	617	11
Purchases of property, premises and equipment	838	870	710	697
<u>Less Cash payment</u>	<u>(1,176)</u>	<u>(849)</u>	<u>(1,240)</u>	<u>(707)</u>
Property, premises and equipment payable at the end of the period	<u>94</u>	<u>32</u>	<u>87</u>	<u>1</u>

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

	CONSOLIDATED FINANCIAL STATEMENTS		Unit : Million Baht SEPARATE FINANCIAL STATEMENTS	
	2009	2008	2009	2008
Computer software payable at the beginning of the period	58	4	58	-
Purchases of computer software	220	86	212	14
<u>Less Cash payment</u>	<u>(278)</u>	<u>(90)</u>	<u>(270)</u>	<u>(14)</u>
Computer software payable at the end of the period	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

4.4 Acquisition of investment in subsidiaries

The Bank acquired investment in subsidiaries during the period ended September 2009 and 2008 as follows:

- 4.4.1 On February 14, 2008, the Bank acquired Ayudhya Capital Auto Lease Public Company Limited (formerly GE Capital Auto Lease Public Company Limited) for a total purchase price amounting to Baht 16,180 million in a share sale agreement. The Bank made a payment for this purchase of subsidiary as follows:

Consolidated financial statements

Unit : Million Baht

Cash payment to acquire shares	16,180
<u>Add</u> Additional related cost	97
<u>Less</u> Cash of subsidiary	(824)
Net cash payment	<u>15,453</u>

- 4.4.2 On April 8, 2009, the Bank acquired Ayudhya Toal Solutions Public Company Limited (formerly AIG Retail Bank Public Company Limited) and Ayudhya Card Services Company Limited (formerly AIG Card (Thailand) Company Limited) for a total purchase price in the share sale agreement amounting to Baht 1,487 million. The Bank made a payment for this purchase of subsidiaries as follows:

Consolidated financial statements

Unit : Million Baht

Cash payment to acquire shares	1,487
<u>Add</u> Additional related cost	42
<u>Less</u> Cash of subsidiary	(130)
Net cash payment	<u>1,399</u>

Fair value of assets, liabilities and identified contingent liabilities of subsidiaries and book value of each item are as follows;

	Unit : Million Baht	
	Book Value	Fair Value
Assets		
Cash	130	130
Deposits at financial institutions	24,779	24,779
Receivable and loans	19,935	19,563
Others	<u>2,239</u>	<u>2,340</u>
	<u>47,083</u>	<u>46,812</u>
Liabilities		
Deposits	19,197	19,437
Borrowings	20,940	20,940
Others	<u>4,160</u>	<u>4,204</u>
	<u>44,297</u>	<u>44,581</u>
Net assets	<u>2,786</u>	<u>2,231</u>
Other related costs		(42)
Excess of net fair value of acquired subsidiaries over purchase cost		<u>(702)</u>
Cash payment to acquire shares		<u>1,487</u>

- 4.4.3 On September 9, 2009, the Bank acquired CFG Services Company Limited for a total purchase price in the share sale agreement amounting to Baht 18 million. The Bank made a payment for this purchase of subsidiaries as follows:

Consolidated financial statements

	Unit : Million Baht
Cash payment to acquire shares	18
<u>Add</u> Additional related cost	9
<u>Less</u> Cash of subsidiary	(7)
Net cash payment	<u>20</u>

Fair value of assets, liabilities and identified contingent liabilities of subsidiaries and book value of each item are as follows;

	Book Value	Fair Value
Assets		
Cash	5	5
Deposits at financial institutions	477	477
Receivable and loans	1,253	1,198
Others	107	98
	<u>1,842</u>	<u>1,778</u>
Liabilities		
Borrowings	1,570	1,570
Others	87	92
	<u>1,657</u>	<u>1,662</u>
Net assets	<u>185</u>	116
Other related costs		(9)
Excess of net fair value of acquired subsidiary over purchase cost		(89)
Cash payment to acquire shares		<u>18</u>

The initial accounting for the acquisition of CFG Services Company Limited has only been provisionally determined as at September 30, 2009. At the date of finalization of these financial statements, the necessary market valuations and other calculations had not been finalized and goodwill noted above has therefore only been provisionally determined based on the best estimate of the likely values.

The net profit of acquired companies for the quarter and nine-month period ended September 30, 2009 are as follows:

	Unit : Million Baht	
	Ended September 30, 2009	
	For the quarter	For the nine-month period
Ayudhya Total Solutions Public Company Limited (formerly AIG Retail Bank Public Company Limited)	78	67
Ayudhya Card Services Company Limited (formerly AIG Card (Thailand) Company Limited)	26	50
CFG Services Company Limited	-	-
Total	<u>104</u>	<u>117</u>

Had these business combinations been effected at January 1, 2009, the revenue and net profit (loss) of acquiree companies for the nine-month period ended September 30, 2009 would be as follows:

	Unit : Million Baht	
	Revenue	Profit (loss)
Ayudhya Total Solutions Public Company Limited (formerly AIG Retail Bank Public Company Limited)	1,116	(425)
Ayudhya Card Services Company Limited (formerly AIG Card (Thailand) Company Limited)	1,190	10
CFG Services Company Limited	368	(21)
Total	<u>2,674</u>	<u>(436)</u>

- 4.4.4 On September 18, 2009, Ayudhya Fund Management Company Limited acquired PrimaVest Asset Management Company Limited for a total purchase price in the share sale agreement amounting to Baht 101 million. The subsidiary made a payment for this acquisition as follows:

Consolidated financial statements

	Unit : Million Baht
Cash payment to acquire shares	101
<u>Add</u> Additional related cost	<u>5</u>
Total	106
<u>Less</u> Cash paid to the Bank	<u>(10)</u>
Net cash payment	<u>96</u>

Fair value of assets, liabilities and identified contingent liabilities of subsidiaries and book value of each item are as follows;

	Unit : Million Baht	
	Book Value	Fair Value
Assets		
Cash and cash equivalent	9	9
Long-term deposits at financial institutions	38	38
Investment – net	16	16
Others	17	17
	<u>80</u>	<u>80</u>
Liabilities		
Accrued expenses	5	5
	<u>5</u>	<u>5</u>
Net assets	<u>75</u>	75
Goodwill		31
Cash paid to acquire shares		106
Less cash paid to the Bank		(10)
Net cash payment		<u>96</u>

The net profit of acquiree companies for the quarter and nine-month period ended September 30, 2009 of Baht 30,340 was recorded in the consolidated financial statements.

Had these business combinations been effected at January 1, 2009, the revenue and net loss of acquired companies for the nine-month period ended September 30, 2009 of Baht 52 million and Baht 16 million, respectively would be recorded in the consolidated financial statements.

4.5 Realized and unrealized gain (loss) on foreign exchange

In the preparation of cash flows statements, realized gain (loss) on exchange is based on cash basis which specific business tax had already been paid. Unrealized gain (loss) on foreign exchange is based on the translation difference of currency denomination of amount of debt in foreign currencies recorded in each account and amount of assets in foreign currencies as recorded in each category at the balance sheet.

5. INVESTMENTS

5.1 Current Investments

Unit : Million Baht

CONSOLIDATED FINANCIAL STATEMENTS								
	September 30, 2009				December 31, 2008			
	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	962	5	(5)	962	3,482	23	(23)	3,482
Private sector's debt securities	1	-	-	1	73	1	-	74
Foreign sector's debt securities	2,852	-	(2,475)	377	2,969	-	(2,762)	207
Domestic marketable equity securities	60	6	-	66	281	-	(191)	90
	3,875	11	(2,480)	1,406	6,805	24	(2,976)	3,853
<u>Less</u> Revaluation allowance	(2,469)			-	(2,952)			-
<u>Less</u> Allowance for impairment	(377)			(377)	(207)			(207)
Total	1,029			1,029	3,646			3,646
Securities Available-for-Sale								
Government and state enterprise securities	19,964	14	(1)	19,977	19,978	153	(2)	20,129
Private sector's debt securities	760	3	-	763	1,150	6	-	1,156
Foreign sector's debt securities	500	5	-	505	1,570	-	(18)	1,552
Other	120	-	(4)	116	-	-	-	-
	21,344	22	(5)	21,361	22,698	159	(20)	22,837
<u>Add</u> Revaluation allowance	17			-	139			-
<u>Less</u> Allowance for impairment	(378)			(378)	(279)			(279)
Total	20,983			20,983	22,558			22,558
Securities Held-to-Maturity								
Government and state enterprise securities	1,202	21	-	1,223	-			-
Private sector's debt securities	57	-	-	57	50			50
	1,259	21	-	1,280	50			50
<u>Less</u> Allowance for impairment	(50)			(50)	(50)			(50)
Total	1,209			1,230	-			-
Securities for General Investments								
Investment in accounts receivable	836			836	947			947
Total	836			836	947			947
Total Current Investments, net	24,057			24,078	27,151			27,151

Unit : Million Baht

SEPARATE FINANCIAL STATEMENTS

	September 30, 2009				December 31, 2008			
	Cost/Amortized	Unrealized	Unrealized	Fair	Cost/Amortized	Unrealized	Unrealized	Fair
	Cost	Gains	Losses	Value	Cost	Gains	Losses	Value
Securities for Trading								
Government and state								
enterprise securities	962	5	(5)	962	3,482	23	(23)	3,482
Private sector's debt								
securities	1	-	-	1	73	1	-	74
Foreign sector's debt								
securities	2,852	-	(2,475)	377	2,969	-	(2,762)	207
Domestic marketable equity								
securities	60	6	-	66	281	-	(191)	90
	3,875	11	(2,480)	1,406	6,805	24	(2,976)	3,853
<u>Less</u> Revaluation allowance	(2,469)			-	(2,952)			-
<u>Less</u> Allowance for impairment	(377)			(377)	(207)			(207)
Total	1,029			1,029	3,646			3,646
Securities Available-for-Sale								
Government and state								
enterprise securities	19,964	14	(1)	19,977	19,978	153	(2)	20,129
Private sector's debt								
securities	414	3	-	417	871	6	-	877
Foreign sector's debt								
securities	500	5	-	505	1,570	-	(18)	1,552
	20,878	22	(1)	20,899	22,419	159	(20)	22,558
<u>Add</u> Revaluation allowance	21			-	139			-
Total	20,899			20,899	22,558			22,558
Securities Held-to-Maturity								
Government and state								
enterprise securities	1,202	21	-	1,223	-			-
Private sector's debt								
securities	57	-	-	57	50			50
	1,259	21	-	1,280	50			50
<u>Less</u> Allowance for impairment	(50)			(50)	(50)			(50)
Total	1,209			1,230	-			-
Securities for General Investments								
Investment in accounts								
receivable	836			836	947			947
Total	836			836	947			947
Total Current Investments, net	23,973			23,994	27,151			27,151

5.2 Long -Term Investments

Unit : Million Baht

CONSOLIDATED FINANCIAL STATEMENTS								
September 30, 2009					December 31, 2008			
	Cost/Amortized	Unrealized	Unrealized	Fair	Cost/Amortized	Unrealized	Unrealized	Fair
	Cost	Gains	Losses	Value	Cost	Gains	Losses	Value
Securities Available-for-Sale								
Government and state								
enterprise securities	20,893	80	(116)	20,857	8,987	242	(2)	9,227
Private sector's debt								
securities	3,663	53	(5)	3,711	3,591	25	(7)	3,609
Foreign sector's debt								
securities	848	34	-	882	1,348	71	-	1,419
Domestic marketable equity								
securities	3,391	25	(34)	3,382	3,364	1	(565)	2,800
Others	-	-	-	-	170	-	(10)	160
	<u>28,795</u>	<u>192</u>	<u>(155)</u>	<u>28,832</u>	<u>17,460</u>	<u>339</u>	<u>(584)</u>	<u>17,215</u>
<u>Add (less) Revaluation</u>								
allowance	37			-	(245)			-
<u>Less Allowance for impairment</u>	<u>(437)</u>			<u>(437)</u>	<u>(455)</u>			<u>(455)</u>
Total	<u>28,395</u>			<u>28,395</u>	<u>16,760</u>			<u>16,760</u>
Securities Held-to-Maturity								
Government and state								
enterprise securities	4,560	19	-	4,579	5,750	58	-	5,808
Private sector's debt								
securities	-	-	-	-	16	-	-	16
Total	<u>4,560</u>	<u>19</u>	<u>-</u>	<u>4,579</u>	<u>5,766</u>	<u>58</u>	<u>-</u>	<u>5,824</u>
Securities for General								
Investments								
Domestic non-marketable								
equity securities	4,230			4,053	4,579			4,114
Foreign non-marketable								
equity securities	27			21	28			19
Investment in accounts receivable	<u>1,341</u>			<u>1,341</u>	<u>2,108</u>			<u>2,108</u>
Total	<u>5,598</u>			<u>5,415</u>	<u>6,715</u>			<u>6,241</u>
<u>Less Allowance for impairment</u>	<u>(290)</u>			<u>-</u>	<u>(295)</u>			<u>-</u>
Total	<u>5,308</u>			<u>5,415</u>	<u>6,420</u>			<u>6,241</u>
Total Long-term Investments, net	<u>38,263</u>			<u>38,389</u>	<u>28,946</u>			<u>28,825</u>

Unit : Million Baht

SEPARATE FINANCIAL STATEMENTS								
	September 30, 2009				December 31, 2008			
	Cost/Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value	Cost/Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
Securities Available-for-Sale								
Government and state								
enterprise securities	20,893	80	(115)	20,858	8,987	242	(2)	9,227
Private sector's debt								
securities	3,663	53	(5)	3,711	3,523	25	(7)	3,541
Foreign sector's debt								
securities	848	34	-	882	1,348	71	-	1,419
Domestic marketable equity								
securities	3,284	25	(28)	3,281	3,258	1	(558)	2,701
	28,688	192	(148)	28,732	17,116	339	(567)	16,888
<u>Add (less) Revaluation</u>								
allowance	44			-	(228)			-
<u>Less Allowance for impairment</u>	(437)			(437)	(387)			(387)
Total	28,295			28,295	16,501			16,501
Securities Held-to-Maturity								
Government and state								
enterprise securities	4,438	19	-	4,457	5,750	58	-	5,808
Private sector's debt								
securities	-	-	-	-	16	-	-	16
Total	4,438	19	-	4,457	5,766	58	-	5,824
Securities for General								
Investments								
Domestic non-marketable								
equity securities	4,195			4,019	4,563			4,098
Foreign non-marketable								
equity securities	27			21	28			19
Investment in accounts receivable	1,341			1,341	2,108			2,108
Total	5,563			5,381	6,699			6,225
<u>Less Allowance for impairment</u>	(274)			-	(279)			-
Total	5,289			5,381	6,420			6,225
Total Long-term Investments, net	38,022			38,133	28,687			28,550

As at September 30, 2009 and December 31, 2008, long-term investments classified as debt securities held-to-maturity (government and state enterprise securities) included the 10 year-term non-negotiable promissory notes availed by Financial Institutions Development Fund in the consolidated financial statements and separate financial statements of Baht 3,899 million and Baht 4,023 million, respectively, issued by the Thai Asset Management Corporation (TAMC) for asset transfer to TAMC. During the nine-month period ended September 30, 2009, TAMC redeemed promissory notes of the Bank of Baht 124 million, and during the year 2008, TAMC redeemed promissory notes of the Bank of Baht 354 million.

As at September 30, 2009, the Bank assessed the fair value of the CDO investments by using the prices calculated by arrangers. The Bank recorded unrealized losses on the mark-to-market and loss on impairment for CDO investment at 100% of these investments.

The Bank's Collateralized Debt Obligations (CDO) are Managed Synthetic IG Corporate CDO, in which the underlying assets are the reference entities' debt. They are diversified across more than 20 industries in the U.S., Europe and Emerging Markets. The total amount of the CDO investment is USD 85 million. Maturity dates are between December 30, 2012 and September 20, 2013. CDO tranche ratings, which are rated by Standard & Poor's as of September 30, 2009 and December 31, 2008, were "B-", "CCC-" and "D", and "BB+", "B-" and "CCC-", respectively.

5.3 Investments in subsidiaries and associated companies

The Bank's 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, are as follows:

Unit : Million Baht						
CONSOLIDATED FINANCIAL STATEMENTS						
				September 30, 2009	December 31, 2008	
Company Name	Business Type	Securities Investment Type	Ownership %	Investment (Cost)	Investment (Book value)	Investment (Book value)
Associated company						
Krungsriyudhya Card Company Limited	Credit card	Common stock	49.99	550	870	777
Investments in associated company, net				<u>550</u>	<u>870</u>	<u>777</u>

Unit : Million Baht

SEPARATE FINANCIAL STATEMENTS

Company Name	Business Type	Securities Investment Type	September 30, 2009		December 31, 2008			
			Ownership %	Investment Cost	Ownership %	Investment Cost		
Subsidiaries								
Siam Realty and Services Company Limited	Car rent and personnel services	Common stock	99.99	}	100	99.99	}	100
Ayudhya Development Leasing Company Limited	Leasing	Common stock	99.99		929	99.99		929
Ayudhya Auto Lease Public Company Limited	Auto leasing	Common stock	99.55		2,230	99.55		2,230
		Preferred stock			500			500
		Warrant			12			12
K.S. Law Office Company Limited	Legal advisory services	Common stock	99.99		32	99.99		32
Ayudhya Fund Management Company Limited	Fund management	Common stock	76.59		204	99.99		267
Ayudhya Asset Management Company Limited	Assets management	Common stock	99.99		6,000	99.99		6,000
Ayudhya Securities Public Company Limited	Securities	Common stock	86.33		637	86.33		637
Ayudhya Capital Lease Company Limited	Auto leasing	Common stock	99.99		3,000	99.99		3,000
Ayudhya Factoring Company Limited	Factoring	Common stock	99.99		100	99.99		100
Ayudhya Hire Purchase Company Limited	Hire-purchase of used cars	Common stock	99.99		500	99.99		500
Ayudhya Capital Auto Lease Public Company Limited (formerly GE Capital Auto Lease Public Company Limited)	Hire-purchase and auto leasing	Common stock	99.99		16,281	99.99		16,281
Ayudhya Total Solutions Public Company Limited (formerly AIG Retail Bank Public Company Limited)	Hire-purchase	Common stock	99.76		1,529	-		-
Ayudhya Card Services Company Limited (formerly AIG Card (Thailand) Company Limited)	Credit card and personal loan	Common stock	99.99		4	-		-
CFG Services Company Limited	Hire-purchase	Common stock	99.99	}	26	-		-
		Preferred stock			1			
Associated company								
Krungsriayudhya Card Company Limited	Credit card	Common stock	49.99		550	49.99		550
Investments in subsidiaries and associated company					32,635			31,138
Less Allowance for impairment					(2,975)			(2,998)
Investments in subsidiaries and associated company, net					29,660			28,140

Information about financial position and the results of operations are summarized from the financial statements of associated company which was adjusted to align with the Bank's accounting policy as follows:

KRUNGSRIAYUDHYA CARD COMPANY LIMITED
CONDENSED BALANCE SHEETS

Unit : Million Baht

	As at September 30, 2009	As at December 31, 2008
ASSETS	<u>14,794</u>	<u>15,614</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities	13,047	14,055
Shareholders' equity	<u>1,747</u>	<u>1,559</u>
	<u>14,794</u>	<u>15,614</u>

KRUNGSRIAYUDHYA CARD COMPANY LIMITED
CONDENSED STATEMENTS OF INCOME
FOR THE QUARTERS AND THE NINE-MONTH PERIODS ENDED SEPTEMBER 30,

Unit : Million Baht

	For the quarters		For the nine-month periods	
	2009	2008	2009	2008
REVENUES	571	274	1,904	1,674
EXPENSES	<u>603</u>	<u>408</u>	<u>1,716</u>	<u>1,607</u>
NET INCOME (LOSS)	<u>(32)</u>	<u>(134)</u>	<u>188</u>	<u>67</u>
BASIC EARNINGS (LOSS) PER SHARE (BAHT)	(0.29)	(1.22)	1.71	0.61

Information about financial position, results of operations and cash flows which is summarized from the financial statements of Ayudhya Asset Management Company Limited is as follows:

AYUDHYA ASSET MANAGEMENT COMPANY LIMITED
CONDENSED BALANCE SHEETS

Unit : Million Baht

	As at September 30, 2009	As at December 31, 2008
ASSETS		
Cash and deposit at financial institution	20	338
Investments in receivables, net	7,022	8,002
Loans and accrued interest receivable, net	1,087	1,358
Properties foreclosed, net	8,297	7,407
Equipment, net	6	3
Amounts due from parent company	746	576
Cash advance	233	220
Other assets	51	42
TOTAL ASSETS	<u>17,462</u>	<u>17,946</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities		
Borrowings	15,199	15,918
Other liabilities	193	200
Shareholders' equity	<u>2,070</u>	<u>1,828</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>17,462</u>	<u>17,946</u>

AYUDHYA ASSET MANAGEMENT COMPANY LIMITED
CONDENSED STATEMENTS OF INCOME
FOR THE QUARTERS AND THE NINE-MONTH PERIODS ENDED SEPTEMBER 30,

Unit : Million Baht

	For the quarters 2009	2008	For the nine-month periods 2009	2008
Interest and dividend income	85	126	250	326
Interest expenses	<u>86</u>	<u>103</u>	<u>177</u>	<u>290</u>
Net interest and dividend income	(1)	23	73	36
Bad debt and doubtful accounts	<u>-</u>	<u>2</u>	<u>78</u>	<u>28</u>
Net interest and dividend income after bad debt and doubtful accounts and loss on debt restructuring	(1)	21	(5)	8
Non-interest income	228	132	442	407
Non-interest expenses	<u>82</u>	<u>56</u>	<u>195</u>	<u>166</u>
Net income	<u>145</u>	<u>97</u>	<u>242</u>	<u>249</u>
Basic earnings per share (Baht)	0.24	0.16	0.40	0.41

AYUDHYA ASSET MANAGEMENT CO., LTD.
STATEMENTS OF CASH FLOWS
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30,

	Unit : Million Baht	
	2009	2008
Cash flows from operation activities		
Income before income tax	242	249
Adjustments to reconcile income to cash provided by (used in) operating activities		
Depreciation and amortization	2	2
Bad debt and doubtful accounts	78	28
Gain on transfer of investments in receivables to loans	-	(1)
Gain on sales of properties foreclosed	(113)	(140)
Other income	(1)	(12)
Loss on impairment of properties foreclosed	27	-
Interest expenses	177	290
Decrease in accrued non-interest payable	(14)	(130)
Increase in staff pension fund	-	1
Cash paid for interest expense	(176)	(293)
Cash paid for income tax	(8)	(10)
Gain (loss) from operations before changes in operating assets and liabilities	214	(16)
(Increase) decrease in operating assets		
General investments	-	1
Investments in receivables	901	(600)
Loans and receivables	271	188
Properties foreclosed	(804)	1,964
Amount due from parent company	(170)	294
Cash advance	(12)	(59)
Other assets	(1)	228
Increase (decrease) in operating liabilities		
Amount due to parent company	(4)	(8)
Deposits for purchasing of properties foreclosed	12	25
Other liabilities	(1)	3
Net cash provided by operating activities	406	2,020
Cash flows from investing activities		
Cash paid for purchase of equipment	(4)	-
Net cash used in investing activities	(4)	-
Cash flows from financing activities		
Decrease in borrowings	(720)	(2,123)
Net cash used in financing activities	(720)	(2,123)
Net decrease in cash and cash equivalents	(318)	(103)
Cash and cash equivalents as at January 1,	338	170
Cash and cash equivalents as at September 30,	20	67

Investments in companies in which the Bank and subsidiaries hold more than 10% of the paid-up capital in each company, classified according to industry groups, are as follows:

Unit : Million Baht		
CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS		
	September 30, 2009	December 31, 2008
Manufacturing	21	29
Banking and finance	-	11
Total	<u>21</u>	<u>40</u>

In the consolidated financial statements and the separate financial statements as at September 30, 2009 and December 31, 2008, the Bank and its subsidiary had investments in available-for-sale securities and general investments of 2 companies subject to be delisted from the SET, with costs of Baht 13 million and market price of Baht 0.

5.4 Securities used as collateral

Government and state enterprise securities with face values of Baht 1,167 million and Baht 176 million were used as collateral for other commitments with government departments and state enterprises as at September 30, 2009 and December 31, 2008, respectively.

6. LOANS AND ACCRUED INTEREST RECEIVABLES

(1) Classified by products

		Unit : Million Baht			
		CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		September 30, 2009	December 31, 2008	September 30, 2009	December 31, 2008
Overdrafts		44,783	46,767	41,821	43,400
Loan against contract		234,700	266,610	343,975	367,414
Trade bill		149,774	129,938	148,955	129,045
Hire-purchase receivable		130,730	120,891	-	-
Lease contract receivable		11,356	10,579	-	-
Factoring receivable		891	998	-	-
Others		6,782	1,145	626	654
Total		<u>579,016</u>	<u>576,928</u>	<u>535,377</u>	<u>540,513</u>
<u>Less</u> Unearned income		(22,447)	(20,852)	(55)	(70)
<u>Add</u> Deferred brokerage fee, net		985	1,001	-	-
Total		<u>557,554</u>	<u>557,077</u>	<u>535,322</u>	<u>540,443</u>
<u>Add</u> Accrued interest receivables		1,542	1,683	1,433	1,580
<u>Less</u> Allowance for doubtful accounts		(37,326)	(31,410)	(26,773)	(22,829)
Revaluation allowance for debt restructuring		(352)	(897)	(352)	(897)
Total		<u><u>521,418</u></u>	<u><u>526,453</u></u>	<u><u>509,630</u></u>	<u><u>518,297</u></u>

(2) Classified by remaining maturity

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	September 30,	December 31,	September 30,	December 31,
	2009	2008	2009	2008
Not over 1 year*	289,453	228,366	224,528	203,164
Over 1 year	289,563	348,562	310,849	337,349
Total	579,016	576,928	535,377	540,513
<u>Less</u> Unearned income	(22,447)	(20,852)	(55)	(70)
<u>Add</u> Deferred brokerage fee, net	985	1,001	-	-
Total	557,554	557,077	535,322	540,443
<u>Add</u> Accrued interest receivables	1,542	1,683	1,433	1,580
Total	559,096	558,760	536,755	542,023

* Included those without agreements and past due agreements

(3) Classified by currency and residence of debtors

	CONSOLIDATED FINANCIAL STATEMENTS					
	September 30, 2009			December 31, 2008		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Baht	570,459	274	570,733	568,073	536	568,609
US Dollar	6,634	770	7,404	7,197	300	7,497
Other currencies	370	509	879	441	381	822
Total	577,463	1,553	579,016	575,711	1,217	576,928
<u>Less</u> Unearned income			(22,447)			(20,852)
<u>Add</u> Deferred brokerage fee, net			985			1,001
Total			557,554			557,077
<u>Add</u> Accrued interest receivables			1,542			1,683
Total			559,096			558,760

	SEPARATE FINANCIAL STATEMENTS					
	September 30, 2009			December 31, 2008		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Baht	526,821	274	527,095	531,658	536	532,194
US Dollar	6,633	770	7,403	7,197	300	7,497
Other currencies	370	509	879	441	381	822
Total	533,824	1,553	535,377	539,296	1,217	540,513
<u>Less</u> Unearned income			(55)			(70)
Total			535,322			540,443
<u>Add</u> Accrued interest receivables			1,433			1,580
Total			536,755			542,023

(4) Classified by business type and classification

Unit : Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2009

	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total
Agriculture and mining	5,883	358	165	142	1,647	8,195
Manufacturing and trading	142,283	4,753	3,009	3,699	20,994	174,738
Real estate and construction	38,596	1,504	812	1,025	6,864	48,801
Public utilities and services	89,945	4,403	469	1,081	4,442	100,340
Housing loans	71,267	2,574	1,142	1,275	4,337	80,595
Others	152,023	9,314	1,606	1,459	1,945	166,347
Total	499,997	22,906	7,203	8,681	40,229	579,016
<u>Less</u> Unearned income						(22,447)
<u>Add</u> Deferred brokerage fee, net						985
Total						557,554
<u>Add</u> Accrued interest receivables						1,542
Total						559,096

Unit : Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2008

	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total
Agriculture and mining	6,193	343	310	213	1,618	8,677
Manufacturing and trading	162,499	5,334	4,309	4,515	19,143	195,800
Real estate and construction	38,561	2,131	1,068	2,223	6,359	50,342
Public utilities and services	81,313	5,442	1,085	1,154	4,201	93,195
Housing loans	58,241	1,494	896	907	3,179	64,717
Others	148,997	10,720	1,869	1,270	1,341	164,197
Total	495,804	25,464	9,537	10,282	35,841	576,928
<u>Less</u> Unearned income						(20,852)
<u>Add</u> Deferred brokerage fee, net						1,001
Total						557,077
<u>Add</u> Accrued interest receivables						1,683
Total						558,760

Unit : Million Baht

SEPARATE FINANCIAL STATEMENTS

September 30, 2009

	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total
Agriculture and mining	5,799	355	161	134	926	7,375
Manufacturing and trading	139,868	4,521	2,922	3,594	14,896	165,801
Real estate and construction	37,286	1,462	530	975	4,301	44,554
Public utilities and services	89,692	4,392	463	1,068	3,020	98,635
Housing loans	62,108	1,087	879	1,034	1,873	66,981
Others	149,194	697	341	452	1,347	152,031
Total	483,947	12,514	5,296	7,257	26,363	535,377
<u>Less</u> Unearned income						(55)
Total						535,322
<u>Add</u> Accrued interest receivables						1,433
Total						536,755

Unit : Million Baht

SEPARATE FINANCIAL STATEMENTS

December 31, 2008

	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total
Agriculture and mining	6,189	253	296	213	853	7,804
Manufacturing and trading	159,909	5,222	3,992	4,420	12,563	186,106
Real estate and construction	37,604	1,901	964	2,205	3,686	46,360
Public utilities and services	80,894	5,430	1,082	1,134	2,739	91,279
Housing loans	58,180	1,437	859	886	1,093	62,455
Others	144,096	1,172	275	222	744	146,509
Total	486,872	15,415	7,468	9,080	21,678	540,513
<u>Less</u> Unearned income						(70)
Total						540,443
<u>Add</u> Accrued interest receivables						1,580
Total						542,023

(5) Classified by type of classification

Unit : Million Baht				
CONSOLIDATED FINANCIAL STATEMENTS				
September 30, 2009				
	Loans and Accrued Interest Receivable	Outstanding Balance after Deduction of Collateral	% Set Up***	Minimum Allowance per BOT Guideline
Normal - Securities Business receivable	122	122	1	1
Normal	479,767	228,249	1	4,041
Special mention	22,127	9,585	2	1,118
Substandard	7,035	3,123	100	2,837
Doubtful	8,500	3,783	100	3,518
Doubtful of loss	40,560	15,457	100	16,212
Total	558,111	260,319		27,727**
Add Deferred brokerage fee, net	985			
Total	559,096			
Surplus Reserve				9,599*
				<u>37,326</u>

Unit : Million Baht				
CONSOLIDATED FINANCIAL STATEMENTS				
December 31, 2008				
	Loans and Accrued Interest Receivable	Outstanding Balance after Deduction of Collateral	% Set Up	Minimum Allowance per BOT Guideline
Normal - Securities Business receivable	131	131	-	-
Normal	478,459	213,455	1	2,732
Special mention	23,479	13,414	2	517
Substandard	9,256	3,671	100	3,594
Doubtful	10,207	5,219	100	5,238
Doubtful of loss	36,227	13,038	100	13,352
Total	557,759	248,928		25,433**
Add Deferred brokerage fee, net	1,001			
Total	558,760			
Surplus Reserve				5,977*
				<u>31,410</u>

(* Including allowance for doubtful accounts of loans granted to subsidiaries as at September 30, 2009 and December 31, 2008, at the rate of 1% of Baht 117,896 million and Baht 109,924 million equal to Baht 1,179 million and Baht 1,099 million, respectively, which are eliminated from loans classified as normal in the consolidated financial statements.)

(** Excluding revaluation allowance for debt restructuring as at September 30, 2009 and December 31, 2008, of Baht 352 million and Baht 897 million, respectively, and excluding allowance for doubtful accounts for interbank and money market items as at September 30, 2009 and December 31, 2008, of Baht 78 million and Baht 52 million, respectively, but including allowance for doubtful accounts on a collective approach for hire-purchase loans as at September 30, 2009 of Baht 2,827 million.)

(*** % Set up is the minimum rate required by the Bank of Thailand for normal loans prior to reflecting the collective approach valuation.)

Unit : Million Baht

SEPARATE FINANCIAL STATEMENTS AND AYUDHYA
ASSET MANAGEMENT COMPANY LIMITED

September 30, 2009

	Loans and Accrued Interest Receivable	Outstanding Balance after Deduction of Collateral	% Set Up	Minimum Allowance per BOT Guideline
Normal	469,334	224,414	1	3,891
Special mention	12,985	694	2	332
Substandard	5,443	1,761	100	1,775
Doubtful	7,431	2,753	100	2,790
Doubtful of loss	39,459	14,612	100	15,367
Total	<u>534,652</u>	<u>244,234</u>		24,155
Surplus Reserve				<u>7,607*</u>
				<u>31,762</u>

Unit : Million Baht

SEPARATE FINANCIAL STATEMENTS AND AYUDHYA
ASSET MANAGEMENT COMPANY LIMITED

December 31, 2008

	Loans and Accrued Interest Receivable	Outstanding Balance after Deduction of Collateral	% Set Up	Minimum Allowance per BOT Guideline
Normal	471,736	227,118	1	2,868
Special mention	15,999	5,817	2	365
Substandard	7,722	2,500	100	2,423
Doubtful	9,224	4,323	100	4,383
Doubtful of loss	35,860	12,812	100	13,084
Total	<u>540,541</u>	<u>252,570</u>		23,123
Surplus Reserve				<u>4,783*</u>
				<u>27,906</u>

(* Including allowance for doubtful accounts of loans granted to Ayudhya Asset Management Company Limited as at September 30, 2009 and December 31, 2008, at the rate of 1% of Baht 15,201 million and Baht 15,918 million equal to Baht 152 million and Baht 159 million, respectively which are eliminated from loans classified as normal in the consolidated financial statements.)

Unit : Million Baht

SEPARATE FINANCIAL STATEMENTS

September 30, 2009

	Loans and Accrued Interest Receivable	Outstanding Balance after Deduction of Collateral	% Set Up	Minimum Allowance per BOT Guideline
Normal	484,511	239,611	1	4,043
Special mention	12,913	688	2	332
Substandard	5,336	1,739	100	1,753
Doubtful	7,312	2,724	100	2,761
Doubtful of loss	26,683	11,400	100	12,154
Total	536,755	256,162		21,043**
Surplus Reserve				5,730*
				26,773

Unit : Million Baht

SEPARATE FINANCIAL STATEMENTS

December 31, 2008

	Loans and Accrued Interest Receivable	Outstanding Balance after Deduction of Collateral	% Set Up	Minimum Allowance per BOT Guideline
Normal	487,551	243,021	1	3,027
Special mention	15,884	5,811	2	365
Substandard	7,497	2,446	100	2,370
Doubtful	9,140	4,301	100	4,361
Doubtful of loss	21,951	9,385	100	9,657
Total	542,023	264,964		19,780**
Surplus Reserve				3,049*
				22,829

(* Including allowance for doubtful accounts of loan granted to subsidiaries as at September 30, 2009 and December 31, 2008, at the rate of 1% of Baht 117,896 million and Baht 109,924 million, equal to Baht 1,179 million and Baht 1,099 million, respectively.)

(** Excluding revaluation allowance for debt restructuring as at September 30, 2009 and December 31, 2008, of Baht 352 million and Baht 897 million, respectively and excluding allowance for doubtful accounts for interbank and money market items as at September 30, 2009 and December 31, 2008, of Baht 78 million and Baht 52 million, respectively.)

For the nine-month period ended September 30, 2009, the Bank entered into an agreement to sell non-performing loan (NPLs) with book value of Baht 246 million and net book value of Baht 85 million to a subsidiary for Baht 85 million. The amount has been received.

For the year ended December 31, 2008, the Bank entered into an agreement to sell non-performing loan (NPLs) with book value of Baht 8,977 million and net book value of Baht 3,488 million to a third party for Baht 3,488 million. The amount had been received. Moreover, the Bank entered into an agreement to sell non-performing loans (NPLs) with book value of Baht 6,035 million and net book value of Baht 2,122 million to a related company for Baht 2,122 million. The amount had been received.

In addition, the Bank entered into an agreement to sell non-performing loans (NPLs) with book value of Baht 189 million and net book value of Baht 41 million to a subsidiary for Baht 41 million. The amount had been received.

As at September 30, 2009 and December 31, 2008, the Bank and Ayudhya Asset Management Company Limited (“AMC”) had non-performing loans which included interbank and money market items as follows:

	Unit : Million Baht		
	September 30, 2009		
	Bank only	AMC	The Bank and AMC
Non-performing loans	38,916	12,837	51,753
Percentage of total loans	6.38	99.26	8.31
Non-performing loans, net	22,246	9,573	31,819
Percentage of total loans, net	3.75	99.01	5.28

	Unit : Million Baht		
	December 31, 2008		
	Bank only	AMC	The Bank and AMC
Non-performing loans	38,226	14,040	52,266
Percentage of total loans	6.26	98.46	8.37
Non-performing loans, net	21,838	10,537	32,375
Percentage of total loans, net	3.68	97.96	5.36

As at September 30, 2009 and December 31, 2008, the Bank and its subsidiaries’ non-performing loans are Baht 55,504 million and Baht 55,137 million, respectively.

(6) Troubled Debt Restructuring

Consolidated financial statements

For the quarter and nine-month period ended September 30, 2009, the Bank and its subsidiaries had restructured the following debts :

	CONSOLIDATED FINANCIAL STATEMENTS	
	Number	Amount of Debt before Restructuring (Million Baht)
Total debt restructured during the quarter ended September 30, 2009	967	3,902
Total debt restructured during the nine-month period ended September 30, 2009	1,970	11,431
Total debtors as at September 30, 2009	1,269,926	559,096

Details of restructured debts of the Bank and its subsidiaries for the quarter and nine-month period ended September 30, 2009 are as follows:

CONSOLIDATED FINANCIAL STATEMENTS				
For the quarter ended September 30, 2009				
Form of Restructuring	Number	Debt per the Accounts before Restructuring (Million Baht)	Type of Assets Acquired	Fair Value (Million Baht)
Transfer of assets	5	90	Land, building and condominium	64
Conversion to equity	2	13		
Modification of terms	545	1,323		
Reduction of principal and interest	309	1,598		
Various forms of restructuring (including modification of terms)	106	878	Land and building	29
Total	967	3,902		93

CONSOLIDATED FINANCIAL STATEMENTS				
For the nine-month period ended September 30, 2009				
Form of Restructuring	Number	Debt per the Accounts before Restructuring (Million Baht)	Type of Assets Acquired	Fair Value (Million Baht)
Transfer of assets	7	93	Land, building and condominium	66
Conversion to equity	2	13		
Modification of terms	1,020	2,731		
Reduction of principal and interest	691	4,062		
Various forms of restructuring (including modification of terms)	250	4,532	Land and building	42
Total	1,970	11,431		108

For the nine-month period ended September 30, 2009, the Bank and its subsidiaries calculated the net realizable value for the troubled debt restructured by the modification of terms using the present value of future cash flows under the restructured loan agreement, discounted by the market rate, together with the fair value of collateral as follows:

CONSOLIDATED FINANCIAL STATEMENTS				
Method	Average Aging (Year)	Number	Amount of Debt Before Restructuring (Million Baht)	Amount of Debt After Restructuring (Million Baht)
Present value of future cash flows	6.71	44	379	358
Fair value of collateral	4.53	976	2,352	1,858

As at September 30, 2009, the Bank and its subsidiaries had outstanding debts of Baht 6,240 million which had been restructured by modification of repayment terms.

As at September 30, 2009, the Bank and its subsidiaries had restructured outstanding debts of Baht 47,533 million, including debts restructured during the quarter and nine-month period ended September 30, 2009 of Baht 2,584 million and Baht 8,355 million, respectively. For the quarter and nine-month period ended September 30, 2009, the Bank and its subsidiaries recognized interest received from debt restructured of Baht 316 million and Baht 1,123 million respectively, and reversal of loss on debt restructured of Baht 537 million and loss on debt restructured of Baht 548 million, respectively, in the statement of income.

As at September 30, 2009, the balance of such debt restructured included NPLs of Baht 19,896 million.

For the year ended December 31, 2008, the Bank and its subsidiaries had restructured the following debts:

	CONSOLIDATED FINANCIAL STATEMENTS	
	Number	Amount of Debt before Restructuring (Million Baht)
Total debt restructured during the year ended December 31, 2008	1,940	20,413
Total debtors as at December 31, 2008	846,852	558,760

Details of restructured debts of the Bank and its subsidiaries for the year ended December 31, 2008, were as follows:

Form of Restructuring	Number	CONSOLIDATED FINANCIAL STATEMENTS		
		Amount of debt before Restructuring (Million Baht)	Type of Assets Acquired	Fair Value (Million Baht)
Transfer of assets	5	177	Land, building and condominium	204
Conversion to equity	1	5		
Modification of terms	841	2,238		
Reduction of principal and interest	856	9,758		
Various forms of restructuring (including modification of terms)	237	8,235	Land and building	136
Total	<u>1,940</u>	<u>20,413</u>		<u>340</u>

For the year ended December 31, 2008, the Bank and its subsidiaries calculated the net realizable value for the troubled debt restructured by the modification of terms using the present value of future cash flows under the restructured loan agreement, discounted by the market rate, together with the fair value of collateral as follows:

Method	CONSOLIDATED FINANCIAL STATEMENTS			
	Average Aging (Year)	Number	Amount of Debt before Restructuring (Million Baht)	Amount of Debt after Restructuring (Million Baht)
Present value of future cash flows	0.57	398	746	98
Fair value of collateral	6.42	443	1,492	1,280

As at December 31, 2008, the Bank and its subsidiaries had debts outstanding of Baht 6,251 million which had been restructured by modification of repayment terms.

As at December 31, 2008, the Bank and its subsidiaries had restructured debts of Baht 54,514 million, including debts restructured for the year of Baht 10,366 million. For the year ended December 31, 2008, the Bank and its subsidiaries recognized interest received from debt restructured of Baht 2,018 million. The loss on debt restructured of Baht 638 million had been recognized in the statement of income.

As at December 31, 2008, the balance of such debt restructured included NPLs of Baht 21,112 million.

Separate financial statements

For the quarter and nine-month period ended September 30, 2009, the Bank had restructured the following debts:

	SEPARATE FINANCIAL STATEMENTS	
	Number	Amount of Debt before Restructuring (Million Baht)
Total debt restructured during the quarter ended September 30, 2009	838	3,687
Total debt restructured during the nine-month period ended September 30, 2009	1,703	11,064
Total debtors as at September 30, 2009	196,337	536,755

Details of restructured debts of the Bank for the quarter and nine-month period ended September 30, 2009, are as follows:

SEPARATE FINANCIAL STATEMENTS				
For the quarter ended September 30, 2009				
Form of Restructuring	Number	Debt per the Accounts before Restructuring (Million Baht)	Type of Assets Acquired	Fair Value (Million Baht)
Transfer of assets	3	87	Land and building	64
Conversion to equity	2	13		
Modification of terms	418	1,111		
Reduction of principal and interest	309	1,598		
Various forms of restructuring (including modification of terms)	106	878	Land and building	29
Total	<u>838</u>	<u>3,687</u>		<u>93</u>

SEPARATE FINANCIAL STATEMENTS				
For the nine-month period ended September 30, 2009				
Form of Restructuring	Number	Debt per the Accounts before Restructuring (Million Baht)	Type of Assets Acquired	Fair Value (Million Baht)
Transfer of assets	5	89	Land and building	66
Conversion to equity	2	13		
Modification of terms	755	2,367		
Reduction of principal and interest	691	4,063		
Various forms of restructuring (including modification of terms)	250	4,532	Land and building	42
Total	<u>1,703</u>	<u>11,064</u>		<u>108</u>

For the nine-month period ended September 30, 2009, the Bank calculated the net realizable value for the troubled debt restructured by the modification of terms using the present value of future cash flows under the restructured loan agreement, discounted by the market rate, together with the fair value of collateral as follows:

SEPARATE FINANCIAL STATEMENTS				
Method	Average Aging (Year)	Number	Amount of Debt before Restructuring (Million Baht)	Amount of Debt after Restructuring (Million Baht)
Present value of future cash flows	6.71	44	379	358
Fair value of collateral	6.16	711	1,988	1,858

As at September 30, 2009, the Bank had outstanding debts of Baht 6,240 million which had been restructured by modification of repayment terms.

As at September 30, 2009, the Bank had restructured outstanding debts of Baht 45,906 million, including debts restructured during the quarter and nine-month period ended September 30, 2009 of Baht 2,372 million and Baht 7,991 million, respectively. For the quarter and nine-month period ended September 30, 2009, the Bank recognized interest received from debt restructured of Baht 308 million and Baht 1,096 million, respectively, and reversal of loss on debt restructured of Baht 535 million and loss on debt restructured of Baht 549 million, respectively, in the statement of income.

As at September 30, 2009, the balance of such debt restructured included NPLs of Baht 18,366 million.

For the year ended December 31, 2008, the Bank had restructured the following debts:

	SEPARATE FINANCIAL STATEMENTS	
	Number	Amount of Debt before Restructuring (Million Baht)
Total debt restructured during the year ended December 31, 2008	1,567	19,665
Total debtors as at December 31, 2008	191,966	542,023

Details of restructured debts of the Bank for the year ended December 31, 2008, are as follows:

Form of Restructuring	Number	SEPARATE FINANCIAL STATEMENTS		
		Amount of Debt before Restructuring (Million Baht)	Type of Assets Acquired	Fair Value (Million Baht)
Transfer of assets	2	44	Land, building and condominium	38
Conversion to equity	1	5		
Modification of terms	471	1,623		
Reduction of principal and interest	856	9,758		
Various forms of restructuring (including modification of terms)	237	8,235	Land and building	136
Total	<u>1,567</u>	<u>19,665</u>		<u>174</u>

For the year ended December 31, 2008, the Bank calculated the net realizable value for the troubled debt restructured by the modification of terms using the present value of future cash flows under the restructured loan agreement, discounted by the market rate, together with the fair value of collateral as follows:

Method	Average Aging (Year)	SEPARATE FINANCIAL STATEMENTS		
		Number	Amount of Debt before Restructuring (Million Baht)	Amount of Debt after Restructuring (Million Baht)
Present value of future cash flows	5.80	28	131	97
Fair value of collateral	6.42	443	1,492	1,280

As at December 31, 2008, the Bank had debts outstanding of Baht 6,250 million which had been restructured by modification of repayment terms.

As at December 31, 2008, the Bank had the restructured debts of Baht 52,667 million, including debts restructured during the year of Baht 10,365 million. For the year ended December 31, 2008, the Bank recognized interest received from debt restructured of Baht 1,957 million, and loss on debt restructured of Baht 638 million in the statement of income.

As at December 31, 2008, the balance of such debt restructured included NPLs of Baht 19,457 million.

7. ALLOWANCE FOR DOUBTFUL ACCOUNTS

Unit : Million Baht

CONSOLIDATED FINANCIAL STATEMENTS							
September 30, 2009							
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Surplus Reserve	Total
Beginning balance	2,732	517	3,594	5,238	13,352	5,977	31,410
Beginning balance of subsidiaries							
as of investment date	209	46	582	190	807	157	1,991
Doubtful accounts	1,101	555	(1,336)	(1,908)	3,569	3,465	5,446*
Bad debts written off	-	-	(3)	-	(1,176)	-	(1,179)
Bad debt reversal	-	-	-	-	140	-	140
Bad debt written off from sales							
of NPLs	-	-	-	-	(483)	-	(483)
Other	-	-	-	(2)	3	-	1
Ending balance	4,042	1,118	2,837	3,518	16,212	9,599	37,326

Unit : Million Baht

CONSOLIDATED FINANCIAL STATEMENTS							
December 31, 2008							
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Surplus Reserve	Total
Beginning balance	1,301	292	4,578	4,940	17,488	5,381	33,980
Beginning balance of subsidiaries							
as of investment date	603	268	1,198	774	36	79	2,958
Doubtful accounts	863	(29)	(2,119)	(160)	6,027	516	5,098*
Bad debts written off	-	-	-	-	(1,229)	-	(1,229)
Bad debts reversal	-	-	-	-	153	-	153
Bad debts written off from sales							
of NPLs	(35)	(14)	(63)	(316)	(9,123)	-	(9,551)
Other	-	-	-	-	-	1	1
Ending balance	2,732	517	3,594	5,238	13,352	5,977	31,410

(* Including adjustment of the fair value of loans and receivable of Ayudhya Capital Auto Lease Public Company Limited (formerly GE Capital Auto Lease Public Company Limited) at acquisition date.)

As at September 30, 2009, the consolidated financial statements included the allowance for doubtful account of hire-purchase loans applied a collective approach basis in the amount of Baht 2,827 million.

Unit : Million Baht

SEPARATE FINANCIAL STATEMENTS

September 30, 2009

	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Surplus Reserve	Total
Beginning balance	3,027	365	2,370	4,361	9,657	3,049	22,829
Doubtful accounts	1,016	(33)	(617)	(1,600)	2,507	2,682	3,955
Bad debt written off	-	-	-	-	(6)	-	(6)
Bad debt reversal	-	-	-	-	144	-	144
Bad debt written off from sales of NPLs	-	-	-	-	(148)	-	(148)
Other	-	-	-	-	-	(1)	(1)
Ending balance	4,043	332	1,753	2,761	12,154	5,730	26,773

Unit : Million Baht

SEPARATE FINANCIAL STATEMENTS

December 31, 2008

	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Surplus Reserve	Total
Beginning balance	1,618	271	4,401	4,773	13,337	3,871	28,271
Doubtful accounts	1,443	108	(1,968)	(96)	5,386	(823)	4,050
Bad debts written off	-	-	-	-	(96)	-	(96)
Bad debts reversal	-	-	-	-	153	-	153
Bad debts written off from sales of NPLs	(34)	(14)	(63)	(316)	(9,123)	-	(9,550)
Other	-	-	-	-	-	1	1
Ending balance	3,027	365	2,370	4,361	9,657	3,049	22,829

As at September 30, 2009 and December 31, 2008, the Bank estimated the minimum total allowance* under BOT Guidelines of Baht 28,155 million and Baht 26,380 million, respectively for the consolidated financial statements and Baht 21,472 million and Baht 20,736 million, respectively for the separate financial statements.

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

Unit : Million Baht

September 30, 2009 December 31, 2008

Consolidated financial statements	37,756	32,359
The Bank and Ayudhya Asset Management Company Limited	32,191	28,855
The Separate financial statements	27,203	23,777

(* Such allowance for doubtful accounts consists of allowance for doubtful accounts for loans and accrued interest receivable, allowance for doubtful accounts for interbank and money market items and revaluation allowance for debt restructuring.)

As at September 30, 2009 and December 31, 2008, the Bank and its subsidiaries had loans and accrued interest receivables to companies which have certain problems in financial position and result of operations as defined in the Guideline of the SET dated July 8, 1998 regarding the Quality of Assets and Transactions with Related Parties and the allowance for doubtful accounts for such loans as follows:

Unit : Million Baht			
CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS			
September 30, 2009			
Number	Outstanding balance	Appraisal Value of Collateral	Allowance for Doubtful Accounts
Companies subject to be delisted by the SET	3	323	1,314
Total	3	323	1,314

Unit : Million Baht			
CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS			
December 31, 2008			
Number	Outstanding balance	Appraisal Value of Collateral	Allowance for Doubtful Accounts
Companies subject to be delisted by the SET	4	307	1,510
Total	4	307	1,510

8. REVALUATION ALLOWANCE FOR DEBT RESTRUCTURING

Unit : Million Baht		
CONSOLIDATED FINANCIAL STATEMENTS		
	September 30, 2009	December 31, 2008
Beginning balance / year	897	1,239
Increase during the period / year	548	638
Amount written off	(1,093)	(980)
Ending balance / year	352	897

Unit : Million Baht		
SEPARATE FINANCIAL STATEMENTS		
	September 30, 2009	December 31, 2008
Beginning balance / year	897	1,238
Increase during the period / year	549	638
Amount written off	(1,094)	(979)
Ending balance / year	352	897

9. SHORT-TERM BORROWINGS

	Unit : Million Baht					
	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS					
	September 30, 2009			December 31, 2008		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Senior securities	26,188	-	26,188	-	-	-
Senior securities floating rate notes (US\$ 150.0 million)	-	5,032	5,032	-	5,243	5,243
Bills of exchange	6,781	-	6,781	3,767	-	3,767
Other borrowings	8	-	8	4	-	4
Total short-term borrowings	<u>32,977</u>	<u>5,032</u>	<u>38,009</u>	<u>3,771</u>	<u>5,243</u>	<u>9,014</u>

Short-term borrowings consist of the following:

- 9.1 On October 18, 2006, the Bank acquired Baht 4 million of borrowings with maturities on December 31, 2009, at the fixed interest rate of 0.50% per annum. As at September 30, 2009, the Bank had Baht 4 million which acquired in April 29, 2003 with maturity within one year with no bearing interest rate.
- 9.2 On November 14, 2006, the Bank issued senior securities floating rate notes in the amount of USD 150 million with a maturity in November 14, 2009 and carrying an interest rate of LIBOR-6 month plus 0.24% per annum, payable semi-annually in May and November of each year.
- 9.3 On March 18, 2008 and June 5, 2008 the Bank issued uncollateralized senior securities in the amount of Baht 9,924 million and Baht 16,264 million with maturity on March 18, 2010 and June 5, 2010, at the fixed interest rates of 3.85% and 4.25% per annum, respectively, payable quarterly in March, June, September and December.
- 9.4 During April 25, 2008 to December 9, 2008, the Bank issued Baht 3,767 million of bills of exchange with maturities during January 5, 2009 to September 14, 2009, at the fixed interest rates of 3.00%-4.10% per annum and the Bank had already made repayment.
- 9.5 On May 13, 2008 and August 5, 2008, the Bank issued Baht 300 million and Baht 200 million, respectively, of bills of exchange with maturities on May 13, 2010 and August 5, 2010, at the fixed rate of 4.20% and 4.67% per annum, respectively.
- 9.6 During June 20, 2008 to March 4, 2009, the subsidiary has issued Baht 31 million of bill of exchange with maturities during July 16, 2009 to January 4, 2010, at the fixed rate of 2.35% - 5.00% per annum. The subsidiary had already made repayment.
- 9.7 During January 8, 2009 to September 30, 2009 the Bank issued Baht 19,812 million of bills of exchange with maturities during June 2, 2009 to August 23, 2010, at the fixed interest rate of 1.1%-2.9% per annum and the Bank had made partial repayment in amount of Baht 13,531 million.

10. LONG-TERM BORROWINGS

Unit : Million Baht

CONSOLIDATED FINANCIAL STATEMENTS						
	September 30, 2009			December 31, 2008		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Subordinated Debentures #5	12,000	-	12,000	12,000	-	12,000
Senior securities	31,199	-	31,199	57,387	-	57,387
Bill of exchange	3,323	-	3,323	3,200	-	3,200
Other borrowings	239	-	239	256	-	256
Total long-term borrowings	<u>46,761</u>	<u>-</u>	<u>46,761</u>	<u>72,843</u>	<u>-</u>	<u>72,843</u>

Unit : Million Baht

SEPARATE FINANCIAL STATEMENTS						
	September 30, 2009			December 31, 2008		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Subordinated Debentures #5	12,000	-	12,000	12,000	-	12,000
Senior securities	31,199	-	31,199	57,387	-	57,387
Bill of exchange	4,323	-	4,323	3,200	-	3,200
Other borrowings	239	-	239	256	-	256
Total long-term borrowings	<u>47,761</u>	<u>-</u>	<u>47,761</u>	<u>72,843</u>	<u>-</u>	<u>72,843</u>

Long-term borrowings consist of the following :

- 10.1 On November 5, 2003, the Bank issued subordinated debenture #5 in the amount of Baht 12,000 million with a maturity in November 5, 2013 at the fixed rate of 4% per annum for the years 1-5 and 4.75% per annum for the years 6-10, payable quarterly on the fifth of February, May, August and November of each year. The Bank has the right to redeem debenture #5 before the maturity date subject to the approval of the Bank of Thailand.
- 10.2 During November 1, 2004 to September 30, 2009, the Bank acquired Baht 296 million of borrowings with maturities during January 31, 2011 to March 31, 2015, at the fixed interest rates of 0.00% - 0.50% per annum and the Bank had made partial repayment in the amount of Baht 57 million.
- 10.3 On October 26, 2007, the Bank issued uncollateralized senior securities in 2 tranches with interest payable quarterly in January, April, July and October of each year, as follows:

Tranche	Maturity date	Interest rate	Amount (Million Baht)
1	Oct. 26, 2010	4.25%	6,899
2	Oct. 26, 2011	4.50%	4,633

- 10.4 On March 18, 2008, the Bank issued uncollateralized senior securities in 3 tranches with interest payable quarterly in March, June, September and December of each year, as follows:

Tranche	Maturity date	Interest rate	Amount (Million Baht)
1	Mar. 18, 2010	3.85%	9,924
2	Mar. 18, 2011	4.00%	5,157
3	Mar. 18, 2012	4.25%	3,665

Tranche 1 senior securities, with maturity on March 18, 2010 were classified to short-term borrowing.

10.5 During May 12, 2008 and May 22, 2008, the Bank has Baht 2,500 million and Baht 200 million respectively, of bills of exchange with maturities during May 12, 2011 and May 23, 2011, at the fixed interest rates of 1.85% - 2.07% per annum respectively.

10.6 On June 5, 2008, the Bank issued uncollateralized senior securities in 2 tranches with interest payable quarterly in March, June, September and December of each year, as follows:

Tranche	Maturity date	Interest rate	Amount (Million Baht)
1	Jun. 5, 2010	4.25%	16,265
2	Jun. 5, 2011	4.50%	3,933

Tranche 1 senior securities, with maturity on June 5, 2010 were classified to short-term borrowing.

10.7 On December 2, 2008, the Bank issued uncollateralized senior securities in 1 tranche with interest payable quarterly in March, June, September and December of each year, as follows:

Tranche	Maturity date	Interest rate	Amount (Million Baht)
1	Dec. 2, 2011	5.10%	6,912

10.8 During August 3, 2009 to September 4, 2009, the Bank issued bill of exchange in the amount of Baht 1,623 million, with maturities during February 3, 2011 and March 3, 2011, at the fixed interest rates of 1.80% - 2.05% per annum.

11. PROVISIONS FOR OFF-BALANCE SHEET OBLIGATIONS

The Bank provided reserves for off-balance sheet obligations with high credit risk to comply with the Bank of Thailand's notification No. Sor Nor Sor. 31/2551 Re: Guidelines on Provisioning for Off-Balance Sheet Items dated August 3, 2008 and Thai Accounting Standard No. 53 "Provisions, Contingent Liabilities and Contingent Assets", which were presented as part of other liabilities in the balance sheets as follows:

Unit : Million Baht		
CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS		
	September 30, 2009	December 31, 2008
Beginning balance of the period / year	389	612
Decrease during the period / year	(160)	(223)
Ending balance of the period / year	<u>229</u>	<u>389</u>

12. SHARE CAPITAL

12.1 Capital management

The Bank and its subsidiaries' objectives when managing capital are to maintain the Bank and its subsidiaries' ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure for reducing capital's source of funds and to comply with regulator's rules.

For maintenance or restructuring of capital, the Bank may adjust the dividend policy for shareholders to refund its capital to shareholders, issue new shares or sell property in order to reduce debt obligation.

12.2 Capital Fund

The Bank maintains its capital funds in accordance with the criteria, methodologies, and conditions prescribed by the Bank of Thailand. The Bank changed the method of capital fund calculation from Basel I to Basel II starting from December 31, 2008 as required by the Bank of Thailand. As at September 30, 2009 and December 31, 2008, the Bank's total capital funds can be categorized as follows :

	Unit : Million Baht	
	September 30, 2009	December 31, 2008
Tier 1 capital		
Issued and paid-up share capital	60,741	60,741
Premium on share capital	13,802	13,802
Statutory reserve	583	436
Net profit after appropriations	4,147	4,018
Total Tier 1 capital	<u>79,273</u>	<u>78,997</u>
Tier 2 capital		
Assets revaluation surplus	3,239	3,302
Subordinated unsecured floating rate notes	9,600	9,600
Reserve for normal assets	5,730	4,219
Total Tier 2 capital	<u>18,569</u>	<u>17,121</u>
Total capital before deductions	97,842	96,118
<u>Less</u> Investment revaluation deficit (net)		
in securities available-for-sale	<u>(283)</u>	<u>(557)</u>
Total capital fund	<u>97,559</u>	<u>95,561</u>
	Percentage	
	September 30, 2009	December 31, 2008
Total capital / Total risk assets (minimum 8.50%)	15.65	14.94
Total tier 1 capital / Total risk assets (minimum 4.25%)	12.71	12.35

12.3 Warrants

In August 2003, the Bank offered to sell new ordinary shares to institutional investors or specific investors according to the Notification of the Securities and Exchange Commission together with the right to be allocated warrants to exercise for ordinary shares of the Bank at the offered price of Baht 0 per unit at the ratio of two new capital increase ordinary shares to one unit of warrant which amounted to 500 million units of warrants. In addition, the Bank offered to sell the warrants to exercise for ordinary shares of the Bank in the amount of 739.07 million units to the existing shareholders at the ratio of five existing shares to two units of warrants at the offered price of Baht 0 per unit. Total offered warrants were 1,239.07 million units.

The significant details of warrants are summarized as follows:

Exercise ratio	: One unit of warrant will be entitled to the purchase of one ordinary share
Number of ordinary shares issued to accommodate the warrants	: 1,239.07 million shares
Exercise price	: Baht 12 per share
Term of warrant	: 5 years
Exercise period	: 4 times per year, on the last business day of March, June, September and December of each year throughout the warrant's term.
	The first exercise date was on March 31, 2004

For the nine-month period ended September 30, 2008, the final exercise period, there were 311,607,291 units of warrants exercised for ordinary shares amounting to baht 3,739 million in proceeds. The proceeds from exercised warrants of 258,210,874 units amounting to Baht 3,099 million were registered as an increase issued and paid-up share capital with the Ministry of Commerce on September 9, 2008.

12.4 Dividend payment

The Board of Directors' Meeting No. 8/2008 dated August 27, 2008, had approved a resolution authorizing a dividend payment for the first half year ended June 30, 2008 to the shareholders of 6,026,047,417 ordinary shares at Baht 0.15 per share which totaled Baht 904 million, with payment made on September 26, 2008.

At the General Shareholders' meeting held on April 9, 2009, the shareholders approved a resolution authorizing a dividend payment for the second half year ended December 31, 2008 to the shareholders of 6,038,953,219 ordinary shares at Baht 0.15 per share which totaled Baht 906 million, with payment made on April 29, 2009.

The Board of Directors' Meeting No. 8/2009 dated August 26, 2009, had approved a resolution authorizing a dividend payment for the first half year ended June 30, 2009 to the shareholders of 6,053,328,163 ordinary shares at Baht 0.15 per share which totaled Baht 908 million, with payment made on September 22, 2009.

13. CONTINGENCIES

Unit : Million Baht						
CONSOLIDATED FINANCIAL STATEMENTS						
	September 30, 2009			December 31, 2008		
	Baht	Foreign Currencies	Total	Baht	Foreign Currencies	Total
Avals to bills	2,773	-	2,773	2,557	-	2,557
Guarantees of loans	10	403	413	2	478	480
Other guarantees	33,597	1,834	35,431	33,208	851	34,059
Letters of credit	305	5,275	5,580	365	3,326	3,691
Exchange rate contracts						
Bought	-	69,966	69,966	-	56,895	56,895
Sold	-	69,559	69,559	-	62,316	62,316
Currency swap contracts						
Bought	7,215	1,802	9,017	10,686	2,077	12,763
Sold	600	8,110	8,710	682	11,688	12,370
Interest rate swap						
Bought	12,600	3,644	16,244	12,600	4,141	16,741
Sold	600	2,667	3,267	600	3,093	3,693
Unused overdraft limit	48,687	-	48,687	44,996	-	44,996
Others	16	2,490	2,506	39	2,104	2,143
Total	106,403	165,750	272,153	105,735	146,969	252,704

Unit : Million Baht

SEPARATE FINANCIAL STATEMENTS

	September 30, 2009			December 31, 2008		
	Baht	Foreign Currencies	Total	Baht	Foreign Currencies	Total
Avals to bills	2,773	-	2,773	2,857	-	2,857
Guarantees of loans	10	403	413	2	478	480
Other guarantees	34,280	1,834	36,114	33,220	851	34,071
Letters of credit	305	5,275	5,580	365	3,469	3,834
Exchange rate contracts						
Bought	-	69,966	69,966	-	56,895	56,895
Sold	-	69,559	69,559	-	62,316	62,316
Currency swap contracts						
Bought	7,215	1,802	9,017	10,686	2,077	12,763
Sold	600	8,110	8,710	682	11,688	12,370
Interest rate swap						
Bought	12,600	3,644	16,244	12,600	4,141	16,741
Sold	600	2,667	3,267	600	3,093	3,693
Unused overdraft limit	48,687	-	48,687	44,996	-	44,996
Others	16	2,490	2,506	39	2,104	2,143
Total	107,086	165,750	272,836	106,047	147,112	253,159

As at September 30, 2009 and December 31, 2008, the Bank has commitments for information technology in the amounts of Baht 399 million and Baht 306 million, respectively.

14. EARNINGS PER SHARE

Earnings per share for the quarters and nine-month periods ended September 30, 2009 and 2008, are calculated as follows :

CONSOLIDATED FINANCIAL STATEMENTS
For the quarters ended September 30,

	Net Income		Weighted Average Number of Common Shares		Earnings Per Share	
	Million Baht 2009	2008	Million Shares 2009	2008	Baht 2009	2008
Basic earnings per share	2,172	1,019	6,074	5,875	0.36	0.17
Effect of diluted ordinary shares equivalent						
-Warrant	-	-	-	15		
Diluted earnings per share	<u>2,172</u>	<u>1,019</u>	<u>6,074</u>	<u>5,890</u>	0.36	0.17

CONSOLIDATED FINANCIAL STATEMENTS
For the nine-month periods ended September 30,

	Net Income		Weighted Average Number of Common Shares		Earnings Per Share	
	Million Baht		Million Shares		Baht	
	2009	2008	2009	2008	2009	2008
Basic earnings per share	4,952	4,052	6,074	5,804	0.82	0.70
Effect of diluted ordinary shares equivalent						
-Warrant	-	-	-	15		
Diluted earnings per share	<u>4,952</u>	<u>4,052</u>	<u>6,074</u>	<u>5,819</u>	0.82	0.70

SEPARATE FINANCIAL STATEMENTS
For the quarters ended September 30,

	Net Income		Weighted Average Number of Common Shares		Earnings Per Share	
	Million Baht		Million Shares		Baht	
	2009	2008	2009	2008	2009	2008
Basic earnings per share	1,023	707	6,074	5,875	0.17	0.12
Effect of diluted ordinary shares equivalent						
-Warrant	-	-	-	15		
Diluted earnings per share	<u>1,023</u>	<u>707</u>	<u>6,074</u>	<u>5,890</u>	0.17	0.12

SEPARATE FINANCIAL STATEMENTS
For the nine-month periods ended September 30,

	Net Income		Weighted Average Number of Common Shares		Earnings Per Share	
	Million Baht		Million Shares		Baht	
	2009	2008	2009	2008	2009	2008
Basic earnings per share	1,952	2,474	6,074	5,804	0.32	0.43
Effect of diluted ordinary shares equivalent						
-Warrant	-	-	-	15		
Diluted earnings per share	<u>1,952</u>	<u>2,474</u>	<u>6,074</u>	<u>5,819</u>	0.32	0.43

15. RELATED PARTY TRANSACTIONS

The Bank has business transactions with subsidiaries, associated 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 related transactions are in the normal course of business for the Bank and are priced at market and in common with the same conditions as other customers, including the allowance for doubtful accounts policy. The Bank has complied with the same BOT regulations as those granted to other debtors.

According to the Bank of Thailand's Notification Sor.Nor.Sor. 66/2551 regarding the Guideline on Consolidated Supervision dated August 3, 2008, the Bank is required to disclose the Inter-Group Transactions in the Financial Business Group Policy and the Risk Management for Inter-Group Transaction in the Financial Business Group Policy as follows:

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

The inter-group transaction shall be the same conditions or criteria, including interest rate of 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:

- 15.1 Loans to, commitments and deposits with certain officers from the levels of departmental chief upward and the companies in which they and/or the Bank directors and/or their related parties and/or the Bank owned 10% or more of each company's paid-up capital are as follows:

Unit : Million Baht		
SEPARATE		
FINANCIAL STATEMENTS		
	September 30, 2009	December 31, 2008
Loans	129,909	121,021
Allowance for doubtful accounts	1,299	1,210
Commitments	684	456
Deposits	4,402	3,062

Certain information related to the aforementioned loans and commitments as at September 30, 2009 and December 31, 2008, are as follows :

September 30, 2009

	Total Amount (Million Baht)	Maturity Date	Outstanding Balance	
			Secured (Million Baht)	Unsecured (Million Baht)
Loans	129,909	Oct. 2, 2009 to Aug. 5, 2032	48	130,545
Commitments	684	Nov. 11, 2009 to Sep. 30, 2011		

As at September 30, 2009, the Bank charges interest rates at 1.00% - 6.23% p.a. on loans to these related parties.

December 31, 2008

	Total Amount (Million Baht)	Maturity Date	Outstanding Balance	
			Secured (Million Baht)	Unsecured (Million Baht)
Loans	121,021	Jan. 5, 2009 to Jun. 30, 2034	} 47	121,430
Commitments	456	Oct. 31, 2008 to Apr. 4, 2010		

As at December 31, 2008, the Bank charged interest rates at 1.63% - 8.50% p.a. on loans to these related parties.

- 15.2 In addition to Note 15.1, the Bank has loans to, commitments and deposits with the companies which are related to the directors and/or major shareholders of the Bank as identified by having the same executive officers as the Bank and/or the companies in which the directors and/or shareholders of the Bank having significant voting right either direct or indirect.

Unit : Million Baht

SEPARATE

FINANCIAL STATEMENTS

September 30, 2009 December 31, 2008

Loans	3,297	8,202
Allowance for doubtful accounts	32	80
Commitments	543	342
Deposits	9,830	7,489

Certain information related to the aforementioned loans and commitments as at September 30, 2009 and December 31, 2008, are as follows:

September 30, 2009

	Total Amount (Million Baht)	Maturity Date	Outstanding Balance	
			Secured (Million Baht)	Unsecured (Million Baht)
Loans	3,297	Jul. 18 2010 to Jun. 18, 2013	} 129	3,711
Commitments	543	Sep. 22, 2009 to May. 22, 2017		

December 31, 2008

	Total Amount (Million Baht)	Maturity Date	Outstanding Balance	
			Secured (Million Baht)	Unsecured (Million Baht)
Loans	8,202	Jan. 16, 2009 to Jun. 18, 2013	} 216	8,329
Commitments	342	Jun. 30, 2008 to May. 22, 2017		

Interest rates on loans as at September 30, 2009 and December 31, 2008, equal to 4.95% - 5.36% p.a. and 4.46% - 6.00% p.a., respectively.

15.3 The Bank has investments in and loans to subsidiaries, associated and related companies as follows:

1. Investment in subsidiaries, associated and related companies.

Consolidated financial statements

September 30, 2009

Unit : Million Baht						
CONSOLIDATED FINANCIAL STATEMENTS						
	Business Type	Registered Share Capital	Ownership (%)	Investment Cost	Book value	Dividend Amount
Associated company						
Krungsriyudhya Card Company Limited	Credit card	1,100	49.99	550	870	-
Investments in associated company, net				<u>550</u>	<u>870</u>	<u>-</u>
Related companies (10%-20% holding)						
Ayudhya Insurance Public Company Limited	Insurance	250	10.92	419	419	10
Asian Trade and Leasing Company Limited	Service	150	10.00	- 0 -	-	-
P.P. Parawood Company Limited	Manufacturing	95	10.00	9	8	-
Investments in related companies, net				<u>428</u>	<u>427</u>	<u>10</u>

December 31, 2008

Unit : Million Baht						
CONSOLIDATED FINANCIAL STATEMENTS						
	Business Type	Registered Share Capital	Ownership (%)	Investment Cost	Book value	Dividend Amount
Associated company						
Krungsriyudhya Card Company Limited	Credit card	1,100	49.99	550	777	-
Investment in associated company, net				<u>550</u>	<u>777</u>	<u>-</u>
Related companies (10%-20% holding)						
Ayudhya Insurance Public Company Limited	Insurance	250	10.92	419	419	38
Asian Trade and Leasing Company Limited	Service	150	10.00	- 0 -	-	-
Primavest Asset Management Company Limited	Fund management	250	10.00	11	11	-
P.P. Parawood Company Limited	Manufacturing	95	10.00	9	8	-
Investments in related companies, net				<u>439</u>	<u>438</u>	<u>38</u>

Separate financial statements
September 30, 2009

Unit : Million Baht					
SEPARATE FINANCIAL STATEMENTS					
	Business Type	Registered Share Capital	Ownership (%)	Investment Cost	Dividend Amount
Subsidiaries					
Siam Realty and Services Company Limited	Car rent and personnel services	100	99.99	100	-
Ayudhya Development Leasing Company Limited	Leasing	705	99.99	929	35
Ayudhya Auto Lease Public Company Limited	Auto leasing	2,850	99.55	2,742	-
K.S.Law Office Company Limited	Legal advisory services	32	99.99	32	-
Ayudhya Fund Management Company Limited	Fund management	350	76.59	204	-
Ayudhya Asset Management Company Limited	Assets management	6,000	99.99	6,000	-
Ayudhya Securities Public Company Limited	Securities	600	86.33	637	-
Ayudhya Capital Lease Company Limited	Auto leasing	3,000	99.99	3,000	-
Ayudhya Factoring Company Limited	Factoring	100	99.99	100	-
Ayudhya Hire Purchase Company Limited	Hire-purchase of used cars	500	99.99	500	-
Ayudhya Capital Auto Lease Public Company Limited (formerly GE Capital Auto Lease Public Company Limited)	Hire-purchase and auto leasing	1,045	99.99	16,281	700
Ayudhya Total Solutions Public Company Limited (formerly AIG Retail Bank Public Company Limited)	Hire-purchase	120	99.76	1,529	-
Ayudhya Card Services Company Limited (formerly AIG Card (Thailand) Company Limited)	Credit card and personal loan	7	99.99	4	-
CFG Services Company Limited	Hire-purchase	514	99.99	27	-
Associated company					
Krungsriayudhya Card Company Limited	Credit card	1,100	49.99	550	-
				32,635	735
Less Allowance for impairment				(2,975)	-
Investments in subsidiaries and associated company, net				<u>29,660</u>	<u>735</u>
Related companies					
(10%-20% holding)					
Ayudhya Insurance Public Company Limited	Insurance	250	10.92	419	-
Asian Trade and Leasing Company Limited	Service	150	10.00	- 0 -	-
P.P. Parawood Company Limited	Manufacturing	95	10.00	8	-
Investments in related companies, net				<u>427</u>	<u>-</u>

December 31, 2008

						Unit : Million Baht
SEPARATE FINANCIAL STATEMENTS						
	Business Type	Registered Share Capital	Ownership (%)	Investment Cost	Dividend Amount	
Subsidiaries						
Siam Realty and Services Company Limited	Car rent and personnel services	100	99.99	100	-	
Ayudhya Development Leasing Company Limited	Leasing	705	99.99	929	35	
Ayudhya Auto Lease Public Company Limited	Auto leasing	2,850	99.55	2,742	-	
K.S.Law Office Company Limited	Legal advisory services	32	99.99	32	-	
Ayudhya Fund Management Company Limited	Fund management	350	99.99	267	-	
Ayudhya Asset Management Company Limited	Assets management	6,000	99.99	6,000	-	
Ayudhya Securities Public Company Limited	Securities	600	86.33	637	-	
Ayudhya Capital Lease Company Limited	Auto leasing	3,000	99.99	3,000	-	
Ayudhya Factoring Company Limited	Factoring	100	99.99	100	-	
Ayudhya Hire Purchase Company Limited	Hire-purchase of used cars	500	99.99	500	203	
Ayudhya Capital Auto Lease Public Company Limited (formerly GE Capital Auto Lease Public Company Limited)	Hire-purchase and auto leasing	1,045	99.99	16,281	314	
Associated company						
Krungsriayudhya Card Company Limited	Credit card	1,100	49.99	550	-	
				31,138	552	
<u>Less</u> Allowance for impairment				(2,998)	-	
Investments in subsidiaries and associated company, net				<u>28,140</u>	<u>552</u>	
Related companies (10%-20% holding)						
Ayudhya Insurance Public Company Limited	Insurance	250	10.92	419	38	
Asian Trade and Leasing Company Limited	Service	150	10.00	- 0 -	-	
Primavest Asset Management Company Limited	Fund management	250	10.00	11	-	
P.P. Parawood Company Limited	Manufacturing	95	10.00	8	-	
Investments in related companies, net				<u>438</u>	<u>38</u>	

2. Loans to the subsidiaries, associated and related companies and allowance for doubtful accounts.

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS
	September 30,	December 31,	September 30,	December 31
	2009	2008	2009	2008
Subsidiaries				
Siam Realty and Services Company Limited	-	-	130	175
Ayudhya Development Leasing Company Limited	-	-	3,601	3,071
Ayudhya Auto Lease Public Company Limited	-	-	1,615	3,144
Ayudhya Fund Management Company Limited	-	-	20	50
Ayudhya Asset Management Company Limited	-	-	15,199	15,918
Ayudhya Factoring Company Limited	-	-	781	899
Ayudhya Capital Auto Lease Public Company Limited (formerly GE Capital Auto Lease Public Company Limited)	-	-	81,528	86,717
Ayudhya Card Services Company Limited (formerly AIG Card (Thailand) Company Limited)	-	-	6,320	-
Ayudhya Total Solutions Company Limited (formerly AIG Retail Bank Public Company Limited)	-	-	7,150	-
CFG Services Company Limited	-	-	1,572	-
Total	-	-	117,916	109,974
<u>Less</u> Allowance for doubtful accounts	-	-	(1,179)	(1,100)
Total	-	-	116,737	108,874
Associated company				
Krungsriayudhya Card Company Limited	11,944	11,000	11,944	11,000
<u>Less</u> Allowance for doubtful accounts	(119)	(110)	(119)	(110)
Total	11,825	10,890	11,825	10,890
Related companies having joint major shareholders or directors				
Conwood Company Limited	124	212	124	212
Siam City Cement Public Company Limited	-	2,400	-	2,400
Tesco Card Services Company Limited	1,000	1,000	1,000	1,000
General Card Services Company Limited	369	773	369	773
GE Capital (Thailand) Company Limited	1,804	3,283	1,804	3,283
CKS Holding Company Limited	-	10	-	10
BAC International Bank Inc.	-	524	-	524
Total	3,297	8,202	3,297	8,202
<u>Less</u> Allowance for doubtful accounts	(32)	(80)	(32)	(80)
Total	3,265	8,122	3,265	8,122

The aforementioned loans carry interest at substantially the same rates and are subject to substantially the same conditions as those granted to other customers.

As at September 30, 2009 and December 31, 2008, the allowance for doubtful accounts of loans granted to subsidiaries of Baht 1,179 million and Baht 1,100 million, respectively, are not eliminated but treated as surplus reserve in consolidated financial statements.

For the nine-month period ended September 30, 2009, the Bank granted loans to Ayudhya Asset Management Company Limited as short-term promissory notes of Baht 15,199 million at the interest rates of 2.10% - 2.30% per annum.

As at December 31, 2008, the Bank granted loans to Ayudhya Asset Management Company Limited for 10-year term loan and 5-year term loan of Baht 15,082 million and Baht 806 million, respectively. The interest rates were the minimum of fixed deposit interest rate (3-month) but not over 4% per annum.

In addition, as at December 31, 2008, the Bank granted loans to Ayudhya Asset Management Company Limited as short-term promissory notes of Baht 30 million. The interest rate was the minimum of fixed deposit interest rate (3-month) but not over 4% per annum.

- 15.4 Account balances and transaction between the Bank and its subsidiaries, associated and related companies in the balance sheets as at September 30, 2009 and December 31, 2008, and in the statements of income for the quarters and nine-month period ended September 30, 2009 and 2008, are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	September 30,	December 31,	September 30,	December 31,
	2009	2008	2009	2008
Balance Sheets				
Subsidiaries				
Cash advance	-	-	1	17
Other assets	-	-	194	137
Deposit	-	-	3,429	3,393
Interbank and money				
market items (liabilities)	-	-	218	222
Other liabilities	-	-	822	586
Contingencies	-	-	684	456
Associated company				
Other assets	92	79	92	79
Deposit	458	273	458	273
Related companies				
Other liabilities	3	23	-	-

		Unit : Million Baht			
		CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		September 30,	September 30,	September 30,	September 30,
		2009	2008	2009	2008
Statements of Income					
For the quarters					
Subsidiaries					
Interest and dividend income	-	-	2,006	983	
Interest expenses	-	-	17	5	
Non-interest income	-	-	80	18	
Non-interest expenses	-	-	267	132	
Associated company					
Interest and dividend income	250	30	250	30	
Non-interest income	92	4	92	4	

		Unit : Million Baht			
		CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		September 30,	September 30,	September 30,	September 30,
		2009	2008	2009	2008
Statements of Income					
For the nine-month periods					
Subsidiaries					
Interest and dividend income	-	-	3,062	2,346	
Interest expenses	-	-	26	10	
Non-interest income	-	-	93	60	
Non-interest expenses	-	-	402	393	
Associated company					
Interest and dividend income	380	196	380	196	
Non-interest income	126	74	126	74	

Significant transactions between the Bank, subsidiaries, associated and related companies are determined using the borrowing cost as in the normal business practice and same conditions as other customers.

- 15.5 For the nine-month period ended September 30, 2009 and for the year ended December 31, 2008, the Bank entered into an Asset Transfer Agreement with Ayudhya Asset Management Company Limited, a subsidiary, in order to transfer sub-quality assets including collateral rights of which its net book value at the date of transfer was Baht 85 million and Baht 41 million, respectively. The Bank has already collected such amount in full.

For the nine-month period ended September 30, 2009 and for the year ended December 31, 2008, the Bank entered into an agreement to sell the sub-quality assets and the right obligations to Ayudhya Asset Management Company Limited, a subsidiary, by selling immovable properties foreclosed having the book value of Baht 1,141 million and Baht 33 million, respectively. The Bank has already collected such amount in full.

The Bank sold these sub-quality assets to its subsidiary without any obligation to refund or buy back or transfer back.

- 15.6 On April 8, 2009, the Bank purchased the 99.5% shares of Ayudhya Total Solutions Public Company Limited (formerly AIG Retail Bank Public Company Limited), operating a retail banking business, and 100% shares of Ayudhya Card Services Company Limited (formerly AIG Credit Card (Thailand) Company Limited), operating a credit card and personal loan business under the supervision of the Bank of Thailand, from AIG Consumer Finance (“AIG CFG”) and subsidiaries, as approved by the Bank’s Board of Directors’ meeting on February 5, 2009, in the total amount of Baht 1,605 million. Such purchases were subject to the criteria and requirements as approved by the Bank of Thailand on March 30, 2009. At the acquisition date, the Bank recognized total assets and total liabilities of Baht 47,083 million and Baht 44,297 million, respectively, fair value adjustment of Baht 597 million and excess of net fair value of acquired subsidiary over purchase cost of Baht 702 million as income in the statement of income.

Any adjustments to the initial provision will be finalized within 12 months after the acquisition date in accordance with Thai Financial Reporting Standard No. 3 (Revised 2007) Business Combination (previously Thai Accounting Standard No. 43).

- 15.7 On June 24, 2009, the Board of Directors of the Bank approved the following matters:
1. To approve Ayudhya Fund Management Company Limited (AYF) to purchase all shares of Primavest Asset Management Company Limited (PMV) from Ayudhya Allianz C.P. Life Public Company Limited (AACP) and BBTV Equity Company Limited (BBTV) at the total price of Baht 101 million.
 2. To approve the Bank to sell 2,500,000 shares of PMV (10% of PMV total shares) to AYF at the price of Baht 10 million.
 3. To approve the Bank to sell 359,604 shares of AYF (10.3% of AYF total shares) to AACP and to sell 459,747 shares of AYF (13.1% of AYF total shares) to BBTV at the total price of Baht 91 million.
 4. To approve transfer of business amalgamation among AYF and PMV.

The execution of these transaction was subject to conditions to be agreed by the parties including obtaining necessary approvals and waivers from the Bank of Thailand, the Office of Securities and Exchange Commission and other relevant agencies.

The transaction was approved by the Bank of Thailand on September 3, 2009 and the Office of Securities and Exchange Commission on July 28, 2009 and was completed on September 28, 2009, for No. 1 - 3 except the business amalgamation among AYF and PMV.

15.8 On July 9, 2009, the Extraordinary Board of Directors' Meeting of the Bank approved the bank to enter into the transaction of business acquisition and share acquisition of GE Money's businesses in Thailand as follows:

1. To purchase the business by acquiring 50% of the total shares sold of Krungsriyudhya Card Company Limited (KCC) operating credit card and personal loan business from GE Capital (Thailand) Limited (GECT).
2. To purchase 49% of the total shares sold of Tesco Card Services Limited (TCS) operating credit card and personal loan business from GECT with an option to purchase additional 1% of TCS's total shares sold.
3. To purchase the business by acquiring 100% of the total shares sold of GECT operating personal loan and credit card business from General Electric Capital Corporation (GECC).
4. To purchase the business by acquiring 100% of the total shares sold of Total Services Solutions Public Company Limited (TSS) providing collection service from GE Capital International Holding Corporation (GECIH).
5. To purchase the business by acquiring 100% of the total shares sold of General Card Services Limited (GCS) operating credit card and personal loan business from GECIH.
6. To indirectly hold 20,000 shares of Tesco Life Assurance Broker Company Limited (TLAB) and 770,000 shares of Tesco General Insurance Broker Company Limited (TGIB) through TCS respectively; and
7. To indirectly hold 5,000 shares of Quality Life Assurance Broker Company Limited (QLAB) and 5,000 shares of Quality General Insurance Broker Company Limited (QGIB) through GECT respectively.

Furthermore, the Board of Directors of the Bank approved the Bank to execute the service agreement and financing agreement to the companies above.

The transactions were approved by the Extraordinary Shareholders Meeting No. 2/2009 on August 27, 2009 and the Bank of Thailand on October 9, 2009. These transactions were completed on November 5, 2009 and represented an investment of Baht 9,787 million which may be adjusted within 12 months after the acquisition date.

The Extraordinary Board of Directors Meeting of the Bank also approved the Bank to execute the purchase or accept the business transfer of CFG Services Company Limited (CFGS) operating hire purchase business for the car owners having car register book as collateral and Sale and Lease Back business by acquiring 100% shares of the total shares sold from AIG Consumer Finance Group Inc., at the total value of considerations of Baht 18 million. The transaction was completed on September 9, 2009 after the approvals from the Extraordinary Shareholders Meeting No. 2/2009 on August 27, 2009 and the Bank of Thailand on September 4, 2009. At the acquisition date, the Bank recognized total assets and total liabilities of Baht 1,842 million and Baht 1,657 million, respectively, fair value adjustment of Baht 78 million and excess of net fair value of acquired subsidiary over purchase cost of Baht 89 million as income in the statement of income.

15.9 The Extraordinary Board of Directors' Meeting of the Bank on July 20, 2009 approved the Bank to accept the entire business transfer of Ayudhya Card Services Company Limited (formerly AIG Card (Thailand) Company Limited), operating credit card and personal loan and the Bank held 100% of total shares sold. The transaction was approved by the Extraordinary Shareholders Meeting No. 2/2009 on August 27, 2009.

- 15.10 For the nine-month periods ended September 30, 2009 and 2008, the Bank has the expenses in the amount of Baht 342 million and Baht 325 million, respectively, paid to the General Electric company Group (“GE”) in connection with improvements in the effectiveness of management and operation of the Bank.

The price and conditions are in line with the agreements. The expenses have been recognized in the statements of income.

- 15.11 For the nine-month period ended September 30, 2009, related party transactions among subsidiaries include collection services and other services of Baht 63 million and rental and facilities service of Baht 13 million.
- 15.12 For the nine-month periods ended September 30, 2009 and 2008, subsidiaries have related party transactions from the licenses relevant to technology and software of Baht 35 million and Baht 144 million, respectively.
- 15.13 For the nine-month period ended September 30, 2009, the Bank entered into an agreement to transfer deposits and cashier cheques from Ayudhya Total Solutions Public Company Limited (formerly AIG Retail Bank Public Company Limited), a subsidiary, in the amount of Baht 9,156 million, which its net book value at the date of transfer was Baht 9,029 million. The Bank has already paid such amount in full.
- 15.14 For the nine-month period ended September 30, 2009, two subsidiary companies entered into an agreement to sell and buy the sub-quality assets and properties foreclosed between them, having the net book value at the date of transfer of Baht 169 million and Baht 56 million, respectively. Such amounts have been settled in full.

16. POSITION AND RESULTS OF OPERATIONS CLASSIFIED BY DOMESTIC AND FOREIGN BUSINESS

- (1) Position classified by type of business segment

Unit : Million Baht				
CONSOLIDATED FINANCIAL STATEMENTS				
September 30, 2009				
	Domestic	Foreign	Elimination	Total
Total assets	749,738	5,107	4,244	750,601
Interbank and money market items	82,359	1,451	-	83,810
Investments, net	63,023	167	-	63,190
Loans	556,000	1,553	-	557,553
Deposits	512,873	471	-	513,344
Interbank and money market items	31,203	-	-	31,203
Borrowings	79,737	5,033	-	84,770
Total commitments	272,065	88	-	272,153

Unit : Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2008

	Domestic	Foreign	Elimination	Total
Total assets	743,608	5,843	4,696	744,755
Interbank and money market items	83,642	1,212	-	84,854
Investments, net	56,875	-	-	56,875
Loans	555,860	1,217	-	557,077
Deposits	537,118	236	-	537,354
Interbank and money market items	20,003	-	-	20,003
Borrowings	76,614	5,243	-	81,857
Total commitments	252,444	260	-	252,704

Unit : Million Baht

SEPARATE FINANCIAL STATEMENTS

September 30, 2009

	Domestic	Foreign	Elimination	Total
Total assets	742,878	5,107	4,244	743,741
Interbank and money market items	81,215	1,451	-	82,666
Investments, net	91,487	167	-	91,654
Loans	533,769	1,553	-	535,322
Deposits	516,303	471	-	516,774
Interbank and money market items	29,157	-	-	29,157
Borrowings	80,737	5,033	-	85,770
Total commitments	272,748	88	-	272,836

Unit : Million Baht

SEPARATE FINANCIAL STATEMENTS

December 31, 2008

	Domestic	Foreign	Elimination	Total
Total assets	741,075	5,843	4,696	742,222
Interbank and money market items	82,911	1,212	-	84,123
Investments, net	83,977	-	-	83,977
Loans	539,226	1,217	-	540,443
Deposits	540,511	236	-	540,747
Interbank and money market items	19,195	-	-	19,195
Borrowings	76,614	5,243	-	81,857
Total commitments	252,899	260	-	253,159

(2) Results of operations classified by business segment

Unit : Million Baht

CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2009				
	Domestic	Foreign	Elimination	Total
Interest and dividend income	9,489	26	-	9,515
Interest expenses	2,228	22	-	2,250
Net interest income	7,261	4	-	7,265
Non-interest income	4,177	37	478	3,736
Non-interest expenses	8,665	42	478	8,229
Income (loss) before tax	2,773	(1)	-	2,772

Unit : Million Baht

CONSOLIDATED FINANCIAL STATEMENTS FOR THE QUARTER ENDED SEPTEMBER 30, 2008				
	Domestic	Foreign	Elimination	Total
Interest and dividend income	10,856	61	-	10,917
Interest expenses	3,781	40	-	3,821
Net interest income	7,075	21	-	7,096
Non-interest income	2,950	(829)	530	1,591
Non-interest expenses	7,862	63	530	7,395
Income (loss) before tax	2,163	(871)	-	1,292

Unit : Million Baht

CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2009				
	Domestic	Foreign	Elimination	Total
Interest and dividend income	28,538	101	-	28,639
Interest expenses	8,466	88	-	8,554
Net interest income	20,072	13	-	20,085
Non-interest income	11,084	128	1,463	9,749
Non-interest expenses	24,992	141	1,463	23,670
Income before tax	6,164	-	-	6,164

Unit : Million Baht

CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2008				
	Domestic	Foreign	Elimination	Total
Interest and dividend income	30,193	200	-	30,393
Interest expenses	10,507	167	-	10,674
Net interest income	19,686	33	-	19,719
Non-interest income	9,554	(1,591)	1,663	6,300
Non-interest expenses	22,862	213	1,663	21,412
Income (loss) before tax	6,378	(1,771)	-	4,607

Unit : Million Baht

SEPARATE FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2009

	Domestic	Foreign	Elimination	Total
Interest and dividend income	7,444	26	-	7,470
Interest expenses	<u>2,237</u>	<u>22</u>	<u>-</u>	<u>2,259</u>
Net interest income	5,207	4	-	5,211
Non-interest income	2,395	37	478	1,954
Non-interest expenses	<u>6,240</u>	<u>42</u>	<u>478</u>	<u>5,804</u>
Income (loss) before tax	<u>1,362</u>	<u>(1)</u>	<u>-</u>	<u>1,361</u>

Unit : Million Baht

SEPARATE FINANCIAL STATEMENTS
FOR THE QUARTER ENDED SEPTEMBER 30, 2008

	Domestic	Foreign	Elimination	Total
Interest and dividend income	8,704	61	-	8,765
Interest expenses	<u>3,568</u>	<u>40</u>	<u>-</u>	<u>3,608</u>
Net interest income	5,136	21	-	5,157
Non-interest income	2,123	(829)	530	764
Non-interest expenses	<u>5,681</u>	<u>63</u>	<u>530</u>	<u>5,214</u>
Income (loss) before tax	<u>1,578</u>	<u>(871)</u>	<u>-</u>	<u>707</u>

Unit : Million Baht

SEPARATE FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2009

	Domestic	Foreign	Elimination	Total
Interest and dividend income	22,605	101	-	22,706
Interest expenses	<u>8,414</u>	<u>88</u>	<u>-</u>	<u>8,502</u>
Net interest income	14,191	13	-	14,204
Non-interest income	6,572	128	1,463	5,237
Non-interest expenses	<u>18,409</u>	<u>141</u>	<u>1,463</u>	<u>17,087</u>
Income before tax	<u>2,354</u>	<u>-</u>	<u>-</u>	<u>2,354</u>

Unit : Million Baht

SEPARATE FINANCIAL STATEMENTS				
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2008				
	Domestic	Foreign	Elimination	Total
Interest and dividend income	24,512	200	-	24,712
Interest expenses	9,687	167	-	9,854
Net interest income	14,825	33	-	14,858
Non-interest income	6,679	(1,591)	1,663	3,425
Non-interest expenses	17,259	213	1,663	15,809
Income (loss) before tax	4,245	(1,771)	-	2,474

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.

17. TRANSFER OF SUB-QUALITY ASSETS TO THAI ASSET MANAGEMENT CORPORATION

On October 12, 2001, the Bank and a subsidiary entered into Assets Transfer Agreements with the Thai Asset Management Corporation (TAMC) in order to transfer sub-quality assets including rights over the collateral as specified in the agreements. The sub-quality assets to be transferred should be those which have outstanding balances as at December 31, 2000 and possess certain characteristics as specified in the Emergency Decree on TAMC B.E. 2544 (TAMC Decree). The price of the sub-quality assets shall equal the value of the collateral which should not exceed the loan value less allowance for doubtful accounts, as determined based on BOT guidelines. The Bank and subsidiary will receive non-negotiable promissory notes when TAMC confirms the price. The notes mature in 10 years and bear the interest rate calculated based on the average rate of deposits, payable annually. The notes are availed by the Financial Institutions Development Fund.

The Bank, its subsidiary and TAMC agreed to allocate any profits or losses from managing the sub-quality assets at the end of the fifth and the tenth year starting from July 1, 2001. In addition, pursuant to the TAMC Decree, in case when profits are realized, the first portion of the profits, not exceeding 20% of the transfer price of the sub-quality assets transferred to TAMC, will be allocated equally between TAMC, the Bank/subsidiary. The second portion of the profits will be allocated in full to the Bank and subsidiary. The two portions of the profits combined together shall not exceed the difference between the book value and the transfer price of the sub-quality assets transferred to TAMC. The residual amount of the profits after allocation of the second portion will be given to TAMC. In case when losses are realized, this will be shared between TAMC, the Bank/subsidiary. The Bank and subsidiary will absorb the first portion of the losses, not exceeding 20% of the transfer price of the sub-quality assets transferred to TAMC. For the second portion of losses which is the residual amount of the first portion, an amount not exceeding 20% of the transfer price of the sub-quality assets transferred to TAMC will be shared equally between the Bank and its subsidiary. The residual amount of the losses after allocation of the second portion will be absorbed by TAMC. The calculation of such profits and losses by TAMC is based on the fully repaid assets or the process of assets transfer has been completed in case of transfer of assets for repayment purposes. As at September 30, 2009 and December 31, 2008, the provisions for possible losses were set up amounting to Baht 1,300 million and Baht 1,200 million, respectively, which were presented under other liabilities in the balance sheet.

18. RECLASSIFICATIONS

The reclassifications have been made in the subsidiaries' balance sheets as at December 31, 2008, and statements of income for the quarter and nine-month period ended September 30, 2008, to comply with the Bank's accounting treatment in consolidated financial statements and in separate financial statements to comply with the classifications used in the balance sheet as at September 30, 2009, the statement of income for the quarter and for nine-month period ended September 30, 2009 as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	Previous	Current	Previous	Current
	classifications	classifications	classifications	classifications
Unit : Million Baht				
BALANCE SHEETS				
AS AT DECEMBER 31, 2008				
ASSETS				
Long-term investment, net	29,301	28,946	29,041	28,686
Intangible assets, net	11,340	11,030	1,460	1,150
Other assets	7,061	7,003	4,600	4,910
LIABILITIES AND SHAREHOLDERS' EQUITY				
Other Liabilities	18,169	17,447	12,578	12,223

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	Previous	Current	Previous	Current
	classifications	classifications	classifications	classifications
Unit : Million Baht				
STATEMENT OF INCOME				
FOR THE QUARTER ENDED SEPTEMBER 30, 2008				
INTEREST AND DIVIDEND INCOME				
Interest on loan	6,695	6,353	-	-
Interbank and money market items	576	577	-	-
Hire-purchase and financial lease income	3,178	3,346	-	-
Investment	641	640	-	-
INTEREST EXPENSES				
Interbank and money market items	289	253	131	95
Short-term borrowings	114	123	55	63
Long-term borrowings	694	722	694	722
BAD DEBT AND DOUBTFUL ACCOUNTS	1,687	2,037	-	-
NON-INTEREST INCOME				
Fees and service income				
Others	1,985	1,980	-	-
Gain (loss) on sales of properties foreclosed	(364)	156	-	-
Other income	188	97	122	40
NON-INTEREST EXPENSES				
Premises and equipment expenses	1,088	1,087	-	-
Fees and service expenses	723	717	-	-
Other expenses	700	607	496	414

	CONSOLIDATED		Unit : Million Baht	
	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS
	Previous	Current	Previous	Current
	classifications	classifications	classifications	classifications
FOR THE NINE-MONTH PERIOD ENDED				
SEPTEMBER 30, 2008				
INTEREST AND DIVIDEND INCOME				
Hire-purchase and financial lease income	7,521	7,540	-	-
INTEREST EXPENSES				
Interbank and money market items	839	772	320	253
Short-term borrowings	434	459	123	147
Long-term borrowings	1,589	1,631	1,589	1,631
BAD DEBT AND DOUBTFUL ACCOUNTS	4,024	5,316	-	-
NON-INTEREST INCOME				
Gain (loss) on sales of properties foreclosed	(381)	883	-	-
Other income	376	354	187	184
NON-INTEREST EXPENSES				
Other expenses	2,146	2,115	1,636	1,633

19. EVENT AFTER THE BALANCE SHEET DATE

On October 21, 2009, Ayudhya Capital Auto Lease Public Company Limited issued unsecured debentures in 2 tranches with interest payable every 6 month in April and October of each year, as follows:

Tranche	Maturity date	Interest rate (%)	Amount (Million Baht)
1	Oct. 21, 2012	4.00	5,742
2	Oct. 21, 2013	4.40	1,558

20. APPROVAL OF INTERIM FINANCIAL STATEMENTS

These interim financial statements have been approved for issue by the Bank's authorized directors and the Audit Committee on November 10, 2009.