REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

BY THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

TO THE BOARD OF DIRECTORS

BANK OF AYUDHYA PUBLIC COMPANY LIMITED

We have reviewed the consolidated statement of financial position of Bank of Ayudhya Public Company Limited and its subsidiaries and the Bank's statement of financial position of Bank of Ayudhya Public Company Limited as at September 30, 2012, and the related consolidated and Bank's statements of comprehensive income for the three-month periods and nine-month periods ended September 30, 2012 and 2011, and the related consolidated and Bank's statements of changes in equity and cash flows for the nine-month periods ended September 30, 2012 and 2011, and the condensed notes to the financial statements. The Bank's management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our reviews.

Scope of Reviews

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

Conclusion

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

Comparative statement of financial position as at December 31, 2011

We have previously audited, in accordance with Thai Standards on Auditing, the consolidated financial statements of Bank of Ayudhya Public Company Limited and its subsidiaries and the Bank's financial statements of Bank of Ayudhya Public Company Limited for the year ended December 31, 2011, and expressed an unqualified opinion in our report dated February 13, 2012. The consolidated and the Bank's statements of financial position as at December 31, 2011, presented herein for comparison, have been derived from such consolidated and Bank's financial statements.

Dr. Suphamit Techamontrikul
Certified Public Accountant (Thailand)
Registration No. 3356
DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

BANGKOK
November 9, 2012

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2012 AND DECEMBER 31, 2011

BAHT: '000

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	"UNAUDITED"		"UNAUDITED"	
	As at September 30, 2012	As at December 31, 2011	As at September 30, 2012	As at December 31, 2011
ASSETS				
CASH	22,074,754	25,164,847	22,044,429	25,140,395
INTERBANK AND MONEY MARKET ITEMS, NET	83,617,123	81,817,705	82,618,800	80,518,686
CLAIMS ON SECURITY	20,272,937	3,845,662	20,272,937	3,845,662
DERIVATIVES ASSETS	3,806,806	4,833,556	3,807,175	4,833,556
INVESTMENTS, NET (Note 5.2)	90,697,399	81,203,947	90,324,878	80,681,625
INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES, NET (Note 5.3)	898,815	769,610	32,482,962	33,095,630
LOANS TO CUSTOMERS AND ACCRUED INTEREST RECEIVABLES, NET (Note 5.4)				
Loans to customers	820,471,094	751,404,973	688,107,542	641,269,203
Accrued interest receivables	2,109,517	1,858,966	1,379,655	1,105,855
Total loans to customers and accrued interest receivables	822,580,611	753,263,939	689,487,197	642,375,058
Less Deferred revenue	(36,575,703)	(31,898,355)	(58,937)	(26,010)
Less Allowance for doubtful accounts (Note 5.5)	(30,745,335)	(30,776,291)	(19,713,406)	(19,226,313)
Less Revaluation allowance for debt restructuring (Note 5.6)	(751,525)	(502,487)	(56,858)	(26,491)
Net loans and accrued interest receivables	754,508,048	690,086,806	669,657,996	623,096,244
CUSTOMERS' LIABILITY UNDER ACCEPTANCE	755,372	696,382	755,372	696,382
PROPERTIES FOR SALE, NET	10,122,327	11,737,334	5,046,394	5,937,172
PREMISES AND EQUIPMENT, NET	17,879,090	17,568,121	16,517,832	16,459,672
GOODWILL AND OTHER INTANGIBLE ASSETS, NET	15,457,646	12,053,632	2,880,327	1,647,653
DEFERRED TAX ASSETS	6,232,169	5,630,719	2,683,537	2,355,730
ACCOUNTS RECEIVABLE FOR INVESTMENTS	5,725,413	5,977,415	5,725,413	5,977,415
OTHER ASSETS, NET	8,376,423	6,411,611	2,861,633	2,537,083
TOTAL ASSETS	1,040,424,322	947,797,347	957,679,685	886,822,905

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

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT SEPTEMBER 30, 2012 AND DECEMBER 31, 2011

BAHT: '000

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	"UNAUDITED" As at September 30, 2012	As at December 31, 2011	"UNAUDITED" As at September 30, 2012	As at December 31, 2011
LIABILITIES AND EQUITY				
DEPOSITS	672,324,013	560,539,821	677,120,706	564,178,616
INTERBANK AND MONEY MARKET ITEMS, NET	44,749,353	23,740,707	44,260,157	23,646,431
LIABILITY PAYABLE ON DEMAND	2,743,254	1,650,740	2,743,254	1,650,740
LIABILITY TO DELIVER SECURITY	20,272,937	3,845,662	20,272,937	3,845,662
DERIVATIVES LIABILITIES	3,355,947	5,394,125	3,355,947	5,397,152
DEBT ISSUED AND BORROWINGS (Note 5.7)	144,978,770	208,262,710	93,756,283	172,044,802
BANK'S LIABILITY UNDER ACCEPTANCE	755,372	696,382	755,372	696,382
PROVISIONS (Note 5.8)	7,611,981	6,896,394	5,412,756	5,169,723
DEFERRED TAX LIABILITIES	2,509,791	2,275,923	1,538,976	1,452,086
ACCOUNTS PAYABLE FOR INVESTMENTS	5,792,398	5,975,293	5,792,398	5,975,293
OTHER LIABILITIES	26,051,308	25,823,995	9,881,149	10,214,509
TOTAL LIABILITIES	931,145,124	845,101,752	864,889,935	794,271,396
EQUITY				
SHARE CAPITAL (Note 5.9)				
Authorized share capital				
7,089,392,755 ordinary shares of				
Baht 10 each	70,893,928	70,893,928	70,893,928	70,893,928
Issued and paid-up share capital				
6,074,143,747 ordinary shares of				
Baht 10 each	60,741,437	60,741,437	60,741,437	60,741,437
PREMIUM ON ORDINARY SHARES	13,802,216	13,802,216	13,802,216	13,802,216
OTHER RESERVES	5,647,584	5,502,959	5,650,211	5,506,816
RETAINED EARNINGS				
Appropriated				
Legal reserve	1,316,500	1,316,500	1,316,500	1,316,500
Unappropriated	27,608,441	21,125,871	11,279,386	11,184,540
TOTAL BANK'S EQUITY	109,116,178	102,488,983	92,789,750	92,551,509
NON-CONTROLLING INTEREST	163,020	206,612	-	-
TOTAL EQUITY	109,279,198	102,695,595	92,789,750	92,551,509
TOTAL LIABILITIES AND EQUITY	1,040,424,322	947,797,347	957,679,685	886,822,905

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

(Mr. Mark John Arnold)
President and Chief Executive Officer

(Mr. Pongpinit Tejagupta)
Director

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2012 AND DECEMBER 31, 2011

BAHT: '000

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	"UNAUDITED"		"UNAUDITED"	
	As at September 30, 2012	As at December 31, 2011	As at September 30, 2012	As at December 31, 2011
ASSETS				
CASH	22,074,754	25,164,847	22,044,429	25,140,395
INTERBANK AND MONEY MARKET ITEMS, NET	83,617,123	81,817,705	82,618,800	80,518,686
CLAIMS ON SECURITY	20,272,937	3,845,662	20,272,937	3,845,662
DERIVATIVES ASSETS	3,806,806	4,833,556	3,807,175	4,833,556
INVESTMENTS, NET (Note 5.2)	90,697,399	81,203,947	90,324,878	80,681,625
INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES, NET (Note 5.3)	898,815	769,610	32,482,962	33,095,630
LOANS TO CUSTOMERS AND ACCRUED INTEREST RECEIVABLES, NET (Note 5.4)				
Loans to customers	820,471,094	751,404,973	688,107,542	641,269,203
Accrued interest receivables	2,109,517	1,858,966	1,379,655	1,105,855
Total loans to customers and accrued interest receivables	822,580,611	753,263,939	689,487,197	642,375,058
Less Deferred revenue	(36,575,703)	(31,898,355)	(58,937)	(26,010)
Less Allowance for doubtful accounts (Note 5.5)	(30,745,335)	(30,776,291)	(19,713,406)	(19,226,313)
Less Revaluation allowance for debt restructuring (Note 5.6)	(751,525)	(502,487)	(56,858)	(26,491)
Net loans and accrued interest receivables	754,508,048	690,086,806	669,657,996	623,096,244
CUSTOMERS' LIABILITY UNDER ACCEPTANCE	755,372	696,382	755,372	696,382
PROPERTIES FOR SALE, NET	10,122,327	11,737,334	5,046,394	5,937,172
PREMISES AND EQUIPMENT, NET	17,879,090	17,568,121	16,517,832	16,459,672
GOODWILL AND OTHER INTANGIBLE ASSETS, NET	15,457,646	12,053,632	2,880,327	1,647,653
DEFERRED TAX ASSETS	6,232,169	5,630,719	2,683,537	2,355,730
ACCOUNTS RECEIVABLE FOR INVESTMENTS	5,725,413	5,977,415	5,725,413	5,977,415
OTHER ASSETS, NET	8,376,423	6,411,611	2,861,633	2,537,083
TOTAL ASSETS	1,040,424,322	947,797,347	957,679,685	886,822,905

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

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT SEPTEMBER 30, 2012 AND DECEMBER 31, 2011

BAHT: '000

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	"UNAUDITED"		"UNAUDITED"	
	As at September 30, 2012	As at December 31, 2011	As at September 30, 2012	As at December 31, 2011
LIABILITIES AND EQUITY				
DEPOSITS	672,324,013	560,539,821	677,120,706	564,178,616
INTERBANK AND MONEY MARKET ITEMS, NET	44,749,353	23,740,707	44,260,157	23,646,431
LIABILITY PAYABLE ON DEMAND	2,743,254	1,650,740	2,743,254	1,650,740
LIABILITY TO DELIVER SECURITY	20,272,937	3,845,662	20,272,937	3,845,662
DERIVATIVES LIABILITIES	3,355,947	5,394,125	3,355,947	5,397,152
DEBT ISSUED AND BORROWINGS (Note 5.7)	144,978,770	208,262,710	93,756,283	172,044,802
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DEFERRED TAX LIABILITIES	2,509,791	2,275,923	1,538,976	1,452,086
ACCOUNTS PAYABLE FOR INVESTMENTS	5,792,398	5,975,293	5,792,398	5,975,293
OTHER LIABILITIES	26,051,308	25,823,995	9,881,149	10,214,509
TOTAL LIABILITIES	931,145,124	845,101,752	864,889,935	794,271,396
EQUITY				
SHARE CAPITAL (Note 5.9)				
Authorized share capital				
7,089,392,755 ordinary shares of				
Baht 10 each	70,893,928	70,893,928	70,893,928	70,893,928
Issued and paid-up share capital				
6,074,143,747 ordinary shares of				
Baht 10 each	60,741,437	60,741,437	60,741,437	60,741,437
PREMIUM ON ORDINARY SHARES	13,802,216	13,802,216	13,802,216	13,802,216
OTHER RESERVES	5,647,584	5,502,959	5,650,211	5,506,816
RETAINED EARNINGS				
Appropriated				
Legal reserve	1,316,500	1,316,500	1,316,500	1,316,500
Unappropriated	27,608,441	21,125,871	11,279,386	11,184,540
TOTAL BANK'S EQUITY	109,116,178	102,488,983	92,789,750	92,551,509
NON-CONTROLLING INTEREST	163,020	206,612	-	-
TOTAL EQUITY	109,279,198	102,695,595	92,789,750	92,551,509
TOTAL LIABILITIES AND EQUITY	1,040,424,322	947,797,347	957,679,685	886,822,905

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(Mr. Mark John Arnold)
President and Chief Executive Officer

(Mr. Pongpinit Tejagupta)
Director

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2012 AND DECEMBER 31, 2011

BAHT: '000

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
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TOTAL ASSETS	1,040,424,322	947,797,347	957,679,685	886,822,905

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

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT SEPTEMBER 30, 2012 AND DECEMBER 31, 2011

BAHT: '000

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	"UNAUDITED"		"UNAUDITED"	
	As at September 30, 2012	As at December 31, 2011	As at September 30, 2012	As at December 31, 2011
LIABILITIES AND EQUITY				
DEPOSITS	672,324,013	560,539,821	677,120,706	564,178,616
INTERBANK AND MONEY MARKET ITEMS, NET	44,749,353	23,740,707	44,260,157	23,646,431
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OTHER LIABILITIES	26,051,308	25,823,995	9,881,149	10,214,509
TOTAL LIABILITIES	931,145,124	845,101,752	864,889,935	794,271,396
EQUITY				
SHARE CAPITAL (Note 5.9)				
Authorized share capital				
7,089,392,755 ordinary shares of				
Baht 10 each	70,893,928	70,893,928	70,893,928	70,893,928
Issued and paid-up share capital				
6,074,143,747 ordinary shares of				
Baht 10 each	60,741,437	60,741,437	60,741,437	60,741,437
PREMIUM ON ORDINARY SHARES	13,802,216	13,802,216	13,802,216	13,802,216
OTHER RESERVES	5,647,584	5,502,959	5,650,211	5,506,816
RETAINED EARNINGS				
Appropriated				
Legal reserve	1,316,500	1,316,500	1,316,500	1,316,500
Unappropriated	27,608,441	21,125,871	11,279,386	11,184,540
TOTAL BANK'S EQUITY	109,116,178	102,488,983	92,789,750	92,551,509
NON-CONTROLLING INTEREST	163,020	206,612	-	-
TOTAL EQUITY	109,279,198	102,695,595	92,789,750	92,551,509
TOTAL LIABILITIES AND EQUITY	1,040,424,322	947,797,347	957,679,685	886,822,905

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

(Mr. Mark John Arnold)
President and Chief Executive Officer

(Mr. Pongpinit Tejagupta)
Director

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN EQUITY

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011

"UNAUDITED"

BAHT : '000

CONSOLIDATED FINANCIAL STATEMENTS

	Owners of the Bank								Non-Controlling Interest	Total
	Issued and Paid-up Share Capital	Premium on Share Capital	Other reserves: Asset Appraisal Surplus	Other reserves: Revaluation Surplus (Deficit) on Investments	Other reserves: Deferred Tax Relating to Components of Other Comprehensive Income	Retained Earnings: Appropriated Legal Reserve	Retained Earnings: Unappropriated	Total Bank's Equity		
Balance as of January 1, 2011	60,741,437	13,802,216	6,824,842	531,550	(2,209,659)	1,013,500	16,424,274	97,128,160	184,590	97,312,750
Change in revaluation surplus	-	-	(182,199)	-	54,660	-	127,539	-	-	-
Dividend payment (Note 5.9.2)	-	-	-	-	-	-	(4,251,901)	(4,251,901)	(405)	(4,252,306)
Total comprehensive income	-	-	-	(806,821)	243,571	-	8,786,610	8,223,360	25,231	8,248,591
Change in shareholding in subsidiary company	-	-	-	-	-	-	582	582	(11,593)	(11,011)
Balance as of September 30, 2011	60,741,437	13,802,216	6,642,643	(275,271)	(1,911,428)	1,013,500	21,087,104	101,100,201	197,823	101,298,024
Balance as of January 1, 2012	60,741,437	13,802,216	6,572,253	318,798	(1,388,093)	1,316,500	21,125,871	102,488,982	206,612	102,695,594
Change in revaluation surplus	-	-	(204,511)	-	40,902	-	163,609	-	-	-
Dividend payment (Note 5.9.2)	-	-	-	-	-	-	(4,555,607)	(4,555,607)	(186)	(4,555,793)
Total comprehensive income (loss)	-	-	-	389,504	(81,269)	-	10,870,697	11,178,932	42,624	11,221,556
Change in shareholding in subsidiary company	-	-	-	-	-	-	3,871	3,871	(86,030)	(82,159)
Balance as of September 30, 2012	60,741,437	13,802,216	6,367,742	708,302	(1,428,460)	1,316,500	27,608,441	109,116,178	163,020	109,279,198

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

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011

"UNAUDITED"

BAHT : '000

	THE BANK'S FINANCIAL STATEMENTS							
	Issued and Paid-up Share Capital	Premium on Share Capital	Other reserves			Retained Earnings		Total
			Asset Appraisal Surplus	Revaluation Surplus (Deficit) on Investments	Deferred Tax Relating to Components of Other Comprehensive Income	Appropriated Legal Reserve	Unappropriated	
Balance as of January 1, 2011	60,741,437	13,802,216	6,824,842	535,506	(2,209,659)	1,013,500	9,645,052	90,352,894
Change in revaluation surplus	-	-	(182,199)	-	54,660	-	127,539	-
Dividend payment (Note 5.9.2)	-	-	-	-	-	-	(4,251,901)	(4,251,901)
Total comprehensive income	-	-	-	(806,713)	243,571	-	3,469,335	2,906,193
Balance as of September 30, 2011	60,741,437	13,802,216	6,642,643	(271,207)	(1,911,428)	1,013,500	8,990,025	89,007,186
Balance as of January 1, 2012	60,741,437	13,802,216	6,572,253	322,656	(1,388,093)	1,316,500	11,184,540	92,551,509
Change in revaluation surplus	-	-	(204,510)	-	40,902	-	163,608	-
Dividend payment (Note 5.9.2)	-	-	-	-	-	-	(4,555,607)	(4,555,607)
Total comprehensive income	-	-	-	388,929	(81,926)	-	4,486,845	4,793,848
Balance as of September 30, 2012	60,741,437	13,802,216	6,367,743	711,585	(1,429,117)	1,316,500	11,279,386	92,789,750

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

(Mr. Mark John Arnold)
President and Chief Executive Officer

(Mr. Pongpinit Tejagupta)
Director

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011

"UNAUDITED"

BAHT : '000

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2012	2011	2012	2011
CASH FLOWS FROM OPERATING ACTIVITIES				
Income from operating before income tax expenses	14,220,495	12,302,949	5,710,534	4,473,538
Adjustments to reconcile income to cash received (paid)				
from operating activities:				
Depreciation and amortization	1,985,199	2,322,264	1,256,856	1,192,829
Deferred interest expenses	1,836	3,479	1,836	3,479
Bad debt and doubtful accounts	7,666,297	7,857,987	3,122,718	4,092,527
Loss on debt restructuring	820,702	615,144	152,294	102,572
(Gains) loss on translation in foreign currencies	471,384	(900,150)	471,384	(900,150)
Share of profit from investment for using equity method	(129,537)	(58,116)	-	-
Gains on investments	(611,443)	(755,888)	(612,881)	(755,888)
Increase (decrease) in discount on investments	242,686	53,133	(294,418)	(238,900)
Gains on sales of properties for sale	(507,817)	(539,188)	(191,598)	(81,483)
(Gains) losses on sales of premises and equipment	(9,709)	(89,876)	16,906	13,160
Losses on impairment of investments	17,715	-	17,715	-
Losses on impairment of properties for sale	333,953	511,108	274,827	451,963
Loss on impairment of premises and equipment (reversal)	(3,683)	-	(5,462)	-
Loss on impairment of other assets (reversal)	113,315	(55,199)	2,374	(64,509)
Decrease in other reserves	715,587	1,092,340	243,032	1,029,464
Interest income, net	(29,652,851)	(28,317,865)	(15,164,175)	(14,546,195)
Interest received	47,635,964	41,327,969	32,160,686	26,799,930
Interest paid	(18,706,255)	(13,400,286)	(17,728,565)	(12,755,534)
Dividend income	(406,986)	(391,896)	(667,966)	(1,293,188)
Dividend received	401,058	385,968	405,457	399,821
Increase (decrease) in other accrued expenses	(49,327)	(225,875)	60,119	(129,301)
Income tax paid	(4,852,200)	(4,371,607)	(1,844,154)	(1,034,003)
Income from operations before changes in				
operating assets and liabilities	19,696,383	17,366,395	7,387,519	6,760,132
(Increase) decrease in operating assets				
Interbank and money market items	(2,133,058)	(422,036)	(2,118,896)	(636,031)
Derivatives assets	1,026,000	25,282	1,025,631	25,212
Current investments - securities for trading	(11,782,711)	1,951,234	(11,782,711)	1,951,249
Loans to customers	(59,197,949)	(57,557,126)	(45,087,518)	(42,432,968)
Properties for sale	1,788,981	2,161,778	814,993	706,765
Other assets	(1,886,371)	1,549,106	(50,884)	1,956,995
Increase (decrease) in operating liabilities				
Deposits	103,529,625	(40,423,599)	110,733,322	(39,905,939)
Interbank and money market items	19,748,497	(20,641,811)	13,310,507	(2,113,136)
Liability payable on demand	1,092,514	177,151	1,092,514	177,151
Derivatives liabilities	(2,037,427)	723,652	(2,040,455)	725,539
Other liabilities	2,320,515	855,782	1,339,668	124,375
Net cash from operating activities	72,164,999	(94,234,192)	74,623,690	(72,660,656)

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011

"UNAUDITED"

BAHT : '000

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2012	2011	2012	2011
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sales of investments - securities available-for-sale	791,796,323	528,381,737	791,798,343	528,381,618
Cash paid for purchases of investments - securities available-for-sale	(788,549,589)	(540,492,191)	(788,457,646)	(540,552,813)
Proceeds from repatriation of subsidiaries	-	-	692,478	1,725,610
Dividend received from subsidiaries	-	-	262,779	901,907
Cash paid for investment in subsidiaries	-	(999,462)	-	(999,462)
Cash paid for purchase of shares in subsidiaries	(80,392)	(11,025)	(80,392)	(211,025)
Proceeds from sales of premises and equipment	65,728	280,654	52,771	3,630
Cash paid for purchases of premises and equipment	(2,697,093)	(1,210,889)	(2,264,927)	(751,707)
Proceeds from sales of other assets	1,486	-	1,486	-
Cash paid for purchases of other assets	(668,104)	(467,692)	(353,206)	(347,303)
Cash received (paid) for business acquisition	(7,585,573)	-	3,488,085	-
Net cash from investing activities	(7,717,214)	(14,518,868)	5,139,771	(11,849,545)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from debts issued and borrowings	233,632,888	264,499,153	218,168,309	240,424,429
Cash paid for repayment of debts issued and borrowings	(296,916,828)	(153,991,869)	(296,456,827)	(153,991,869)
Cash paid for liabilities under finance lease agreements	(10,914)	(104,483)	(10,914)	(104,483)
Dividend payment	(4,555,607)	(4,251,901)	(4,555,607)	(4,251,901)
Net cash from financing activities	(67,850,461)	106,150,900	(82,855,039)	82,076,176
Total	(3,402,676)	(2,602,160)	(3,091,578)	(2,434,025)
Effect of exchange rate change on cash	(4,388)	76,888	(4,388)	76,888
Net decrease in cash and cash equivalents	(3,407,064)	(2,525,272)	(3,095,966)	(2,357,137)
Cash and cash equivalents as at January 1,	26,102,863	23,387,497	25,140,395	22,447,133
Cash and cash equivalents as at September 30,	22,695,799	20,862,225	22,044,429	20,089,996

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

(Mr. Mark John Arnold)
President and Chief Executive Officer

(Mr. Pongpinit Tejagupta)
Director

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
THE CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIODS AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011
"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. As at September 30, 2012 and December 31, 2011, the Bank has 17 subsidiaries, with significant changes during the nine-month period ended September 30, 2012 as follows:

1.1 On January 30, 2012, Ayudhya Factoring Company Limited has registered to change the Company name to Krungsri Factoring Company Limited.

1.2 On April 21, 2012, Ayudhya Total Solutions Public Company Limited (AYTS) has already completed the transfer of its entire business to Ayudhya Capital Auto Lease Public Company Limited (AYCAL) at net book value of Baht 721 million, having total assets and total liabilities of Baht 858 million and Baht 137 million, respectively on the transfer date, as approved by the extraordinary meeting of shareholders No. 1/2011 of AYTS as well as the annual general meeting of shareholders No. 51 of AYTS and the extraordinary meeting of shareholders No. 1/2011 of AYCAL.

On June 22, 2012, the extraordinary shareholders' meeting of AYTS No. 1/2012 approved a resolution to liquidate the subsidiary with an effective date on June 29, 2012. Currently, the subsidiary is in the process of liquidation.

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

2.1 The interim financial statements are prepared in accordance with Thai Accounting Standard No.34 (Revised 2009) "Interim Financial Reporting" 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")'s Notification regarding the Preparation and Announcement of Financial Statements of Commercial Banks and Holding Companies of Financial Industry dated December 3, 2010.

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

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

Certain financial information which is normally included in the financial statements prepared in accordance with Thai Financial Reporting Standards, but which is not required for interim reporting purposes, has been omitted. In addition, the 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, 2011.

The consolidated and the Bank's statements of financial position as at December 31, 2011, presented herein for comparison, have been derived from the consolidated and the Bank's financial statements for the year then ended which have been audited.

The results of operations for the nine-month period ended September 30, 2012 are not necessarily indicative of the operating results anticipated for the full year.

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

Financial Reporting Standards announced but not effective in 2012

The Federation of Accounting Professions has issued the Notifications regarding the Thai Financial Reporting Standards, which are effective for the accounting periods beginning on or after January 1, 2013 onwards. The Thai Accounting Standards (TAS), Thai Financial Reporting Standards (TFRS) and Thai Financial Reporting Interpretations (TFRI) which are related to the Bank and subsidiaries are as follows:

TAS	
TAS 12 (Revised 2009)	Income Taxes
TAS 21 (Revised 2009)	The Effects of Changes in Foreign Exchange Rates
TFRS	
TFRS 8	Operating Segments
TFRI	
TFRI 21	Income Taxes - Recovery of Revalued Non-Depreciable Assets
TFRI 25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders

The Bank and subsidiaries had early adopted TAS 12 Income Taxes and relevant TFRI 21 and 25. For TAS 21 and TFRS 8, the adoption of those standards will have no material impact on the financial statements of the Company.

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

	Business Type	Percentage of Holdings As at September 30, 2012	Percentage of Holdings As at December 31, 2011
Subsidiaries			
Ayudhya Development Leasing Company Limited	Leasing and hire-purchase	99.99	99.99
Ayudhya Auto Lease Public Company Limited(1)	Hire-purchase	99.79	99.79
Ayudhya Capital Auto Lease Public Company Limited	Hire-purchase and auto leasing	99.99	99.99
Ayudhya Total Solutions Public Company Limited(2)	Hire-purchase	99.81	99.81
CFG Services Company Limited	Hire-purchase and motorcycle loans	99.99	99.99
Ayudhya Card Services Company Limited	Credit cards and personal loans	99.99	99.99
Ayudhya Capital Services Company Limited	Credit cards and personal loans	99.99	99.99
General Card Services Limited	Credit cards and personal loans	99.99	99.99
Krungsriayudhya Card Company Limited	Credit cards and personal loans	99.99	99.99
Siam Realty and Services Company Limited	Car leasing and personnel services	99.99	99.99
Total Service Solutions Public Company Limited	Collection services	99.99	99.99
Krungsri Asset Management Company Limited	Fund management	76.59	76.59
Krungsri Ayudhya AMC Limited (Formerly Ayudhya Asset Management Company Limited)	Asset management	99.99	99.99
Krungsri Securities Public Company Limited (Formerly Ayudhya Securities Public Company Limited)	Securities	98.71	88.13
Krungsri Factoring Company Limited (Formerly Ayudhya Factoring Company Limited)	Factoring	99.99	99.99
Krungsri Life Assurance Broker Limited(3) (Formerly Quality Life Assurance Broker Limited)	Life assurance broker	99.99	99.99
Krungsri General Insurance Broker Limited(3) (Formerly Quality General Insurance Broker Limited)	General insurance broker	99.99	99.99

(1) Subsidiary has made repayment of capital to the shareholders and is currently under the dissolution registration process.
(2) Subsidiary is under the liquidation process.
(3) Indirectly holding via Ayudhya Capital Services Company Limited of 99.99%

All material intercompany transactions and balances have been eliminated.

2.3 The consolidated financial statements for the three-month periods and nine-month periods ended September 30, 2012 and 2011, included financial statements of certain subsidiaries, prepared by subsidiaries' managements, which have not been reviewed by the auditors as follows:

Unit : Million Baht

	Net profit For the three-month periods ended September 30, 2012	2011	Net profit For the nine-month periods ended September 30, 2012	2011
Ayudhya Auto Lease Public Company Limited(1)	-	-	1	-
Ayudhya Total Solutions Public Company Limited(2)	7	-	71	-
Ayudhya Capital Lease Company Limited(3)	-	6	-	16

(1) Subsidiary has made repayment of capital to the shareholders and is currently under the dissolution registration process.
(2) Subsidiary is under the liquidation process.
(3) Subsidiary registered the completion of liquidation in 2011.

3. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements have been prepared based on the basis, accounting policies and method of computation consistent with those used in the annual financial statements for the year ended December 31, 2011.

4. CAPITAL FUND

Under the Bank of Thailand's regulation on supervision of capital fund, it requires the commercial bank to maintain the minimum capital requirement, to have the capital adequacy assessment process in place and to disclose of both quantitative and qualitative information relevant to capital maintenance. The minimum capital requirement ratio is 8.5% of total risk weighted assets with the condition that the Tier 1 capital shall not be less than 4.25% of total risk weighted assets. The Bank thus conducts the internal capital adequacy assessment process in accordance with the supervisory review process of the Bank of Thailand and monitors on a regular basis to ensure that the current and future capital requirements are aligned with the risk appetite in the Bank.

The Bank maintains its capital funds in accordance with the criteria, methodologies and conditions prescribed by the Bank of Thailand. As at September 30, 2012 and December 31, 2011, the Bank's total capital funds can be categorized as follows:

		Unit : Million Baht
	September 30, 2012	**December 31, 2011**
Tier 1 capital		
Issued and paid-up share capital	60,741	60,741
Premium on share capital	13,802	13,802
Statutory reserve	1,317	1,014
Unappropriated retained earning	9,585	7,642
Less Deferred tax assets	(3,756)	(2,356)
Total Tier 1 capital	81,689	80,843
Tier 2 capital	29,964	30,279
Total capital fund	111,653	111,122

	Percentage	
	September 30, 2012	**December 31, 2011**
Total capital / Total risk assets	15.76	16.29
Total tier 1 capital / Total risk assets	11.53	11.85

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

Location of disclosure	www.krungsri.com
Date of disclosure	October 19, 2012
Information as of	June 30, 2012

5. ADDITIONAL INFORMATION

5.1 Additional information of cash flows

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

Unit : Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2012	**2011**	**2012**	**2011**
Increase (decrease) in revaluation surplus on investments	390	(807)	389	(807)
Accumulated depreciation of premises appraisal deducted from premises revaluation surplus	(205)	(182)	(205)	(182)
Properties for sale acquired from debt repayment	-	184	-	184

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

Unit : Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2012	**2011**	**2012**	**2011**
Premises and equipment payable at the beginning of the periods	1,255	493	1,303	493
Purchases of premises and equipment	1,605	1,829	1,069	1,370
Less Cash payment	(2,697)	(1,211)	(2,265)	(752)
Premises and equipment payable at the end of the periods	163	1,111	107	1,111

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

Unit : Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2012	**2011**	**2012**	**2011**
Computer software payable at the beginning of the periods	30	5	30	5
Purchases of computer software	507	481	333	355
Less Cash payment	(505)	(468)	(353)	(342)
Computer software payable at the end of the periods	32	18	10	18

5.1.4 The Extraordinary Meeting of Shareholders of the Bank No. 1/2012 held on March 20, 2012 approved the Bank and/ or its subsidiaries' acquisition of the retail banking business in Thailand from the Hongkong and Shanghai Banking Corporation Limited, Bangkok Branch (“HSBC”), which operated credit card, personal loan and mortgage businesses and raising deposits and bills of exchange funding, under a foreign bank branch license and the Bank of Thailand’s supervision. This acquisition was successfully completed on March 31, 2012.

Consolidated financial statements

Fair value of assets and liabilities of HSBC’s retail banking business and book value of each item are as follows:

Unit : Million Baht

	Book Value	Fair Value
Assets		
Receivable and loans	13,114	13,845
Others	442	1,302
	13,556	15,147
Liabilities		
Deposit and borrowings	9,557	9,557
Others	115	595
	9,672	10,152
Net assets	3,884	4,995
Goodwill		2,590
Purchase price		7,585

The initial accounting for the acquisition of HSBC’s retail banking business has been adjusted to be in accordance with those provisionally determined as at September 30, 2012. At the date of finalization of these financial statements, the necessary market valuations and other calculations have not been finalized and goodwill noted above has therefore only been provisionally determined based on the best estimate of the likely values.

The Bank and its subsidiaries are in the process of adjusting purchase price and the necessary market valuations and other calculations which is still in the twelve-month period from the purchase date.

5.1.5 Realized and unrealized gains (losses) on foreign exchange

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

5.2 Investments, net

Investments, net as at September 30, 2012 and December 31, 2011 consisted of the following:

Unit : Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS							
	September 30, 2012				December 31, 2011			
	Cost/ Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value	Cost/ Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
Securities for Trading								
Government and state enterprise securities	12,200	1	(1)	12,200	196	1	-	197
Private sector's debt securities	155	-	-	155	56	-	-	56
Domestic marketable equity securities	65	3	(1)	67	-	-	-	-
	12,420	4	(2)	12,422	252	1	-	253
Add Revaluation allowance	2			-	1			-
Total	12,422			12,422	253			253
Securities Available-for-Sale								
Government and state enterprise securities	52,054	66	(53)	52,067	54,240	61	(105)	54,196
Private sector's debt securities	16,160	83	(25)	16,218	13,435	89	(31)	13,493
Domestic marketable equity securities	5,539	724	(87)	6,176	6,042	434	(128)	6,348
	73,753	873	(165)	74,461	73,717	584	(264)	74,037
Add Revaluation allowance	708			-	320			-
Less Allowance for impairment	(373)			(373)	(373)			(373)
Total	74,088			74,088	73,664			73,664
Securities Held-to-Maturity								
Government and state enterprise securities	452				1,033			
Private sector's debt securities	200				50			
Investment in account receivable	3,078				5,232			
	3,730				6,315			
Less Allowance for impairment	(92)				(50)			
Total	3,638				6,265			
Securities for General Investments								
Domestic non-marketable equity securities	736				1,192			
Foreign non-marketable equity securities	28				28			
	764				1,220			
Less Allowance for impairment	(215)				(198)			
Total	549				1,022			
Total Investments, net	90,697				81,204			

Unit : Million Baht

	THE BANK'S FINANCIAL STATEMENTS							
	September 30, 2012				December 31, 2011			
	Cost/ Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value	Cost/ Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
Securities for Trading								
Government and state enterprise securities	12,200	1	(1)	12,200	196	1	-	197
Private sector's debt securities	155	-	-	155	56	-	-	56
Domestic marketable equity securities	65	3	(1)	67	-	-	-	-
	12,420	4	(2)	12,422	252	1	-	253
Add Revaluation allowance	2			-	1			-
Total	12,422			12,422	253			253
Securities Available-for-Sale								
Government and state enterprise securities	52,054	66	(53)	52,067	54,240	61	(105)	54,196
Private sector's debt securities	15,663	83	(24)	15,722	12,787	89	(31)	12,845
Domestic marketable equity securities	5,534	724	(84)	6,174	6,037	434	(125)	6,346
	73,251	873	(161)	73,963	73,064	584	(261)	73,387
Add Revaluation allowance	712			-	323			-
Less Allowance for impairment	(26)			(26)	(26)			(26)
Total	73,937			73,937	73,361			73,361
Securities Held-to-Maturity								
Government and state enterprise securities	452				1,033			
Private sector's debt securities	50				50			
Investment in accounts receivable	3,023				5,031			
	3,525				6,114			
Less Allowance for impairment	(91)				(50)			
Total	3,434				6,064			
Securities for General Investments								
Domestic non-marketable equity securities	703				1,158			
Foreign non-marketable equity securities	28				28			
	731				1,186			
Less Allowance for impairment	(199)				(182)			
Total	532				1,004			
Total Investments, net	90,325				80,682			

As at September 30, 2012 and December 31, 2011, the investments classified as held-to-maturity debt securities (government and state enterprise securities) included the 10 year-term non-negotiable promissory notes avalled by the Financial Institution Development Fund in the consolidated financial statements and the Bank's financial statements of Baht 452 million and Baht 1,033 million, respectively, issued by the Thai Asset Management Corporation (TAMC) for assets transferred to TAMC. During the nine-month period ended September 30, 2012, TAMC redeemed promissory notes of the Bank of Baht 581 million, and during the year 2011, TAMC redeemed promissory notes of the Bank of Baht 2,241 million.

During the nine-month period ended September 30, 2012, the Bank sold held-to-maturity investment in loans to the third party in the amount of Baht 1,855 million for portfolio risk realignment.

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

Unit : Million Baht

	CONSOLIDATED AND THE BANK'S FINANCIAL STATEMENTS September 30, 2012	CONSOLIDATED AND THE BANK'S FINANCIAL STATEMENTS December 31, 2011
Manufacturing	3	21
Total	3	21

In the consolidated and the Bank's financial statements as at September 30, 2012 and December 31, 2011, 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 cost of Baht 13 million and market price of Baht 0.

5.3 Investments in subsidiaries and associates, net

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 as at September 30, 2012 and December 31, 2011, are as follows:

Unit : Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

Company Name	Business Type	Securities Investment Type	Registered Share Capital	Ownership %	September 30, 2012 Investment (Cost)	September 30, 2012 Investment (Equity Method)	September 30, 2012 Dividend	December 31, 2011 Investment (Cost)	December 31, 2011 Investment (Equity Method)	December 31, 2011 Dividend
Associates										
Tesco Card Services Limited [1]	Credit cards and personal loans	Common stock	780	50.00	390	846	-	390	726	-
Tesco Life Assurance Broker Limited [2]	Life assurance broker	Common stock	2	50.00	-	16	-	-	12	-
Tesco General Insurance Broker Limited [2]	General insurance broker	Common stock	77	50.00	-	37	-	-	32	-
Metro Designee Company Limited[3]	Special purpose vehicle	Common stock	-	21.90	-	-	-	-	-	-
Investments in associates, net					390	899	-	390	770	-

(1) Indirect holding via Ayudhya Capital Services Company Limited.
(2) Indirect holding via Tesco Card Services Limited.
(3) The company which was established for the transfer of the throughout rights as per the concession agreement between Mass Rapid Transit Authority of Thailand (MRT) and Bangkok Metro Public Company Limited (BMCL) in case of BMCL breaches agreement with MRT or BMCL breaches the loan agreement with the creditor group.

Unit : Million Baht

Company Name	Business Type	Securities Investment Type	Registered Share Capital	Ownership %	Investment (Cost)	Dividend
			THE BANK'S FINANCIAL STATEMENTS September 30, 2012			
Subsidiaries						
Ayudhya Development Leasing Company Limited	Leasing and hire- purchase	Common stock	705	99.99	929	35
Ayudhya Auto Lease Public Company Limited[1]	Hire-purchase	Common stock	713	99.79	-	-
		Preferred stock			-	-
Ayudhya Capital Auto Lease Public Company Limited	Hire-purchase and auto leasing	Common stock	1,045	99.99	16,281	-
Ayudhya Total Solutions Public Company Limited[2]	Hire-purchase	Common stock	299	99.81	634	98
CFG Services Company Limited	Hire-purchase and motorcycle loans	Common stock	514	99.99	26	-
		Preferred stock			1	-
Ayudhya Card Services Company Limited	Credit cards and personal loans	Common stock	180	99.99	4	-
Ayudhya Capital Services Company Limited	Credit cards and personal loans	Common stock	125	99.99	6,141	-
General Card Services Limited	Credit cards and personal loans	Common stock	758	99.99	881	-
Krungsriayudhya Card Company Limited	Credit cards and personal loans	Common stock	1,100	99.99	1,304	-
Siam Realty and Services Company Limited	Car leasing and personnel services	Common stock	100	99.99	100	50
Total Services Solutions Public Company Limited	Collection services	Common stock	331	99.99	1,614	80
Krungsri Asset Management Company Limited	Fund management	Common stock	350	76.59	204	-
Krungsri Ayudhya AMC Limited (Formerly Ayudhya Asset Management Company Limited)	Asset management	Common stock	6,000	99.99	6,000	-
Krungsri Securities Public Company Limited (Formerly Ayudhya Securities Public Company Limited)	Securities	Common stock	600	98.71	731	-
Krungsri Factoring Company Limited (Formerly Ayudhya Factoring Company Limited)	Factoring	Common stock	300	99.99	300	-
Associated Company						
Metro Designee Company Limited[3]	Special purpose vehicle	Common stock	-	21.90	-	-
Investments in subsidiaries and associated company					35,150	263
Less Allowance for impairment					(2,667)	-
Investments in subsidiaries and associated company, net					32,483	263

(1) Subsidiary has made repayment of capital to the shareholders and is currently under the dissolution registration process.

(2) Subsidiary is under the liquidation process.

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

Unit : Million Baht

Company Name	Business Type	Securities Investment Type	Registered Share Capital	Ownership %	Investment (Cost)	Dividend
			THE BANK'S FINANCIAL STATEMENTS December 31, 2011			
Subsidiaries						
Ayudhya Development Leasing Company Limited	Leasing and hire- purchase	Common stock	705	99.99	929	35
Ayudhya Auto Lease Public Company Limited[(1)]	Hire-purchase	Common stock	713	99.79	813	-
		Preferred stock			197	-
Ayudhya Capital Auto Lease Public Company Limited	Hire-purchase and auto leasing	Common stock	1,045	99.99	16,281	601
Ayudhya Total Solutions Public Company Limited	Hire-purchase	Common stock	299	99.81	634	215
CFG Services Company Limited	Hire-purchase and motorcycle loans	Common stock	514	99.99	26	-
		Preferred stock			1	-
Ayudhya Card Services Company Limited	Credit cards and personal loans	Common stock	180	99.99	4	180
Ayudhya Capital Services Company Limited	Credit cards and personal loans	Common stock	125	99.99	6,141	2,400
General Card Services Limited	Credit cards and personal loans	Common stock	758	99.99	881	-
Krungsriayudhya Card Company Limited	Credit cards and personal loans	Common stock	1,100	99.99	1,304	-
Siam Realty and Services Company Limited	Car leasing and personnel services	Common stock	100	99.99	100	-
Total Services Solutions Public Company Limited	Collection services	Common stock	331	99.99	1,614	72
Krungsri Asset Management Company Limited	Fund management	Common stock	350	76.59	204	-
Krungsri Ayudhya AMC Limited (Formerly Ayudhya Asset Management Company Limited)	Asset management	Common stock	6,000	99.99	6,000	-
Krungsri Securities Public Company Limited (Formerly Ayudhya Securities Public Company Limited)	Securities	Common stock	600	88.13	651	-
Krungsri Factoring Company Limited (Formerly Ayudhya Factoring Company Limited)	Factoring	Common stock	300	99.99	300	-
Associated Company						
Metro Designee Company Limited[(2)]	Special purpose vehicle	Common stock	-	21.90	-	-
Investments in subsidiaries and associated company					36,080	3,503
Less Allowance for impairment					(2,984)	-
Investments in subsidiaries and associated company, net					33,096	3,503

(1) Subsidiary is under the liquidation process.

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

Disclosure of the statements of cash flows of Asset Management Company ("AMC")

KRUNGSRI AYUDHYA AMC LIMITED
(FORMERLY AYUDHYA ASSET MANAGEMENT COMPANY LIMITED)
STATEMENTS OF CASH FLOWS
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2012 AND 2011

Unit : Million Baht

	2012	**2011**
Cash flows from operating activities		
Income before income tax	268	359
Adjustments to reconcile income to cash provided by (used in) operating activities		
Investment in receivable	(382)	-
Depreciation and amortization	1	1
Bad debt and Doubtful accounts	151	241
Gain on sales of properties foreclosed	(186)	(189)
Loss on impairment of properties foreclosed	18	34
Employment benefits expenses	4	5
Interest income, net	(9)	(5)
Proceeds from interest income	151	254
Dividend income	(2)	(1)
Proceeds from dividend	2	1
Cash paid for interest expenses	(143)	(250)
Cash paid for income tax	(5)	(15)
Income from operations before changes in operating assets and liabilities	(132)	435
(Increase) decrease in operating assets		
Investment in receivables	1,783	1,421
Loans to customers	165	(208)
Properties for sale	1,043	1,089
Other assets	(510)	107
Increase (decrease) in operating liabilities		
Other liabilities	178	5
Net cash from operating activities	2,527	2,849
Cash flows from investing activities		
Cash paid for purchase of equipment	(3)	(1)
Net cash from investing activities	(3)	(1)
Cash flows from financing activities		
Proceeds from bill of exchange issued	25,782	35,922
Cash paid for repayment of bill of exchange	(28,362)	(38,753)
Net cash from financing activities	(2,580)	(2,831)
Net increase (decrease) in cash and cash equivalents	(56)	17
Cash and cash equivalents as at January 1,	93	12
Cash and cash equivalents as at September 30,	37	29

5.4 Loans to customers and accrued interest receivables, net

Loans to customers and accrued interest receivables, net as at September 30, 2012 and December 31, 2011, are as follows:

(1) Classified by products

Unit : Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	September 30, 2012	**December 31, 2011**	**September 30, 2012**	**December 31, 2011**
Overdrafts	44,249	44,489	43,642	43,119
Loan against contract	360,343	319,653	511,406	452,170
Trade bill	133,131	145,998	132,894	145,606
Hire-purchase receivable	215,711	182,249	-	-
Lease contract receivable	25,253	22,441	-	-
Credit card receivable	39,542	28,683	-	-
Others	2,242	7,892	166	374
Total	820,471	751,405	688,108	641,269
Less Deferred revenue	(36,576)	(31,898)	(59)	(26)
Loans to customers after deferred revenue, net	783,895	719,507	688,049	641,243
Add Accrued interest receivables	2,110	1,859	1,379	1,106
Loans to customers and accrued interest receivable after deferred revenue, net	786,005	721,366	689,428	642,349
Less Allowance for doubtful accounts				
1) BOT requirement :				
Individual approach	(14,919)	(14,445)	(13,933)	(13,124)
Collective approach	(3,483)	(3,864)	-	-
2) Surplus reserve	(12,343)	(12,467)	(5,780)	(6,102)
Less Revaluation allowance for debt restructuring	(752)	(503)	(57)	(27)
Total loans to customers, net	754,508	690,087	669,658	623,096

(2) Classified by currency and residence of debtors

Unit : Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS					
	September 30, 2012			**December 31, 2011**		
	Domestic	**Foreign**	**Total**	**Domestic**	**Foreign**	**Total**
Baht	769,097	782	769,879	689,013	811	689,824
US Dollar	12,401	1,059	13,460	15,574	2,634	18,208
Other currencies	556	-	556	11,475	-	11,475
Total	782,054	1,841	783,895	716,062	3,445	719,507

Unit : Million Baht

	THE BANK'S FINANCIAL STATEMENTS					
	September 30, 2012			**December 31, 2011**		
	Domestic	**Foreign**	**Total**	**Domestic**	**Foreign**	**Total**
Baht	673,250	782	674,032	621,476	811	622,287
US Dollar	12,402	1,059	13,461	15,574	2,634	18,208
Other currencies	556	-	556	748	-	748
Total	686,208	1,841	688,049	637,798	3,445	641,243

(3) Classified by business type and classification

Unit : Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2012

	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total
Agriculture and mining	5,972	146	71	91	270	6,550
Manufacturing and trading	186,001	4,520	867	1,248	5,300	197,936
Real estate and construction	43,836	1,103	355	257	1,255	46,806
Public utilities and services	99,276	4,156	1,415	876	2,076	107,799
Housing loans	97,301	1,228	673	814	1,852	101,868
Others	305,829	12,062	2,552	1,686	807	322,936
Total	738,215	23,215	5,933	4,972	11,560	783,895

Unit : Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2011

	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total
Agriculture and mining	6,452	263	59	157	465	7,396
Manufacturing and trading	171,845	7,031	1,210	1,360	7,396	188,842
Real estate and construction	40,535	2,132	1,139	358	2,558	46,722
Public utilities and services	95,230	7,091	1,082	3,289	1,517	108,209
Housing loans	88,500	1,794	880	949	1,920	94,043
Others	256,100	12,998	2,890	1,418	889	274,295
Total	658,662	31,309	7,260	7,531	14,745	719,507

Unit : Million Baht

THE BANK'S FINANCIAL STATEMENTS

September 30, 2012

	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total
Agriculture and mining	4,881	146	59	91	145	5,322
Manufacturing and trading	182,568	4,344	756	1,072	3,897	192,637
Real estate and construction	43,078	1,034	320	186	733	45,351
Public utilities and services	98,878	4,083	1,313	857	1,711	106,842
Housing loans	97,301	1,228	674	814	1,104	101,121
Others	235,060	496	325	622	273	236,776
Total	661,766	11,331	3,447	3,642	7,863	688,049

Unit : Million Baht

THE BANK'S FINANCIAL STATEMENTS

December 31, 2011

	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total
Agriculture and mining	5,612	263	49	82	210	6,216
Manufacturing and trading	168,599	6,578	1,175	1,055	4,874	182,281
Real estate and construction	39,453	1,927	1,072	317	1,435	44,204
Public utilities and services	94,248	7,074	1,076	3,289	884	106,571
Housing loans	88,500	1,794	880	950	940	93,064
Others	207,878	386	199	293	151	208,907
Total	604,290	18,022	4,451	5,986	8,494	641,243

(4) Classified by type of classification

Unit : Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS			
	September 30, 2012			
	Loans to Customers and Accrued Interest Receivables	Outstanding Balance Use for Calculation Allowance	% Use for Calculation Allowance[3]	Allowance for Doubtful Accounts[4]
1. Minimum allowance per BOT guideline				
Normal	740,207	423,722	1	6,214
Special mention	23,309	12,274	2 , 11	2,394
Substandard	5,933	3,184	43, 100	2,787
Doubtful	4,972	2,328	43, 100	2,259
Doubtful of loss	11,584	3,958	100	4,748
Total	786,005	445,466		18,402[1]
2. Surplus Reserve				12,343[2]
Total				30,745

Unit : Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS			
	December 31, 2011			
	Loans to Customers and Accrued Interest Receivables	Outstanding Balance Use for Calculation Allowance	% Use for Calculation Allowance[3]	Allowance for Doubtful Accounts[4]
1. Minimum allowance per BOT guideline				
Normal	660,330	363,443	1	5,031
Special mention	31,444	13,855	2, 11	2,603
Substandard	7,260	3,998	49, 100	2,923
Doubtful	7,532	3,542	50, 100	3,089
Doubtful of loss	14,800	4,563	100	4,663
Total	721,366	389,401		18,309[1]
2. Surplus Reserve				12,467[2]
Total				30,776

(1) Including allowance for doubtful accounts on a collective approach for hire-purchase loans as at September 30, 2012 and December 31, 2011 of Baht 3,483 million and Baht 3,864 million, respectively.

(2) Including allowance for doubtful accounts of loans granted to subsidiaries as at September 30, 2012 and December 31, 2011, at the rate of 1% of Baht 186,159 million and Baht 164,433 million equal to Baht 1,862 million and Baht 1,644 million, respectively, which are not eliminated but treated as surplus reserve in the consolidated financial statements.

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

(4) Excluding revaluation allowance for debt restructuring as at September 30, 2012 and December 31, 2011, of Baht 752 million and Baht 503 million, respectively, and excluding allowance for doubtful accounts for interbank and money market items as at September 30, 2012 and December 31, 2011, of Baht 174 million and Baht 87 million, respectively.

Unit : Million Baht

	THE BANK'S FINANCIAL STATEMENTS September 30, 2012			
	Loans to Customers and Accrued Interest Receivables	**Outstanding Balance Use for Calculation Allowance**	**% Use for Calculation Allowance**	**Allowance for Doubtful Accounts(2)**
1. Minimum allowance per BOT guideline				
Normal	663,106	365,919	1	5,762
Special mention	11,370	1,432	2	1,280
Substandard	3,447	830	100	1,275
Doubtful	3,642	1,101	100	1,619
Doubtful of loss	7,863	3,208	100	3,997
Total	689,428	372,490		13,933
2. Surplus Reserve				5,780 (1)
Total				19,713

Unit : Million Baht

	THE BANK'S FINANCIAL STATEMENTS December 31, 2011			
	Loans to Customers and Accrued Interest Receivables	**Outstanding Balance Use for Calculation Allowance**	**% Use for Calculation Allowance**	**Allowance for Doubtful Accounts(2)**
1. Minimum allowance per BOT guideline				
Normal	605,319	324,486	1	4,489
Special mention	18,099	2,106	2	1,509
Substandard	4,451	1,364	100	1,364
Doubtful	5,986	2,475	100	2,503
Doubtful of loss	8,494	3,159	100	3,259
Total	642,349	333,590		13,124
2. Surplus Reserve				6,102(1)
Total				19,226

(1) Including allowance for doubtful accounts of loan granted to subsidiaries as at September 30, 2012 and December 31, 2011, at the rate of 1% of Baht 186,159 million and Baht 164,433 million, equal to Baht 1,862 million and Baht 1,644 million, respectively.

(2) Excluding revaluation allowance for debt restructuring as at September 30, 2012 and December 31, 2011, of Baht 57 million and Baht 27 million, respectively and excluding allowance for doubtful accounts for interbank and money market items as at September 30, 2012 and December 31, 2011, of Baht 174 million and Baht 87 million, respectively.

For the nine-month periods ended September 30, 2012 and 2011, the Bank and a subsidiary entered into agreements to sell non-performing loans (NPLs) to the third parties and a related company as follows:

Unit : Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2012	**2011**	**2012**	**2011**
Book value	4,239	4,959	3,149	3,521
Net book value	2,787	2,746	2,005	1,991
Sale price	2,911	2,810	2,005	1,991

For the nine-month period ended September 30, 2011, the Bank entered into an agreement to sell non-performing loans (NPLs) to a subsidiary totalling Baht 655 million with a book value of Baht 3,917 million and a net book value of Baht 655 million, respectively. The sales amount had been received in full.

As at September 30, 2012 and December 31, 2011, the Bank and KrungsriAyudhaya AMC Limited (formerly Ayudhya Asset Management Company Limited) ("AMC") had non-performing loans which included interbank and money market items as follows:

Unit : Million Baht

	September 30, 2012		
	The Bank	**AMC**	**The Bank and AMC**
Non-performing loans	14,952	2,905	17,857
Percentage of total loans	1.99	100.00	2.37
Non-performing loans, net	8,028	2,299	10,327
Percentage of total loans, net	1.08	100.00	1.38

Unit : Million Baht

	December 31, 2011		
	The Bank	**AMC**	**The Bank and AMC**
Non-performing loans	18,931	5,479	24,410
Percentage of total loans	2.66	100.00	3.40
Non-performing loans, net	11,801	4,465	16,266
Percentage of total loans, net	1.67	100.00	2.29

As at September 30, 2012 and December 31, 2011, the Bank and its subsidiaries' non-performing loans are Baht 22,465 million and Baht 29,536 million, respectively.

(5) Troubled debt restructuring

For the three-month periods and nine-month periods ended September 30, 2012 and 2011, the Bank and its subsidiaries had restructured the following debts:

Unit : Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

	For the three-month period ended September 30, 2012				For the three-month period ended September 30, 2011			
Form of Restructuring	**Number of Debtors**	**Amount of Debt Before Restructuring**	**Type of Assets Acquired**	**Fair Value**	**Number of Debtors**	**Amount of Debt Before Restructuring**	**Type of Assets Acquired**	**Fair Value**
Transfer of assets	-	-		-	1	96	Land and building	96
Modification of terms	4,573	984		-	5,747	1,263		-
Reduction of principal and interest	1,352	243		-	1,651	416		-
Various forms of restructuring	78	335		-	96	474	Land and building	6
Total	6,003	1,562		-	7,495	2,249		102

Unit : Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

Form of Restructuring	For the nine-month period ended September 30, 2012 Number of Debtors	Amount of Debt Before Restructuring	Type of Assets Acquired	Fair Value	For the nine-month period ended September 30, 2011 Number of Debtors	Amount of Debt Before Restructuring	Type of Assets Acquired	Fair Value
Transfer of assets	-	-		-	2	126	Land and building	126
Modification of terms	11,497	3,099		-	8,330	4,025		-
Reduction of principal and interest	3,480	2,338		-	2,940	1,661		-
Various forms of restructuring	226	1,217		-	209	1,336	Land and building	6
Total	15,203	6,654		-	11,481	7,148		132

Unit : Million Baht

THE BANK'S FINANCIAL STATEMENTS

Form of Restructuring	For the three-month period ended September 30, 2012 Number of Debtors	Amount of Debt Before Restructuring	Type of Assets Acquired	Fair Value	For the three-month period ended September 30, 2011 Number of Debtors	Amount of Debt Before Restructuring	Type of Assets Acquired	Fair Value
Transfer of assets	-	-		-	1	96	Land and building	96
Modification of terms	259	759		-	229	767		-
Reduction of principal and interest	146	188		-	176	360		-
Various forms of restructuring	78	335		-	96	474	Land and building	6
Total	483	1,282		-	502	1,697		102

Unit : Million Baht

THE BANK'S FINANCIAL STATEMENTS

Form of Restructuring	For the nine-month period ended September 30, 2012 Number of Debtors	Amount of Debt Before Restructuring	Type of Assets Acquired	Fair Value	For the nine-month period ended September 30, 2011 Number of Debtors	Amount of Debt Before Restructuring	Type of Assets Acquired	Fair Value
Transfer of assets	-	-		-	2	126	Land and building	126
Modification of terms	854	2,490		-	708	3,114		-
Reduction of principal and interest	394	2,212		-	513	1,561		-
Various forms of restructuring	226	1,217		-	208	1,331	Land and building	6
Total	1,474	5,919		-	1,431	6,132		132

For the nine-month periods ended September 30, 2012 and 2011, the Bank and its subsidiaries calculated the net realizable value for the trouble debt restructured by the modification of terms using the present value of future cash flows under the restructured loan agreement, discounted by the market rate, together with the fair value of collateral as follows:

Unit : Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

Method	For the nine-month period ended September 30, 2012				For the nine-month period ended September 30, 2011			
	Average Aging (Year)	Number of Debtor	Amount of Debt Before Restructuring	Amount of Debt After Restructuring	Average Aging (Year)	Number of Debtor	Amount of Debt Before Restructuring	Amount of Debt After Restructuring
Present value of future cash flows	1.95	10,539	967	953	0.51	7,422	414	414
Fair value of collateral	7.06	958	2,132	1,829	5.23	908	3,611	3,036

Unit : Million Baht

THE BANK'S FINANCIAL STATEMENTS

Method	For the nine-month period ended September 30, 2012				For the nine-month period ended September 30, 2011			
	Average Aging (Year)	Number of Debtor	Amount of Debt Before Restructuring	Amount of Debt After Restructuring	Average Aging (Year)	Number of Debtor	Amount of Debt Before Restructuring	Amount of Debt After Restructuring
Present value of future cash flows	7.22	19	473	458	5.84	19	78	78
Fair value of collateral	7.04	835	2,017	1,829	6.85	689	3,036	3,036

For the three-month periods and nine-month periods ended September 30, 2012 and 2011, the Bank and its subsidiaries recognized losses on debt restructured and interest received from debt restructured in the statements of comprehensive income as follows:

Unit : Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS				THE BANK'S FINANCIAL STATEMENTS			
	For the three-month periods ended September 30,		For the nine-month periods ended September 30,		For the three-month periods ended September 30,		For the nine-month periods ended September 30	
	2012	2011	2012	2011	2012	2011	2012	2011
Losses on debt restructured	452	31	821	48	35	53	152	103
Interest received from debt restructured	255	304	990	765	213	255	860	633

As at September 30, 2012 and December 31, 2011, the Bank and its subsidiaries recorded balances of total debt restructured and debt restructured during the nine-month period ended September 30, 2012 and during the year ended December 31, 2011, in the statements of financial position as follows:

Unit : Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	September 30, 2012	December 31, 2011	September 30, 2012	December 31, 2011
Balances of total debt restructured	15,527	20,242	13,852	18,240
Balances of debt restructured during the periods / years	4,276	9,633	3,541	7,822

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

Unit : Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS September 30, 2012			
	Amount due per agreements			
	Within 1 Year	Over 1-5 Years	Over 5 Years	Total
Minimum lease payments	74,964	145,498	20,502	240,964
Less Unearned interest income				(36,517)
Present value of the minimum lease payments				204,447
Less Allowance for doubtful accounts				(5,606)
Total lease receivables, net				198,841

Unit : Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS December 31, 2011			
	Amount due per agreements			
	Within 1 year	Over 1-5 Years	Over 5 Years	Total
Minimum lease payments	65,791	129,770	9,129	204,690
Less Unearned interest income				(31,769)
Present value of the minimum lease payments				172,921
Less Allowance for doubtful accounts				(6,115)
Total lease receivables, net				166,806

5.5 Allowance for doubtful accounts

Allowance for doubtful accounts as at September 30, 2012 and December 31, 2011, are as follows:

Unit : Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS September 30, 2012						
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Surplus Reserve	Total
Beginning balance	5,031	2,603	2,923	3,089	4,663	12,467	30,776
Doubtful accounts	1,110	(211)	2,547	(744)	5,145	(308)	7,539
Bad debts written off	-	-	(2,819)	-	(3,455)	-	(6,274)
Bad debts written off from sales of NPLs	(1)	-	(29)	(86)	(1,605)	-	(1,721)
Other	74	2	165	-	-	184	425
Ending balance	6,214	2,394	2,787	2,259	4,748	12,343	30,745

Unit : Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS December 31, 2011						
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Surplus Reserve	Total
Beginning balance	5,257	1,170	5,564	1,268	7,485	12,666	33,410
Doubtful accounts	(225)	1,434	(251)	3,547	7,124	(201)	11,428
Bad debts written off	-	-	(2,325)	(1,318)	(4,825)	-	(8,468)
Bad debts written off from sales of NPLs	(1)	(1)	(65)	(408)	(5,121)	-	(5,596)
Other	-	-	-	-	-	2	2
Ending balance	5,031	2,603	2,923	3,089	4,663	12,467	30,776

As at September 30, 2012 and December 31, 2011, the consolidated financial statements included the allowance for doubtful account of hire-purchase loans applying a collective approach basis in the amounts of Baht 3,483 million and Baht 3,864 million, respectively.

Unit : Million Baht

	THE BANK'S FINANCIAL STATEMENTS September 30, 2012						
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Surplus Reserve	Total
Beginning balance	4,489	1,509	1,364	2,503	3,259	6,102	19,226
Doubtful accounts	1,274	(229)	813	(798)	2,308	(373)	2,995
Bad debts written off	-	-	(873)	-	(476)	-	(1,349)
Bad debts written off from sales of NPLs	(1)	-	(29)	(86)	(1,094)	-	(1,210)
Other	-	-	-	-	-	51	51
Ending balance	5,762	1,280	1,275	1,619	3,997	5,780	19,713

Unit : Million Baht

	THE BANK'S FINANCIAL STATEMENTS December 31, 2011						
	Normal	**Special Mention**	**Substandard**	**Doubtful**	**Doubtful of Loss**	**Surplus Reserve**	**Total**
Beginning balance	4,994	528	3,946	962	4,332	5,392	20,154
Doubtful accounts	(504)	982	(2,362)	3,266	4,149	708	6,239
Bad debts written off	-	-	(155)	(1,318)	(101)	-	(1,574)
Bad debts written off from sales of NPLs	(1)	(1)	(65)	(407)	(5,121)	-	(5,595)
Other	-	-	-	-	-	2	2
Ending balance	4,489	1,509	1,364	2,503	3,259	6,102	19,226

As at September 30, 2012 and December 31, 2011, the Bank estimated the minimum total allowance* under the BOT Guidelines of Baht 19,328 million and Baht 18,899 million, respectively for the consolidated financial statements and Baht 14,164 million and Baht 13,238 million, respectively for the Bank's financial statements.

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

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

Unit : Million Baht

	September 30, 2012	**December 31, 2011**
Consolidated financial statements	31,671	31,366
The Bank and KrungsriAyudhya AMC Limited (formerly Ayudhya Asset Management Company Limited)	21,231	21,514
The Bank's financial statements	19,944	19,340

As at September 30, 2012 and December 31, 2011, the Bank and its subsidiaries had loans to customers and accrued interest receivables to companies which have certain problems in financial position and result of operations as defined in the Guideline of 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 THE BANK'S FINANCIAL STATEMENTS September 30, 2012			
	Number	**Outstanding Balance**	**Collateral**	**Allowance for Doubtful Accounts**
Companies subject to be delisted by SET	3	2,629	655	2,070
Total	3	2,629	655	2,070

Unit : Million Baht

	CONSOLIDATED AND THE BANK'S FINANCIAL STATEMENTS December 31, 2011			
	Number	Outstanding Balance	Collateral	Allowance for Doubtful Accounts
Companies subject to be delisted by SET	3	70	53	20
Total	3	70	53	20

5.6 Revaluation allowance for debt restructuring

Revaluation allowance for debt restructuring as at September 30, 2012 and December 31, 2011, are as follows:

Unit : Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS	
	September 30, 2012	December 31, 2011
Beginning balance	503	543
Increase during the period / year	821	821
Amount written off	(572)	(861)
Ending balance	752	503

Unit : Million Baht

	THE BANK'S FINANCIAL STATEMENTS	
	September 30, 2012	December 31, 2011
Beginning balance	27	35
Increase during the period / year	152	117
Amount written off	(122)	(125)
Ending balance	57	27

5.7 Debt issued and borrowings

Debt issued and borrowings as at September 30, 2012 and December 31, 2011, are as follows:

Unit : Million Baht

				CONSOLIDATED FINANCIAL STATEMENTS					
				September 30, 2012			December 31, 2011		
	Currency	Interest rate (%)	Maturity	Domestic	Foreign	Total	Domestic	Foreign	Total
Subordinated debentures	THB	4.35 - 5.50	2020	20,000	-	20,000	20,000	-	20,000
Senior securities	THB	2.95 - 4.50	2012-2015	71,631	-	71,631	26,300	-	26,300
Bill of exchange	THB	2.05 - 4.25	2012-2014	53,243	-	53,243	155,785	-	155,785
Other borrowings	THB	0.00 - 0.50	2012-2017	105	-	105	6,178	-	6,178
				144,979	-	144,979	208,263	-	208,263

Unit : Million Baht

	Currency	Interest rate (%)	Maturity	THE BANK'S FINANCIAL STATEMENTS September 30, 2012 Domestic	Foreign	Total	December 31, 2011 Domestic	Foreign	Total
Subordinated debentures	THB	4.35 - 5.50	2020	20,000	-	20,000	20,000	-	20,000
Senior securities	THB	2.95 -4.50	2012-2015	43,331	-	43,331	4,000	-	4,000
Bill of exchange	THB	2.05 - 4.25	2012-2014	30,320	-	30,320	141,867	-	141,867
Other borrowings	THB	0.00 - 0.50	2012-2017	105	-	105	6,178	-	6,178
				93,756	-	93,756	172,045	-	172,045

Additional information on debts issued and borrowings is as follows:

- On June 23, 2010, the Bank issued subordinated debenture #1/2010 in the amount of Baht 20,000 million with maturity on June 23, 2020 at the fixed interest rates of 4.35% per annum for the years 1-3, 4.75% per annum for the years 4-6 and 5.50% per annum for the years 7-10, payable quarterly on the 23 of March, June, September and December of each year. The Bank has the right to redeem debenture #1/2010 before the maturity date subject to the approval of the Bank of Thailand. The Bank may redeem the debentures prior to the fifth anniversary of the issue date if the Bank is notified by the Bank of Thailand that the debentures shall not be treated as tier 2 capital or the debentures shall be treated as tier 2 capital less than 50% of tier 1 capital of the Bank.

5.8 Provisions

Provisions for the nine-month period ended September 30, 2012 and for the year ended December 31, 2011, are as follows:

Unit : Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS Balance at January 1, 2011	Adjustment due to change in accounting policies	Increase (Decrease)	Balance at December 31, 2011	Increase (Decrease)	Balance at September 30, 2012
Provision for post-employment benefits obligation	15	2,333	444	2,792	172	2,964
Provision for loss on impairment of assets transferred to the Thai Asset Management Corporation	2,057	-	49	2,106	26	2,132
Provision for customer loyalty program	1,156	-	88	1,244	391	1,635
Others	462	-	292	754	127	881
Total	3,690	2,333	873	6,896	716	7,612

Unit : Million Baht

	THE BANK'S FINANCIAL STATEMENTS					
	Balance at January 1, 2011	**Adjustment due to change in accounting policies**	**Increase (Decrease)**	**Balance at December 31, 2011**	**Increase (Decrease)**	**Balance at September 30, 2012**
Provision for post-employment benefits obligation	4	2,021	333	2,358	122	2,480
Provision for loss on impairment of assets transferred to the Thai Asset Management Corporation	1,996	-	74	2,070	-	2,070
Provision for customer loyalty program	7	-	14	21	6	27
Others	469	-	252	721	115	836
Total	2,476	2,021	673	5,170	243	5,413

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 avalled 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 and the Bank/subsidiary. The second portion of the profits will be allocated in full to the Bank/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 and 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, 2012 and December 31, 2011, the provisions for possible losses were set up in the amounts of Baht 2,132 million for the consolidated financial statements and Baht 2,071 million for the Bank's financial statements.

TAMC has liquidated since June 9, 2011. On October 14, 2011, the Liquidation Committee of Thai Asset Management Corporation (TAMC) sent a letter to the Bank regarding the principles and guidelines for the redemption of maturing promissory notes following the wrap-up of the TAMC.

Currently the Bank and its subsidiaries are in the process of filing the application to settle the obligation with the Liquidation Committee of TAMC, according to the Royal Decree on the Liquidation of Thai Asset Management Corporation.

5.9 Share capital

5.9.1 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 cost 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, or issue new shares or sell property in order to reduce debt obligation.

5.9.2 Dividend payment

At the General Shareholders' meeting held on April 7, 2011, the shareholders approved a resolution authorizing a dividend payment for the second half year ended December 31, 2010 to the shareholders of 6,074,143,747 ordinary shares at Baht 0.35 per share which totaled Baht 2,126 million, with payment made on May 4, 2011.

The Board of Directors' Meeting No.8/2011 held on August 24, 2011, had approved a resolution authorizing a dividend payment for the first half year ended June 30, 2011 to the shareholders of 6,074,143,747 ordinary shares at Baht 0.35 per share which totaled Baht 2,126 million, with payment made on September 22, 2011.

At the General Shareholders' meeting held on April 24, 2012, the shareholders approved a resolution authorizing a dividend payment for the second half year ended December 31, 2011 to the shareholders of 6,074,143,747 ordinary shares at Baht 0.35 per share which totaled Baht 2,126 million, with payment made on May 22, 2012.

The Board of Directors' Meeting No.8/2012 held on August 22, 2012, had approved a resolution authorizing a dividend payment for the first half year ended June 30, 2012 to the shareholders of 6,074,143,747 ordinary shares at Baht 0.40 per share which totaled Baht 2,430 million, with payment made on September 20, 2012.

5.10 Assets with obligations and restrictions

As at September 30, 2012 and December 31, 2011, government and state enterprise securities with book value of Baht 1,653 million and Baht 6,313 million, respectively, are used as collateral for other commitments with government departments and state enterprises.

5.11 Contingencies

Contingencies as at September 30, 2012 and December 31, 2011, are as follows:

Unit : Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	September 30, 2012	December 31, 2011	September 30, 2012	December 31, 2011
Avals to bills	934	1,585	934	1,585
Guarantees of loans	136	180	136	180
Liability under unmatured import bills	1,616	1,465	1,616	1,465
Letters of credit	7,274	8,293	7,274	8,293
Other contingencies				
- Unused overdraft limit	59,796	53,734	59,946	53,884
- Other guarantees	35,260	36,063	35,260	36,063
- Others	426	293	426	293
Total	105,442	101,613	105,592	101,763

The Bank and its subsidiaries have entered into a long-term information technology service agreement, which will be expired in 2019, with a local company. As at September 30, 2012, the Bank and its subsidiaries have a commitment to pay in the amount of Baht 4,280 million.

As at September 30, 2012 and December 31, 2011, the Bank has commitments to be paid regarding the information technology services in the amounts of Baht 88 million and Baht 35 million, respectively.

5.12 Related party transactions

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

According to the Bank of Thailand's Notification Sor.Nor.Sor.6/2553 regarding the Guideline on Consolidated Supervision dated June 28, 2010, the Bank is required to disclose the Inter-Group Transactions in the Financial Business Group Policy and the Risk Management for Inter-Group Transactions in the Financial Business Group Policy as follows:

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

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

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

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

Related party transactions are as follows:

5.12.1 Loans to, deposits, borrowing and contingencies with certain officers from the levels of Bank's Directors, Executive Vice Presidents and higher, and Vice Presidents/equivalent positions and higher in the Finance and Accounting Functions and the companies in which they and/or the Bank directors and/or their related parties and/or the Bank owned and the companies in which the directors and/or shareholders of the Bank having significant voting right either direct and indirect as at September 30, 2012 and December 31, 2011, are as follows:

Unit : Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS							
	September 30, 2012				December 31, 2011			
	Loans	Deposits	Borrowings	Contingencies	Loans	Deposits	Borrowings	Contingencies
Associates								
Tesco Card Services Limited	8,912	267	-	-	7,595	267	-	-
Tesco Life Assurance Broker Limited	-	43	-	-	-	18	-	-
Tesco General Insurance Broker Limited	-	198	-	-	-	186	-	-
Less Allowance for doubtful accounts	(89)	-	-	-	(76)	-	-	-
Total	8,823	508	-	-	7,519	471	-	-
Related companies having joint major shareholders or directors	1,629	4,974	1,700	737	619	9,032	353	169
Less Allowance for doubtful accounts	(16)	-	-	-	(6)	-	-	-
Total	1,613	4,974	1,700	737	613	9,032	353	169
Individual and related parties	220	583	34	-	178	284	127	-
Total	10,656	6,065	1,734	737	8,310	9,787	480	169

Unit : Million Baht

	THE BANK'S FINANCIAL STATEMENTS							
	September 30, 2012				December 31, 2011			
	Loans	**Deposits**	**Borrowings**	**Contingencies**	**Loans**	**Deposits**	**Borrowings**	**Contingencies**
Subsidiaries								
Ayudhya Development Leasing Company Limited	10,077	35	-	60	9,154	50	-	642
Ayudhya Auto Lease Public Company Limited	-	-	-	-	-	695	-	-
Ayudhya Capital Auto Lease Public Company Limited	108,436	389	-	-	94,019	345	-	-
Ayudhya Total Solutions Public Company Limited	-	2,051	-	-	-	151	751	-
CFG Services Company Limited	4,920	112	-	-	3,750	218	-	-
Ayudhya Card Services Company Limited	3,433	184	-	-	4,100	216	-	-
Ayudhya Capital Services Company Limited	19,350	438	-	3	18,100	471	-	3
General Card Services Limited	10,495	204	-	45	11,190	161	-	-
Krungsriayudhya Card Company Limited	24,022	581	-	92	14,748	342	-	1
Siam Realty and Services Company Limited	471	47	-	-	335	40	-	-
Total Services Solutions Public Company Limited	-	192	400	-	-	351	200	-
Krungsri Asset Management Company Limited	-	70	300	617	-	78	300	634
Krungsri Ayudhya AMC Limited (Formerly Ayudhya Asset Management Company Limited)	3,387	37	-	38	5,967	83	-	38
Krungsri Securities Public Company Limited (Formerly Ayudhya Securities Public Company Limited)	-	853	160	-	-	82	600	-
Krungsri Factoring Company Limited (Formerly Ayudhya Factoring Company Limited)	1,568	204	-	-	3,070	235	-	-
Krungsri Life Assurance Broker Company Limited (Formerly Quality Life Assurance Broker Company Limited)	-	115	-	-	-	90	-	-
Krungsri General Insurance Broker Company Limited (Formerly Quality General Insurance Broker Company Limited)	-	200	-	-	-	179	-	-
Total	186,159	5,712	860	855	164,433	3,787	1,851	1,318
Less Allowance for doubtful accounts	(1,862)	-	-	-	(1,644)	-	-	-
Total	184,297	5,712	860	855	162,789	3,787	1,851	1,318
Associates								
Tesco Card Services Limited	8,912	267	-	-	7,595	267	-	-
Tesco Life Assurance Broker Limited	-	43	-	-	-	18	-	-
Tesco General Insurance Broker Limited	-	198	-	-	-	186	-	-
Less Allowance for doubtful accounts	(89)	-	-	-	(76)	-	-	-
Total	8,823	508	-	-	7,519	471	-	-
Related companies having joint major shareholders or directors	1,629	4,974	1,700	737	619	9,032	353	169
Less Allowance for doubtful accounts	(16)	-	-	-	(6)	-	-	-
Total	1,613	4,974	1,700	737	613	9,032	353	169
Individual and related parties	196	583	34	-	140	284	127	-
Total	194,929	11,777	2,594	1,592	171,061	13,574	2,331	1,487

As at September 30, 2012 and December 31, 2011, the Bank charges interest rates to the officer or related parties at 1.00% - 15.00% p.a. and 1.00% - 7.63%, respectively.

As at September 30, 2012 and December 31, 2011, the allowance for doubtful accounts of loans granted to subsidiaries of Baht 1,862 million and Baht 1,644 million, respectively, are not eliminated but treated as surplus reserve in the consolidated financial statements.

As at September 30, 2012 and December 31, 2011, the Bank granted loans to Krungsri Ayudhya AMC Limited (formerly Ayudhya Asset Management Company Limited) as short-term promissory notes of Baht 3,387 million and Baht 5,967 million at the interest rates of 3.81% - 4.00% and 4.01% - 4.05% per annum, respectively.

5.12.2 The Bank has investments in subsidiaries and associates as disclosed in note 5.3 and has investments in related companies as follows:

Unit: Million Baht

				CONSOLIDATED AND THE BANK'S FINANCIAL STATEMENTS			
				September 30, 2012		December 31, 2011	
	Business Type	Registered Share Capital	Ownership (%)	Investment Cost	Dividend Amount	Investment Cost	Dividend Amount
Related companies							
Sriayudhya Capital Insurance Public Company Limited (Formerly Ayudhya Insurance Public Company Limited)	Insurance	250	10.92	419	14	419	33
Less Allowance for impairment				(7)	-	(7)	-
Investment in related companies, net				412	14	412	33

5.12.3 Income and expenses between the Bank and its subsidiaries, associates and related companies for the three-month periods and nine-month periods ended September 30, 2012 and 2011, are as follows:

Unit : Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS							
	For the three-month period ended September 30, 2012				For the three-month period ended September 30, 2011			
	Income		Expenses		Income		Expenses	
	Interest income	Non-interest income	Interest expenses	Non- interest expenses	Interest income	Non-interest income	Interest expenses	Non-interest expenses
Associates								
Tesco Card Services Limited	91	3	-	-	72	1	1	-
Tesco General Insurance Broker Limited	-	4	1	-	-	2	-	-
Total	91	7	1	-	72	3	1	-
Related companies having joint major shareholders or directors	12	6	31	54	5	1	58	84
Total	12	6	31	54	5	1	58	84
Individual and related parties	2	-	5	-	1	-	2	-
Total	105	13	37	54	78	4	61	84

Unit : Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

	For the nine-month period ended September 30, 2012				For the nine-month period ended September 30, 2011			
	Income		Expenses		Income		Expenses	
	Interest income	Non-interest income	Interest expenses	Non- interest expenses	Interest income	Non-interest income	Interest expenses	Non-interest expenses
Associates								
Tesco Card Services Limited	260	8	2	-	188	4	2	-
Tesco General Insurance Broker Limited	-	8	2	-	-	2	1	-
Total	260	16	4	-	188	6	3	-
Related companies having joint major shareholders or directors	27	14	109	229	13	44	189	263
Total	27	14	109	229	13	44	189	263
Individual and related parties	5	1	11	-	3	-	4	-
Total	292	31	124	229	204	50	196	263

Unit : Million Baht

THE BANK'S FINANCIAL STATEMENTS

	For the three-month period ended September 30, 2012				For the three-month period ended September 30, 2011			
	Income		Expenses		Income		Expenses	
	Interest income	Non-interest income	Interest expenses	Non- interest expenses	Interest income	Non-interest income	Interest expenses	Non-interest expenses
Subsidiaries								
Ayudhya Development Leasing Company Limited	103	2	-	-	72	-	-	-
Ayudhya Auto Lease Public Company Limited	-	-	1	-	-	-	2	-
Ayudhya Capital Lease Company Limited	-	-	-	-	-	-	7	-
Ayudhya Capital Auto Lease Public Company Limited	1,083	4	1	-	936	30	1	-
Ayudhya Total Solutions Public Company Limited	-	-	11	-	-	1	8	-
CFG Services Company Limited	59	5	-	-	37	4	-	-
Ayudhya Card Services Company Limited	33	20	-	-	35	21	-	-
Ayudhya Capital Services Company Limited	204	46	1	6	158	27	1	5
General Card Services Limited	111	2	1	-	103	2	1	-
Krungsriayudhya Card Company Limited	243	26	1	-	131	4	1	-
Siam Realty and Services Company Limited	5	-	-	110	3	-	-	110
Total Services Solutions Public Company Limited	-	1	3	18	-	1	19	9
Krungsri Asset Management Company Limited	-	31	2	1	-	20	2	2
Krungsri Ayudhya AMC Limited (Formerly Ayudhya Asset Management Company Limited)	37	5	-	-	93	8	-	-
Krungsri Securities Public Company Limited (Formerly Ayudhya Securities Public Company Limited)	-	6	5	1	-	4	4	1
Krungsri Factoring Company Limited (Formerly Ayudhya Factoring Company Limited)	18	1	-	-	32	1	-	-
Total	1,896	149	26	136	1,600	123	46	127
Associates								
Tesco Card Services Limited	91	3	-	-	72	1	1	-
Tesco General Insurance Broker Limited	-	4	1	-	-	2	-	-
Total	91	7	1	-	72	3	1	-

Unit : Million Baht

	THE BANK'S FINANCIAL STATEMENTS							
	For the three-month period ended September 30, 2012				For the three-month period ended September 30, 2011			
	Income		Expenses		Income		Expenses	
	Interest income	Non-interest income	Interest expenses	Non- interest expenses	Interest income	Non-interest income	Interest expenses	Non-interest expenses
Related companies having joint								
major shareholders or directors	12	6	31	54	5	1	58	84
Total	12	6	31	54	5	1	58	84
Individual and related parties	2	-	5	-	1	-	2	-
Total	2,001	162	63	190	1,678	127	107	211

Unit : Million Baht

	THE BANK'S FINANCIAL STATEMENTS							
	For the nine-month period ended September 30, 2012				For the nine-month period ended September 30, 2011			
	Income		Expenses		Income		Expenses	
	Interest income	Non-interest income	Interest expenses	Non- interest expenses	Interest income	Non-interest income	Interest expenses	Non-interest expenses
Subsidiaries								
Ayudhya Development Leasing Company Limited	301	3	-	-	167	3	-	-
Ayudhya Auto Lease Public Company Limited	-	-	5	-	1	1	15	-
Ayudhya Capital Lease Company Limited	-	-	-	-	-	-	16	-
Ayudhya Capital Auto Lease Public Company Limited	3,154	33	3	1	2,486	31	2	1
Ayudhya Total Solutions Public Company Limited	-	2	29	-	2	3	11	-
CFG Services Company Limited	160	13	1	-	96	11	1	-
Ayudhya Card Services Company Limited	99	61	-	-	94	61	-	-
Ayudhya Capital Services Company Limited	582	107	2	6	440	71	3	16
General Card Services Limited	334	6	2	-	285	4	3	-
Krungsriayudhya Card Company Limited	629	65	3	-	354	36	3	-
Siam Realty and Services Company Limited	12	1	-	327	9	1	-	329
Total Services Solutions Public Company Limited	-	2	8	53	-	2	20	31
Krungsri Asset Management Company Limited	-	72	7	5	-	65	4	5
KrungsriAyudhya AMC Limited (Formerly Ayudhya Asset Management Company Limited)	142	26	-	-	249	23	-	-
Krungsri Securities Public Company Limited (Formerly Ayudhya Securities Public Company Limited)	-	15	15	2	-	12	9	3
Krungsri Factoring Company Limited (Formerly Ayudhya Factoring Company Limited)	75	3	1	-	78	3	1	-
Krungsri Life Assurance Broker Company Limited (Formerly Quality Life Assurance Broker Company Limited)	-	1	-	-	-	-	-	-
Total	5,488	410	76	394	4,261	327	88	385
Associates								
Tesco Card Services Limited	260	8	2	-	188	4	2	-
Tesco General Insurance Broker Limited	-	8	2	-	-	2	1	-
Total	260	16	4	-	188	6	3	-
Related companies having joint								
major shareholders or directors	27	14	109	229	13	44	189	263
Total	27	14	109	229	13	44	189	263
Individual and related parties	5	1	11	-	3	-	4	-
Total	5,780	441	200	623	4,465	377	284	648

5.12.4 For the nine-month period ended September 30, 2012, the Bank and a subsidiary entered into an agreement to sell non-performing loans (NPLs) to a related company totalling Baht 1,698 million with a book value of Baht 2,353 million and a net book value of Baht 1,566 million. The sale amount has been received in full.

For the nine-month period ended September 30, 2011, the Bank entered into an agreement to sell non-performing loans (NPLs) to subsidiary totalling Baht 655 million with a book value of Baht 3,917 million and a net book value of Baht 655 million. The sale amount had been received in full.

5.12.5 For the nine-month periods ended September 30, 2012 and 2011, related party transactions among subsidiaries and associates include collection services and other services of Baht 720 million and Baht 709 million and office and vehicle rental and facilities service of Baht 36 million and Baht 16 million, respectively.

5.12.6 For the nine-month periods ended September 30, 2012 and 2011, subsidiaries have related party transactions from the licenses relevant to technology and software for Baht 43 million and Baht 42 million, respectively.

5.12.7 For the nine-month periods ended September 30, 2012 and 2011, related party transactions among subsidiaries from other services were Baht 786 million and Baht 780 million, respectively.

5.12.8 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, 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.

The Bank's Board of Directors Meeting No. 6/2012 held on June 27, 2012 resolved to adjust its operating plan whereby the Bank will not accept the entire business transfer of AYCS as previously approved by the EGM referred above. However, Krungsriayudhya Card Company Limited, operating credit card and personal loan business in which the Bank currently holds 100% of the total shares sold, will consider accepting the entire business transfer of Ayudhya Card Services Company Limited.

5.12.9 On April 21, 2012, Ayudhya Total Solutions Public Company Limited (AYTS) has already completed the transfer of its entire business to Ayudhya Capital Auto Lease Public Company Limited (AYCAL) at net book value of Baht 721 million, having total assets and total liabilities of Baht 858 million and Baht 137 million, respectively on the transfer date, as approved by the extraordinary meeting of shareholders No. 1/2011 of AYTS as well as the annual general meeting of shareholders No. 51 of AYTS and the extraordinary meeting of shareholders No. 1/2011 of AYCAL.

5.13 Management compensation

For the three-month periods and nine-month periods ended September 30, 2012 and 2011, compensations paid to key management personnel under TAS 24 (Revised 2009) "Related Party Disclosures" are as follows:

Unit : Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS For the three-month periods ended September 30,		THE BANK'S FINANCIAL STATEMENTS For the three-month periods ended September 30,	
	2012	**2011**	**2012**	**2011**
Short-term employee benefits	256	245	159	157
Post-employment benefits	8	5	5	3
Total	264	250	164	160

Unit : Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS For the nine-month periods ended September 30,		THE BANK'S FINANCIAL STATEMENTS For the nine-month periods ended September 30,	
	2012	**2011**	**2012**	**2011**
Short-term employee benefits	931	727	617	470
Post-employment benefits	24	16	15	9
Total	955	743	632	479

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

(1) Position classified by type of business

Position classified by domestic and foreign business as at September 30, 2012 and December 31, 2011, are as follows:

Unit : Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS September 30, 2012			
	Domestic	**Foreign**	**Elimination**	**Total**
Total assets	1,041,694	3,985	(5,255)	1,040,424
Interbank and money market items, net (Assets)	83,052	565	-	83,617
Investments, net	90,116	581	-	90,697
Loans to customers and accrued interest receivable, net	752,697	1,811	-	754,508
Deposits	671,842	482	-	672,324
Interbank and money market items, net (Liabilities)	44,747	2	-	44,749
Debt issued and borrowings	144,979	-	-	144,979

Unit : Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS			
	December 31, 2011			
	Domestic	**Foreign**	**Elimination**	**Total**
Total assets	948,558	5,695	(6,456)	947,797
Interbank and money market items, net (Assets)	81,222	596	-	81,818
Investments, net	80,525	679	-	81,204
Loans to customers and accrued interest receivable, net	686,683	3,404	-	690,087
Deposits	560,030	510	-	560,540
Interbank and money market items, net (Liabilities)	23,741	-	-	23,741
Debt issued and borrowings	208,263	-	-	208,263

Unit : Million Baht

	THE BANK'S FINANCIAL STATEMENTS			
	September 30, 2012			
	Domestic	**Foreign**	**Elimination**	**Total**
Total assets	958,949	3,985	(5,255)	957,679
Interbank and money market items, net (Assets)	82,054	565	-	82,619
Investments, net	89,744	581	-	90,325
Loans to customers and accrued interest receivable, net	667,847	1,811	-	669,658
Deposits	676,639	482	-	677,121
Interbank and money market items, net (Liabilities)	44,258	2	-	44,260
Debt issued and borrowings	93,756	-	-	93,756

Unit : Million Baht

	THE BANK'S FINANCIAL STATEMENTS			
	December 31, 2011			
	Domestic	**Foreign**	**Elimination**	**Total**
Total assets	887,584	5,695	(6,456)	886,823
Interbank and money market items, net (Assets)	79,923	596	-	80,519
Investments, net	80,003	679	-	80,682
Loans to customers and accrued interest receivable, net	619,692	3,404	-	623,096
Deposits	563,669	510	-	564,179
Interbank and money market items, net (Liabilities)	23,646	-	-	23,646
Debt issued and borrowings	172,045	-	-	172,045

(2) Results of operations classified by business

Results of operations classified by domestic and foreign business for the three-month periods and the nine-month periods ended September 30, 2012 and 2011, are as follows:

Unit : Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS For the three-month period ended September 30, 2012			
	Domestic	**Foreign**	**Elimination**	**Total**
Interest income	16,489	23	-	16,512
Interest expenses	6,291	1	-	6,292
Net interest income	10,198	22	-	10,220
Fees and service income, net	3,224	5	-	3,229
Other operating income	2,627	(4)	(657)	1,966
Other operating expenses	11,143	26	(657)	10,512
Profit (loss) from operating before tax	4,906	(3)	-	4,903

Unit : Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS For the three-month period ended September 30, 2011			
	Domestic	**Foreign**	**Elimination**	**Total**
Interest income	14,832	47	-	14,879
Interest expenses	5,145	1	-	5,146
Net interest income	9,687	46	-	9,733
Fees and service income, net	2,746	4	-	2,750
Other operating income	2,588	(24)	(628)	1,936
Other operating expenses	10,779	18	(628)	10,169
Profit from operating before tax	4,242	8	-	4,250

Unit : Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS For the nine-month period ended September 30, 2012			
	Domestic	**Foreign**	**Elimination**	**Total**
Interest income	47,858	83	-	47,941
Interest expenses	18,286	2	-	18,288
Net interest income	29,572	81	-	29,653
Fees and service income, net	9,347	14	-	9,361
Other operating income	8,082	(35)	(1,975)	6,072
Other operating expenses	32,771	70	(1,975)	30,866
Profit (loss) from operating before tax	14,230	(10)	-	14,220

Unit : Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS			
	For the nine-month period ended September 30, 2011			
	Domestic	Foreign	Elimination	Total
Interest income	41,364	105	-	41,469
Interest expenses	13,149	2	-	13,151
Net interest income	28,215	103	-	28,318
Fees and service income, net	8,075	13	-	8,088
Other operating income	7,314	(51)	(1,783)	5,480
Other operating expenses	31,265	101	(1,783)	29,583
Profit (loss) from operating before tax	12,339	(36)	-	12,303

Unit : Million Baht

	THE BANK'S FINANCIAL STATEMENTS			
	For the three-month period ended September 30, 2012			
	Domestic	Foreign	Elimination	Total
Interest income	11,031	23	-	11,054
Interest expenses	5,867	1	-	5,868
Net interest income	5,164	22	-	5,186
Fees and service income, net	1,481	5	-	1,486
Other operating income	1,631	(4)	(657)	970
Other operating expenses	6,158	26	(657)	5,527
Profit (loss) from operating before tax	2,118	(3)	-	2,115

Unit : Million Baht

	THE BANK'S FINANCIAL STATEMENTS			
	For the three-month period ended September 30, 2011			
	Domestic	Foreign	Elimination	Total
Interest income	9,947	47	-	9,994
Interest expenses	4,900	1	-	4,901
Net interest income	5,047	46	-	5,093
Fees and service income, net	1,307	4	-	1,311
Other operating income	1,695	(24)	(628)	1,043
Other operating expenses	6,451	18	(628)	5,841
Profit from operating before tax	1,598	8	-	1,606

Unit : Million Baht

	THE BANK'S FINANCIAL STATEMENTS			
	For the nine-month period ended September 30, 2012			
	Domestic	Foreign	Elimination	Total
Interest income	32,337	83	-	32,420
Interest expenses	17,254	2	-	17,256
Net interest income	15,083	81	-	15,164
Fees and service income, net	4,281	14	-	4,295
Other operating income	5,132	(35)	(1,975)	3,122
Other operating expenses	18,775	70	(1,975)	16,870
Profit (loss) from operating before tax	5,721	(10)	-	5,711

Unit : Million Baht

	THE BANK'S FINANCIAL STATEMENTS For the nine-month period ended September 30, 2011			
	Domestic	Foreign	Elimination	Total
Interest income	26,915	105	-	27,020
Interest expenses	12,472	2	-	12,474
Net interest income	14,443	103	-	14,546
Fees and service income, net	3,762	13	-	3,775
Other operating income	5,196	(51)	(1,783)	3,362
Other operating expenses	18,891	101	(1,783)	17,209
Profit (loss) from operating before tax	4,510	(36)	-	4,474

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

5.15 Interest income

Interest income for the three-month periods and nine-month periods ended September 30, 2012 and 2011, are as follows:

Unit : Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS For the three-month periods ended September 30,		THE BANK'S FINANCIAL STATEMENTS For the three-month periods ended September 30,	
	2012	2011	2012	2011
Interbank and money market items	665	938	664	943
Investment and trading transactions	61	13	61	12
Investment in debt securities	624	543	620	536
Loans to customers	10,846	9,517	9,709	8,503
Hire purchase and financial lease	4,316	3,868	-	-
Total interest income	16,512	14,879	11,054	9,994

Unit : Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS For the nine-month periods ended September 30,		THE BANK'S FINANCIAL STATEMENTS For the nine-month periods ended September 30,	
	2012	2011	2012	2011
Interbank and money market items	1,897	2,174	1,891	2,168
Investment and trading transactions	155	63	155	62
Investment in debt securities	1,939	1,340	1,921	1,323
Loans to customers	31,529	26,747	28,453	23,467
Hire purchase and financial lease	12,421	11,145	-	-
Total interest income	47,941	41,469	32,420	27,020

5.16 Interest expenses

Interest expenses for the three-month periods and nine-month periods ended September 30, 2012 and 2011, are as follows:

Unit : Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS For the three-month periods ended September 30,		THE BANK'S FINANCIAL STATEMENTS For the three-month periods ended September 30,	
	2012	2011	2012	2011
Deposits	3,580	2,327	3,595	2,342
Interbank and money market items	314	339	304	339
Contributions to Financial Institution Development Fund and Deposit Protection Agency	843	542	843	542
Debt issued and borrowing				
- Subordinated debenture	227	228	227	228
- Other	1,325	1,708	899	1,450
Other	3	2	-	-
Total interest expenses	6,292	5,146	5,868	4,901

Unit : Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS For the nine-month periods ended September 30,		THE BANK'S FINANCIAL STATEMENTS For the nine-month periods ended September 30,	
	2012	2011	2012	2011
Deposits	9,633	6,189	9,662	6,224
Interbank and money market items	905	1,127	889	1,013
Contributions to Financial Institution Development Fund and Deposit Protection Agency	2,339	1,684	2,339	1,684
Debt issued and borrowing				
- Subordinated debenture	677	691	677	691
- Other	4,725	3,455	3,689	2,862
Other	9	5	-	-
Total interest expenses	18,288	13,151	17,256	12,474

5.17 Income tax

Income tax for the three-month periods and nine-month periods ended September 30, 2012 and 2011, are as follows:

Unit : Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS For the three-month periods ended September 30,		THE BANK'S FINANCIAL STATEMENTS For the three-month periods ended September 30,	
	2012	**2011**	**2012**	**2011**
Current tax for the period	1,260	1,497	494	566
Deferred tax	(114)	(256)	(21)	(181)
Total income tax expenses	1,146	1,241	473	385

Unit : Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS For the nine-month periods ended September 30,		THE BANK'S FINANCIAL STATEMENTS For the nine-month periods ended September 30,	
	2012	**2011**	**2012**	**2011**
Current tax for the period	4,115	3,833	1,583	934
Deferred tax	(808)	(342)	(359)	70
Total income tax expenses	3,307	3,491	1,224	1,004

According to the Royal Decree No.530 B.E.2554 issued under the Revenue Code regarding the corporate income tax rate reduction effective on December 22, 2011, the corporate income tax rates were reduced from 30% to 23% for an accounting period beginning on or after January 1, 2012 and 20% for two consecutive accounting periods beginning on or after January 1, 2013.

Therefore, the Bank and subsidiaries used tax rate of 30% for the corporate income tax calculation for the three-month period and nine-month period ended September 30, 2011 and used tax rate of 23% for the corporate income tax calculation for the three-month period and nine-month period ended September 30, 2012 to conform to such tax rate change.

The Bank and subsidiaries used the tax rates of 30% for the calculation of deferred tax for the three-month period and nine-month period ended September 30, 2011 and 23% and 20% for the calculation of deferred tax for the three-month period and nine-month period ended September 30, 2012.

5.18 Events after the reporting period

5.18.1 On October 25, 2012, the Bank entered into a loan agreement facility of USD 200 million with International Finance Corporation, a member of the World Bank, which composed of a 36-month term loan of USD 100 million, a 48-month term loan of USD 50 million and a 60-month term loan of USD 50 million at the interest rate of 3-month LIBOR plus applicable spreads. The purpose of this facility is to provide the Bank funding for financing to small or medium enterprises directly and indirectly impacted by flooding in Thailand.

5.18.2 On November 7, 2012, the Bank issued subordinated debentures No. 1/2012 in amount of Baht 14,844 million for a 10-year tenor at the fixed interest rate of 4.70% per annum, payable quarterly in February, May, August and November of each year. The Bank has the right to redeem debentures on the fifth anniversary of the issue date or on any interest payment date after the fifth anniversary.

5.19 Approval of interim financial statements

These financial statements have been approved for issue by the Bank's authorized directors and the Audit Committee on November 9, 2012.