

**REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION
BY THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

**TO THE BOARD OF DIRECTORS
BANK OF AYUDHYA PUBLIC COMPANY LIMITED**

We have reviewed the consolidated statement of financial position of Bank of Ayudhya Public Company Limited and its subsidiaries and the Bank's statement of financial position of Bank of Ayudhya Public Company Limited as at March 31, 2014, and the related consolidated and Bank's statements of comprehensive income, changes in equity and cash flows for the three-month period then ended, and the condensed notes to the financial statements. The Bank's management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

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

Conclusion

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

Emphasis of matter

Without modifying our conclusion on the aforementioned interim financial information, we draw attention to Note 3 to the interim financial statements, the Bank and subsidiaries have applied the new accounting policy regarding customer loyalty programmes which is in accordance with Thai Financial Reporting Interpretation No. 13 “Customer Loyalty Programmes” and restated the consolidated and Bank’s financial statements for the three-month period ended March 31, 2013 and the consolidated and Bank’s statements of financial position as at December 31, 2013 and the beginning balances as at January 1, 2013, which are presented as comparative information, to be in accordance with the new accounting policy.

BANGKOK
May 14, 2014

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

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT MARCH 31, 2014

BAHT: '000

	CONSOLIDATED			THE BANK'S		
	FINANCIAL STATEMENTS			FINANCIAL STATEMENTS		
	"UNAUDITED"			"UNAUDITED"		
	As at	As at	As at	As at	As at	As at
	March 31, 2014	December 31, 2013 "Restated"	January 1, 2013 "Restated"	March 31, 2014	December 31, 2013 "Restated"	January 1, 2013 "Restated"
ASSETS						
CASH	26,793,309	28,216,333	25,078,920	26,748,761	28,167,503	25,060,003
INTERBANK AND MONEY MARKET ITEMS, NET	91,245,760	87,027,241	79,389,674	88,902,863	84,980,814	78,155,680
CLAIMS ON SECURITY	23,752,164	13,104,938	13,592,478	23,752,164	13,104,938	13,592,478
DERIVATIVES ASSETS	2,440,281	4,879,633	3,414,492	2,440,281	4,879,633	3,414,492
INVESTMENTS, NET (Note 6.2)	76,247,432	73,274,123	78,302,398	76,214,963	73,240,687	77,829,013
INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES, NET (Note 6.3)	1,120,873	1,058,908	946,637	29,831,169	29,831,169	32,482,962
LOANS TO CUSTOMERS AND ACCRUED INTEREST RECEIVABLES, NET (Note 6.4)						
Loans to customers	984,427,371	988,013,869	869,382,125	828,007,702	822,204,678	733,870,285
Accrued interest receivables	2,552,452	2,647,891	2,256,924	1,617,878	1,741,605	1,417,982
Total loans to customers and accrued interest receivables	986,979,823	990,661,760	871,639,049	829,625,580	823,946,283	735,288,267
<u>Less</u> Deferred revenue	(44,584,200)	(44,511,467)	(39,374,222)	(3,262,292)	(74,674)	(38,868)
<u>Less</u> Allowance for doubtful accounts (Note 6.5)	(38,551,485)	(37,465,593)	(30,305,602)	(20,801,187)	(19,919,182)	(19,409,266)
<u>Less</u> Revaluation allowance for debt restructuring (Note 6.6)	(1,605,449)	(1,520,460)	(723,410)	(645,073)	(659,124)	(17,364)
Net loans and accrued interest receivables	902,238,689	907,164,240	801,235,815	804,917,028	803,293,303	715,822,769
CUSTOMERS' LIABILITY UNDER ACCEPTANCE	728,109	879,171	682,147	728,109	879,171	682,147
PROPERTIES FOR SALE, NET	6,553,833	6,864,672	9,451,647	2,947,408	3,022,568	4,704,803
PREMISES AND EQUIPMENT, NET	19,917,085	20,138,759	18,299,724	18,340,069	18,533,326	16,893,475
GOODWILL AND OTHER INTANGIBLE ASSETS, NET	14,632,901	14,861,026	15,435,423	3,057,972	3,128,757	3,068,498
DEFERRED TAX ASSETS	7,203,103	7,005,711	6,083,823	2,246,821	2,277,318	2,637,131
ACCOUNTS RECEIVABLE FOR INVESTMENTS	4,120,379	1,621,205	7,777,647	4,120,379	1,621,205	7,777,647
OTHER ASSETS, NET	8,675,356	13,509,666	12,297,804	3,717,200	6,458,908	4,345,637
TOTAL ASSETS	1,185,669,274	1,179,605,626	1,071,988,629	1,087,965,187	1,073,419,300	986,466,735

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

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION (CONTINUED)
AS AT MARCH 31, 2014

BAHT: '000

	CONSOLIDATED			THE BANK'S		
	FINANCIAL STATEMENTS			FINANCIAL STATEMENTS		
	"UNAUDITED"			"UNAUDITED"		
	As at March 31, 2014	As at December 31, 2013 "Restated"	As at January 1, 2013 "Restated"	As at March 31, 2014	As at December 31, 2013 "Restated"	As at January 1, 2013 "Restated"
LIABILITIES AND EQUITY						
DEPOSITS	780,597,183	764,049,887	687,159,328	783,430,744	768,390,228	692,994,007
INTERBANK AND MONEY MARKET ITEMS, NET	63,942,793	55,496,687	48,821,459	65,209,444	56,703,612	48,366,000
LIABILITY PAYABLE ON DEMAND	2,897,995	2,545,378	2,776,041	2,897,995	2,545,378	2,776,041
LIABILITY TO DELIVER SECURITY	23,752,164	13,104,938	13,592,478	23,752,164	13,104,938	13,592,478
DERIVATIVES LIABILITIES	2,267,572	5,139,845	3,508,210	2,267,572	5,139,845	3,508,210
DEBT ISSUED AND BORROWINGS (Note 6.7)	146,308,520	174,604,804	154,628,639	87,649,093	107,336,654	103,738,778
BANK'S LIABILITY UNDER ACCEPTANCE	728,109	879,171	682,147	728,109	879,171	682,147
PROVISIONS (Note 6.8)	4,778,467	4,582,988	5,717,391	4,223,289	4,052,674	5,147,582
DEFERRED TAX LIABILITIES	2,712,992	2,602,640	2,505,437	1,942,135	1,824,126	1,617,322
ACCOUNTS PAYABLE FOR INVESTMENTS	2,487,674	27,367	5,694,321	2,487,674	27,367	5,694,321
OTHER LIABILITIES	29,768,037	35,018,693	33,509,603	11,957,193	14,028,459	13,093,063
TOTAL LIABILITIES	1,060,241,506	1,058,052,398	958,595,054	986,545,412	974,032,452	891,209,949
EQUITY						
SHARE CAPITAL						
Authorized share capital						
7,574,143,747 ordinary shares of						
Baht 10 each	75,741,437	75,741,437		75,741,437	75,741,437	
7,089,392,755 ordinary shares of						
Baht 10 each			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	60,741,437	60,741,437
PREMIUM ON ORDINARY SHARES	13,802,216	13,802,216	13,802,216	13,802,216	13,802,216	13,802,216
OTHER RESERVES	7,056,677	6,572,436	5,983,000	7,020,932	6,531,881	5,985,325
RETAINED EARNINGS						
Appropriated						
Legal reserve	2,042,700	2,042,700	1,641,500	2,042,700	2,042,700	1,641,500
Unappropriated	41,469,353	38,115,540	31,061,703	17,812,490	16,268,614	13,086,308
TOTAL BANK'S EQUITY	125,112,383	121,274,329	113,229,856	101,419,775	99,386,848	95,256,786
NON-CONTROLLING INTEREST	315,385	278,899	163,719	-	-	-
TOTAL EQUITY	125,427,768	121,553,228	113,393,575	101,419,775	99,386,848	95,256,786
TOTAL LIABILITIES AND EQUITY	1,185,669,274	1,179,605,626	1,071,988,629	1,087,965,187	1,073,419,300	986,466,735

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

(Mr. Noriaki Goto)
Chief Executive Officer

(Mrs. Janice Rae Van Ekeren)
Director

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2014
"UNAUDITED"

BAHT : '000

	CONSOLIDATED		THE BANK'S	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2014	2013	2014	2013
		"Restated"		"Restated"
INTEREST INCOME (Note 6.16)	18,274,964	16,917,919	11,888,789	11,032,576
INTEREST EXPENSES (Note 6.17)	6,778,318	6,316,005	6,224,831	5,843,419
INTEREST INCOME, NET	11,496,646	10,601,914	5,663,958	5,189,157
FEES AND SERVICE INCOME	4,491,050	4,584,716	2,125,071	1,940,888
FEES AND SERVICE EXPENSES	1,043,672	1,047,410	519,925	470,271
FEES AND SERVICE INCOME, NET	3,447,378	3,537,306	1,605,146	1,470,617
GAINS ON TRADING AND FOREIGN EXCHANGE				
TRANSACTIONS, NET	424,721	463,226	426,305	457,134
GAINS ON INVESTMENTS, NET	24,556	112,018	24,556	112,018
SHARE OF PROFIT FROM INVESTMENT FOR USING				
EQUITY METHOD	61,965	66,323	-	-
DIVIDEND INCOME	82,513	373,337	82,513	373,337
BAD DEBTS RECOVERIES	712,876	823,142	9,368	8,033
GAINS ON SALE PROPERTIES FOR SALE	116,978	172,941	60,742	101,846
OTHER OPERATING INCOME	218,656	212,629	84,182	70,931
TOTAL OPERATING INCOME	16,586,289	16,362,836	7,956,770	7,783,073
OTHER OPERATING EXPENSES				
Employee's expenses	4,034,815	3,882,116	2,578,884	2,420,174
Directors' remuneration	9,269	7,999	8,251	7,306
Premises and equipment expenses	1,584,288	1,481,463	1,181,489	1,081,634
Taxes and duties	577,062	523,740	407,687	370,497
Provision for contingent liabilities	66,292	88,653	66,292	88,653
Others	2,033,943	2,264,873	1,007,792	939,220
Total other operating expenses	8,305,669	8,248,844	5,250,395	4,907,484
IMPAIRMENT LOSS OF LOANS AND				
DEBT SECURITIES	4,083,922	3,080,735	900,000	900,000
PROFIT FROM OPERATING BEFORE				
INCOME TAX EXPENSES	4,196,698	5,033,257	1,806,375	1,975,589
INCOME TAX EXPENSES	893,951	966,077	349,850	333,736
NET PROFIT	3,302,747	4,067,180	1,456,525	1,641,853

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME (CONTINUED)
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2014
"UNAUDITED"

BAHT : '000

	CONSOLIDATED		THE BANK'S	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2014	2013	2014	2013
		"Restated"		"Restated"
OTHER COMPREHENSIVE INCOME				
Gains on remeasuring				
available-for-sale investment	714,741	170,804	720,503	170,379
Income tax relating to components				
of other comprehensive income	(142,948)	(34,136)	(144,101)	(34,076)
Total other comprehensive income, net	571,793	136,668	576,402	136,303
TOTAL COMPREHENSIVE INCOME	3,874,540	4,203,848	2,032,927	1,778,156
NET PROFIT ATTRIBUTABLE				
Owners of the Bank	3,266,261	4,040,955	1,456,525	1,641,853
Non-controlling interest	36,486	26,225	-	-
	3,302,747	4,067,180	1,456,525	1,641,853
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE				
Owners of the Bank	3,838,054	4,177,623	2,032,927	1,778,156
Non-controlling interest	36,486	26,225	-	-
	3,874,540	4,203,848	2,032,927	1,778,156
EARNINGS PER SHARE OF OWNERS OF THE BANK				
BASIC EARNINGS PER SHARE	BAHT	0.54	0.67	0.24
WEIGHTED AVERAGE NUMBER OF				
ORDINARY SHARES	SHARES	6,074,143,747	6,074,143,747	6,074,143,747

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

(Mr. Noriaki Goto)
Chief Executive Officer

(Mrs. Janice Rae Van Ekeren)
Director

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN EQUITY

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2014

"UNAUDITED"

BAHT : '000

	CONSOLIDATED FINANCIAL STATEMENTS								
	Owners of the Bank							Non-	Total
	Issued and Paid-up Share Capital	Premium on Share Capital	Other reserves		Retained Earnings		Total Bank's Equity		
			Asset	Revaluation	Appropriated	Unappropriated			
			Appraisal	Surplus (deficit)	Legal				
Surplus			on Investments	Reserve					
Balance as of January 1, 2013 as previously reported	60,741,437	13,802,216	5,038,510	944,490	1,641,500	31,154,242	113,322,395	163,719	113,486,114
Effects on application of the new accounting policy (Note 3)	-	-	-	-	-	(92,539)	(92,539)	-	(92,539)
Balance as of January 1, 2013 as restated	60,741,437	13,802,216	5,038,510	944,490	1,641,500	31,061,703	113,229,856	163,719	113,393,575
Change in revaluation surplus	-	-	(66,355)	-	-	66,355	-	-	-
Total comprehensive income	-	-	-	136,643	-	4,040,980	4,177,623	26,225	4,203,848
Balance as of March 31, 2013	60,741,437	13,802,216	4,972,155	1,081,133	1,641,500	35,169,038	117,407,479	189,944	117,597,423
Balance as of January 1, 2014 as previously reported	60,741,437	13,802,216	6,672,878	(100,442)	2,042,700	38,210,268	121,369,057	278,899	121,647,956
Effects on application of the new accounting policy (Note 3)	-	-	-	-	-	(94,728)	(94,728)	-	(94,728)
Balance as of January 1, 2014 as restated	60,741,437	13,802,216	6,672,878	(100,442)	2,042,700	38,115,540	121,274,329	278,899	121,553,228
Change in revaluation surplus	-	-	(87,552)	-	-	87,552	-	-	-
Total comprehensive income	-	-	-	571,793	-	3,266,261	3,838,054	36,486	3,874,540
Balance as of March 31, 2014	60,741,437	13,802,216	6,585,326	471,351	2,042,700	41,469,353	125,112,383	315,385	125,427,768

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

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2014

"UNAUDITED"

BAHT : '000

	THE BANK'S FINANCIAL STATEMENTS						Total
	Issued and Paid-up Share Capital	Premium on Share Capital	Other reserves		Retained Earnings		
			Asset	Revaluation	Appropriated	Unappropriated	
			Appraisal	Surplus (deficit) on	Legal		
			Surplus	Investments	Reserve		
Balance as of January 1, 2013	60,741,437	13,802,216	5,038,510	946,815	1,641,500	13,086,308	95,256,786
Change in revaluation surplus	-	-	(66,355)	-	-	66,355	-
Total comprehensive income	-	-	-	136,303	-	1,641,853	1,778,156
Balance as of March 31, 2013	60,741,437	13,802,216	4,972,155	1,083,118	1,641,500	14,794,516	97,034,942
Balance as of January 1, 2014	60,741,437	13,802,216	6,645,590	(113,709)	2,042,700	16,268,614	99,386,848
Change in revaluation surplus	-	-	(87,351)	-	-	87,351	-
Total comprehensive income	-	-	-	576,402	-	1,456,525	2,032,927
Balance as of March 31, 2014	60,741,437	13,802,216	6,558,239	462,693	2,042,700	17,812,490	101,419,775

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

(Mr. Noriaki Goto)
Chief Executive Officer

(Mrs. Janice Rae Van Ekeren)
Director

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2014

"UNAUDITED"

BAHT : '000

	CONSOLIDATED		THE BANK'S	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2014	2013	2014	2013
		"Restated"		"Restated"
CASH FLOWS FROM OPERATING ACTIVITIES				
Income from operating before income tax expenses	4,196,698	5,033,257	1,806,375	1,975,589
Adjustments to reconcile income to cash received (paid)				
from operating activities:				
Depreciation and amortization	858,847	734,606	579,539	466,051
Deferred interest expenses	1,164	1,084	1,164	1,084
Bad debt and doubtful accounts	3,692,708	2,902,869	911,238	900,589
Losses on debt restructuring (reversal)	391,214	177,866	(11,238)	(589)
Losses on translation in foreign currencies	101,915	981,918	101,915	981,918
Share of profit from investment for using equity method	(61,965)	(66,323)	-	-
Gains on investments	(24,556)	(112,018)	(24,556)	(112,018)
Decrease in discount on investments	(30,949)	(29,528)	(31,153)	(43,320)
Gains on sales of properties for sale	(116,978)	(172,941)	(60,742)	(101,846)
(Gains) losses on sales of premises and equipment	(6,822)	13,135	328	14,872
Loss on impairment of properties for sale	30,107	143,212	-	71,169
Reversal on impairment of premises and equipment	98	-	-	-
Loss on impairment of other asset (reversal)	6,640	84,778	11,751	(3,874)
Provision for contingent liabilities	66,292	88,653	66,292	88,653
Decrease in other reserves	129,187	80,594	48,174	63,504
Interest income, net	(11,496,646)	(10,601,914)	(5,663,958)	(5,189,157)
Interest received	18,477,516	16,805,578	12,117,662	10,936,357
Interest paid	(6,595,301)	(6,154,908)	(6,927,517)	(6,453,230)
Dividend income	(82,513)	(373,337)	(82,513)	(373,337)
Dividend received	36,046	349,282	36,046	349,282
Decrease in other accrued expenses	(1,189,197)	(970,575)	(1,701,717)	(770,339)
Income tax paid	(188,253)	(122,230)	(55,833)	(50,967)
Income from operations before changes in				
operating assets and liabilities	8,195,252	8,793,058	1,121,257	2,750,391
(Increase) decrease in operating assets				
Interbank and money market items	(8,182,390)	(20,442,403)	(3,940,534)	(20,558,726)
Derivatives assets	2,439,331	(2,472,319)	2,439,331	(2,472,319)
Current investments - securities for trading	(4,259,726)	1,530,993	(4,254,726)	1,541,151
Loans to customers	619,747	(9,736,336)	(2,802,458)	347,913
Properties for sale	420,365	210,300	158,198	269,166
Other assets	4,775,312	580,565	2,695,604	1,173,337

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2014

BAHT : '000

	CONSOLIDATED		THE BANK'S	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2014	2013	2014	2013
		"Restated"		"Restated"
CASH FLOWS FROM OPERATING ACTIVITIES (CONTINUED)				
Increase (decrease) in operating liabilities				
Deposits	16,586,860	15,541,238	15,080,080	15,318,444
Interbank and money market items	8,531,693	13,520,198	8,591,419	13,407,606
Liability payable on demand	352,616	689,849	352,616	689,849
Derivatives liabilities	(2,872,253)	1,985,929	(2,872,253)	1,985,929
Other liabilities	(5,154,295)	(2,384,555)	152,304	(794,731)
Net cash from operating activities	<u>21,452,512</u>	<u>7,816,517</u>	<u>16,720,838</u>	<u>13,658,010</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sales of investments in securities	326,718,650	112,260,555	326,656,685	111,964,232
Cash paid for purchases of investments in securities	#####	(109,322,745)	(324,653,446)	(109,175,216)
Proceeds from sales of premises and equipment	21,345	27,605	904	25,868
Cash paid for purchases of premises and equipment	(486,515)	(427,172)	(365,765)	(307,040)
Cash paid for purchases of other assets	(102,234)	(272,118)	(69,592)	(202,766)
Net cash from investing activities	<u>1,497,800</u>	<u>2,266,125</u>	<u>1,568,786</u>	<u>2,305,078</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from debts issued and borrowings	59,815,277	59,623,113	46,674,000	29,858,500
Cash paid for repayment of debts issued and borrowings	(88,111,560)	(70,583,429)	(66,361,560)	(46,780,122)
Cash paid for repayment of liabilities under finance lease agreements	(7,850)	(7,222)	(7,850)	(7,222)
Net cash from financing activities	<u>(28,304,133)</u>	<u>(10,967,538)</u>	<u>(19,695,410)</u>	<u>(16,928,844)</u>
Total	<u>(5,353,821)</u>	<u>(884,896)</u>	<u>(1,405,786)</u>	<u>(965,756)</u>
Effect of exchange rate change on cash	<u>(12,956)</u>	<u>(83,209)</u>	<u>(12,956)</u>	<u>(83,209)</u>
Net decrease in cash and cash equivalents	<u>(5,366,777)</u>	<u>(968,105)</u>	<u>(1,418,742)</u>	<u>(1,048,965)</u>
Cash and cash equivalents as at January 1,	<u>30,031,231</u>	<u>25,753,004</u>	<u>28,167,503</u>	<u>25,060,003</u>
Cash and cash equivalents as at March 31,	<u><u>24,664,454</u></u>	<u><u>24,784,899</u></u>	<u><u>26,748,761</u></u>	<u><u>24,011,038</u></u>

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

(Mr. Noriaki Goto)
Chief Executive Officer

(Mrs. Janice Rae Van Ekeren)
Director

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
THE CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2014
“UNAUDITED”

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BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
THE CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2014
“UNAUDITED”

1. GENERAL INFORMATION

Bank of Ayudhya Public Company Limited (“the Bank”) is a public company registered in the Kingdom of Thailand with its head office located at 1222 Rama III Road, Bang Phongphang Subdistrict, Yannawa District, Bangkok. The Bank’s main business is commercial banking and the Bank conducts its business through a network of branches throughout Thailand and other countries. The immediate and ultimate parent company of the Bank are the Bank of Tokyo-Mitsubishi UFJ, Ltd. and Mitsubishi UFJ Financial Group, Inc., respectively, both companies are registered in Japan. The Ministry of Commerce granted approval, in principle, for the Bank and its subsidiaries to operate businesses under Foreign Business Act B.E. 2542 in September 2013. Currently, the Bank and its subsidiaries are in the process of obtaining the license from the Director General Department of Business Development, Ministry of Commerce. As at March 31, 2014 and December 31, 2013, the Bank has 16 subsidiaries.

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

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

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

Certain financial information which is normally included in the financial statements prepared in accordance with Thai Financial Reporting Standards, but which is not required for interim reporting purposes, has been omitted. In addition, interim financial statements should be read in conjunction with the financial statements and notes thereto included in the audited financial statements for the year ended December 31, 2013.

The consolidated and the Bank's statements of financial position as at December 31, 2013, presented herein as comparative information, have been derived from the consolidated and the Bank's financial statements for the year then ended which have been audited.

The results of operations for the three-month period ended March 31, 2014 are not necessarily indicative of the operating results anticipated for the full year.

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

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

	Business Type	Percentage of Holdings	
		As at	
		March 31, 2014	December 31, 2013
Subsidiaries			
Ayudhya Development Leasing Company Limited	Leasing and hire-purchase	99.99	99.99
Ayudhya Capital Auto Lease Public Company Limited	Hire-purchase and auto leasing	99.99	99.99
Ayudhya Total Solutions Public Company Limited ⁽¹⁾	Hire-purchase	99.81	99.81
CFG Services Company Limited	Hire-purchase and motorcycle loans	99.99	99.99
Ayudhya Card Services Company Limited ⁽¹⁾	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
Krungrsriayudhya Card Company Limited	Credit cards and personal loans	99.99	99.99
Siam Realty and Services Company Limited	Human resource services and vehicle rental	99.99	99.99
Total Service Solutions Public Company Limited	Collection services	99.99	99.99
Krungrsri Asset Management Company Limited	Fund management	76.59	76.59
Krungrsri Ayudhya AMC Limited	Asset management	99.99	99.99
Krungrsri Securities Public Company Limited	Securities	98.71	98.71
Krungrsri Factoring Company Limited	Factoring	99.99	99.99
Krungrsri Life Assurance Broker Limited ⁽²⁾	Life assurance broker	99.99	99.99
Krungrsri General Insurance Broker Limited ⁽²⁾	General insurance broker	99.99	99.99

⁽¹⁾ Subsidiary is in the process of liquidation

⁽²⁾ 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 ended March 31, 2014 and 2013, 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 March 31,	
	2014	2013
Ayudhya Card Services Company Limited ⁽¹⁾	-	-
Ayudhya Total Solutions Public Company Limited ⁽¹⁾	-	-

⁽¹⁾ Subsidiary is in the process of liquidation

2.4 Change in Accounting Estimates

During the year 2014, the Bank's management has reviewed the estimated useful life of a building and determined that the useful life of such building should be changed to appropriately reflect future economic benefit. The effect of such change in accounting estimates was an increase in depreciation expense and decrease in net profit by the same amount of Baht 115 million in the statement of comprehensive income for the three-month period ended March 31, 2014.

3. ADOPTION OF NEW AND REVISED THAI FINANCIAL REPORTING STANDARDS

Since January 1, 2014, the Bank and its subsidiaries have adopted the new and revised Thai Financial Reporting Standards (TFRSs) issued by the Federation of Accounting Professions, which are effective for the financial statements for the accounting periods beginning on or after January 1, 2014. Such TFRSs have no significant impact on the Bank and its subsidiaries' financial statements except the accounting policy of Customer Loyalty Programmes, which has been adopted in order to comply with TFRI 13 "Customer Loyalty Programmes".

Customer Loyalty Programmes

Customer Loyalty Programmes are to grant the points to customer who joins the program. The points are based on the certain transactions determined under customer loyalty programmes and able to be redeemed for free or discount of merchandise or services.

Obligation from granting the points is recognized and measured at the fair value of the consideration received or receivable which is derived from outstanding points expected future redemption multiplied by estimated fair value per points.

Such obligation is allocated from consideration received or receivable and recorded through "Deferred revenue customer loyalty programmes" under "Other liabilities" and recognized as "Fee income" when the points are redeemed by customers.

The effects of application of accounting policy of customer loyalty programmes on the consolidated and the Bank's financial statements for the three-month period ended March 31, 2013 and the consolidated and the Bank's financial position as at December 31, 2013 and January 1, 2013 are as follows:

	Unit : Million Baht			
	CONSOLIDATED		THE BANK'S	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	December 31,	January 1,	December 31,	January 1,
	2013	2013	2013	2013
STATEMENTS OF FINANCIAL POSITION				
Deferred tax assets				
Balance before application of new accounting policy	6,982	6,061	2,277	2,637
Increase in deferred tax assets	24	23	-	-
Balance after application of new accounting policy	<u>7,006</u>	<u>6,084</u>	<u>2,277</u>	<u>2,637</u>
Provision				
Balance before application of new accounting policy	6,422	7,334	4,109	5,176
Decrease in provision	(1,839)	(1,617)	(56)	(28)
Balance after application of new accounting policy	<u>4,583</u>	<u>5,717</u>	<u>4,053</u>	<u>5,148</u>
Other liabilities				
Balance before application of new accounting policy	33,062	31,778	13,972	13,065
Increase in other liabilities	1,957	1,732	56	28
Balance after application of new accounting policy	<u>35,019</u>	<u>33,510</u>	<u>14,028</u>	<u>13,093</u>
Retained earnings - Unappropriated				
Balance before application of new accounting policy	38,210	31,154	16,269	13,086
Decrease in provision	1,839	1,617	56	28
Increase in others liabilities - deferred income	(1,957)	(1,732)	(56)	(28)
Increase in deferred tax assets	24	23	-	-
Balance after application of new accounting policy	<u>38,116</u>	<u>31,062</u>	<u>16,269</u>	<u>13,086</u>

	Unit : Million Baht	
	CONSOLIDATED FINANCIAL STATEMENTS	THE BANK'S FINANCIAL STATEMENTS
STATEMENTS OF COMPREHENSIVE INCOME		
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2013		
Fees and service income		
Fees and service income for the period before application of new accounting policy	4,654	1,944
Decrease in fees and service income	<u>(69)</u>	<u>(3)</u>
Fees and service income for the period after application of new accounting policy	<u>4,585</u>	<u>1,941</u>
Other operating expenses - Others		
Other operating expenses -others for the period before application of new accounting policy	2,328	942
Decrease in other operating expenses - others	<u>(63)</u>	<u>(3)</u>
Other operating expenses - others for the period after application of new accounting policy	<u>2,265</u>	<u>939</u>
Income tax expenses		
Income tax expenses for the period before application of new accounting policy	967	334
Decrease in income tax expense	<u>(1)</u>	<u>-</u>
Income tax expenses for the period after application of new accounting policy	<u>966</u>	<u>334</u>
Net profit		
Net profit for the period before application of new accounting policy	4,072	1,642
Decrease in net profit	<u>(5)</u>	<u>-</u>
Net profit for the period after application of new accounting policy	<u>4,067</u>	<u>1,642</u>

4. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements have been prepared based on the basis, accounting policies and method of computation consistent with those used in the annual financial statements for the year ended December 31, 2013, except for the new and revised TFRSs as mentioned in Note 3.

In addition, during the three-month period ended March 31, 2014, the Bank has launched hire-purchase product and adopted the group accounting policy as same as its subsidiaries involved in hire-purchase business as follows:

Hire-purchase receivable is carried at contract amount plus initial direct cost.

Interest income on hire-purchase contract is recognized by the effective interest rate method.

Unearned interest income and deferred subsidy income and deferred subsidy income on hire-purchase contract are presented in deferred revenue and recognized by the effective interest rate method.

Initial direct cost is recognized by the effective interest method.

Allowance for doubtful accounts for hire-purchase receivables is calculated by using the collective approach which classifies a group of loans having similar credit risk characteristics based on the group company's historical loss experience of each loan category.

5. CAPITAL FUND

As a result of improvement on supervisory guideline on capital fund of commercial bank on November 8, 2012, the Bank of Thailand issued the new supervisory guideline on capital fund for the commercial bank to comply with the BASEL III, global regulatory framework of Basel Committee on Banking Supervision (BCBS) which is effective by phasing in gradually starting on January 1, 2013 up to January 1, 2019. During the period from January 1, 2013 to December 31, 2015, the minimum capital requirement ratio is 8.5% of total risk weighted assets with the conditions that Tier 1 capital shall not be less than 6.0% of total risk weighted assets and common equity Tier 1 capital shall not be less than 4.5% 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 March 31, 2014 and December 31, 2013, the Bank's total capital funds can be categorized as follows:

	Unit : Million Baht	
	March 31, 2014	December 31, 2013
Common Equity Tier 1 capital		
Issued and paid-up share capital	60,741	60,741
Premium on share capital	13,802	13,802
Statutory reserve	2,043	2,043
Unappropriated retained earning	12,011	12,011
Other comprehensive income	6,784	6,515
Less Deduction items from Common Equity Tier 1	(8,473)	(10,387)
Total Common Equity Tier 1 capital	86,908	84,725
Additional Tier 1	-	-
Total Tier 1 capital	86,908	84,725
Tier 2 capital	33,948	37,600
Total capital fund	120,856	122,325
Percentage		
	March 31, 2014	December 31, 2013
Total Common Equity Tier 1 capital / Total risk assets	10.38	10.17
Total Tier 1 capital / Total risk assets	10.38	10.17
Total capital / Total risk assets	14.44	14.68

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	April 28, 2014
Information as at	December 31, 2013

6. ADDITIONAL INFORMATION

6.1 Additional information of cash flows

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

	CONSOLIDATED FINANCIAL STATEMENTS		Unit: Million Baht THE BANK'S FINANCIAL STATEMENTS	
	2014	2013	2014	2013
Premises and equipment payable at the beginning of the periods	291	404	226	345
Purchases of premises and equipment	327	203	225	96
<u>Less</u> Cash payment	<u>(487)</u>	<u>(427)</u>	<u>(366)</u>	<u>(307)</u>
Premises and equipment payable at the end of the periods	<u>131</u>	<u>180</u>	<u>85</u>	<u>134</u>

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

	CONSOLIDATED FINANCIAL STATEMENTS		Unit: Million Baht THE BANK'S FINANCIAL STATEMENTS	
	2014	2013	2014	2013
Computer software payable at the beginning of the periods	97	243	69	205
Purchases of computer software	58	171	47	112
<u>Less</u> Cash payment	<u>(102)</u>	<u>(272)</u>	<u>(70)</u>	<u>(203)</u>
Computer software payable at the end of the periods	<u>53</u>	<u>142</u>	<u>46</u>	<u>114</u>

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

	CONSOLIDATED FINANCIAL STATEMENTS		Unit: Million Baht THE BANK'S FINANCIAL STATEMENTS	
	2014	2013	2014	2013
Increase in revaluation surplus on investments	715	171	721	170
Accumulated depreciation of premises appraisal deducted from premises revaluation surplus	109	83	109	83
Properties for sale acquired from debt repayment	-	6	-	6
Properties and premises transferred to be properties foreclosed	-	11	-	11

6.1.4 Realized and unrealized gains (losses) on foreign exchange

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

6.2 Investments, net

Investments, net as at March 31, 2014 and December 31, 2013, consisted of the following:

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS								
	March 31, 2014				December 31, 2013			
	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	5,095	2	(1)	5,096	974	2	-	976
Private sector's debt securities	1	-	-	1	21	-	-	21
Domestic marketable equity Securities	119	1	-	120	-	-	-	-
	5,215	3	(1)	5,217	995	2	-	997
Add Revaluation allowance	2			-	2			-
Total	5,217			5,217	997			997
Securities Available-for-Sale								
Government and state enterprise securities	50,909	288	(24)	51,173	49,352	176	(93)	49,435
Private sector's debt securities	13,317	135	(29)	13,423	15,616	41	(103)	15,554
Domestic marketable equity Securities	5,587	520	(301)	5,806	5,746	300	(447)	5,599
	69,813	943	(354)	70,402	70,714	517	(643)	70,588
Add (less) Revaluation allowance	589			-	(126)			-
Less Allowance for impairment	(76)			(76)	(92)			(92)
Total	70,326			70,326	70,496			70,496
Securities Held-to-Maturity								
Private sector's debt securities	50				50			
Investment in accounts receivable	482				1,279			
	532				1,329			
Less Allowance for impairment	(64)				(64)			
Total	468				1,265			
Securities for General Investments								
Domestic non-marketable equity securities	424				705			
Foreign non-marketable equity securities	29				29			
	453				734			
Less Allowance for impairment	(217)				(218)			
Total	236				516			
Total Investments, net	76,247				73,274			

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS

	March 31, 2014				December 31, 2013			
	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	5,095	2	(1)	5,096	974	2	-	976
Private sector's debt securities	1	-	-	1	26	-	-	26
Domestic marketable equity								
Securities	119	1	-	120	-	-	-	-
	5,215	3	(1)	5,217	1,000	2	-	1,002
<u>Add</u> Revaluation allowance	2			-	2			-
Total	5,217			5,217	1,002			1,002
Securities Available-for-Sale								
Government and state								
enterprise securities	50,909	288	(24)	51,173	49,352	176	(93)	49,435
Private sector's debt securities	13,248	135	(29)	13,354	15,548	41	(103)	15,486
Domestic marketable equity								
Securities	5,582	509	(300)	5,791	5,741	283	(447)	5,577
	69,739	932	(353)	70,318	70,641	500	(643)	70,498
<u>Add (less)</u> Revaluation allowance	579			-	(143)			-
<u>Less</u> Allowance for impairment	(7)			(7)	(24)			(24)
Total	70,311			70,311	70,474			70,474
Securities Held-to-Maturity								
Private sector's debt securities	50				50			
Investment in accounts								
receivable	482				1,279			
	532				1,329			
<u>Less</u> Allowance for impairment	(64)				(64)			
Total	468				1,265			
Securities for General Investments								
Domestic non-marketable equity								
securities	392				673			
Foreign non-marketable								
equity securities	29				29			
	421				702			
<u>Less</u> Allowance for impairment	(202)				(202)			
Total	219				500			
Total Investments, net	76,215				73,241			

In the consolidated and the Bank's financial statements as at March 31, 2014 and December 31, 2013, the Bank and its subsidiaries had investments in available-for-sale securities and general investments of 3 and 1 companies, respectively, subject to being delisted from the SET, with cost of Baht 12 million and market price of Baht 0.

6.3 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 March 31, 2014 and December 31, 2013 are as follows:

Unit: Million Baht										
CONSOLIDATED FINANCIAL STATEMENTS										
Company Name	Business Type	Securities Investment Type	Registered Share Capital	Ownership %	March 31, 2014			December 31, 2013		
					Investment (Cost)	Investment (Equity Method)	Dividend	Investment (Cost)	Investment (Equity Method)	Dividend
Associates										
Tesco Card Services Limited ⁽¹⁾	Credit cards and personal loans	Common Stock	780	50.00	390	1,018	-	390	966	-
Tesco Life Assurance Broker Limited ⁽²⁾	Life assurance Broker	Common Stock	2	50.00	-	37	-	-	34	-
Tesco General Insurance Broker Limited ⁽²⁾	General insurance broker	Common Stock	77	50.00	-	66	-	-	59	-
Metro Designee Company Limited ⁽³⁾	Special Purpose vehicle	Common Stock	-	21.90	-	-	-	-	-	-
Investments in associates, net					390	1,121	-	390	1,059	-

⁽¹⁾ Indirect holding via Ayudhya Capital Services Company Limited

⁽²⁾ Indirect holding via Tesco Card Services Limited

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

Unit: Million Baht						
THE BANK'S FINANCIAL STATEMENTS						
March 31, 2014						
Company Name	Business Type	Securities Investment Type	Registered Share Capital	Ownership %	Investment (Cost)	Dividend
Subsidiaries						
Ayudhya Development Leasing Company Limited	Leasing and hire- purchase	Common stock	705	99.99	929	-
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 ⁽¹⁾	Hire-purchase	Common stock	299	99.81	-	-
CFG Services Company Limited	Hire-purchase and motorcycle loans	Common stock	190	99.99	26	-
		Preferred stock			1	-
Ayudhya Card Services Company Limited ⁽¹⁾	Credit cards and personal loans	Common stock	180	99.99	-	-
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	1,206	99.99	1,575	-
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	-
Krungsri Asset Management Company Limited	Fund management	Common stock	350	76.59	204	-
Krungsri Ayudhya AMC Limited	Asset management	Common stock	6,000	99.99	6,000	-
Krungsri Securities Public Company Limited	Securities	Common stock	600	98.71	731	-
Krungsri 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					34,783	-
<u>Less</u> Allowance for impairment					(4,952)	-
Investments in subsidiaries and associated company, net					29,831	-

⁽¹⁾ Subsidiary is in the process of liquidation

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

Unit: Million Baht						
THE BANK'S FINANCIAL STATEMENTS						
December 31, 2013						
Company Name	Business Type	Securities Investment Type	Registered Share Capital	Ownership %	Investment (Cost)	Dividend
Subsidiaries						
Ayudhya Development Leasing Company Limited	Leasing and hire- purchase	Common stock	705	99.99	929	35
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 ⁽¹⁾	Hire-purchase	Common stock	299	99.81	-	-
CFG Services Company Limited	Hire-purchase and motorcycle loans	Common stock Preferred stock	190	99.99	26	-
					1	-
Ayudhya Card Services Company Limited ⁽¹⁾	Credit cards and personal loans	Common stock	180	99.99	-	237
Ayudhya Capital Services Company Limited	Credit cards and personal loans	Common stock	125	99.99	6,141	600
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	1,206	99.99	1,575	-
Siam Realty and Services Company Limited	Car leasing and personnel services	Common stock	100	99.99	100	30
Total Services Solutions Public Company Limited	Collection services	Common stock	331	99.99	1,614	-
Krungsri Asset Management Company Limited	Fund management	Common stock	350	76.59	204	-
Krungsri Ayudhya AMC Limited	Asset management	Common stock	6,000	99.99	6,000	-
Krungsri Securities Public Company Limited	Securities	Common stock	600	98.71	731	-
Krungsri 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					34,783	902
<u>Less</u> Allowance for impairment					(4,952)	-
Investments in subsidiaries and associated company, net					<u>29,831</u>	<u>902</u>

⁽¹⁾ Subsidiary is in the process of liquidation

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

DISCLOSURE OF THE STATEMENTS OF CASH FLOWS OF ASSET MANAGEMENT COMPANY (“AMC”)

KRUNGSRI AYUDHYA AMC LIMITED
STATEMENTS OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2014
“UNAUDITED”

	Unit: Million Baht	
	2014	2013
Cash flows from operating activities		
Income before income tax	42	72
Adjustments to reconcile income to cash provided (paid) from operating activities		
Loss on impairment of properties for sale	45	51
Depreciation and amortization	1	1
Gain on sales of properties for sale	(47)	(61)
Employment benefits expenses	4	3
Interest income, net	(30)	(30)
Interest received	32	49
Interest paid	(3)	(18)
Income tax paid	(92)	(3)
Income (loss) from operations before changes in operating assets and liabilities	(48)	64
(Increase) decrease in operating assets		
Investment in receivables	22	52
Loans to customers	18	44
Properties for sale	219	272
Other assets	4	(8)
Increase (decrease) in operating liabilities		
Other liabilities	85	61
Net cash from operating activities	300	485
Cash flows from investing activities		
Proceeds from sales of equipment	-	2
Net cash from investing activities	-	2
Cash flows from financing activities		
Cash paid for repayment of bill of exchange	(241)	(478)
Net cash from financing activities	(241)	(478)
Net increase in cash and cash equivalents	59	9
Cash and cash equivalents as at January 1,	20	13
Cash and cash equivalents as at March 31,	79	22

6.4 Loans to customers and accrued interest receivables, net

Loans to customers and accrued interest receivables, net as at March 31, 2014 and December 31, 2013 are as follows:

(1) Classified by products

	CONSOLIDATED		Unit: Million Baht THE BANK'S	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	March 31,	December 31,	March 31,	December 31,
	2014	2013	2014	2013
Overdrafts	52,337	52,359	52,097	52,095
Loan against contract	439,826	421,067	602,726	603,574
Trade bill	155,792	166,373	155,688	166,259
Hire-purchase receivable	270,048	269,453	16,873	-
Lease contract receivable	21,987	22,837	249	-
Credit card receivable	40,323	51,439	-	-
Others	4,114	4,486	374	277
Total	984,427	988,014	828,007	822,205
<u>Less</u> Deferred revenue	(44,584)	(44,512)	(3,262)	(75)
Loans to customers after deferred revenue, net	939,843	943,502	824,745	822,130
<u>Add</u> Accrued interest receivables	2,552	2,648	1,618	1,741
Loans to customers and accrued interest receivable after deferred revenue, net	942,395	946,150	826,363	823,871
<u>Less</u> Allowance for doubtful accounts				
1) BOT requirement :				
Individual approach	(19,335)	(18,200)	(14,568)	(13,677)
Collective approach	(4,775)	(4,499)	(160)	-
2) Surplus reserve	(14,441)	(14,767)	(6,073)	(6,242)
<u>Less</u> Revaluation allowance for debt restructuring	(1,605)	(1,520)	(645)	(659)
Total loans to customers, net	902,239	907,164	804,917	803,293

(2) Classified by currency and residence of debtors

Unit: Million Baht						
CONSOLIDATED FINANCIAL STATEMENTS						
March 31, 2014			December 31, 2013			
Domestic	Foreign	Total	Domestic	Foreign	Total	
Baht	921,658	674	922,332	925,134	505	925,639
US Dollar	11,809	2,989	14,798	13,356	2,935	16,291
Other currencies	483	2,230	2,713	585	987	1,572
Total	933,950	5,893	939,843	939,075	4,427	943,502

Unit: Million Baht						
THE BANK'S FINANCIAL STATEMENTS						
March 31, 2014			December 31, 2013			
Domestic	Foreign	Total	Domestic	Foreign	Total	
Baht	806,560	674	807,234	803,761	505	804,266
US Dollar	11,809	2,989	14,798	13,356	2,936	16,292
Other currencies	483	2,230	2,713	585	987	1,572
Total	818,852	5,893	824,745	817,702	4,428	822,130

(3) Classified by business type and classification

Unit: Million Baht						
CONSOLIDATED FINANCIAL STATEMENTS						
March 31, 2014						
Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total	
Agriculture and mining	7,206	151	19	955	307	8,638
Manufacturing and trading	236,128	5,798	1,164	1,431	2,184	246,705
Real estate and construction	63,959	3,933	982	2,247	536	71,657
Public utilities and services	81,086	4,660	884	425	3,551	90,606
Housing loans	118,395	1,796	864	1,077	1,329	123,461
Others	367,594	19,105	6,273	3,704	2,100	398,776
Total	874,368	35,443	10,186	9,839	10,007	939,843

Unit: Million Baht						
CONSOLIDATED FINANCIAL STATEMENTS						
December 31, 2013						
Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total	
Agriculture and mining	7,474	159	27	946	343	8,949
Manufacturing and trading	223,558	5,871	1,249	1,314	1,943	233,935
Real estate and construction	67,324	3,638	644	2,194	542	74,342
Public utilities and services	77,636	4,766	811	2,804	899	86,916
Housing loans	115,813	1,807	846	893	1,212	120,571
Others	389,106	19,336	5,630	2,863	1,854	418,789
Total	880,911	35,577	9,207	11,014	6,793	943,502

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS

March 31, 2014

	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total
Agriculture and mining	7,183	152	19	71	130	7,555
Manufacturing and trading	235,148	5,467	1,010	1,141	1,318	244,084
Real estate and construction	63,451	3,933	947	2,243	401	70,975
Public utilities and services	81,086	4,660	884	406	3,083	90,119
Housing loans	118,395	1,796	864	1,077	1,171	123,303
Others	285,772	1,046	692	905	294	288,709
Total	<u>791,035</u>	<u>17,054</u>	<u>4,416</u>	<u>5,843</u>	<u>6,397</u>	<u>824,745</u>

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS

December 31, 2013

	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total
Agriculture and mining	7,453	159	27	62	126	7,827
Manufacturing and trading	222,100	5,854	1,061	910	1,079	231,004
Real estate and construction	66,717	3,601	644	2,190	359	73,511
Public utilities and services	77,632	4,766	809	2,786	653	86,646
Housing loans	115,813	1,808	846	893	1,001	120,361
Others	300,188	1,069	747	574	203	302,781
Total	<u>789,903</u>	<u>17,257</u>	<u>4,134</u>	<u>7,415</u>	<u>3,421</u>	<u>822,130</u>

(4) Classified by type of classification

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2014

	Loans to Customers and Accrued Interest Receivables	Outstanding Balance Use for Calculation Allowance	% Use for Calculation Allowance ⁽³⁾	Allowance for Doubtful Accounts ⁽⁴⁾
1. Minimum allowance per BOT guideline				
Normal	876,736	537,869	1	5,582
Special mention	35,620	17,280	2 , 12-16	3,338
Substandard	10,186	5,671	44-65, 100	4,899
Doubtful	9,839	4,059	44, 100	4,268
Doubtful of loss	10,015	5,232	100	6,023
Total	<u>942,396</u>	<u>570,111</u>		<u>24,110⁽¹⁾</u>
2. Surplus Reserve				<u>14,441⁽²⁾</u>
Total				<u>38,551</u>

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

	December 31, 2013			
	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	883,380	544,189	1	5,713
Special mention	35,747	17,944	2, 11	3,664
Substandard	9,207	4,904	42, 100	4,419
Doubtful	11,014	5,612	42, 100	5,706
Doubtful of loss	6,802	1,701	100	3,197
Total	<u>946,150</u>	<u>574,350</u>		<u>22,699⁽¹⁾</u>
2. Surplus Reserve				<u>14,767⁽²⁾</u>
Total				<u>37,466</u>

⁽¹⁾ Including allowance for doubtful accounts on a collective approach for hire-purchase loans as at March 31, 2014 and December 31, 2013, of Baht 4,775 million and Baht 4,499 million, respectively

⁽²⁾ Including allowance for doubtful accounts of loans granted to subsidiaries as at March 31, 2014 and December 31, 2013, at the rate of 1% of Baht 204,457 million and Baht 218,354 million equal to Baht 2,045 million and Baht 2,183 million, respectively, which are not eliminated but treated as surplus reserve in the consolidated financial statements

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

⁽⁴⁾ Excluding revaluation allowance for debt restructuring as at March 31, 2014 and December 31, 2013, of Baht 1,605 million and Baht 1,520 million, respectively, and excluding allowance for doubtful accounts for interbank and money market items as at March 31, 2014 and December 31, 2013, of Baht 226 million and Baht 199 million, respectively

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS

	March 31, 2014			
	Loans to Customers and Accrued Interest Receivables	Outstanding Balance Use for Calculation Allowance	% Use for Calculation Allowance ⁽³⁾	Allowance for Doubtful Accounts ⁽²⁾
1. Minimum allowance per BOT guideline				
Normal	792,557	462,738	1	4,997
Special mention	17,150	1,476	2, 16	1,528
Substandard	4,416	1,493	65, 100	1,935
Doubtful	5,843	1,920	100	2,473
Doubtful of loss	6,397	3,261	100	3,795
Total	<u>826,363</u>	<u>470,888</u>		<u>14,728⁽⁴⁾</u>
2. Surplus Reserve				<u>6,073⁽¹⁾</u>
Total				<u>20,801</u>

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS

	December 31, 2013			
	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	791,563	463,460	1	4,957
Special mention	17,338	1,891	2	1,654
Substandard	4,134	1,282	100	1,718
Doubtful	7,415	3,668	100	4,167
Doubtful of loss	3,421	745	100	1,181
Total	<u>823,871</u>	<u>471,046</u>		<u>13,677</u>
2. Surplus Reserve				<u>6,242⁽¹⁾</u>
Total				<u>19,919</u>

⁽¹⁾ Including allowance for doubtful accounts of loan granted to subsidiaries as at March 31, 2014 and December 31, 2013, at the rate of 1% of Baht 204,457 million and Baht 218,354 million, equal to Baht 2,045 million and Baht 2,183 million, respectively

⁽²⁾ Excluding revaluation allowance for debt restructuring as at March 31, 2014 and December 31, 2013, of Baht 645 million and Baht 659 million, respectively and excluding allowance for doubtful accounts for interbank and money market items as at March 31, 2014 and December 31, 2013, of Baht 226 million and Baht 199 million, respectively

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

⁽⁴⁾ Including allowance for doubtful accounts on a collective approach for hire-purchase loans as at March 31, 2014 of Baht 160 million

As at March 31, 2014 and December 31, 2013, the Bank and Krungsri Ayudhya AMC Limited ("AMC") had non-performing loans which included interbank and money market items as follows:

Unit: Million Baht

	March 31, 2014		
	The Bank	AMC	The Bank and AMC
Non-performing loans	16,656	1,210	17,866
Percentage of total loans	1.86	100.00	1.99
Non-performing loans, net	8,383	894	9,277
Percentage of total loans, net	0.94	100.00	1.04

	Unit: Million Baht		
	December 31, 2013		
	The Bank	AMC	The Bank and AMC
Non-performing loans	14,970	1,288	16,258
Percentage of total loans	1.68	100.00	1.82
Non-performing loans, net	7,835	969	8,804
Percentage of total loans, net	0.89	100.00	1.00

As at March 31, 2014 and December 31, 2013, the Bank and its subsidiaries' non-performing loans are Baht 30,032 million and Baht 27,014 million, respectively.

(5) Troubled debt restructuring

For the three-month periods ended March 31, 2014 and 2013, the Bank and its subsidiaries had restructured the following debts:

Unit: Million Baht								
CONSOLIDATED FINANCIAL STATEMENTS								
Form of Restructuring	For the three-month period ended March 31, 2014				For the three-month period ended March 31, 2013			
	Number	Amount	Type of Assets	Fair Value	Number	Amount	Type of Assets	Fair Value
	of Debtors	of Debt Before Restructuring	Acquired		of Debtors	of Debt Before Restructuring	Acquired	
Modification of terms	4,741	783	-	-	3,936	925	-	-
Reduction of principal and interest	2,696	263	-	-	1,558	252	-	-
Various forms of restructuring	44	146	-	-	55	189	-	-
Total	7,481	1,192		-	5,549	1,366		-

Unit: Million Baht								
THE BANK'S FINANCIAL STATEMENTS								
Form of Restructuring	For the three-month period ended March 31, 2014				For the three-month period ended March 31, 2013			
	Number	Amount	Type of Assets	Fair Value	Number	Amount	Type of Assets	Fair Value
	of Debtors	of Debt Before Restructuring	Acquired		of Debtors	of Debt Before Restructuring	Acquired	
Modification of terms	158	523	-	-	252	722	-	-
Reduction of principal and interest	74	137	-	-	100	179	-	-
Various forms of restructuring	44	146	-	-	53	127	-	-
Total	276	806		-	405	1,028		-

For the three-month periods ended March 31, 2014 and 2013, the Bank and its subsidiaries calculated the net realizable value for the trouble debt restructured by the modification of terms using the present value of future cash flows under the restructured loan agreement, discounted by the market rate, together with the fair value of collateral as follows:

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS								
Method	For the three-month period ended March 31, 2014				For the three-month period ended March 31, 2013			
	Average	Number	Amount of Debt		Average	Number	Amount of Debt	
	Aging	of	Before	After	Aging	of	Before	After
	(Year)	Debtor	Restructuring	Restructuring	(Year)	Debtor	Restructuring	Restructuring
Present value of future cash flows	4.44	4,590	357	357	4.07	3,666	238	238
Fair value of collateral	7.02	151	426	426	6.51	270	687	678

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS								
Method	For the three-month period ended March 31, 2014				For the three-month period ended March 31, 2013			
	Average	Number	Amount of Debt		Average	Number	Amount of Debt	
	Aging	of	Before	After	Aging	of	Before	After
	(Year)	Debtor	Restructuring	Restructuring	(Year)	Debtor	Restructuring	Restructuring
Present value of future cash flows	4.55	7	97	97	5.10	7	44	44
Fair value of collateral	7.02	151	426	426	7.17	245	678	678

For the three-month periods ended March 31, 2014 and 2013, the Bank and its subsidiaries recognized losses on debt restructured and interest received from debt restructured in the statements of comprehensive income as follows:

	CONSOLIDATED		Unit: Million Baht THE BANK'S	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the three-month periods		For the three-month periods	
	ended March 31,		ended March 31,	
	2014	2013	2014	2013
Losses on debt restructured (reversal)	391	178	(11)	(1)
Interest received from debt restructured	250	219	186	178

As at March 31, 2014 and December 31, 2013, the Bank and its subsidiaries recorded balances of total debt restructured and debt restructured during the three-month period ended March 31, 2014 and during the year ended December 31, 2013, in the statements of financial position as follows:

	CONSOLIDATED		Unit: Million Baht THE BANK'S	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	March 31,	December 31,	March 31,	December 31,
	2014	2013	2014	2013
Balances of total debt restructured	19,123	18,755	15,594	15,335
Balances of debt restructured during the period / year	1,163	11,063	777	8,168

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

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS				
March 31, 2014				
	Within	Amount due per agreements		Total
	1 Year	Greater than 1-5 Years	Greater than 5 Years	
Minimum lease payments	91,301	182,090	18,644	292,035
<u>Less</u> Unearned interest income				<u>(44,538)</u>
Present value of the minimum lease payments				247,497
<u>Less</u> Allowance for doubtful accounts				<u>(10,823)</u>
Total lease receivables, net				<u>236,674</u>

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS				
December 31, 2013				
	Within	Amount due per agreements		Total
	1 year	Greater than 1-5 Years	Greater than 5 Years	
Minimum lease payments	93,290	187,604	11,396	292,290
<u>Less</u> Unearned interest income				<u>(44,127)</u>
Present value of the minimum lease payments				248,163
<u>Less</u> Allowance for doubtful accounts				<u>(10,454)</u>
Total lease receivables, net				<u>237,709</u>

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS				
March 31, 2014				
	Within	Amount due per agreements		Total
	1 year	Greater than 1-5 Years	Greater than 5 Years	
Minimum lease payments	42	7,045	10,035	17,122
<u>Less</u> Unearned interest income				<u>(3,217)</u>
Present value of the minimum lease payments				13,905
<u>Less</u> Allowance for doubtful accounts				<u>(160)</u>
Total lease receivables, net				<u>13,745</u>

6.5 Allowance for doubtful accounts

Allowance for doubtful accounts as at March 31, 2014 and December 31, 2013 are as follows:

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS							
March 31, 2014							
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Surplus Reserve	Total
Beginning balance	5,713	3,664	4,419	5,706	3,197	14,767	37,466
Doubtful accounts (reversal)	(131)	(326)	1,459	(1,438)	4,389	(288)	3,665
Bad debts written off	-	-	(979)	-	(1,563)	(37)	(2,579)
Other	-	-	-	-	-	(1)	(1)
Ending balance	<u>5,582</u>	<u>3,338</u>	<u>4,899</u>	<u>4,268</u>	<u>6,023</u>	<u>14,441</u>	<u>38,551</u>

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2013

	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Surplus Reserve	Total
Beginning balance	7,205	1,651	3,337	2,142	3,685	12,286	30,306
Doubtful accounts (reversal)	(1,490)	2,041	4,033	5,053	5,191	2,478	17,306
Bad debts written off	-	(28)	(2,917)	(274)	(4,580)	-	(7,799)
Bad debts written off from sales of NPLs	(2)	-	(34)	(1,215)	(1,099)	-	(2,350)
Other	-	-	-	-	-	3	3
Ending balance	5,713	3,664	4,419	5,706	3,197	14,767	37,466

As at March 31, 2014 and December 31, 2013, the consolidated financial statements included the allowance for doubtful account of hire-purchase loans applying a collective approach basis in the amounts of Baht 4,775 million and Baht 4,499 million, respectively.

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS

March 31, 2014

	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Surplus Reserve	Total
Beginning balance	4,957	1,654	1,718	4,167	1,181	6,242	19,919
Doubtful accounts (reversal)	40	(126)	217	(1,694)	2,615	(168)	884
Bad debts written off	-	-	-	-	(1)	-	(1)
Other	-	-	-	-	-	(1)	(1)
Ending balance	4,997	1,528	1,935	2,473	3,795	6,073	20,801

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS

December 31, 2013

	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Surplus Reserve	Total
Beginning balance	6,829	601	1,945	1,491	2,914	5,629	19,409
Doubtful accounts (reversal)	(1,870)	1,054	(193)	4,092	(456)	610	3,237
Bad debts written off	-	(1)	-	(201)	(178)	-	(380)
Bad debts written off from sales of NPLs	(2)	-	(34)	(1,215)	(1,099)	-	(2,350)
Other	-	-	-	-	-	3	3
Ending balance	4,957	1,654	1,718	4,167	1,181	6,242	19,919

As at March 31, 2014 and December 31, 2013, the Bank estimated the minimum total allowance under the BOT Guidelines as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	March 31, 2014	December 31, 2013	March 31, 2014	December 31, 2013

Allowance for doubtful accounts*	25,941	24,418	15,600	14,536
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* 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:

	March 31, 2014	Unit: Million Baht December 31, 2013
Consolidated financial statements	40,383	39,185
The Bank and Krungsri Ayudhya AMC Limited	22,259	21,403
The Bank's financial statements	21,672	20,777

As at March 31, 2014 and December 31, 2013, the Bank and its subsidiaries had loans to customers and accrued interest receivables to companies which have certain problems in financial position and result of operations as defined in the Guideline of SET dated July 8, 1998 regarding the Quality of Assets and Transactions with Related Parties and the allowance for doubtful accounts for such loans as follows:

Unit: Million Baht CONSOLIDATED AND THE BANK'S FINANCIAL STATEMENTS March 31, 2014			
	Number	Outstanding Balance	Collateral Allowance for Doubtful Accounts
Companies subject to be delisted by SET	3	2,561	985
Total	3	2,561	985

Unit: Million Baht CONSOLIDATED AND THE BANK'S FINANCIAL STATEMENTS December 31, 2013			
	Number	Outstanding Balance	Collateral Allowance for Doubtful Accounts
Companies subject to be delisted by SET	3	2,612	991
Total	3	2,612	991

6.6 Revaluation allowance for debt restructuring

Revaluation allowance for debt restructuring as at March 31, 2014 and December 31, 2013 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		Unit: Million Baht THE BANK'S FINANCIAL STATEMENTS	
	March 31, 2014	December 31, 2013	March 31, 2014	December 31, 2013
Beginning balance	1,520	723	659	17
Increase (decrease) during the period / year	391	1,579	(11)	654
Amount written off	(306)	(781)	(3)	(12)
Ending balance	1,605	1,521	645	659

6.7 Debt issued and borrowings

Debt issued and borrowings as at March 31, 2014 and December 31, 2013 are as follows:

CONSOLIDATED FINANCIAL STATEMENTS									Unit: Million Baht
				March 31, 2014			December 31, 2013		
	Currency	Interest rate (%)	Maturity	Domestic	Foreign	Total	Domestic	Foreign	Total
Subordinated									
Debentures	THB	4.70-5.50	2020-2022	34,844	-	34,844	34,844	-	34,844
Senior securities	THB	2.25-4.50	2014-2018	87,331	-	87,331	101,053	-	101,053
Bill of exchange	THB	1.70-3.40	2014	24,088	-	24,088	38,649	-	38,649
Other borrowings	THB	0.00-0.50	2014-2017	46	-	46	59	-	59
				146,309	-	146,309	174,605	-	174,605

Unit: Million Baht									
THE BANK'S FINANCIAL STATEMENTS									
				March 31, 2014			December 31, 2013		
	Currency	Interest rate	Maturity	Domestic	Foreign	Total	Domestic	Foreign	Total
		(%)							
Subordinated									
Debentures	THB	4.70-5.50	2020-2022	34,844	-	34,844	34,844	-	34,844
Senior securities	THB	2.25-4.50	2014-2016	48,503	-	48,503	62,230	-	62,230
Bill of exchange	THB	1.70-3.40	2014	4,256	-	4,256	10,204	-	10,204
Other borrowings	THB	0.00-0.50	2014-2017	46	-	46	59	-	59
				87,649	-	87,649	107,337	-	107,337

Additional information on debts issued and borrowings is as follows:

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

6.8 Provisions

Provisions for the three-month period ended March 31, 2014 and for the year ended December 31, 2013 are as follows:

	Unit: Million Baht				
	CONSOLIDATED FINANCIAL STATEMENTS				
	Balance at January 1, 2013	Increase (Decrease)	Balance at December 31, 2013	Increase (Decrease)	Balance at March 31, 2014
Provision for post-employment benefits obligation	2,942	(50)	2,892	83	2,975
Provision for loss on impairment of assets transferred to the Thai Asset Management Corporation	2,131	(2,131)	-	-	-
Others	644	1,047	1,691	112	1,803
Total	5,717	(1,134)	4,583	195	4,778

	Unit: Million Baht				
	THE BANK'S FINANCIAL STATEMENTS				
	Balance at January 1, 2013	Increase (Decrease)	Balance at December 31, 2013	Increase (Decrease)	Balance at March 31, 2014
Provision for post-employment benefits obligation	2,433	(68)	2,365	63	2,428
Provision for loss on impairment of assets transferred to the Thai Asset Management Corporation	2,071	(2,071)	-	-	-
Others	644	1,044	1,688	107	1,795
Total	5,148	(1,095)	4,053	170	4,223

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 were those which had outstanding balances as at December 31, 2000 and possessed certain characteristics as specified in the Emergency Decree on TAMC B.E. 2544 (TAMC Decree). The price of the sub-quality assets should equal the value of the collateral and not exceed the loan value less allowance for doubtful accounts, as determined by BOT guidelines. The Bank and its subsidiary received non-negotiable promissory notes upon TAMC's confirmations on the price. The notes matured in 10 years and bear the interest rate calculated based on the average rate of deposits, payable annually. The notes were availed by the Financial Institutions Development Fund.

The Bank, its subsidiary and TAMC agreed to allocate any profits or losses from managing the sub-quality assets at the end of the fifth and the tenth year starting from July 1, 2001. In addition, pursuant to the TAMC Decree, in case when profits were realized, the first portion of the profits, not exceeding 20% of the transfer price of the sub-quality assets transferred to TAMC, would be allocated equally between TAMC and the Bank/subsidiary. The second portion of the profits would be allocated in full to the Bank/subsidiary. The two portions of the profits combined together should 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 was given to TAMC. In case when losses were realized, it would be shared between TAMC and the Bank/subsidiary. The Bank and its subsidiary would 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 was the residual amount of the first portion, an amount not exceeding 20% of the transfer price of the sub-quality assets transferred to TAMC would 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 was based on the fully repaid assets or the completed process of assets transfer in case of transfer of assets for repayment purposes.

As at January 1, 2013, the provisions for possible losses were set up in the amounts of Baht 2,131 million for the consolidated financial statements and Baht 2,071 million for the Bank's financial statements which were presented as a part of provisions in the statement of financial position.

On June 9, 2011, TAMC was liquidated and consequently the Bank and its subsidiary have confirmed the profit and loss calculation report received from TAMC on September 11, 2013. As a result, during the year ended December 31, 2013, the Bank and its subsidiary recorded reversal on provision for possible losses in the consolidated and the Bank's financial statements of Baht 1,074 million and Baht 1,056 million, respectively, which presented negative amount in other operating expenses. The completion of payment was conducted in October 2013.

6.9 Dividend payment

The Annual General Meeting of Shareholder No. 101 held on April 10, 2013, approved the dividend payment for the second half year ended December 31, 2012 to the shareholders of 6,074,143,747 ordinary shares at Baht 0.40 per share totaling Baht 2,430 million with payment date on May 7, 2013.

The Board of Directors' Meeting No.8/2013 held on August 28, 2013, approved the interim dividend payment for the first half year ended June 30, 2013 to the shareholders of 6,074,143,747 ordinary shares at Baht 0.40 per share totaling Baht 2,430 million with payment date on September 26, 2013.

6.10 Assets with obligations and restrictions

As at March 31, 2014 and December 31, 2013, government and state enterprise securities with book value of Baht 148 million and Baht 5,857 million, respectively, are used as collateral for other commitments with government departments and state enterprises.

6.11 Contingencies

Contingencies as at March 31, 2014 and December 31, 2013 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		Unit: Million Baht THE BANK'S FINANCIAL STATEMENTS	
	March 31, 2014	December 31, 2013	March 31, 2014	December 31, 2013
Avals to bills	815	1,270	815	1,270
Guarantees of loans	52	45	52	45
Liability under unmatured import bills	1,629	1,559	1,629	1,559
Letters of credit	9,734	9,335	9,734	9,335
Other contingencies				
- Unused overdraft limit	60,417	57,884	60,547	58,014
- Other guarantees	48,633	44,200	48,633	44,200
- Others	234	253	234	253
Total	<u>121,514</u>	<u>114,546</u>	<u>121,644</u>	<u>114,676</u>

The Bank and its subsidiaries have entered into a long-term information technology service agreement, which will expired in 2019 with a local company. As at March 31, 2014 and December 31, 2013, the Bank and its subsidiaries have a commitment to pay in the amounts of Baht 3,575 million and Baht 3,726 million, respectively.

As at March 31, 2014 and December 31, 2013, the Bank has commitments to pay regarding the information technology services the amounts of Baht 257 million and Baht 14 million, respectively.

6.12 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 comply with the same BOT regulations as those granted to other debtors.

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

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

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

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

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

Related party transactions are as follows:

6.12.1 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 have significant voting right either directly and indirectly, as at March 31, 2014 and December 31, 2013 are as follows:

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS								
	March 31, 2014				December 31, 2013			
	Loans	Deposits	Borrowings	Others*	Loans	Deposits	Borrowings	Others*
Parent companies								
The Bank of Tokyo-Mitsubishi UFJ Ltd,								
Bangkok Branch	-	1	-	6,026	-	1	-	12,844
The Bank of Tokyo-Mitsubishi UFJ Ltd,								
Singapore Branch	-	-	-	2,995	-	-	-	1,559
	-	1	-	9,021	-	1	-	14,403
Associates								
Tesco Card Services Limited	10,577	227	-	-	11,520	398	-	-
Tesco Life Assurance Broker								
Limited	-	84	-	-	-	75	-	-
Tesco General Insurance Broker								
Limited	-	336	-	-	-	308	-	-
<u>Less</u> Allowance for doubtful accounts	(106)	-	-	-	(115)	-	-	-
Total	10,471	647	-	-	11,405	781	-	-
Related companies having joint								
major shareholders or directors	3,166	4,431	-	5,437	3,605	3,559	-	2,742
<u>Less</u> Allowance for doubtful accounts	(30)	-	-	-	(31)	-	-	-
Total	3,136	4,431	-	5,437	3,574	3,559	-	2,742
Individual and related parties								
	210	605	-	-	268	637	-	-
<u>Less</u> Allowance for doubtful accounts	(1)	-	-	-	(1)	-	-	-
Total	209	605	-	-	267	637	-	-
Total	13,816	5,684	-	14,458	15,246	4,978	-	17,145

* Others contain investment, derivatives (notional amount) and contingencies

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS

	March 31, 2014				December 31, 2013			
	Loans	Deposits	Borrowings	Others*	Loans	Deposits	Borrowings	Others*
Parent companies								
The Bank of Tokyo-Mitsubishi UFJ Ltd,								
Bangkok Branch	-	1	-	6,026	-	1	-	12,844
The Bank of Tokyo-Mitsubishi UFJ Ltd,								
Singapore Branch	-	-	-	2,995	-	-	-	1,559
Total	-	1	-	9,021	-	1	-	14,403
Subsidiaries								
Ayudhya Development Leasing Company Limited	9,789	17	-	82	10,371	20	-	44
Ayudhya Capital Auto Lease Public Company Limited	122,900	404	-	-	130,012	601	-	5
Ayudhya Total Solutions Public Company Limited	-	9	-	-	-	10	-	-
CFG Services Company Limited	8,800	16	-	2	8,391	29	-	2
Ayudhya Capital Services Company Limited	23,657	331	-	3	24,774	801	-	3
General Card Services Limited	10,551	215	-	-	11,492	335	-	-
Krungsriayudhya Card Company Limited	27,887	395	-	1	32,180	1,142	-	1
Siam Realty and Services Company Limited	560	34	-	-	580	43	-	-
Total Services Solutions Public Company Limited	-	240	700	-	-	193	700	-
Krungsri Asset Management Company Limited	-	319	150	649	-	218	150	656
Krungsri Ayudhya AMC Limited	313	79	-	38	554	17	-	38
Krungsri Securities Public Company Limited	-	950	-	-	-	991	-	-
Krungsri Factoring Company Limited	-	176	-	-	-	92	-	-
Krungsri Life Assurance Broker Company Limited	-	370	-	-	-	434	-	-
Krungsri General Insurance Broker Company Limited	-	545	-	-	-	621	-	-
Total	204,457	4,100	850	775	218,354	5,547	850	749
<u>Less</u> Allowance for doubtful accounts	(2,045)	-	-	-	(2,184)	-	-	-
Total	202,412	4,100	850	775	216,170	5,547	850	749
Associates								
Tesco Card Services Limited	10,577	227	-	-	11,520	398	-	-
Tesco Life Assurance Broker Limited	-	84	-	-	-	75	-	-
Tesco General Insurance Broker Limited	-	336	-	-	-	308	-	-
<u>Less</u> Allowance for doubtful accounts	(106)	-	-	-	(115)	-	-	-
Total	10,471	647	-	-	11,405	781	-	-
Related companies having joint major shareholders or directors								
	3,166	4,431	-	5,437	3,605	3,559	-	2,742
<u>Less</u> Allowance for doubtful accounts	(30)	-	-	-	(31)	-	-	-
Total	3,136	4,431	-	5,437	3,574	3,559	-	2,742
Individual and related parties								
	184	605	-	-	221	637	-	-
Total	216,203	9,784	850	15,233	231,370	10,525	850	17,894

* Others contain investment, derivatives (notional amount) and contingencies

As at March 31, 2014 and December 31, 2013, the Bank charges interest rates to the officer or related parties at 1.00% - 15.99% p.a..

As at March 31, 2014 and December 31, 2013, the allowance for doubtful accounts of loans granted to subsidiaries of Baht 2,045 million and Baht 2,184 million, respectively, are not eliminated but treated as surplus reserve in the consolidated financial statements.

As at March 31, 2014 and December 31, 2013, the Bank granted loans to Krungsri Ayudhya AMC Limited in the form of promissory notes of Baht 313 million and Baht 554 million at the interest rates of 2.85% p.a. and 3.10% p.a., respectively.

6.12.2 The Bank has investments in subsidiaries and associates as disclosed in Note 6.3 to the financial statements and has investments in related companies as follows:

Unit: Million Baht							
CONSOLIDATED AND THE BANK'S FINANCIAL STATEMENTS							
		March 31, 2014		December 31, 2013			
Business	Registered	Ownership	Investment	Dividend	Investment	Dividend	
Type	Share Capital	(%)	Cost	Amount	Cost	Amount	
Related companies							
Sriyudhya Capital Insurance	Investment	250	9.72	373	27	373	27
Public Company Limited	holding company						
<u>Less</u> Allowance for impairment				(6)	-	(6)	-
Investment in related companies, net				<u>367</u>	<u>27</u>	<u>367</u>	<u>27</u>

6.12.3 Income and expenses between the Bank and its subsidiaries, associates and related companies for the three-month periods ended March 31, 2014 and 2013 are as follows:

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS								
	For the three-month period ended March 31, 2014				For the three-month period ended March 31, 2013			
	Income		Expenses		Income		Expenses	
	Interest	Non-interest	Interest	Non-interest	Interest	Non-interest	Interest	Non-interest
	income	income	expenses	expenses	income	income	expenses	expenses
Parent company								
The Bank of Tokyo-Mitsubishi UFJ Ltd.	-	-	-	64	-	-	-	-
Total	-	-	-	64	-	-	-	-
Associates								
Tesco Card Services Limited	98	95	-	1	96	41	-	-
Tesco General Insurance Broker Limited	-	4	1	-	-	3	1	-
Total	98	99	1	1	96	44	1	-
Related companies having joint major shareholders or directors								
	36	10	14	39	14	7	26	71
Total	36	10	14	39	14	7	26	71
Individual and related parties								
	2	-	3	-	2	2	3	-
Total	136	109	18	104	112	53	30	71

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS								
	For the three-month period ended March 31, 2014				For the three-month period ended March 31, 2013			
	Income		Expenses		Income		Expenses	
	Interest	Non-interest	Interest	Non-interest	Interest	Non-interest	Interest	Non-interest
	income	income	expenses	expenses	income	income	expenses	expenses
Parent company								
The Bank of Tokyo-Mitsubishi UFJ Ltd.	-	-	-	64	-	-	-	-
Total	-	-	-	64	-	-	-	-
Subsidiaries								
Ayudhya Development Leasing Company Limited	90	3	-	-	98	-	-	-
Ayudhya Capital Auto Lease Public Company Limited	1,238	19	1	100	1,228	22	1	-
Ayudhya Total Solutions Public Company Limited	-	-	-	-	-	-	11	-
CFG Services Company Limited	101	2	-	-	65	4	-	-
Ayudhya Card Services Company Limited	-	-	-	-	35	18	-	-
Ayudhya Capital Services Company Limited	228	54	-	4	211	46	1	3
General Card Services Limited	100	2	-	1	110	2	1	-
Krungsriayudhya Card Company Limited	246	35	1	21	231	22	-	-
Siam Realty and Services Company Limited	5	1	-	115	4	-	-	108
Total Services Solutions Public Company Limited	-	-	4	16	-	1	3	16
Krungsri Asset Management Company Limited	-	64	1	3	-	59	2	2
Krungsri Ayudhya AMC Limited	3	4	-	-	19	4	-	-
Krungsri Securities Public Company Limited	-	5	4	3	-	6	6	1
Krungsri Factoring Company Limited	-	2	-	-	10	2	-	-
Krungsri Life Assurance Broker Company Limited	-	-	1	-	-	-	-	-
Krungsri General Insurance Broker Company Limited	-	-	1	-	-	-	-	-
Total	2,011	191	13	263	2,011	186	25	130

Unit : Million Baht

	THE BANK'S FINANCIAL STATEMENTS							
	For the three-month period ended March 31, 2014				For the three-month period ended March 31, 2013			
	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	98	5	-	1	96	4	-	-
Tesco General Insurance Broker Limited	-	2	1	-	-	3	1	-
Total	98	7	1	1	96	7	1	-
Related companies having joint major shareholders or directors								
	36	10	14	39	14	7	26	71
Total	36	10	14	39	14	7	26	71
Individual and related parties								
	2	-	3	-	2	2	3	-
Total	2,147	208	31	367	2,123	202	55	201

6.12.4 For the three-month periods ended March 31, 2014 and 2013, related party transactions among subsidiaries included collection services and other services of Baht 211 million and Baht 227 million, respectively, and office and vehicle rental and facilities service of Baht 16 million and Baht 14 million, respectively.

6.12.5 For the three-month periods ended March 31, 2014 and 2013, subsidiaries had related party transactions from the licenses relevant to technology and software for Baht 18 million and Baht 17 million, respectively.

6.12.6 For the three-month periods ended March 31, 2014 and 2013, related party transactions among subsidiaries from other services were Baht 321 million and Baht 213 million, respectively.

6.13 Management compensation

For the three-month periods ended March 31, 2014 and 2013, compensations paid to key management personnel under TAS 24 (Revised 2009) "Related Party Disclosures" are as follows:

	Unit: Million Baht			
	CONSOLIDATED		THE BANK'S	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the three-month periods ended March 31,		For the three-month periods ended March 31,	
	2014	2013	2014	2013
Short-term employee benefits	461	414	339	293
Post-employment benefits	9	9	5	5
Total	470	423	344	298

6.14 Operating Segments

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

The business segments are described below:

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

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

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

During the three-month periods ended March 31, 2014 and 2013, no revenue from transactions with a single external customer or counter party amounted to 10% or more of the Bank's total revenue.

Operating segment by businesses for the three-month periods ended March 31, 2014 and 2013 are as follows:

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

Unit: Million Baht				
CONSOLIDATED FINANCIAL STATEMENTS				
For the three-month period ended March 31, 2013				
	Retail	Commercial	Others	Total
Interest income, net	7,057	3,545	-	10,602
Other operating income	4,204	1,580	(23)	5,761
Total operating income	11,261	5,125	(23)	16,363
Operating expenses	6,024	1,694	531	8,249
Impairment loss of loans and debt securities	2,360	687	34	3,081
Profit (loss) before tax	2,877	2,744	(588)	5,033
Taxation	597	487	(118)	966
Net Profit (loss)	2,280	2,257	(470)	4,067

Unit: Million Baht				
CONSOLIDATED FINANCIAL STATEMENTS				
	Retail	Commercial	Others	Total
Total assets				
As at March 31, 2014	502,192	921,338	(237,861)	1,185,669
As at December 31, 2013	505,088	928,009	(253,491)	1,179,606

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

(1) Position classified by type of business

Position classified by domestic and foreign business as at March 31, 2014 and December 31, 2013 are as follows:

Unit: Million Baht				
CONSOLIDATED FINANCIAL STATEMENTS				
March 31, 2014				
	Domestic	Foreign	Elimination	Total
Total assets	1,184,860	14,123	(13,314)	1,185,669
Interbank and money market items, net (Assets)	90,098	1,148	-	91,246
Investments, net	75,983	264	-	76,247
Loans to customers and accrued interest receivable, net	896,396	5,843	-	902,239
Deposits	779,896	701	-	780,597
Interbank and money market items, net (Liabilities)	63,941	2	-	63,943
Debt issued and borrowings	146,309	-	-	146,309

Unit: Million Baht				
CONSOLIDATED FINANCIAL STATEMENTS				
December 31, 2013				
	Domestic	Foreign	Elimination	Total
Total assets	1,181,098	11,336	(12,828)	1,179,606
Interbank and money market items, net (Assets)	85,811	1,216	-	87,027
Investments, net	73,008	266	-	73,274
Loans to customers and accrued interest receivable, net	902,778	4,386	-	907,164
Deposits	763,342	708	-	764,050
Interbank and money market items, net (Liabilities)	55,496	1	-	55,497
Debt issued and borrowings	174,605	-	-	174,605

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS

March 31, 2014

	Domestic	Foreign	Elimination	Total
Total assets	1,087,156	14,123	(13,314)	1,087,965
Interbank and money market items, net (Assets)	87,755	1,148	-	88,903
Investments, net	75,951	264	-	76,215
Loans to customers and accrued interest receivable, net	799,074	5,843	-	804,917
Deposits	782,730	701	-	783,431
Interbank and money market items, net (Liabilities)	65,207	2	-	65,209
Debt issued and borrowings	87,649	-	-	87,649

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS

December 31, 2013

	Domestic	Foreign	Elimination	Total
Total assets	1,074,911	11,336	(12,828)	1,073,419
Interbank and money market items, net (Assets)	83,765	1,216	-	84,981
Investments, net	72,975	266	-	73,241
Loans to customers and accrued interest receivable, net	798,907	4,386	-	803,293
Deposits	767,682	708	-	768,390
Interbank and money market items, net (Liabilities)	56,703	1	-	56,704
Debt issued and borrowings	107,337	-	-	107,337

(2) Results of operations classified by business

Results of operations classified by domestic and foreign business for the three-month periods ended March 31, 2014 and 2013 are as follows:

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

For the three-month period ended March 31, 2014

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

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

For the three-month period ended March 31, 2013

	Domestic	Foreign	Elimination	Total
Interest income	16,894	24	-	16,918
Interest expenses	6,315	1	-	6,316
Net interest income	10,579	23	-	10,602
Fees and service income, net	3,529	8	-	3,537
Other operating income	3,270	(9)	(1,037)	2,224
Other operating expenses	12,335	32	(1,037)	11,330
Profit (loss) from operating before tax	5,043	(10)	-	5,033

Unit: Million Baht			
THE BANK'S FINANCIAL STATEMENTS			
For the three-month period ended March 31, 2014			
	Domestic	Foreign	Elimination Total
Interest income	11,840	49	- 11,889
Interest expenses	6,224	1	- 6,225
Net interest income	5,616	48	- 5,664
Fees and service income, net	1,598	7	- 1,605
Other operating income	1,591	(11)	(892) 688
Other operating expenses	6,993	50	(892) 6,151
Profit (loss) from operating before tax	1,812	(6)	- 1,806

Unit: Million Baht			
THE BANK'S FINANCIAL STATEMENTS			
For the three-month period ended March 31, 2013			
	Domestic	Foreign	Elimination Total
Interest income	11,008	24	- 11,032
Interest expenses	5,842	1	- 5,843
Net interest income	5,166	23	- 5,189
Fees and service income, net	1,463	8	- 1,471
Other operating income	2,169	(9)	(1,037) 1,123
Other operating expenses	6,812	32	(1,037) 5,807
Profit (loss) from operating before tax	1,986	(10)	- 1,976

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

6.16 Interest income

Interest income for the three-month periods ended March 31, 2014 and 2013 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS For the three-month periods ended March 31,		Unit: Million Baht THE BANK'S FINANCIAL STATEMENTS For the three-month periods ended March 31,	
	2014	2013	2014	2013
Interbank and money market items	638	641	631	638
Investment and trading transactions	33	53	33	53
Investment in debt securities	522	538	522	530
Loans to customers	12,114	11,012	10,657	9,812
Hire purchase and financial lease	4,968	4,674	46	-
Total interest income	18,275	16,918	11,889	11,033

6.17 Interest expenses

Interest expenses for the three-month periods ended March 31, 2014 and 2013 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS For the three-month periods ended March 31,		Unit: Million Baht THE BANK'S FINANCIAL STATEMENTS For the three-month periods ended March 31,	
	2014	2013	2014	2013
Deposits	3,991	3,744	3,995	3,760
Interbank and money market items	336	332	340	326
Contributions to Financial Institution Development Fund and Deposit Protection Agency	994	880	994	880
Debt issued and borrowing				
- Subordinated debenture	395	396	395	396
- Other	1,058	957	500	478
Borrowing fee expense	-	3	-	3
Other	4	4	1	-
Total interest expenses	<u>6,778</u>	<u>6,316</u>	<u>6,225</u>	<u>5,843</u>

6.18 Event after the reporting period

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

6.19 Approval of financial statements

These financial statements have been approved for issue by the Executive Committee on May 14, 2014.