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

TO THE BOARD OF DIRECTORS
BANK OF AYUDHYA PUBLIC COMPANY LIMITED

We have reviewed the consolidated statement of financial position of Bank of Ayudhya Public Company Limited and its subsidiaries and the Bank's statement of financial position of Bank of Ayudhya Public Company Limited as at September 30, 2019, and the related consolidated and Bank's statements of profit or loss and other comprehensive income for the three-month and nine-month periods ended September 30, 2019, and the related consolidated and separate statements changes in equity and cash flows for the nine-month period ended September 30, 2019, and the condensed notes to the financial statements. The Bank's management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

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

Conclusion

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

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

BANGKOK
November 12, 2019

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2019

BAHT: '000

		CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
		"UNAUDITED"		"UNAUDITED"	
	Notes	**September 30, 2019**	**December 31, 2018**	**September 30, 2019**	**December 31, 2018**
ASSETS					
CASH		30,503,368	34,679,453	29,873,114	33,467,518
INTERBANK AND MONEY MARKET ITEMS, NET		275,164,844	245,553,368	268,596,499	239,262,061
CLAIM ON SECURITY		20,839,002	12,739,466	20,839,002	12,739,466
DERIVATIVES ASSETS		21,684,926	14,114,996	21,713,352	14,118,477
INVESTMENTS, NET	7.2	115,665,627	134,749,046	115,045,029	134,432,727
INVESTMENTS IN SUBSIDIARIES					
AND JOINT VENTURES, NET	7.3	11,647,627	2,619,961	58,301,091	58,261,091
LOANS TO CUSTOMERS AND ACCRUED					
INTEREST RECEIVABLES, NET	7.4				
Loans to customers		1,866,615,960	1,749,254,185	1,706,610,184	1,612,370,410
Accrued interest receivables		4,788,619	4,325,799	2,773,155	2,534,581
Total loans to customers and accrued					
interest receivables		1,871,404,579	1,753,579,984	1,709,383,339	1,614,904,991
Less Deferred revenue		(88,055,269)	(77,236,147)	(75,275,666)	(64,003,015)
Less Allowance for doubtful accounts	7.5	(64,841,961)	(59,790,567)	(50,909,721)	(45,696,125)
Less Revaluation allowance for debt restructuring	7.6	(1,646,029)	(1,569,084)	(146,441)	(100,722)
Net loans and accrued interest receivables		1,716,861,320	1,614,984,186	1,583,051,511	1,505,105,129
CUSTOMERS' LIABILITY UNDER ACCEPTANCE		799,231	564,690	799,231	564,690
PROPERTIES FOR SALE, NET		3,470,597	3,478,358	2,314,251	2,188,153
PREMISES AND EQUIPMENT, NET		25,037,714	26,238,751	23,143,573	24,246,855
GOODWILL AND OTHER INTANGIBLE ASSETS, NET		16,447,329	16,642,318	3,737,588	3,767,460
DEFERRED TAX ASSETS		4,445,016	4,273,990	434	256,391
ACCOUNTS RECEIVABLE FOR INVESTMENTS		5,359,033	804,663	5,358,622	804,663
ASSETS CLASSIFIED AS HELD FOR SALE	7.7	-	39,536,149	-	2,413,540
OTHER ASSETS, NET		21,262,847	22,642,989	16,716,518	18,273,336
TOTAL ASSETS		2,269,188,481	2,173,622,384	2,149,489,815	2,049,901,557

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

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT SEPTEMBER 30, 2019

BAHT: '000

		CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
		"UNAUDITED"		"UNAUDITED"	
	Notes	**September 30, 2019**	**December 31, 2018**	**September 30, 2019**	**December 31, 2018**
LIABILITIES AND EQUITY					
DEPOSITS		1,495,046,628	1,426,348,223	1,486,397,290	1,420,893,299
INTERBANK AND MONEY MARKET ITEMS, NET		243,143,225	244,097,059	241,099,776	246,253,800
LIABILITY PAYABLE ON DEMAND		5,581,858	5,990,667	5,581,796	5,990,573
LIABILITY TO DELIVER SECURITY		20,839,002	12,739,466	20,839,002	12,739,466
DERIVATIVES LIABILITIES		21,918,639	13,539,514	21,918,528	13,542,540
DEBT ISSUED AND BORROWINGS	7.8	164,242,221	155,649,788	130,864,312	115,987,549
BANK'S LIABILITY UNDER ACCEPTANCE		799,231	564,690	799,231	564,690
PROVISIONS	7.9	9,429,367	7,763,695	8,169,019	6,867,642
DEFERRED TAX LIABILITIES		1,144,553	3,765	-	-
ACCOUNTS PAYABLE FOR INVESTMENTS		4,080,451	103,091	4,080,451	103,091
LIABILITIES DIRECTLY ASSOCIATED WITH					
ASSETS CLASSIFIED AS HELD FOR SALE	7.7	-	13,783,913	-	-
OTHER LIABILITIES		39,293,264	49,320,226	23,683,505	31,029,920
TOTAL LIABILITIES		2,005,518,439	1,929,904,097	1,943,432,910	1,853,972,570
EQUITY					
SHARE CAPITAL					
Authorized share capital					
7,574,143,747 ordinary shares of					
Baht 10 each		75,741,437	75,741,437	75,741,437	75,741,437
Issued and paid-up share capital					
7,355,761,773 ordinary shares of					
Baht 10 each		73,557,618	73,557,618	73,557,618	73,557,618
PREMIUM ON ORDINARY SHARES		52,878,749	52,878,749	52,878,749	52,878,749
OTHER RESERVES		1,745,271	2,150,878	2,643,407	2,587,947
RETAINED EARNINGS					
Appropriated					
Legal reserve		5,890,800	5,890,800	5,890,800	5,890,800
Unappropriated		128,360,691	108,159,015	71,086,331	61,013,873
TOTAL BANK'S EQUITY		262,433,129	242,637,060	206,056,905	195,928,987
NON-CONTROLLING INTEREST		1,236,913	1,081,227	-	-
TOTAL EQUITY		263,670,042	243,718,287	206,056,905	195,928,987
TOTAL LIABILITIES AND EQUITY		2,269,188,481	2,173,622,384	2,149,489,815	2,049,901,557

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

(Mr. Seiichiro Akita)
President and Chief Executive Officer

(Miss Duangdao Wongpanitkrit)
Director

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2019

"UNAUDITED"

BAHT : '000

		CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	Notes	**2019**	**2018**	**2019**	**2018**
INTEREST INCOME	7.17	27,775,415	27,150,969	20,587,121	18,906,246
INTEREST EXPENSES	7.18	8,654,902	8,067,787	8,071,544	7,505,827
INTEREST INCOME, NET		19,120,513	19,083,182	12,515,577	11,400,419
FEES AND SERVICE INCOME		7,238,165	7,046,906	3,851,997	3,724,612
FEES AND SERVICE EXPENSES		1,964,183	1,924,463	1,476,032	1,324,698
FEES AND SERVICE INCOME, NET		5,273,982	5,122,443	2,375,965	2,399,914
GAINS ON TRADING AND FOREIGN EXCHANGE TRANSACTIONS, NET		1,021,402	1,066,750	1,061,596	1,050,080
GAINS (LOSSES) ON INVESTMENTS, NET		115,330	44,327	115,330	(355,673)
SHARE OF PROFIT FROM INVESTMENT USING EQUITY METHOD		396,863	96,671	-	-
DIVIDEND INCOME		88,685	69,808	1,110,175	1,960,138
BAD DEBTS RECOVERIES		1,594,566	1,548,739	480,656	347,685
GAINS (LOSSES) ON SALE PROPERTIES FOR SALE		206,502	(45,937)	187,692	(51,731)
OTHER OPERATING INCOME		397,984	306,803	223,649	227,601
TOTAL OPERATING INCOME		28,215,827	27,292,786	18,070,640	16,978,433
OTHER OPERATING EXPENSES					
Employee's expenses		6,670,120	6,611,561	4,635,161	4,295,981
Directors' remuneration		14,395	13,544	12,813	11,949
Premises and equipment expenses		1,904,524	2,037,011	1,546,782	1,502,806
Taxes and duties		703,355	693,771	484,520	457,289
Others		3,688,293	3,532,193	2,121,105	1,924,535
Total other operating expenses		12,980,687	12,888,080	8,800,381	8,192,560
IMPAIRMENT LOSS ON LOANS AND DEBT SECURITIES		6,941,588	6,302,976	4,569,723	3,655,905
PROFIT FROM OPERATING BEFORE INCOME TAX EXPENSES		8,293,552	8,101,730	4,700,536	5,129,968
INCOME TAX EXPENSES		1,623,411	1,782,553	683,849	676,996
NET PROFIT		6,670,141	6,319,177	4,016,687	4,452,972

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2019

"UNAUDITED"

BAHT : '000

		CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	Notes	**2019**	**2018**	**2019**	**2018**
OTHER COMPREHENSIVE INCOME					
Items that will be reclassified subsequently to profit or loss:					
Gain (Loss) on remeasuring available-for-sale investments		(238,074)	11,598	(238,074)	11,598
Loss arising from translating the financial statements of a foreign operation		(47,416)	(211,102)	-	-
Income tax relating to components of other comprehensive income		55,872	37,447	47,614	(2,320)
Total other comprehensive income, net		(229,618)	(162,057)	(190,460)	9,278
TOTAL COMPREHENSIVE INCOME		6,440,523	6,157,120	3,826,227	4,462,250
NET PROFIT ATTRIBUTABLE					
Owners of the Bank		6,564,385	6,214,610	4,016,687	4,452,972
Non-controlling interest		105,756	104,567	-	-
		6,670,141	6,319,177	4,016,687	4,452,972
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE					
Owners of the Bank		6,334,767	6,052,553	3,826,227	4,462,250
Non-controlling interest		105,756	104,567	-	-
		6,440,523	6,157,120	3,826,227	4,462,250
EARNINGS PER SHARE OF OWNERS OF THE BANK					
BASIC EARNINGS PER SHARE	**BAHT**	0.89	0.84	0.55	0.61
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES	**SHARES**	7,355,761,773	7,355,761,773	7,355,761,773	7,355,761,773

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

(Mr. Seiichiro Akita)
President and Chief Executive Officer

(Miss Duangdao Wongpanitkrit)
Director

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2019

"UNAUDITED"

BAHT : '000

		CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	Notes	**2019**	**2018**	**2019**	**2018**
INTEREST INCOME	7.17	82,709,130	79,040,805	60,583,757	54,972,379
INTEREST EXPENSES	7.18	25,414,376	23,447,297	23,678,486	21,902,594
INTEREST INCOME, NET		57,294,754	55,593,508	36,905,271	33,069,785
FEES AND SERVICE INCOME		21,856,823	21,298,397	11,545,055	11,299,211
FEES AND SERVICE EXPENSES		5,876,080	5,669,463	4,382,365	3,794,267
FEES AND SERVICE INCOME, NET		15,980,743	15,628,934	7,162,690	7,504,944
GAINS ON TRADING AND FOREIGN EXCHANGE TRANSACTIONS, NET		3,226,288	3,510,537	3,298,246	3,489,451
GAINS (LOSSES) ON INVESTMENTS, NET		9,188,245	377,985	5,072,130	(22,015)
SHARE OF PROFIT FROM INVESTMENT USING EQUITY METHOD		1,000,200	315,317	-	-
DIVIDEND INCOME		196,130	178,691	4,417,990	7,209,376
BAD DEBTS RECOVERIES		4,724,470	4,444,400	1,293,162	927,163
GAINS ON SALE PROPERTIES FOR SALE		654,336	291,208	546,168	164,608
OTHER OPERATING INCOME		736,580	755,067	545,898	654,877
TOTAL OPERATING INCOME		93,001,746	81,095,647	59,241,555	52,998,189
OTHER OPERATING EXPENSES					
Employee's expenses		21,133,726	19,606,552	14,643,682	12,863,455
Directors' remuneration		44,550	43,805	39,675	39,468
Premises and equipment expenses		5,908,627	6,235,391	4,687,858	4,678,221
Taxes and duties		2,162,396	2,059,827	1,474,621	1,356,118
Others		10,412,631	9,919,368	5,820,106	5,423,373
Total other operating expenses		39,661,930	37,864,943	26,665,942	24,360,635
IMPAIRMENT LOSS ON LOANS AND DEBT SECURITIES		20,015,626	19,389,941	13,326,134	11,747,318
PROFIT FROM OPERATING BEFORE INCOME TAX EXPENSES		33,324,190	23,840,763	19,249,479	16,890,236
INCOME TAX EXPENSES		6,721,989	4,849,819	3,067,376	1,909,021
NET PROFIT		26,602,201	18,990,944	16,182,103	14,981,215

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2019

"UNAUDITED"

BAHT : '000

		CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	Notes	**2019**	**2018**	**2019**	**2018**
OTHER COMPREHENSIVE INCOME					
Items that will be reclassified subsequently to profit or loss:					
Gain (Loss) on remeasuring available-for-sale investments		247,766	(815,156)	247,766	(815,156)
Loss arising from translating the financial statements of a foreign operation		(561,292)	(147,927)	-	-
Income tax relating to components of other comprehensive income		50,671	192,089	(49,554)	163,031
Total other comprehensive income, net		(262,855)	(770,994)	198,212	(652,125)
TOTAL COMPREHENSIVE INCOME		26,339,346	18,219,950	16,380,315	14,329,090
NET PROFIT ATTRIBUTABLE					
Owners of the Bank		26,311,321	18,702,509	16,182,103	14,981,215
Non-controlling interest		290,880	288,435	-	-
		26,602,201	18,990,944	16,182,103	14,981,215
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE					
Owners of the Bank		26,048,466	17,931,515	16,380,315	14,329,090
Non-controlling interest		290,880	288,435	-	-
		26,339,346	18,219,950	16,380,315	14,329,090
EARNINGS PER SHARE OF OWNERS OF THE BANK					
BASIC EARNINGS PER SHARE	**BAHT**	3.58	2.54	2.20	2.04
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES	**SHARES**	7,355,761,773	7,355,761,773	7,355,761,773	7,355,761,773

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

(Mr. Seiichiro Akita)
President and Chief Executive Officer

(Miss Duangdao Wongpanitkrit)
Director

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN EQUITY

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2019

"UNAUDITED"

BAHT : '000

CONSOLIDATED FINANCIAL STATEMENTS

	Notes	Owners of the Bank: Issued and Paid-up Share Capital	Owners of the Bank: Premium on Share Capital	Other reserves: Asset Appraisal Surplus	Other reserves: Revaluation Surplus on Investments	Other reserves: Foreign Currency Translation	Other reserves: Deficit from Business Combination under Common Control	Retained Earnings: Appropriated Legal Reserve	Retained Earnings: Unappropriated	Total Bank's Equity	Non-Controlling Interest	Total
Balance as of January 1, 2018		73,557,618	52,878,749	8,148,936	888,958	(323,533)	(5,217,755)	5,006,800	90,190,736	225,130,509	856,717	225,987,226
Change in revaluation surplus		-	-	(191,752)	-	-	-	-	191,752	-	-	-
Dividend payment	7.10	-	-	-	-	-	-	-	(6,252,397)	(6,252,397)	(114,714)	(6,367,111)
Total comprehensive income		-	-	-	(652,125)	(118,869)	-	-	18,702,509	17,931,515	288,435	18,219,950
Change in shareholding in subsidiaries company		-	-	-	-	(1,677)	-	-	(21,549)	(23,226)	(39,412)	(62,638)
Balance as of September 30, 2018		73,557,618	52,878,749	7,957,184	236,833	(444,079)	(5,217,755)	5,006,800	102,811,051	236,786,401	991,026	237,777,427
Balance as of January 1, 2019		73,557,618	52,878,749	7,895,654	(89,952)	(437,069)	(5,217,755)	5,890,800	108,159,015	242,637,060	1,081,227	243,718,287
Change in revaluation surplus		-	-	(142,752)	-	-	-	-	142,752	-	-	-
Dividend payment	7.10	-	-	-	-	-	-	-	(6,252,397)	(6,252,397)	(135,194)	(6,387,591)
Total comprehensive income		-	-	-	198,212	(461,067)	-	-	26,311,321	26,048,466	290,880	26,339,346
Balance as of September 30, 2019		73,557,618	52,878,749	7,752,902	108,260	(898,136)	(5,217,755)	5,890,800	128,360,691	262,433,129	1,236,913	263,670,042

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

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2019

"UNAUDITED"

BAHT : '000

		THE BANK'S FINANCIAL STATEMENTS							
		Issued and	Premium	Other reserves			Retained Earnings		Total
		Paid-up	on Share	Asset	Revaluation	Deficit from Business	Appropriated	Unappropriated	
		Share	Capital	Appraisal	Surplus	Combination under	Legal		
	Notes	Capital		Surplus	on Investments	Common Control	Reserve		
Balance as of January 1, 2018		73,557,618	52,878,749	8,148,936	888,958	(5,217,755)	5,006,800	50,262,400	185,525,706
Change in revaluation surplus		-	-	(191,752)	-	-	-	191,752	-
Dividend payment	7.10	-	-	-	-	-	-	(6,252,397)	(6,252,397)
Total comprehensive income		-	-	-	(652,125)	-	-	14,981,215	14,329,090
Balance as of September 30, 2018		73,557,618	52,878,749	7,957,184	236,833	(5,217,755)	5,006,800	59,182,970	193,602,399
Balance as of January 1, 2019		73,557,618	52,878,749	7,895,654	(89,952)	(5,217,755)	5,890,800	61,013,873	195,928,987
Change in revaluation surplus		-	-	(142,752)	-	-	-	142,752	-
Dividend payment	7.10	-	-	-	-	-	-	(6,252,397)	(6,252,397)
Total comprehensive income		-	-	-	198,212	-	-	16,182,103	16,380,315
Balance as of September 30, 2019		73,557,618	52,878,749	7,752,902	108,260	(5,217,755)	5,890,800	71,086,331	206,056,905

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

(Mr. Seiichiro Akita)
President and Chief Executive Officer

(Miss Duangdao Wongpanitkrit)
Director

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2019

"UNAUDITED"

BAHT : '000

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2019	2018	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES				
Income from operating before income tax expenses	33,324,190	23,840,763	19,249,479	16,890,236
Adjustments to reconcile income to cash received (paid) from operating activities:				
Depreciation and amortization	2,941,298	2,852,811	2,248,752	2,126,834
Interest expenses from finance lease	14,589	410	11,550	124
Impairment loss on loans and debt securities	20,015,626	19,389,941	13,326,134	11,747,318
Gain on translation in foreign currencies	(5,957,724)	(485,810)	(5,957,724)	(485,810)
Unrealized gain from revaluation of derivatives	(632,470)	(2,179,002)	(660,552)	(2,158,715)
Share of profit from investment using equity method	(1,000,200)	(315,317)	-	-
(Gain) loss on investments	(9,188,245)	(377,985)	(5,072,130)	22,015
Increase (decrease) in discount on investments	(272,557)	62,111	(272,557)	62,111
Gain on sales of properties for sale	(654,336)	(291,208)	(546,168)	(164,608)
(Gain) loss on sales of premises and equipment	1,051	(2,461)	12,456	8,615
Loss on impairment of properties for sale	208,626	392,546	146,851	168,829
Loss on impairment of premises and equipment	-	1,263	-	-
Loss on impairment of other assets (reversal)	(82,686)	63,272	72,931	79,227
Increase in other reserves	1,647,911	340,858	1,286,695	231,455
Interest income, net	(57,294,754)	(55,593,508)	(36,905,271)	(33,069,785)
Income tax refunded	-	1,789	-	-
Interest received	82,401,081	78,600,530	60,481,711	54,645,977
Interest paid	(26,206,411)	(23,381,788)	(24,279,373)	(21,832,475)
Dividend income	(196,130)	(178,691)	(4,417,990)	(7,209,376)
Dividends received	195,180	179,621	192,500	179,273
Increase (decrease) in other accrued expenses	(598,288)	482,123	(272,218)	275,153
Income tax paid	(6,747,181)	(6,355,937)	(3,450,400)	(2,490,304)
Income from operations before changes in operating assets and liabilities	31,918,570	37,046,331	15,194,676	19,026,094
(Increase) decrease in operating assets				
Interbank and money market items	(31,772,689)	93,208,865	(32,780,754)	92,799,708
Current investments - securities for trading	(6,706,680)	(1,667,624)	(6,707,130)	(1,653,273)
Loans to customers	(116,626,611)	(137,585,240)	(103,759,485)	(103,256,017)
Properties for sale	11,895,634	7,996,678	10,243,452	5,884,848
Other assets	(67,128)	(30,594)	1,045,137	(64,247)

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2019

"UNAUDITED"

BAHT : '000

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2019	**2018**	**2019**	**2018**
CASH FLOWS FROM OPERATING ACTIVITIES (CONTINUED)				
Increase (decrease) in operating liabilities				
Deposits	72,689,202	58,090,789	69,659,856	60,364,547
Interbank and money market items	8,865,149	(68,117,635)	4,664,960	(69,229,162)
Liability payable on demand	(304,331)	327,598	(304,299)	327,599
Other liabilities	(7,011,112)	2,343,794	(5,417,803)	2,432,879
Net cash from operating activities	(37,119,996)	(8,387,038)	(48,161,390)	6,632,976
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sales of investments in securities	65,760,583	48,841,909	65,760,583	48,841,909
Cash paid for purchases of investments in securities	(39,480,543)	(80,201,887)	(39,175,403)	(80,126,601)
Cash received from sales of investment in subsidiaries	8,027,466	-	8,027,466	-
Cash paid for investment in subsidiaries	-	(62,638)	(1,100,000)	(3,205,025)
Dividend received from subsidiaries	-	-	4,224,539	7,031,033
Proceeds from sales of premises and equipment	50,924	48,505	2,334	18,144
Cash paid for purchases of premises and equipment	(953,574)	(1,412,482)	(656,410)	(804,088)
Cash paid for purchases of other assets	(1,181,522)	(680,920)	(966,166)	(505,861)
Net cash from investing activities	32,223,334	(33,467,513)	36,116,943	(28,750,489)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from debts issued and borrowings	49,100,792	62,497,839	33,979,009	29,000,000
Cash paid for repayment of debts issued and borrowings	(40,501,531)	(20,278,258)	(19,102,246)	(9,007,247)
Cash paid for repayment of liabilities under finance lease agreements	(141,449)	(11,243)	(112,855)	(6,329)
Dividend payment	(6,387,591)	(6,367,111)	(6,252,397)	(6,252,397)
Net cash from financing activities	2,070,221	35,841,227	8,511,511	13,734,027
Total	(2,826,441)	(6,013,324)	(3,532,936)	(8,383,486)
Effect arising from translating the financial statements of a foreign operations	(394,940)	(74,807)	-	-
Effect of exchange rate change on cash	(61,468)	(5,169)	(61,468)	(5,169)
Net decrease in cash and cash equivalents	(3,282,849)	(6,093,300)	(3,594,404)	(8,388,655)
Cash and cash equivalents as at January 1,	40,370,459	41,701,147	33,467,518	37,671,005
Cash and cash equivalents as at September 30,	37,087,610	35,607,847	29,873,114	29,282,350

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

(Mr. Seiichiro Akita)
President and Chief Executive Officer

(Miss Duangdao Wongpanitkrit)
Director

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
THE CONDENSED NOTES TO THE FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2019
"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 MUFG Bank, Ltd. and Mitsubishi UFJ Financial Group, Inc., respectively, both companies are registered in Japan. As at September 30, 2019 and December 31, 2018, the Bank has 16 subsidiaries and 17 subsidiaries, respectively.

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

2.1 The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard No. 34 (Revised 2018), "Interim Financial Reporting" and the regulation of the Thai Securities and Exchange Commission ("SEC") and the Stock Exchange of Thailand ("SET"), where the Presentation in accordance with the Bank of Thailand ("BOT")'s Notification Sor.Nor.Sor. 21/2558 regarding the Preparation and Announcement of Financial Statements of a Commercial Bank and a Holding Company that is the Parent Company of a Financial Group dated December 4, 2015.

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

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

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

Certain financial information which is normally included in the annual financial statements prepared in accordance with TFRSs, but which is not required for interim reporting purposes, has been omitted. In addition, the interim financial statements for the three-month and nine-month periods ended September 30, 2019 should be read in conjunction with the financial statements and notes thereto included in the audited financial statements for the year ended December 31, 2018.

The consolidated and the Bank's statements of financial position as at December 31, 2018, presented herein as comparative information, have been derived from the consolidated and the Bank's financial statements for the year then ended which had been audited.

The unaudited results of operations for the three-month and nine-month periods ended September 30, 2019 are not necessarily indicative of the operating results anticipated for the full year.

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

Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective in 2019

Thai Financial Reporting Standards which will be effective for the financial statements with fiscal years beginning on or after January 1, 2020

On September 21, 2018, the Federation of Accounting Professions has issued the Notification regarding Thai Financial Reporting Standards that are relevant to financial instruments, which have been announced in the Royal Gazette and will be effective for the financial statements for the period beginning on or after January 1, 2020 onwards, as follow:

Thai Accounting Standards ("TAS")

TAS 32	Financial Instruments: Presentation

Thai Financial Reporting Standards ("TFRS")

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Thai Financial Reporting Standard Interpretations ("TFRIC")

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

On March 15, 2019, the Federation of Accounting Professions has issued the Notification regarding Thai Financial Reporting Standards (TFRS) No. 16 "Leases", which have been announced in the Royal Gazette and will be effective for the financial statements for the period beginning on or after January 1, 2020 onwards.

Thai Financial Reporting Standards (Revised 2019)

46 numbers of Thai Accounting Standards, Thai Financial Reporting Standards, Thai Accounting Standards Interpretation and Thai Financial Reporting Standards Interpretation (Revised 2019) have been announced in the Royal Gazette on September 24, 2019 without material change in key concept, which will be effective for the financial statements for the period beginning on or after January 1, 2020 onwards.

The management of the Bank and its subsidiaries will adopt such TFRSs in the Bank and subsidiaries' financial statements when it becomes effective. The management of the Bank and its subsidiaries are in the process to assess the impact of these TFRSs on the financial statements of the Bank and its subsidiaries in the period of initial application.

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

Subsidiaries	Business Type	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Bank (%) As at September 30, 2019	December 31, 2018
Ayudhya Development Leasing Company Limited	Hire-purchase and Leasing	Thailand	99.99	99.99
Ayudhya Capital Auto Lease Public Company Limited	Hire-purchase and auto leasing	Thailand	100.00	100.00
Ngern Tid Lor Company Limited[(1)]	Hire-purchase and motorcycle loans	Thailand	-	100.00
Ayudhya Capital Services Company Limited	Credit cards and personal loans	Thailand	100.00	100.00
General Card Services Limited	Credit cards and personal loans	Thailand	100.00	100.00
Krungsriayudhya Card Company Limited	Credit cards and personal loans	Thailand	100.00	100.00
Siam Realty and Services Security Company Limited	Car rental services and personnel services	Thailand	100.00	100.00
Total Service Solutions Public Company Limited	Collection services	Thailand	100.00	100.00
Krungsri Asset Management Company Limited	Fund management	Thailand	76.59	76.59
Krungsri Ayudhya AMC Limited	Asset management	Thailand	100.00	100.00
Krungsri Securities Public Company Limited	Securities	Thailand	99.84	99.84
Krungsri Nimble Company Limited (formerly Krungsri Factoring Company Limited)	Factoring	Thailand	100.00	100.00
Krungsri Life Assurance Broker Limited[(2)]	Life assurance broker	Thailand	100.00	100.00
Krungsri General Insurance Broker Limited[(2)]	General insurance broker	Thailand	100.00	100.00
Krungsri Finnovate Company Limited	Venture Capital	Thailand	100.00	100.00
Krungsri Leasing Services Company Limited[(3)]	Hire-purchase, leasing and sales finance	Lao PDR	100.00	100.00
Hattha Kaksekar Limited	Micro finance	Cambodia	100.00	100.00

(1) On February 28, 2019, the Bank sold 50% of investment in Ngern Tid Lor Company Limited, reducing its ownership interest to 50%, As a result, investment in Ngern Tid Lor Company Limited is classified as investment in joint ventures.

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

(3) Indirectly holding via Ayudhya Capital Auto Lease Public Company Limited of 75% and Ayudhya Capital Services Company Limited of 25%.

All material intercompany transactions and balances have been eliminated.

3. ADOPTION OF REVISED THAI FINANCIAL REPORTING STANDARDS

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

During the period, the Bank and its subsidiaries have adopted the revised financial reporting standards issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after January 1, 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Bank and its subsidiaries financial statements.

4. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements have been prepared based on accounting policies and method of computation consistent with those used in the annual financial statements for the year ended December 31, 2018.

5. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received from sell an asset or paid for transfer a liability in an orderly transaction between market participants at the measurement date in the principal market or, in the absence of a principal market, the most a liquid market where the Bank and its subsidiaries are able to access.

Fair value measurement of financial assets and liabilities are determined according to the following hierarchy:

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

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

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

Financial assets and liabilities measured at fair value

Classification of financial assets and liabilities measured at fair value by the level of fair value hierarchy as at September 30, 2019 and December 31, 2018 are as follows:

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS	September 30, 2019				December 31, 2018			
	Fair value			Carrying	Fair value			Carrying
	Level 1	Level 2	Total fair value	amount	Level 1	Level 2	Total fair value	amount
Derivatives assets - trading book	-	21,471	21,471	21,471	-	14,037	14,037	14,037
Investments - trading	237	7,100	7,337	7,337	2	929	931	931
Investments - available-for-sale	4,782	88,395	93,177	93,177	4,360	112,738	117,098	117,098
Derivative liabilities - trading book	-	19,506	19,506	19,506	-	11,075	11,075	11,075

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS	September 30, 2019				December 31, 2018			
	Fair value			Carrying	Fair value			Carrying
	Level 1	Level 2	Total fair value	amount	Level 1	Level 2	Total fair value	amount
Derivatives assets - trading book	-	21,499	21,499	21,499	-	14,041	14,041	14,041
Investments - trading	66	7,100	7,166	7,166	-	929	929	929
Investments - available-for-sale	4,782	88,395	93,177	93,177	4,360	112,738	117,098	117,098
Derivative liabilities - trading book	-	19,506	19,506	19,506	-	11,079	11,079	11,079

There are no transfers of financial assets and liabilities measured at fair value between level 1 and level 2 for the nine-month period ended September 30, 2019 and for the year ended December 31, 2018.

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

Derivatives - trading book

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

Investments

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

Equity securities traded in the SET, the fair value is determined by using the last bid price of SET.

Investment in unit trust not listed in SET, the fair value is determined by using the net asset value at the reporting date announced by the asset management company.

6. CAPITAL FUND

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

The Bank maintains its capital fund in accordance with the Financial Institution Business Act B.E. 2551 by maintaining its capital fund as a proportion of risk weighted assets in accordance with the criteria, methodologies, and conditions prescribed by the BOT. The Bank is required to calculate its Capital Funds in accordance with Basel III. As at September 30, 2019 and December 31, 2018 the Consolidated Supervision and the Bank's total capital funds and capital adequacy ratios can be categorized as follows:

Unit : Million Baht

	Basel III	
	Consolidated Supervision	
	September 30, 2019	**December 31, 2018**
Tier 1 capital		
Common Equity Tier 1 capital		
Issued and paid-up share capital	73,558	73,558
Premium on share capital	52,879	52,879
Legal reserve	5,891	5,891
Cumulative profit after appropriation	122,476	95,768
Other reserves		
Other comprehensive income	6,864	7,281
Other items from owner changes	(5,218)	(5,218)
Deduction items from Common Equity Tier 1 capital	(26,165)	(22,188)
Total Common Equity Tier 1 capital	230,285	207,971
Additional Tier 1 capital		
Non-Controlling interest	3,542	1,040
Total Tier 1 capital	233,827	209,011
Tier 2 capital		
Subordinated debentures	60,811	41,985
General provision	19,355	18,235
Non-Controlling interest	808	249
Total Tier 2 capital	80,974	60,469
Total capital fund	314,801	269,480

Capital adequacy ratio (%)

	BOT regulatory Minimum requirement* September 30, 2019	BOT regulatory Minimum requirement* December 31, 2018	Basel III Consolidated Supervision September 30, 2019	Basel III Consolidated Supervision December 31, 2018
Total Common Equity Tier 1 capital / Total risk weighted assets	7.50	6.375	13.03	12.46
Total Tier 1 capital / Total risk weighted assets	9.00	7.875	13.23	12.52
Total capital / Total risk weighted assets	11.50	10.375	17.81	16.15
Capital after deducting capital add-on arising from Single Lending Limit (Million Baht)			314,801	269,480
Capital ratio after deducting capital add-on arising from Single Lending Limit			17.81	16.15

* The additional capital maintenances are required to gradually reserve at 0.625% per year, starting from January 1, 2016 to January 1, 2019. (At that time, the total increasing of capital fund would be 2.5%).

The Domestic Systemically Important Banks ("D-SIBs") will be required to hold additional core capital of 0.5% from January 1, 2019 and 1% from January 1, 2020.

Unit : Million Baht

	Basel III The Bank September 30, 2019	Basel III The Bank December 31, 2018
Tier 1 capital		
Common Equity Tier 1 capital		
Issued and paid-up share capital	73,558	73,558
Premium on share capital	52,879	52,879
Legal reserve	5,891	5,891
Cumulative profit after appropriation	67,036	53,786
Other reserves		
Other comprehensive income	7,861	7,805
Other items from owner changes	(5,218)	(5,218)
Deduction items from Common Equity Tier 1 capital	(12,889)	(13,324)
Total Common Equity Tier 1 capital	189,118	175,377
Additional Tier 1 capital	-	-
Total Tier 1 capital	189,118	175,377
Tier 2 capital		
Subordinated debentures	60,811	41,985
General provision	13,987	11,614
Total Tier 2 capital	74,798	53,599
Total capital fund	263,916	228,976

Capital adequacy ratio (%)

	BOT regulatory Minimum requirement*		Basel III The Bank	
	September 30, 2019	**December 31, 2018**	**September 30, 2019**	**December 31, 2018**
Total Common Equity Tier 1 capital / Total risk weighted assets	7.50	6.375	11.79	11.59
Total Tier 1 capital / Total risk weighted assets	9.00	7.875	11.79	11.59
Total capital / Total risk weighted assets	11.50	10.375	16.46	15.13
Capital after deducting capital add-on arising from Single Lending Limit (Million Baht)			263,916	228,976
Capital ratio after deducting capital add-on arising from Single Lending Limit			16.46	15.13

* The additional capital maintenances are required to gradually reserve at 0.625% per year, starting from January 1, 2016 to January 1, 2019. (At that time, the total increasing of capital fund would be 2.5%).

The Domestic Systemically Important Banks ("D-SIBs") will be required to hold additional core capital of 0.5% from January 1, 2019 and 1% from January 1, 2020.

Disclosure of capital maintenance information of the Financial Business Group and the Bank under the BOT's Notification regarding the Disclosure of the Capital Requirement of the Financial Business Group and regarding the Disclosure of the Capital Requirement of Commercial Banks with details as follows:

Location of disclosure	www.krungsri.com
Date of disclosure	October 30, 2019
Information as at	June 30, 2019

7. ADDITIONAL INFORMATION

7.1 Additional information of cash flows

7.1.1 Non-cash transactions for the nine-month periods ended September 30, 2019 and 2018 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2019	**2018**	**2019**	**2018**
Decrease in revaluation surplus on investments	(248)	(815)	(248)	(815)
Amortization of premises appraisal surplus transferred to retained earning	(143)	(221)	(143)	(221)
Properties for sale debt repayment	11,402	8,044	9,930	5,966
Properties and premises transferred to be properties for sale	41	56	41	56

7.1.2 Changes in liabilities arising from financing activity for the nine-month periods ended September 30, 2019 and 2018 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2019	**2018**	**2019**	**2018**
Beginning balance	156,547	142,890	116,694	112,005
Financing cash flows	2,070	35,841	8,512	13,734
Other non-cash items	(5)	(3)	1	-
Ending balance	158,612	178,728	125,207	125,739

7.1.3 Realized and unrealized gains (losses) on foreign exchange

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

7.2 Investments, net

Investments, net as at September 30, 2019 and December 31, 2018 consist of the following:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS							
	September 30, 2019				December 31, 2018			
	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	7,098	3	(1)	7,100	929	1	(1)	929
Domestic marketable equity securities	240	-	(3)	237	3	(1)	-	2
	7,338	3	(4)	7,337	932	-	(1)	931
Less Revaluation allowance	(1)			-	(1)			-
Total	7,337			7,337	931			931
Securities Available-for-Sale								
Government and state enterprise securities	74,991	125	(3)	75,113	100,571	20	(204)	100,387
Private sector's debt securities	12,399	278	-	12,677	11,451	189	(6)	11,634
Domestic marketable equity securities	5,655	524	(789)	5,390	5,193	613	(724)	5,082
	93,045	927	(792)	93,180	117,215	822	(934)	117,103
Add (less) Revaluation allowance	135			-	(112)			-
Less Allowance for impairment	(3)			(3)	(5)			(5)
Total	93,177			93,177	117,098			117,098
Securities Held-to-Maturity								
Private sector's debt securities	14,335				16,000			
Investment in accounts receivable	233				311			
	14,568				16,311			
Less Allowance for impairment	(14)				(14)			
Total	14,554				16,297			
Securities for General Investments								
Domestic non-marketable equity securities	764				589			
Foreign non-marketable equity securities	1				1			
	765				590			
Less Allowance for impairment	(167)				(167)			
Total	598				423			
Total Investments, net	115,666				134,749			

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS

	September 30, 2019				December 31, 2018			
	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	7,098	3	(1)	7,100	929	1	(1)	929
Domestic marketable equity securities	68	-	(2)	66	-	-	-	-
Total	7,166	3	(3)	7,166	929	1	(1)	929
Securities Available-for-Sale								
Government and state enterprise securities	74,991	125	(3)	75,113	100,571	20	(204)	100,387
Private sector's debt securities	12,399	278	-	12,677	11,451	189	(6)	11,634
Domestic marketable equity securities	5,655	524	(789)	5,390	5,193	613	(724)	5,082
	93,045	927	(792)	93,180	117,215	822	(934)	117,103
Add (less) Revaluation allowance	135			-	(112)			-
Less Allowance for impairment	(3)			(3)	(5)			(5)
Total	93,177			93,177	117,098			117,098
Securities Held-to-Maturity								
Private sector's debt securities	14,335				16,000			
Investment in accounts receivable	233				311			
	14,568				16,311			
Less Allowance for impairment	(14)				(14)			
Total	14,554				16,297			
Securities for General Investments								
Domestic non-marketable equity securities	314				275			
Foreign non-marketable equity securities	1				1			
	315				276			
Less Allowance for impairment	(167)				(167)			
Total	148				109			
Total Investments, net	115,045				134,433			

As at December 31, 2018, the Bank and its subsidiaries had investments in general investments in the consolidated financial statements of 2 companies and the Bank's financial statements of 1 company, subject to being delisted from the SET, with cost of Baht 12 million and market price of Baht 0.

7.3 Investments in subsidiaries and joint ventures, net

Investments in subsidiaries and joint ventures, net as at September 30, 2019 and December 31, 2018 consist of the following:

Unit: Million Baht

Company Name	Business Type	Securities Investment Type	Issued and Paid-up Share Capital	Proportion of Ownership Interest and Voting Power Held by the Bank (%)	Investment (Cost)	Investment (Equity Method)	Dividend
			CONSOLIDATED FINANCIAL STATEMENTS September 30, 2019				
Joint ventures							
Ngern Tid Lor Company Limited	Hire-purchase and motorcycle loans	Common stock Preferred stock	6,090	50.00	2,963	8,680	-
Tesco Lotus Money Services Limited [(1)] (formerly Tesco Card Services Limited)	Credit cards and personal loans	Common stock	2,080	50.00	1,040	2,661	-
Tesco Life Assurance Broker Limited [(2)]	Life assurance broker	Common stock	12	50.00	-	74	-
Tesco General Insurance Broker Limited [(2)]	General insurance broker	Common stock	107	50.00	-	233	-
Investments in joint ventures, net					4,003	11,648	-

Unit: Million Baht

Company Name	Business Type	Securities Investment Type	Issued and Paid-up Share Capital	Proportion of Ownership Interest and Voting Power Held by the Bank (%)	Investment (Cost)	Investment (Equity Method)	Dividend
			CONSOLIDATED FINANCIAL STATEMENTS December 31, 2018				
Joint ventures							
Tesco Card Services Limited [(1)]	Credit cards and personal loans	Common stock	2,080	50.00	1,040	2,333	-
Tesco Life Assurance Broker Limited [(2)]	Life assurance broker	Common stock	12	50.00	-	67	-
Tesco General Insurance Broker Limited [(2)]	General insurance broker	Common stock	107	50.00	-	220	-
Investments in joint ventures, net					1,040	2,620	-

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

Unit: Million Baht

Company Name	Business Type	Securities Investment Type	Issued and Paid-up Share Capital	Proportion of Ownership Interest and Voting Power Held by the Bank (%)	Investment (Cost)	Dividend
			THE BANK'S FINANCIAL STATEMENTS September 30, 2019			
Subsidiaries						
Ayudhya Development Leasing Company Limited	Hire-purchase and leasing	Common stock	1,235	99.99	3,929	-
Ayudhya Capital Auto Lease Public Company Limited	Hire-purchase and auto leasing	Common stock	25,545	100.00	19,880	2,682
Ayudhya Capital Services Company Limited	Credit cards and personal loans	Common stock	5,925	100.00	11,941	-
General Card Services Limited	Credit cards and personal loans	Common stock	2,458	100.00	2,581	-
Krungsriayudhya Card Company Limited	Credit cards and personal loans	Common stock	5,906	100.00	6,275	-
Siam Realty and Services Security Company Limited	Car rental services and personnel services	Common stock	100	100.00	100	-
Total Services Solutions Public Company Limited	Collection services	Common stock	401	100.00	1,614	-
Krungsri Asset Management Company Limited	Fund management	Common stock	350	76.59	205	443
Krungsri Ayudhya AMC Limited	Asset management	Common stock	2,700	100.00	4,565	-
Krungsri Securities Public Company Limited	Securities	Common stock	1,350	99.84	1,497	-
Krungsri Nimble Company Limited (formerly Krungsri Factoring Company Limited)	Factoring	Common stock	300	100.00	300	-
Krungsri Finnovate Company Limited	Venture capital	Common stock	700	100.00	700	-
Hattha Kaksekar Limited	Micro finance	Common stock	2,536	100.00	7,713	-
Investments in subsidiaries					61,300	3,125
Joint venture						
Ngern Tid Lor Company Limited	Hire-purchase and motorcycle loans	Common stock Preferred stock	6,090	50.00	2,963	1,100
Investments in subsidiaries and Joint venture					64,263	4,225
Less Allowance for impairment					(5,962)	-
Investments in subsidiaries and Joint venture, net					58,301	4,225

On February 28, 2019, the Bank sold 50% of its interest in Ngern Tid Lor Company Limited ("NTL"), a subsidiary, reducing its ownership interest to 50%, and recognised profit on sales of the subsidiary of Baht 4,290 million, and Baht 5,019 million in the consolidated financial statements and the Bank financial statements, respectively. The Bank had changed the classification of investment in NTL from subsidiary to joint venture. The fair value of the Bank's retained interested in joint venture at the date when control was changed was Baht 8,027 million, which became the carrying value of the Bank's interest in the joint venture at that date in the consolidated financial statements. The difference of fair value was recognised as a profit on the change of control of a subsidiary of Baht 4,335 million which is included in "Gain on investments, net" in the consolidated statements of profit or loss and other comprehensive income.

Unit: Million Baht

Company Name	Business Type	Securities Investment Type	THE BANK'S FINANCIAL STATEMENTS December 31, 2018 Issued and Paid-up Share Capital	Proportion of Ownership Interest and Voting Power Held by the Bank (%)	Investment (Cost)	Dividend
Subsidiaries						
Ayudhya Development Leasing Company Limited	Hire-purchase and leasing	Common stock	1,235	99.99	3,929	-
Ayudhya Capital Auto Lease Public Company Limited	Hire-purchase and auto leasing	Common stock	25,545	100.00	19,880	4,956
Ngern Tid Lor Company Limited [(1)]	Hire-purchase and motorcycle loans	Common stock	4,990	100.00	2,412	1,700
		Preferred stock			1	-
Ayudhya Capital Services Company Limited	Credit cards and personal loans	Common stock	5,925	100.00	11,941	-
General Card Services Limited	Credit cards and personal loans	Common stock	2,458	100.00	2,581	-
Krungsriayudhya Card Company Limited	Credit cards and personal loans	Common stock	5,906	100.00	6,275	-
Siam Realty and Services Security Company Limited	Car rental services and personnel services	Common stock	100	100.00	100	-
Total Services Solutions Public Company Limited	Collection services	Common stock	401	100.00	1,614	-
Krungsri Asset Management Company Limited	Fund management	Common stock	350	76.59	205	375
Krungsri Ayudhya AMC Limited	Asset management	Common stock	2,700	100.00	4,565	-
Krungsri Securities Public Company Limited	Securities	Common stock	1,350	99.84	1,497	-
Krungsri Factoring Company Limited	Factoring	Common stock	300	100.00	300	-
Krungsri Finnovate Company Limited	Venture capital	Common stock	700	100.00	700	-
Hattha Kaksekar Limited	Micro finance	Common stock	2,536	100.00	7,713	-
Investments in subsidiaries					63,713	7,031
Less Allowance for impairment					(5,452)	-
Investments in subsidiaries, net					58,261	7,031

[(1)] Investment in Ngern Tid Lor Company Limited was reclassified to assets held for sale 50% of cost value.

DISCLOSURE OF THE STATEMENTS OF CASH FLOWS OF ASSET MANAGEMENT COMPANY

KRUNGSRI AYUDHYA AMC LIMITED
STATEMENTS OF CASH FLOWS
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2019
"UNAUDITED"

Unit: Million Baht

	2019	2018
Cash flows from operating activities		
Income (loss) before income tax	(8)	85
Adjustments to reconcile income to cash provided (paid) from operating activities		
Loss on impairment of properties for sale	19	18
Gain on sales of properties for sale	(59)	(81)
Provision for contingent liabilities	30	-
Employment benefits expenses	13	4
Interest income, net	(47)	(49)
Interest received	47	49
Income tax paid	(20)	(20)
Income (loss) from operations before changes in operating assets and liabilities	(25)	6
Decrease in operating assets		
Investment in receivables	12	18
Properties for sale	179	194
Other assets	103	22
Decrease in operating liabilities		
Other liabilities	(36)	(40)
Net cash from operating activities	233	200
Cash flows from investing activities		
Net cash from investing activities	-	-
Cash flows from financing activities		
Net cash from financing activities	-	-
Net increase in cash and cash equivalents	233	200
Cash and cash equivalents as at January 1,	1,729	1,429
Cash and cash equivalents as at September 30,	1,962	1,629

7.4 Loans to customers and accrued interest receivables, net

Loans to customers and accrued interest receivables, net as at September 30, 2019 and December 31, 2018 are as follows:

(1) Classified by products

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	September 30, 2019	**December 31, 2018**	**September 30, 2019**	**December 31, 2018**
Overdrafts	70,790	65,542	70,743	65,495
Loan against contract	927,824	862,481	888,799	862,019
Trade bill	300,317	293,963	310,560	296,299
Hire-purchase receivable	487,972	440,153	428,946	378,571
Lease contract receivable	12,165	13,276	3,793	4,428
Credit card receivable	62,537	66,923	-	-
Others	5,011	6,916	3,769	5,558
Total	1,866,616	1,749,254	1,706,610	1,612,370
Less Deferred revenue	(88,055)	(77,236)	(75,275)	(64,003)
Loans to customers after deferred revenue, net	1,778,561	1,672,018	1,631,335	1,548,367
Add Accrued interest receivables	4,788	4,326	2,773	2,535
Loans to customers and accrued interest receivable after deferred revenue, net	1,783,349	1,676,344	1,634,108	1,550,902
Less Allowance for doubtful accounts				
1) BOT requirement :				
- Individual approach	(30,090)	(28,718)	(26,020)	(24,533)
- Collective approach	(12,782)	(11,332)	(10,903)	(9,549)
2) Surplus reserve	(21,970)	(19,741)	(13,987)	(11,614)
Less Revaluation allowance for debt restructuring	(1,646)	(1,569)	(146)	(101)
Total loans to customers, net	1,716,861	1,614,984	1,583,052	1,505,105

(2) Classified by currency and residence of debtors

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS					
	September 30, 2019			**December 31, 2018**		
	Domestic	**Foreign**	**Total**	**Domestic**	**Foreign**	**Total**
Baht	1,693,435	10,290	1,703,725	1,582,019	10,703	1,592,722
US Dollar	32,416	29,786	62,202	41,178	30,949	72,127
Other currencies	2,314	10,320	12,634	990	6,179	7,169
Total	1,728,165	50,396	1,778,561	1,624,187	47,831	1,672,018

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS					
	September 30, 2019			**December 31, 2018**		
	Domestic	**Foreign**	**Total**	**Domestic**	**Foreign**	**Total**
Baht	1,574,807	9,223	1,584,030	1,483,104	9,813	1,492,917
US Dollar	32,416	7,766	40,182	41,178	9,497	50,675
Other currencies	2,314	4,809	7,123	990	3,785	4,775
Total	1,609,537	21,798	1,631,335	1,525,272	23,095	1,548,367

(3) Classified by business type and classification

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS					
	September 30, 2019					
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total
Agriculture and mining	21,061	1,148	148	92	801	23,250
Manufacturing and trading	387,356	11,351	2,538	1,169	10,968	413,382
Real estate and construction	120,710	2,993	369	222	1,765	126,059
Public utilities and services	184,701	8,674	248	143	1,964	195,730
Housing loans	253,451	2,964	1,254	1,160	5,270	264,099
Others	713,657	30,453	6,069	3,072	2,790	756,041
Total	1,680,936	57,583	10,626	5,858	23,558	1,778,561

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS					
	December 31, 2018					
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total
Agriculture and mining	21,970	1,027	140	118	836	24,091
Manufacturing and trading	381,543	10,617	2,178	1,268	10,810	406,416
Real estate and construction	106,983	3,406	451	260	1,704	112,804
Public utilities and services	162,620	12,416	222	138	1,797	177,193
Housing loans	240,703	3,255	1,414	1,008	4,104	250,484
Others	665,459	23,572	5,661	2,708	3,630	701,030
Total	1,579,278	54,293	10,066	5,500	22,881	1,672,018

Unit: Million Baht

	THE BANK’S FINANCIAL STATEMENTS					
	September 30, 2019					
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total
Agriculture and mining	16,757	1,135	134	77	185	18,288
Manufacturing and trading	381,815	11,327	2,507	1,161	10,299	407,109
Real estate and construction	119,029	2,972	365	221	1,726	124,313
Public utilities and services	184,701	8,674	248	143	1,664	195,430
Housing loans	251,316	2,960	1,252	1,155	5,258	261,941
Others	591,160	25,058	3,462	2,863	1,711	624,254
Total	1,544,778	52,126	7,968	5,620	20,843	1,631,335

Unit: Million Baht

	THE BANK’S FINANCIAL STATEMENTS					
	December 31, 2018					
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total
Agriculture and mining	17,830	1,011	121	83	198	19,243
Manufacturing and trading	376,754	10,580	2,169	1,078	10,280	400,861
Real estate and construction	105,673	3,369	443	256	1,653	111,394
Public utilities and services	162,608	12,415	222	138	1,489	176,872
Housing loans	238,397	3,254	1,412	1,004	4,091	248,158
Others	565,962	18,229	3,189	2,417	2,042	591,839
Total	1,467,224	48,858	7,556	4,976	19,753	1,548,367

(4) Classified by type of classification

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS			
	September 30, 2019			
	Loans to Customers and Accrued Interest Receivables	**Outstanding Balance Used for Calculation Allowance**	**% Used for Calculation Allowance(3)**	**Allowance for Doubtful Accounts(4)**
1. Minimum allowance per BOT guideline				
Normal	1,685,493	1,104,378	1, 3	13,155
Special mention	57,814	45,571	2, 20	7,781
Substandard	10,626	7,683	54, 100	5,522
Doubtful	5,858	4,215	48, 100	3,089
Doubtful of loss	23,558	11,261	100	13,325
Total	1,783,349	1,173,108		42,872 (1)
2. Surplus Reserve				21,970 (2)
Total				64,842

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS			
	December 31, 2018			
	Loans to Customers and Accrued Interest Receivables	**Outstanding Balance Used for Calculation Allowance**	**% Used for Calculation Allowance(3)**	**Allowance for Doubtful Accounts(4)**
1. Minimum allowance per BOT guideline				
Normal	1,583,364	1,049,728	1, 2	12,418
Special mention	54,533	41,361	2, 18	6,375
Substandard	10,066	7,049	51, 100	5,148
Doubtful	5,500	3,753	46, 100	2,787
Doubtful of loss	22,881	11,488	100	13,322
Total	1,676,344	1,113,379		40,050 (1)
2. Surplus Reserve				19,741 (2)
Total				59,791

(1) Including allowance for doubtful accounts on a collective approach for hire-purchase loans as at September 30, 2019 and December 31, 2018, of Baht 12,782 million and Baht 11,332 million, respectively.

(2) Including allowance for doubtful accounts of loans granted to subsidiaries as at September 30, 2019 and December 31, 2018, at the rate of 1% of Baht 61,509 million and Baht 83,661 million equal to Baht 615 million and Baht 837 million, respectively, which are not eliminated but treated as surplus reserve in the consolidated financial statements.

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

(4) Excluding revaluation allowance for debt restructuring as at September 30, 2019 and December 31, 2018, of Baht 1,646 million and Baht 1,569 million, respectively, and excluding allowance for doubtful accounts for interbank and money market items as at September 30, 2019 and December 31, 2018, of Baht 386 million and Baht 448 million, respectively.

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS			
	September 30, 2019			
	Loans to Customers and Accrued Interest Receivables	Outstanding Balance Used for Calculation Allowance	% Used for Calculation Allowance[3]	Allowance for Doubtful Accounts[4]
1. Minimum allowance per BOT guideline				
Normal	1,547,428	976,254	1	11,294
Special mention	52,249	40,289	2, 12	7,200
Substandard	7,968	5,061	50, 100	3,767
Doubtful	5,620	4,013	57, 100	2,948
Doubtful of loss	20,843	9,593	100	11,714
Total	1,634,108	1,035,210		36,923 [1]
2. Surplus Reserve				13,987 [2]
Total				50,910

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS			
	December 31, 2018			
	Loans to Customers and Accrued Interest Receivables	Outstanding Balance Used for Calculation Allowance	% Used for Calculation Allowance[3]	Allowance for Doubtful Accounts[4]
1. Minimum allowance per BOT guideline				
Normal	1,469,613	944,802	1, 2	10,911
Special mention	49,004	36,184	2, 12	5,811
Substandard	7,556	4,565	49, 100	3,494
Doubtful	4,976	3,273	55, 100	2,409
Doubtful of loss	19,753	9,554	100	11,457
Total	1,550,902	998,378		34,082[1]
2. Surplus Reserve				11,614[2]
Total				45,696

(1) Including allowance for doubtful accounts on a collective approach for hire-purchase loans as at September 30, 2019 and December 31, 2018, of Baht 10,903 million and Baht 9,549 million, respectively.

(2) Including allowance for doubtful accounts of loan granted to subsidiaries as at September 30, 2019 and December 31, 2018, at the rate of 1% of Baht 61,509 million and Baht 83,661 million, equal to Baht 615 million and Baht 837 million, respectively.

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

(4) Excluding revaluation allowance for debt restructuring as at September 30, 2019 and December 31, 2018, of Baht 146 million and Baht 101 million, respectively and excluding allowance for doubtful accounts for interbank and money market items as at September 30, 2019 and December 31, 2018, of Baht 386 million and Baht 448 million, respectively.

For the nine-month period ended September 30, 2019, the Bank entered into agreements to sell non-performing loans (NPLs) to the third parties as follows:

Unit: Million Baht

	CONSOLIDATED AND THE BANK'S FINANCIAL STATEMENTS
Book value	930
Net book value	633
Sale price	633

As at September 30, 2019 and December 31, 2018, the Bank and Krungsri Ayudhya AMC Limited ("AMC") had non-performing loans which included interbank and money market items as follows:

Unit: Million Baht

	September 30, 2019		
	The Bank	AMC	The Bank and AMC
Non-performing loans	34,431	433	34,864
Percentage of total loans	1.87	100.00	1.89
Non-performing loans, net	16,003	311	16,314
Percentage of total loans, net	0.88	100.00	0.90

Unit: Million Baht

	December 31, 2018		
	The Bank	AMC	The Bank and AMC
Non-performing loans	32,285	445	32,730
Percentage of total loans	1.87	100.00	1.90
Non-performing loans, net	14,925	306	15,231
Percentage of total loans, net	0.87	100.00	0.89

As at September 30, 2019 and December 31, 2018, the Bank and its subsidiaries' non-performing loans are Baht 40,041 million and Baht 38,446 million, respectively.

(5) Troubled debt restructuring

For the three-month and nine-month periods ended September 30, 2019 and 2018, 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 September 30, 2019 Number of Debtors	Amount of Debt Before Restructuring	Type of Assets Acquired	Fair Value	For the three-month period ended September 30, 2018 Number of Debtors	Amount of Debt Before Restructuring	Type of Assets Acquired	Fair Value
Modification of terms	6,818	1,976	-	-	5,411	1,885	-	-
Reduction of principal and interest	1,455	74	-	-	1,901	91	-	-
Various forms of restructuring	253	972	-	-	253	693	-	-
Total	8,526	3,022		-	7,565	2,669		-

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

Form of Restructuring	For the nine-month period ended September 30, 2019 Number of Debtors	Amount of Debt Before Restructuring	Type of Assets Acquired	Fair Value	For the nine-month period ended September 30, 2018 Number of Debtors	Amount of Debt Before Restructuring	Type of Assets Acquired	Fair Value
Modification of terms	17,688	4,011	-	-	16,259	4,159	-	-
Reduction of principal and interest	4,389	219	-	-	5,236	261	-	-
Various forms of restructuring	733	4,729	-	-	730	3,384	-	-
Total	22,810	8,959		-	22,225	7,804		-

Unit : Million Baht

THE BANK'S FINANCIAL STATEMENTS

Form of Restructuring	For the three-month period ended September 30, 2019				For the three-month period ended September 30, 2018			
	Number of Debtors	Amount of Debt Before Restructuring	Type of Assets Acquired	Fair Value	Number of Debtors	Amount of Debt Before Restructuring	Type of Assets Acquired	Fair Value
Modification of terms	735	1,520	-	-	535	518	-	-
Various forms of restructuring	253	972	-	-	253	693	-	-
Total	988	2,492		-	788	1,211		-

Unit : Million Baht

THE BANK'S FINANCIAL STATEMENTS

Form of Restructuring	For the nine-month period ended September 30, 2019				For the nine-month period ended September 30, 2018			
	Number of Debtors	Amount of Debt Before Restructuring	Type of Assets Acquired	Fair Value	Number of Debtors	Amount of Debt Before Restructuring	Type of Assets Acquired	Fair Value
Modification of terms	1,945	2,777	-	-	1,445	1,963	-	-
Reduction of principal and interest	2	1	-	-	-	-	-	-
Various forms of restructuring	733	4,729	-	-	730	3,384	-	-
Total	2,680	7,507		-	2,175	5,347		-

For the nine-month periods ended September 30, 2019 and 2018, the Bank and its subsidiaries calculated the net realizable value for the troubled debt restructured by the modification of terms using the present value of future cash flows under the restructured loan agreement, discounted by the market rate, together with the fair value of collateral as follows:

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

Method	For the nine-month period ended September 30, 2019				For the nine-month period ended September 30, 2018			
	Average Aging (Year)	Number of Debtors	Amount of Debt Before Restructuring	Amount of Debt After Restructuring	Average Aging (Year)	Number of Debtors	Amount of Debt Before Restructuring	Amount of Debt After Restructuring
Present value of future cash flows	4.86	17,350	2,850	2,847	4.81	15,933	2,863	2,792
Fair value of collateral	8.29	338	1,161	1,160	8.71	326	1,296	1,295

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS

Method	For the nine-month period ended September 30, 2019				For the nine-month period ended September 30, 2018			
	Average Aging (Year)	Number of Debtors	Amount of Debt Before Restructuring	Amount of Debt After Restructuring	Average Aging (Year)	Number of Debtors	Amount of Debt Before Restructuring	Amount of Debt After Restructuring
Present value of future cash flows	5.25	1,632	1,616	1,602	5.15	1,129	667	654
Fair value of collateral	8.94	313	1,161	1,160	8.98	316	1,296	1,295

For the three-month and nine-month periods ended September 30, 2019 and 2018, the Bank and its subsidiaries recognized losses on debt restructured and interest received from debt restructured in the statements of profit or loss and other comprehensive income as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS For the three-month periods ended September 30,		THE BANK'S FINANCIAL STATEMENTS For the three-month periods ended September 30,	
	2019	**2018**	**2019**	**2018**
Losses on debt restructured	281	594	11	47
Interest received from debt restructured	329	297	216	211

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS For the nine-month periods ended September 30,		THE BANK'S FINANCIAL STATEMENTS For the nine-month periods ended September 30,	
	2019	**2018**	**2019**	**2018**
Losses on debt restructured	859	1,343	81	73
Interest received from debt restructured	986	912	660	648

As at September 30, 2019 and December 31, 2018, the Bank and its subsidiaries recorded balances of total debt restructured and debt restructured during the nine-month period ended September 30, 2019 and during the year ended December 31, 2018, in the statements of financial position as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	September 30, 2019	**December 31, 2018**	**September 30, 2019**	**December 31, 2018**
Balances of total debt restructured	25,336	22,399	20,806	17,697
Balances of debt restructured during the period/year	8,473	8,867	7,026	6,044

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

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS September 30, 2019 Amount due per agreements			
	Within 1 Year	**Greater than 1-5 Years**	**Greater than 5 Years**	**Total**
Minimum lease payments	104,143	266,784	129,210	500,137
Less Unearned interest income				(87,994)
Present value of the minimum lease payments				412,143
Less Allowance for doubtful accounts				(14,190)
Total lease receivables, net				397,953

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS			
	December 31, 2018			
	Amount due per agreements			
	Within 1 Year	Greater than 1-5 Years	Greater than 5 Years	Total
Minimum lease payments	98,837	245,971	108,621	453,429
Less Unearned interest income				(77,166)
Present value of the minimum lease payments				376,263
Less Allowance for doubtful accounts				(13,215)
Total lease receivables, net				363,048

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS			
	September 30, 2019			
	Amount due per agreements			
	Within 1 Year	Greater than 1-5 Years	Greater than 5 Years	Total
Minimum lease payments	78,525	234,494	119,720	432,739
Less Unearned interest income				(75,228)
Present value of the minimum lease payments				357,511
Less Allowance for doubtful accounts				(10,801)
Total lease receivables, net				346,710

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS			
	December 31, 2018			
	Amount due per agreements			
	Within 1 Year	Greater than 1-5 Years	Greater than 5 Years	Total
Minimum lease payments	71,522	210,930	100,547	382,999
Less Unearned interest income				(63,943)
Present value of the minimum lease payments				319,056
Less Allowance for doubtful accounts				(9,479)
Total lease receivables, net				309,577

7.5 Allowance for doubtful accounts

Allowance for doubtful accounts as at September 30, 2019 and December 31, 2018 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS						
	September 30, 2019						
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Surplus Reserve	Total
Beginning balance	12,418	6,375	5,148	2,787	13,322	19,741	59,791
Doubtful accounts	842	2,700	5,249	4,079	3,956	2,393	19,219
Bad debts written off	(90)	(1,294)	(4,873)	(3,774)	(3,652)	(100)	(13,783)
Bad debts written off from sales of NPLs	-	-	-	-	(298)	-	(298)
Other	(15)	-	(2)	(3)	(3)	(64)	(87)
Ending balance	13,155	7,781	5,522	3,089	13,325	21,970	64,842

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS December 31, 2018						
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Surplus Reserve	Total
Beginning balance	11,863	2,998	5,938	3,902	11,020	18,452	54,173
Doubtful accounts	980	4,466	5,985	2,298	7,550	3,103	24,382
Bad debts written off	(66)	(1,023)	(6,335)	(3,410)	(4,738)	-	(15,572)
Bad debts written off from sales of NPLs	-	-	-	(1)	(509)	-	(510)
Transferred to assets held for sale	(359)	(66)	(439)	-	-	(1,810)	(2,674)
Other	-	-	(1)	(2)	(1)	(4)	(8)
Ending balance	12,418	6,375	5,148	2,787	13,322	19,741	59,791

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS September 30, 2019						
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Surplus Reserve	Total
Beginning balance	10,911	5,811	3,494	2,409	11,457	11,614	45,696
Doubtful accounts	473	2,683	1,792	4,313	1,673	2,373	13,307
Bad debts written off	(90)	(1,294)	(1,519)	(3,774)	(1,118)	-	(7,795)
Bad debts written off from sales of NPLs	-	-	-	-	(298)	-	(298)
Ending balance	11,294	7,200	3,767	2,948	11,714	13,987	50,910

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS December 31, 2018						
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Surplus Reserve	Total
Beginning balance	10,549	2,287	3,731	3,425	8,984	9,518	38,494
Doubtful accounts	428	4,547	1,409	2,395	4,720	2,097	15,596
Bad debts written off	(66)	(1,023)	(1,646)	(3,410)	(1,738)	-	(7,883)
Bad debts written off from sales of NPLs	-	-	-	(1)	(509)	-	(510)
Other	-	-	-	-	-	(1)	(1)
Ending balance	10,911	5,811	3,494	2,409	11,457	11,614	45,696

As at September 30, 2019 and December 31, 2018, the Bank and its subsidiaries estimated the minimum total allowance under the BOT Guidelines as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	September 30, 2019	December 31, 2018	September 30, 2019	December 31, 2018
Allowance for doubtful accounts*	44,904	42,066	37,455	34,631

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

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

Unit: Million Baht

	September 30, 2019	December 31, 2018
Consolidated financial statements	66,874	61,808
The Bank and Krungsri Ayudhya AMC Limited	51,729	46,532
The Bank's financial statements	51,442	46,245

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

As at September 30, 2019 and December 31, 2018, 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 disclosure of asset quality and related party transactions and the allowance for doubtful accounts for such loans as follows:

Unit: Million Baht

	CONSOLIDATED AND THE BANK'S FINANCIAL STATEMENTS September 30, 2019			
	Number	Outstanding Balance	Collateral	Allowance for Doubtful Accounts
Companies subject to be delisted by SET	2	1	-	-
Total	2	1	-	-

Unit: Million Baht

	CONSOLIDATED AND THE BANK'S FINANCIAL STATEMENTS December 31, 2018			
	Number	Outstanding Balance	Collateral	Allowance for Doubtful Accounts
Companies subject to be delisted by SET	2	-	-	-
Total	2	-	-	-

7.6 Revaluation allowance for debt restructuring

Revaluation allowance for debt restructuring as at September 30, 2019 and December 31, 2018 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	September 30, 2019	December 31, 2018	September 30, 2019	December 31, 2018
Beginning balance	1,569	1,303	101	48
Increase during the period/year	859	1,716	81	91
Amount written off	(782)	(1,450)	(36)	(38)
Ending balance	1,646	1,569	146	101

7.7 Assets classified as held for sale and liabilities directly associated with assets classified as held for sale net

As at December 31, 2018, investment in Ngern Tid Lor Company Limited ("NTL") is presented as assets classified as held for sale resulting from the following agreements 1) the sale and purchase of shares of NTL agreement by selling 50% of the ordinary shares in NTL to Siam Asia Credit Access PTE LTD, a company ultimately owned by a consortium led by CVC Capital Partners Asia Fund IV and Equity Partners Limited Group and 2) the shareholders agreement in relation to the shareholding in NTL. The disposal of NTL is accomplished on February 28, 2019.

Details of assets classified as held for sale and liabilities directly associated with assets held for sale as at December 31, 2018 are as follows:

Consolidated financial statements

Unit: Million Baht

	December 31, 2018
Assets	
Cash	392
Interbank and money market items	319
Loan and accrued interest receivable, net	37,041
Properties for sale, net	57
Premises and equipment, net	548
Goodwill and other intangible assets, net	225
Deferred tax assets	645
Other assets	309
	39,536
Liabilities	
Debt issued and borrowings	12,225
Provision	75
Other liabilities	1,484
	13,784

For the period from January 1, 2019 to February 28, 2019 (disposal date) and for the year ended December 31, 2018, NTL contributed net profit of Baht 275 million and Baht 1,379 million, respectively.

The Bank's financial statements

As at December 31, 2018, the Bank reclassified 50% of investment in NTL to assets classified as held for sale of Baht 2,414 million.

7.8 Debt issued and borrowings

Debt issued and borrowings as at September 30, 2019 and December 31, 2018 are as follows:

Unit: Million Baht

				CONSOLIDATED FINANCIAL STATEMENTS					
				September 30, 2019			December 31, 2018		
	Currency	Interest rate (%)	Maturity	Domestic	Foreign	Total	Domestic	Foreign	Total
Subordinated debentures	THB	3.40 - 3.90	2027-2029	60,811	-	60,811	41,985	-	41,985
	USD	7.50 - 11.59	2019-2027	-	441	441	-	750	750
Senior debentures	THB	1.66 - 2.44	2019-2022	98,700	-	98,700	107,865	-	107,865
	KHR	8.50	2021	-	717	717	-	775	775
Bill of exchange	THB	-	-	1	-	1	1	-	1
Structured note	THB	1.12 - 1.37	2019	35	-	35	-	-	-
Other borrowings	THB	0.00 - 7.15	2021-2024	17	478	495	2	251	253
	USD	0.00 - 8.11	2019-2023	-	3,042	3,042	-	4,021	4,021
				159,564	4,678	164,242	149,853	5,797	155,650

Unit: Million Baht

				THE BANK'S FINANCIAL STATEMENTS					
				September 30, 2019			December 31, 2018		
	Currency	Interest rate (%)	Maturity	Domestic	Foreign	Total	Domestic	Foreign	Total
Subordinated debentures	THB	3.40 - 3.90	2027-2029	60,811	-	60,811	41,985	-	41,985
Senior debentures	THB	1.85 - 2.37	2019-2022	70,000	-	70,000	74,000	-	74,000
Bill of exchange	THB	-	-	1	-	1	1	-	1
Structured note	THB	1.12 - 1.37	2019	35	-	35	-	-	-
Other borrowings	THB	0.00	2023-2024	17	-	17	2	-	2
				130,864	-	130,864	115,988	-	115,988

Additional information on debts issued and borrowings is as follows:

1. On August 11, 2016, the Bank issued subordinated debentures No. 1/2016 in amount of Baht 10,000 million for a 10-year and 6-month tenor at the fixed interest rate of 3.5% per annum, payable quarterly in February, May, August and November of each year. The Bank has the right to redeem subordinated debentures on any interest payment date after the fifth anniversary subject to the approval of the BOT.

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

3. On November 17, 2017, the Bank issued subordinated debentures No. 2/2017 in the amount of Baht 14,978 million for a 10-year tenor at the fixed interest rate of 3.4% per annum, payable quarterly in February, May, August, and November of each year. The Bank has the right to redeem subordinated debentures on the fifth anniversary of the issued date or any interest payment date thereafter subject to the approval of the BOT.

4. On June 14, 2019, the Bank issued subordinated debentures No. 1/2019 in the amount of Baht 18,826 million for a 10-year tenor at the fixed interest rate of 3.8% per annum, payable quarterly in March, June, September, and December of each year. The Bank has the right to redeem subordinated debentures on the fifth anniversary of the issued date or any interest payment date thereafter subject to the approval of the BOT.

7.9 Provisions

Provisions for the nine-month period ended September 30, 2019 and for the year ended December 31, 2018 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS				
	Balance at January 1, 2018	Increase (Decrease)	Balance at December 31, 2018	Increase (Decrease)	Balance at September 30, 2019
Provision for post-employment benefits obligation	5,321	296	5,617	1,558	7,175
Others	2,147	-	2,147	107	2,254
Total	7,468	296	7,764	1,665	9,429

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS				
	Balance at January 1, 2018	Increase (Decrease)	Balance at December 31, 2018	Increase (Decrease)	Balance at September 30, 2019
Provision for post-employment benefits obligation	4,531	340	4,871	1,260	6,131
Others	2,019	(22)	1,997	41	2,038
Total	6,550	318	6,868	1,301	8,169

On April 5, 2019, the Labor Protection Act (No. 7) B.E. 2562 announced in the Royal Gazette and effective on May 5, 2019 onwards. This new Thai labor law amend the amount of severance pay for an employee who has worked at least 20 years in accordance with the entity's working rules and regulations to be increased to 400 days at the employee's last wage rate which impact on the post-employee benefit plan. The Bank and its subsidiaries have considered to amend the post-employee benefit plan and recognize the increase of the post-employment benefit obligation as at the financial reporting date and the increase in such severance pay of Baht 1,125 million and Baht 918 million as the expense for the nine-month period ended September 30, 2019, in the consolidated financial statements and the Bank's financial statements, respectively.

7.10 Dividend payment

The Annual General Meeting of Shareholders No. 106 held on April 26, 2018, approved the dividend payment for the six-month period ended December 31, 2017 to the shareholders of 7,355,761,773 ordinary shares at Baht 0.45 per share totaling Baht 3,310 million with payment date on May 21, 2018.

The Board of Directors' Meeting No. 8/2018 held on August 22, 2018, approved the interim dividend payment for the six-month period ended June 30, 2018 to the shareholders of 7,355,761,773 ordinary shares at Baht 0.40 per share totaling Baht 2,942 million with payment date on September 20, 2018.

The Annual General Meeting of Shareholders No. 107 held on April 25, 2019, approved the dividend payment for the six-month period ended December 31, 2018 to the shareholders of 7,355,761,773 ordinary shares at Baht 0.45 per share totaling Baht 3,310 million with payment date on May 23, 2019.

The Board of Directors' Meeting No. 8/2019 held on August 28, 2019, approved the interim dividend payment for the six-month period ended June 30, 2019 to the shareholders of 7,355,761,773 ordinary shares at Baht 0.40 per share totaling Baht 2,942 million with payment date on September 26, 2019.

7.11 Assets with obligations and restrictions

As at September 30, 2019 and December 31, 2018, government and state enterprise securities with book value of Baht 6,872 million and Baht 13,344 million, respectively, are used as collateral for other commitments with government departments and state enterprises.

7.12 Contingencies

Contingencies as at September 30, 2019 and December 31, 2018 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	September 30, 2019	December 31, 2018	September 30, 2019	December 31, 2018
Avals to bills	851	1,108	851	1,108
Guarantees of loans	2,554	2,432	2,554	2,432
Liability under unmatured import bills	1,289	1,955	1,289	1,955
Letters of credit	3,764	5,818	3,764	5,818
Other contingencies				
- Unused overdraft limit	5,024	5,266	5,024	5,266
- Unused credit line	39,870	34,693	43,602	39,694
- Other guarantees	51,729	54,895	51,729	54,895
- Others	58	210	58	210
Total	105,139	106,377	108,871	111,378

The Bank and its subsidiaries have entered into a long-term information technology service agreement, which will be expired in 2023 with a local company. As at September 30, 2019 and December 31, 2018, the Bank and its subsidiaries have commitments to pay in the amounts of Baht 3,280 million and Baht 3,720 million, respectively.

As at September 30, 2019 and December 31, 2018, the Bank and its subsidiaries have commitments to pay regarding the information technology services the amounts of Baht 1,219 million and Baht 2,409 million, respectively.

As at September 30, 2019 and December 31, 2018, the Bank has commitment payment amount of Baht 336 million and Baht 338 million as a result of entering to the construction agreement of the office building, respectively.

7.13 Related party transactions

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

According to the Bank of Thailand's Notification Sor.Nor.Sor. 12/2561 regarding the "Regulations on Risk Supervision of Financial Business Group" dated May 22, 2018, the Bank is required to disclose the Inter-Group Transactions in the Financial Business Group Policy and the Risk Management for Inter-Group Transactions in the Financial Business Group Policy as follows:

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

   The inter-group transactions shall have the same conditions or criteria, including interest rate or service fee charged, as applied when the Bank conducts the transactions with general customers with the same risk level.

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

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

Related party transactions are as follows:

7.13.1 Assets, liabilities and contingencies with certain officers from the levels of Bank's Directors, Executive Vice Presidents and higher, and Vice Presidents/equivalent positions and higher in the Finance and Accounting Functions and the companies in which they and/or the Bank directors and/or their related parties and/or the Bank owned and the companies in which the directors and/or shareholders of the Bank have significant voting right either directly and indirectly, as at September 30, 2019 and December 31, 2018 are as follows:

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

September 30, 2019

	Interbank and money market items (Assets)	Investment	Loans	Accrued interest receivables	Derivative assets	Other assets	Deposits	Interbank and money market items (Liabilities)	Derivative liabilities	Other liabilities	Derivative (Notional amount)	Contingencies
Parent company												
MUFG Bank, Ltd.	25,440	-	-	-	2,176	1,552	-	178,008	3,717	905	461,850	2,483
Total	25,440	-	-	-	2,176	1,552	-	178,008	3,717	905	461,850	2,483
Joint ventures												
Ngern Tid Lor Company Limited	-	1,505	17,302	3	-	31	231	-	-	14	-	6
Tesco Lotus Money Services Limited (formerly Tesco Card Services Limited)	-	-	5,498	16	-	590	472	-	-	3	-	-
Tesco Life Assurance Broker Limited	-	-	-	-	-	11	167	-	-	-	-	-
Tesco General Insurance Broker Limited	-	-	-	-	-	21	555	-	-	2	-	-
Total	-	1,505	22,800	19	-	653	1,425	-	-	19	-	6
Less Allowance for doubtful accounts	-	-	(228)	-	-	-	-	-	-	-	-	-
Total	-	1,505	22,572	19	-	653	1,425	-	-	19	-	6
Related companies having joint major shareholders or directors	12	-	11,224	41	742	18	7,806	133	17	19	17,450	300
Less Allowance for doubtful accounts	-	-	(95)	-	-	-	-	-	-	-	-	-
Total	12	-	11,129	41	742	18	7,806	133	17	19	17,450	300
Individual and related parties	-	-	482	-	-	-	2,324	-	-	829	-	-
Less Allowance for doubtful accounts	-	-	(1)	-	-	-	-	-	-	-	-	-
Total	-	-	481	-	-	-	2,324	-	-	829	-	-
Total	25,452	1,505	34,182	60	2,918	2,223	11,555	178,141	3,734	1,772	479,300	2,789

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2018

	Interbank and money market items (Assets)	Loans	Accrued interest receivables	Derivative assets	Other assets	Deposits	Interbank and money market items (Liabilities)	Derivative liabilities	Other liabilities	Derivative (Notional amount)	Contingencies
Parent company											
MUFG Bank, Ltd.	27,680	-	-	3,528	385	-	195,260	1,354	3,365	375,245	2,737
Total	27,680	-	-	3,528	385	-	195,260	1,354	3,365	375,245	2,737
Joint ventures											
Tesco Card Services Limited	-	5,900	20	-	270	575	-	-	3	-	-
Tesco Life Assurance Broker Limited	-	-	-	-	4	157	-	-	-	-	-
Tesco General Insurance Broker Limited	-	-	-	-	9	594	-	-	5	-	-
Total	-	5,900	20	-	283	1,326	-	-	8	-	-
Less Allowance for doubtful accounts	-	(59)	-	-	-	-	-	-	-	-	-
Total	-	5,841	20	-	283	1,326	-	-	8	-	-
Related companies having joint major shareholders or directors	19	9,365	27	447	26	9,878	180	6	26	19,229	680
Less Allowance for doubtful accounts	-	(89)	-	-	-	-	-	-	-	-	-
Total	19	9,276	27	447	26	9,878	180	6	26	19,229	680
Individual and related parties	-	543	-	-	-	3,468	-	-	804	-	-
Less Allowance for doubtful accounts	-	(1)	-	-	-	-	-	-	-	-	-
Total	-	542	-	-	-	3,468	-	-	804	-	-
Total	27,699	15,659	47	3,975	694	14,672	195,440	1,360	4,203	394,474	3,417

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS

September 30, 2019

	Interbank and money market items (Assets)	Investment	Loans	Accrued interest receivables	Derivative assets	Other assets	Deposits	Interbank and money market items (Liabilities)	Derivative liabilities	Other liabilities	Derivative (Notional amount)	Contingencies
Parent company												
MUFG Bank, Ltd.	25,440	-	-	-	2,176	1,552	-	178,008	3,717	905	461,850	2,483
Total	25,440	-	-	-	2,176	1,552	-	178,008	3,717	905	461,850	2,483
Subsidiaries												
Ayudhya Development Leasing Company Limited	-	-	7,365	1	-	6	18	-	-	2	-	7
Ayudhya Capital Auto Lease Public Company Limited	-	-	10,131	24	-	746	742	-	-	232	-	-
Ayudhya Capital Services Company Limited	-	-	27,650	99	-	102	1,257	-	-	22	-	3
General Card Services Limited	-	-	9,083	20	-	20	460	-	-	2	-	-
Krungsriayudhya Card Company Limited	-	-	500	-	-	226	906	-	-	17	-	1
Siam Realty and Services Security Company Limited	-	-	460	-	-	1	62	-	-	67	-	-
Total Services Solutions Public Company Limited	-	-	-	-	-	1	1,539	-	-	14	-	-
Krungsri Asset Management Company Limited	-	-	-	-	-	82	-	5,023	-	101	-	-
Krungsri Ayudhya AMC Limited	-	-	-	-	-	1	1,961	-	-	41	-	35
Krungsri Securities Public Company Limited	-	-	-	-	-	3	3	2,242	-	10	-	-
Krungsri Nimble Company Limited (formerly Krungsri Factoring Company Limited)	-	-	-	-	-	-	186	-	-	-	-	-
Krungsri Life Assurance Broker Limited	-	-	-	-	-	-	654	-	-	-	-	-
Krungsri General Insurance Broker Limited	-	-	-	-	-	-	844	-	-	1	-	-

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS (CONTINUED)

September 30, 2019

	Interbank and money market items (Assets)	Investment	Loans	Accrued interest receivables	Derivative assets	Other Assets	Deposits	Interbank and money market items (Liabilities)	Derivative liabilities	Other liabilities	Derivative (Notional amount)	Contingencies
Subsidiaries (Continued)												
Krungsri Leasing Services Company Limited	-	-	5,971	2	-	1	326	-	-	1	-	-
Hattha Kaksekar Limited	-	-	349	11	28	2	-	-	-	-	2,022	-
Krungsri Finnovate Company Limited	-	-	-	-	-	4	244	-	-	-	-	-
Total	-	-	61,509	157	28	1,195	9,202	7,265	-	510	2,022	46
Less Allowance for doubtful accounts	-	-	(615)	-	-	-	-	-	-	-	-	-
Total	-	-	60,894	157	28	1,195	9,202	7,265	-	510	2,022	46
Joint ventures												
Ngern Tid Lor Company Limited	-	1,505	17,300	3	-	25	231	-	-	14	-	6
Tesco Lotus Money Services Limited (formerly Tesco Card Services Limited)	-	-	5,498	16	-	11	472	-	-	3	-	-
Tesco Life Assurance Broker Limited	-	-	-	-	-	-	167	-	-	-	-	-
Tesco General Insurance Broker Limited	-	-	-	-	-	-	555	-	-	-	-	-
Total	-	1,505	22,798	19	-	36	1,425	-	-	17	-	6
Less Allowance for doubtful accounts	-	-	(228)	-	-	-	-	-	-	-	-	-
Total	-	1,505	22,570	19	-	36	1,425	-	-	17	-	6
Related companies having joint major shareholders or directors	12	-	11,224	41	742	-	7,806	133	17	17	17,450	300
Less Allowance for doubtful accounts	-	-	(95)	-	-	-	-	-	-	-	-	-
Total	12	-	11,129	41	742	-	7,806	133	17	17	17,450	300
Individual and related parties	-	-	410	-	-	-	2,111	-	-	613	-	-
Total	25,452	1,505	95,003	217	2,946	2,783	20,544	185,406	3,734	2,062	481,322	2,835

Unit: Million Baht

	Interbank and money market items (Assets)	Loans	Accrued interest receivables	Derivative assets	Other assets	Deposits	Interbank and money market items (Liabilities)	Derivative liabilities	Other liabilities	Derivative (Notional amount)	Contingencies
	THE BANK'S FINANCIAL STATEMENTS										
	December 31, 2018										
Parent company											
MUFG Bank, Ltd.	27,680	-	-	3,528	385	-	195,260	1,354	3,365	375,245	2,737
Total	27,680	-	-	3,528	385	-	195,260	1,354	3,365	375,245	2,737
Subsidiaries											
Ayudhya Development Leasing Company Limited	-	6,623	3	-	3	13	-	-	2	-	236
Ayudhya Capital Auto Lease Public Company Limited	-	12,054	46	-	73	925	-	-	179	-	-
Ngern Tid Lor Company Limited	-	18,860	8	-	8	291	-	-	2	-	6
Ayudhya Capital Services Company Limited	-	26,841	90	-	109	1,323	-	-	25	-	3
General Card Services Limited	-	10,803	20	-	91	517	-	-	2	-	-
Krungsriayudhya Card Company Limited	-	2,079	4	-	716	1,495	-	-	17	-	1
Siam Realty and Services Security Company Limited	-	560	-	-	1	58	-	-	52	-	-
Total Services Solutions Public Company Limited	-	-	-	-	1	1,484	-	-	6	-	-
Krungsri Asset Management Company Limited	-	-	-	-	90	-	4,522	-	56	-	-
Krungsri Ayudhya AMC Limited	-	-	-	-	-	1,729	-	-	76	-	35
Krungsri Securities Public Company Limited	-	-	-	-	2	2	2,336	-	2	-	-
Krungsri Factoring Company Limited	-	-	-	-	-	190	-	-	-	-	-
Krungsri Life Assurance Broker Limited	-	-	-	-	-	735	-	-	-	-	-
Krungsri General Insurance Broker Limited	-	-	-	-	-	839	-	-	1	-	-

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS (CONTINUED)

December 31, 2018

	Interbank and money market items (Assets)	Loans	Accrued interest receivables	Derivative assets	Other Assets	Deposits	Interbank and money market items (Liabilities)	Derivative liabilities	Other liabilities	Derivative (Notional amount)	Contingencies
Subsidiaries (Continued)											
Krungsri Leasing Services Company Limited	-	5,377	4	-	2	122	-	-	-	-	-
Hattha Kaksekar Limited	-	464	5	4	3	-	-	4	-	2,767	-
Krungsri Finnovate Company Limited	-	-	-	-	2	401	-	-	-	-	-
Total	-	83,661	180	4	1,101	10,124	6,858	4	420	2,767	281
Less Allowance for doubtful accounts	-	(837)	-	-	-	-	-	-	-	-	-
Total	-	82,824	180	4	1,101	10,124	6,858	4	420	2,767	281
Joint ventures											
Tesco Card Services Limited	-	5,900	20	-	40	575	-	-	3	-	-
Tesco Life Assurance Broker Limited	-	-	-	-	-	157	-	-	-	-	-
Tesco General Insurance Broker Limited	-	-	-	-	-	594	-	-	-	-	-
Total	-	5,900	20	-	40	1,326	-	-	3	-	-
Less Allowance for doubtful accounts	-	(59)	-	-	-	-	-	-	-	-	-
Total	-	5,841	20	-	40	1,326	-	-	3	-	-
Related companies having joint major shareholders or directors	19	9,366	27	447	-	9,878	180	6	24	19,229	680
Less Allowance for doubtful accounts	-	(89)	-	-	-	-	-	-	-	-	-
Total	19	9,277	27	447	-	9,878	180	6	24	19,229	680
Individual and related parties	-	447	-	-	-	3,366	-	-	551	-	-
Total	27,699	98,389	227	3,979	1,526	24,694	202,298	1,364	4,363	397,241	3,698

As at September 30, 2019 and December 31, 2018, the Bank charges interest rates to related parties at 1.00% - 25.94% p.a. and 0.95% - 23.82% p.a., respectively.

As at September 30, 2019 and December 31, 2018, the allowance for doubtful accounts of loans granted to subsidiaries of Baht 615 million and Baht 837 million, respectively, are not eliminated but treated as surplus reserve in the consolidated financial statements.

7.13.2 The Bank has investments in subsidiaries and joint ventures as disclosed in Note 7.3 and has investments in related companies as at September 30, 2019 and December 31, 2018 are as follows:

Unit: Million Baht

				CONSOLIDATED AND THE BANK'S FINANCIAL STATEMENTS			
				September 30, 2019		December 31, 2018	
	Business Type	Registered Share Capital	Ownership (%)	Investment Cost	Dividend Amount	Investment Cost	Dividend Amount
Related company							
Allianz Ayudhya Capital Public Company Limited (Formerly Sri Ayudhya Capital Public Company Limited)	Investment holding company	385	3.15	186	9	326	16
Less Allowance for impairment				(3)	-	(5)	-
Investment in related company, net				183	9	321	16

7.13.3 Income and expenses between the Bank and its subsidiaries, joint ventures and related companies for the three-month and nine-month periods ended September 30, 2019 and 2018 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS							
	For the three-month period ended September 30, 2019				For the three-month period ended September 30, 2018			
	Income		Expenses		Income		Expenses	
	Interest income	Non-interest income	Interest expenses	Non- interest expenses	Interest income	Non-interest income	Interest expenses	Non-interest expenses
Parent company								
MUFG Bank, Ltd.	1	(197)	1,104	123	-	1,143	1,147	119
Total	1	(197)	1,104	123	-	1,143	1,147	119
Joint ventures								
Ngern Tid Lor Company Limited	152	30	-	3	-	-	-	-
Tesco Lotus Money Services Limited (formerly Tesco Card Services Limited)	34	132	-	(1)	46	126	-	(10)
Tesco Life Assurance Broker Limited	-	2	1	-	-	2	-	-
Tesco General Insurance Broker Limited	-	6	1	-	-	7	1	-
Total	186	170	2	2	46	135	1	(10)
Related companies having joint major shareholders or directors	67	72	18	26	57	107	17	77
Total	67	72	18	26	57	107	17	77
Individual and related parties	5	2	5	5	5	2	7	1
Total	259	47	1,129	156	108	1,387	1,172	187

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS							
	For the nine-month period ended September 30, 2019				For the nine-month period ended September 30, 2018			
	Income		Expenses		Income		Expenses	
	Interest income	Non-interest income	Interest expenses	Non- interest expenses	Interest income	Non-interest income	Interest expenses	Non-interest expenses
Parent company								
MUFG Bank, Ltd.	-	(3,464)	3,529	360	7	3,476	3,222	359
Total	-	(3,464)	3,529	360	7	3,476	3,222	359
Joint ventures								
Ngern Tid Lor Company Limited	390	60	-	5	-	-	-	-
Tesco Lotus Money Services Limited (formerly Tesco Card Services Limited)	108	386	-	(6)	155	373	-	(4)
Tesco Life Assurance Broker Limited	-	5	1	-	-	5	1	-
Tesco General Insurance Broker Limited	-	18	3	-	-	18	3	-
Total	498	469	4	(1)	155	396	4	(4)
Related companies having joint major shareholders or directors	186	368	55	134	162	32	48	217
Total	186	368	55	134	162	32	48	217
Individual and related parties	15	4	18	15	13	5	21	3
Total	699	(2,623)	3,606	508	337	3,909	3,295	575

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS

	For the three-month period ended September 30, 2019				For the three-month period ended September 30, 2018			
	Income		Expenses		Income		Expenses	
	Interest income	Non-interest income	Interest expenses	Non- interest expenses	Interest income	Non-interest income	Interest expenses	Non-interest expenses
Parent company								
MUFG Bank, Ltd.	1	(197)	1,104	123	-	1,143	1,147	119
Total	1	(197)	1,104	123	-	1,143	1,147	119
Subsidiaries								
Ayudhya Development Leasing Company Limited	61	5	-	(2)	58	6	-	(9)
Ayudhya Capital Auto Lease Public Company Limited	71	417	2	211	129	92	3	151
Ngern Tid Lor Company Limited	-	-	-	-	90	9	-	(2)
Ayudhya Capital Services Company Limited	189	91	-	(18)	175	81	-	(87)
General Card Services Limited	61	9	-	-	54	12	-	(6)
Krungsriayudhya Card Company Limited	17	43	1	50	19	59	1	34
Siam Realty and Services Security Company Limited	3	2	-	130	3	2	-	129
Total Services Solutions Public Company Limited	-	-	5	11	-	1	5	12
Krungsri Asset Management Company Limited	-	231	19	4	-	249	17	3
Krungsri Ayudhya AMC Limited	-	2	1	-	-	1	-	(4)
Krungsri Securities Public Company Limited	-	6	7	1	-	5	6	(1)
Krungsri Nimble Company Limited (formerly Krungsri Factoring Company Limited)	-	-	-	-	-	-	-	(1)
Krungsri Life Assurance Broker Limited	-	-	1	-	-	-	1	-
Krungsri General Insurance Broker Limited	-	-	1	-	-	-	1	-
Krungsri Leasing Services Company Limited	90	-	1	-	75	-	-	-
Hattha Kaksekar Limited	7	4	-	-	13	(3)	-	-
Krungsri Finnovate Company Limited	-	5	-	-	-	2	-	-
Total	499	815	38	387	616	516	34	219
Joint ventures								
Ngern Tid Lor Company Limited	152	13	-	3	-	-	-	-
Tesco Lotus Money Services Limited (formerly Tesco Card Services Limited)	34	9	1	(1)	46	8	-	(10)
Tesco General Insurance Broker Limited	-	4	1	-	-	4	1	-
Total	186	26	2	2	46	12	1	(10)
Related companies having joint major shareholders or directors	67	76	18	10	57	106	17	59
Total	67	76	18	10	57	106	17	59
Individual and related parties	4	2	3	-	4	2	5	-
Total	757	722	1,165	522	723	1,779	1,204	387

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS							
	For the nine -month period ended September 30, 2019				For the nine -month period ended September 30, 2018			
	Income		Expenses		Income		Expenses	
	Interest income	Non-interest income	Interest expenses	Non- interest expenses	Interest income	Non-interest income	Interest expenses	Non-interest expenses
Parent company								
MUFG Bank, Ltd.	-	(3,464)	3,529	360	7	3,476	3,222	359
Total	-	(3,464)	3,529	360	7	3,476	3,222	359
Subsidiaries								
Ayudhya Development Leasing Company Limited	174	14	-	(6)	173	14	-	(5)
Ayudhya Capital Auto Lease Public Company Limited	226	891	4	624	461	290	9	532
Ngern Tid Lor Company Limited	104	10	-	-	161	23	-	-
Ayudhya Capital Services Company Limited	542	254	1	(52)	516	238	1	(42)
General Card Services Limited	195	26	-	(1)	168	35	-	-
Krungsriayudhya Card Company Limited	44	127	6	140	152	175	1	132
Siam Realty and Services Security Company Limited	10	6	-	426	9	4	-	392
Total Services Solutions Public Company Limited	-	1	16	35	-	1	14	38
Krungsri Asset Management Company Limited	-	695	57	12	-	825	48	11
Krungsri Ayudhya AMC Limited	-	4	2	(3)	-	3	1	(2)
Krungsri Securities Public Company Limited	-	17	20	4	-	15	18	3
Krungsri Nimble Company Limited (formerly Krungsri Factoring Company Limited)	-	1	-	-	-	1	-	(1)
Krungsri Life Assurance Broker Limited	-	1	3	-	-	1	3	-
Krungsri General Insurance Broker Limited	-	1	4	-	-	1	4	-
Krungsri Leasing Services Company Limited	254	-	1	-	200	-	-	-
Hattha Kaksekar Limited	25	36	-	-	43	(2)	-	-
Krungsri Finnovate Company Limited	-	14	-	-	-	6	-	-
Total	1,574	2,098	114	1,179	1,883	1,630	99	1,058
Joint ventures								
Ngern Tid Lor Company Limited	390	19	-	5	-	-	-	-
Tesco Lotus Money Services Limited (formerly Tesco Card Services Limited)	108	25	-	(6)	155	25	-	(4)
Tesco Life Assurance Broker Limited	-	1	1	-	-	-	1	-
Tesco General Insurance Broker Limited	-	10	3	-	-	10	3	-
Total	498	55	4	(1)	155	35	4	(4)
Related companies having joint major shareholders or directors	186	362	55	78	162	27	49	161
Total	186	362	55	78	162	27	49	161
Individual and related parties	13	4	12	-	12	5	14	-
Total	2,271	(945)	3,714	1,616	2,219	5,173	3,388	1,574

7.13.4 For the three-month and nine-month periods ended September 30, 2019 and 2018, compensations paid to key management personnel under TAS 24 (Revised 2018) "Related Party Disclosures" are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS For the three-month periods ended September 30,		THE BANK'S FINANCIAL STATEMENTS For the three-month periods ended September 30,	
	2019	**2018**	**2019**	**2018**
Short-term employee benefits	507	476	322	295
Post-employment benefits	17	15	12	10
Total	524	491	334	305

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS For the nine-month periods ended September 30,		THE BANK'S FINANCIAL STATEMENTS For the nine-month periods ended September 30,	
	2019	**2018**	**2019**	**2018**
Short-term employee benefits	1,632	1,458	1,025	878
Post-employment benefits	51	44	35	29
Other long-term benefits	1	1	1	1
Total	1,684	1,503	1,061	908

7.13.5 For the nine-month periods ended September 30, 2019 and 2018, related party transactions among subsidiaries included collection services and other services of Baht 711 million and Baht 717 million, respectively, and office and vehicle rental and other services of Baht 31 million and Baht 59 million, respectively.

7.13.6 For the nine-month periods ended September 30, 2019 and 2018, subsidiaries had related party transactions from the licenses relevant to technology and software of Baht 6 million and Baht 38 million, respectively.

7.13.7 For the nine-month periods ended September 30, 2019 and 2018, related party transactions among subsidiaries from other services were Baht 1,188 million and Baht 1,099 million, respectively.

7.14 Management compensation

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

The Bank and its subsidiaries did not sell, give or lease any properties to directors, executive officers, or their related parties, or did not purchase or lease any assets from those persons, except, for the nine-month periods ended September 30, 2019 and 2018, the subsidiary had sold assets to managements in the amount of Baht 5 million and 8 million with the book value of Baht 4 million and Baht 6 million, respectively.

7.15 Operating segments

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

The business segments are described below:

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

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

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

During the three-month and nine-month periods ended September 30, 2019 and 2018, 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 and nine-month periods ended September 30, 2019 and 2018 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS			
	For the three-month period ended September 30, 2019			
	Retail	**Commercial**	**Others**	**Total**
Interest income, net	13,930	5,177	14	19,121
Other operating income	7,624	1,885	(414)	9,095
Total operating income	21,554	7,062	(400)	28,216
Operating expenses	9,280	3,085	616	12,981
Impairment loss on loans and debt securities	5,425	155	1,361	6,941
Profit (loss) before tax	6,849	3,822	(2,377)	8,294
Taxation	1,308	709	(393)	1,624
Net profit (loss)	5,541	3,113	(1,984)	6,670

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS			
	For the three-month period ended September 30, 2018			
	Retail	**Commercial**	**Others**	**Total**
Interest income, net	13,696	5,371	16	19,083
Other operating income	6,623	1,895	(308)	8,210
Total operating income	20,319	7,266	(292)	27,293
Operating expenses	9,485	2,953	450	12,888
Impairment loss on loans and debt securities	4,995	393	915	6,303
Profit (loss) before tax	5,839	3,920	(1,657)	8,102
Taxation	1,164	730	(111)	1,783
Net profit (loss)	4,675	3,190	(1,546)	6,319

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS			
	For the nine-month period ended September 30, 2019			
	Retail	**Commercial**	**Others**	**Total**
Interest income, net	41,468	15,796	31	57,295
Other operating income	22,636	5,752	7,319	35,707
Total operating income	64,104	21,548	7,350	93,002
Operating expenses	27,822	9,207	2,633	39,662
Impairment loss of loans and debt securities	15,665	1,977	2,374	20,016
Profit before tax	20,617	10,364	2,343	33,324
Taxation	3,972	1,954	796	6,722
Net profit	16,645	8,410	1,547	26,602

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS			
	For the nine-month period ended September 30, 2018			
	Retail	**Commercial**	**Others**	**Total**
Interest income, net	39,533	16,029	32	55,594
Other operating income	20,202	6,229	(929)	25,502
Total operating income	59,735	22,258	(897)	81,096
Operating expenses	27,874	8,770	1,221	37,865
Impairment loss of loans and debt securities	14,238	1,002	4,150	19,390
Profit (loss) before tax	17,623	12,486	(6,268)	23,841
Taxation	3,505	2,324	(979)	4,850
Net profit (loss)	14,118	10,162	(5,289)	18,991

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS			
	Retail	**Commercial**	**Others**	**Total**
Total assets				
As at September 30, 2019	950,037	1,446,612	(127,461)	2,269,188
As at December 31, 2018	936,252	1,397,667	(160,297)	2,173,622

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

(1) Position classified by type of business

Position classified by domestic and foreign business as at September 30, 2019 and December 31, 2018 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS September 30, 2019			
	Domestic	**Foreign**	**Elimination**	**Total**
Total assets	2,227,580	50,950	(9,342)	2,269,188
Interbank and money market items, net (Assets)	266,361	8,804	-	275,165
Investments, net*	127,312	1	-	127,313
Loans to customers and accrued interest receivable, net	1,680,165	36,696	-	1,716,861
Deposits	1,474,110	20,937	-	1,495,047
Interbank and money market items, net (Liabilities)	231,597	11,546	-	243,143
Debt issued and borrowings	159,214	5,028	-	164,242

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS December 31, 2018			
	Domestic	**Foreign**	**Elimination**	**Total**
Total assets	2,146,407	46,304	(19,089)	2,173,622
Interbank and money market items, net (Assets)	237,901	7,652	-	245,553
Investments, net*	137,368	1	-	137,369
Loans to customers and accrued interest receivable, net	1,583,687	31,297	-	1,614,984
Deposits	1,408,643	17,705	-	1,426,348
Interbank and money market items, net (Liabilities)	237,017	7,080	-	244,097
Debt issued and borrowings	149,389	6,261	-	155,650

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS September 30, 2019			
	Domestic	**Foreign**	**Elimination**	**Total**
Total assets	2,145,088	7,081	(2,679)	2,149,490
Interbank and money market items, net (Assets)	265,235	3,361	-	268,596
Investments, net*	173,346	-	-	173,346
Loans to customers and accrued interest receivable, net	1,580,877	2,175	-	1,583,052
Deposits	1,483,312	3,085	-	1,486,397
Interbank and money market items, net (Liabilities)	239,833	1,267	-	241,100
Debt issued and borrowings	130,864	-	-	130,864

				Unit: Million Baht
	THE BANK'S FINANCIAL STATEMENTS			
	December 31, 2018			
	Domestic	Foreign	Elimination	Total
Total assets	2,047,725	7,577	(5,400)	2,049,902
Interbank and money market items, net (Assets)	235,613	3,649	-	239,262
Investments, net*	192,694	-	-	192,694
Loans to customers and accrued interest receivable, net	1,504,068	1,037	-	1,505,105
Deposits	1,418,767	2,126	-	1,420,893
Interbank and money market items, net (Liabilities)	246,252	2	-	246,254
Debt issued and borrowings	115,988	-	-	115,988

*Includes investments in subsidiaries and joint ventures, net

(2) Results of operations classified by business

Results of operations classified by domestic and foreign business for the three-month and nine-month periods ended September 30, 2019 and 2018 are as follows:

				Unit: Million Baht
	CONSOLIDATED FINANCIAL STATEMENTS			
	For the three-month period ended September 30, 2019			
	Domestic	Foreign	Elimination	Total
Interest income	26,531	1,342	(98)	27,775
Interest expenses	8,185	567	(98)	8,654
Net interest income	18,346	775	-	19,121
Fees and service income, net	5,228	46	-	5,274
Other operating income	4,981	(4)	(1,156)	3,821
Other operating expenses	20,564	514	(1,156)	19,922
Profit from operating before tax	7,991	303	-	8,294

				Unit: Million Baht
	CONSOLIDATED FINANCIAL STATEMENTS			
	For the three-month period ended September 30, 2018			
	Domestic	Foreign	Elimination	Total
Interest income	26,105	1,134	(88)	27,151
Interest expenses	7,693	465	(90)	8,068
Net interest income	18,412	669	2	19,083
Fees and service income, net	5,082	41	-	5,123
Other operating income	4,773	25	(1,711)	3,087
Other operating expenses	20,450	452	(1,711)	19,191
Profit from operating before tax	7,817	283	2	8,102

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS For the nine-month period ended September 30, 2019			
	Domestic	**Foreign**	**Elimination**	**Total**
Interest income	79,129	3,861	(281)	82,709
Interest expenses	24,097	1,598	(281)	25,414
Net interest income	55,032	2,263	-	57,295
Fees and service income, net	15,857	124	-	15,981
Other operating income	23,061	35	(3,370)	19,726
Other operating expenses	61,564	1,484	(3,370)	59,678
Profit from operating before tax	32,386	938	-	33,324

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS For the nine-month period ended September 30, 2018			
	Domestic	**Foreign**	**Elimination**	**Total**
Interest income	76,088	3,196	(243)	79,041
Interest expenses	22,430	1,270	(253)	23,447
Net interest income	53,658	1,926	10	55,594
Fees and service income, net	15,547	82	-	15,629
Other operating income	16,046	35	(6,208)	9,873
Other operating expenses	62,174	1,280	(6,199)	57,255
Profit from operating before tax	23,077	763	1	23,841

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS For the three-month period ended September 30, 2019			
	Domestic	**Foreign**	**Elimination**	**Total**
Interest income	20,562	25	-	20,587
Interest expenses	8,057	14	-	8,071
Net interest income	12,505	11	-	12,516
Fees and service income, net	2,371	5	-	2,376
Other operating income	4,325	10	(1,156)	3,179
Other operating expenses	14,498	28	(1,156)	13,370
Profit (loss) from operating before tax	4,703	(2)	-	4,701

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS For the three-month period ended September 30, 2018			
	Domestic	**Foreign**	**Elimination**	**Total**
Interest income	18,889	17	-	18,906
Interest expenses	7,503	3	-	7,506
Net interest income	11,386	14	-	11,400
Fees and service income, net	2,393	7	-	2,400
Other operating income	4,883	6	(1,711)	3,178
Other operating expenses	13,545	14	(1,711)	11,848
Profit from operating before tax	5,117	13	-	5,130

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS For the nine-month period ended September 30, 2019			
	Domestic	**Foreign**	**Elimination**	**Total**
Interest income	60,528	55	-	60,583
Interest expenses	23,658	20	-	23,678
Net interest income	36,870	35	-	36,905
Fees and service income, net	7,150	13	-	7,163
Other operating income	18,516	27	(3,370)	15,173
Other operating expenses	43,297	65	(3,370)	39,992
Profit from operating before tax	19,239	10	-	19,249

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS For the nine-month period ended September 30, 2018			
	Domestic	**Foreign**	**Elimination**	**Total**
Interest income	54,925	47	-	54,972
Interest expenses	21,895	8	-	21,903
Net interest income	33,030	39	-	33,069
Fees and service income, net	7,488	17	-	7,505
Other operating income	18,621	13	(6,210)	12,424
Other operating expenses	42,266	52	(6,210)	36,108
Profit from operating before tax	16,873	17	-	16,890

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

7.17 Interest income

Interest income for the three-month and nine-month periods ended September 30, 2019 and 2018 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS For the three-month periods ended September 30,		THE BANK'S FINANCIAL STATEMENTS For the three-month periods ended September 30,	
	2019	**2018**	**2019**	**2018**
Interbank and money market items	1,187	1,422	1,185	1,419
Investment and trading transactions	24	4	24	4
Investment in debt securities	584	502	584	502
Loans to customers	18,121	17,656	12,710	11,856
Hire purchase and finance lease	7,829	7,567	6,054	5,125
Other	30	-	30	-
Total interest income	27,775	27,151	20,587	18,906

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS For the nine-month periods ended September 30,		THE BANK'S FINANCIAL STATEMENTS For the nine-month periods ended September 30,	
	2019	2018	2019	2018
Interbank and money market items	3,623	4,734	3,614	4,727
Investment and trading transactions	65	22	65	22
Investment in debt securities	1,776	1,269	1,780	1,269
Loans to customers	54,186	50,957	37,740	34,505
Hire purchase and finance lease	22,994	22,059	17,319	14,449
Other	65	-	65	-
Total interest income	82,709	79,041	60,583	54,972

7.18 Interest expenses

Interest expenses for the three-month and nine-month periods ended September 30, 2019 and 2018 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS For the three-month periods ended September 30,		THE BANK'S FINANCIAL STATEMENTS For the three-month periods ended September 30,	
	2019	2018	2019	2018
Deposits	4,726	3,806	4,452	3,587
Interbank and money market items	973	1,419	897	1,401
Contributions to Financial Institution Development Fund and Deposit Protection Agency	1,776	1,683	1,776	1,683
Debt issued and borrowings				
- Subordinated debenture	575	405	564	384
- Other	584	744	375	450
Borrowing fee expense	11	7	-	-
Other	9	4	7	1
Total interest expenses	8,654	8,068	8,071	7,506

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS For the nine-month periods ended September 30,		THE BANK'S FINANCIAL STATEMENTS For the nine-month periods ended September 30,	
	2019	2018	2019	2018
Deposits	13,620	11,036	12,831	10,453
Interbank and money market items	3,167	4,062	3,018	4,048
Contributions to Financial Institution Development Fund and Deposit Protection Agency	5,308	5,014	5,308	5,014
Debt issued and borrowings				
- Subordinated debenture	1,394	1,201	1,352	1,139
- Other	1,839	2,096	1,125	1,245
Borrowing fee expense	36	25	4	1
Other	50	13	40	3
Total interest expenses	25,414	23,447	23,678	21,903

7.19 Approval of interim financial statements

These interim financial statements have been approved for issuing by the Executive Committee on November 12, 2019.