



krungsri  
กรุงศรี

# Make Life Simple

ANNUAL REPORT 2011



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## Message from the Chairman & the President and Chief Executive Officer

During the devastating floods that struck Thailand in the latter part of 2011, approximately 13 million people and 63 provinces were affected by what proved to be the worst floods in 60 years. Production, consumption, investment and exports all contracted sharply in Q4, causing Thailand's 2011 growth to slump to just 0.1%.

However, the country demonstrated its traditional resilience and is now on the road to recovery. Krungsri is honored that we could play a small part in alleviating the nation's social distress. The Krungsri team acted with commitment, compassion and efficiency, and it is now our strong intention to ensure that our customers return to their regular lives as quickly as possible.

The Bank offered a range of flood relief options, including principal and interest grace periods, lower installments, reconstruction financing and tenor extensions. We also waived certain fees for our customers. Affected employees received immediate financial assistance as well as interest-free loans where appropriate.

While the floods did have a one-off effect on our 2011 performance, overall the Bank's growth was encouraging and shows we are on the right track.

For 2011, Krungsri posted THB 12.4 billion in Core Operating Performance (net profits before deducting extraordinary one-off factors), which was a record achievement for the Bank. We also continued to build a strong platform by improving our fundamentals. This included a reduction in Non-performing Loans (NPL) from THB 38.1 billion in 2010 to THB 29.5 billion in 2011, while at the same time increasing the Bank's Coverage to 106%.

Loans grew strongly at 11% for 2011, and grew by 3.2% in Q4 despite the floods. Net Interest Margin remained strong at 4.5%. NPL dropped by 23% to just 3.7% compared to 5.5% a year earlier.

The Bank's expected NPL impact, related to the floods in Q4, accounted for an increase of less than 0.5%. However, to sustain our commitment to prudence, Krungsri set aside an "environmental reserve".

In 2011, Krungsri triumphantly rose to the added challenge of launching an innovative brand image, based upon an inspiration to "Make Life Simple". The result is a fresher look that reflects our visionary approach.

Krungsri was honored with key industry awards in 2011. These included an upgraded standalone Bank Financial Strength Rating (BFSR) from Moody's in October 2011, citing our improved financial fundamentals, strong leadership and good corporate governance. The Stock Exchange of Thailand awarded us its "2011 Top Corporate Governance Report" award.

The Bank's subsidiaries also received key awards. Krungsri Auto was named one of Thailand's Superbrands for 2011, evidence that we continue to stay a step ahead of our competitors. CFG Services Co., Ltd, owner of Krungsri's "Srisawad Ngern Tid Lor" (Money on Wheels) brand, received two prestigious Bronze Cannes Film Lions awards for its "Speed" television commercials.



The Government announced it would cut the tax rate for corporations from 30% to 23% in 2012 and 20% in 2013 onwards, which will have a positive impact on performance going forward. Krungsri adopted deferred tax accounting in financial statements from December 31, 2009, in line with international best practice. The change in tax rate means the deferred tax revaluation was charged as an extraordinary item in Q4 2011, in line with our commitment to prudence. This will not have any significant effect on the Bank's capital ratios.

Finally, we wish to thank our Krungsri team members, many of who were affected personally by the floods, for putting their own problems aside to focus on our customers. The signs are positive for Krungsri as we move ahead in 2012. We also look forward to further opportunities to "Make Life Simple" for all of our valued stakeholders with streamlined banking and innovative thinking.

**Veraphan Teepsuwan**  
Chairman

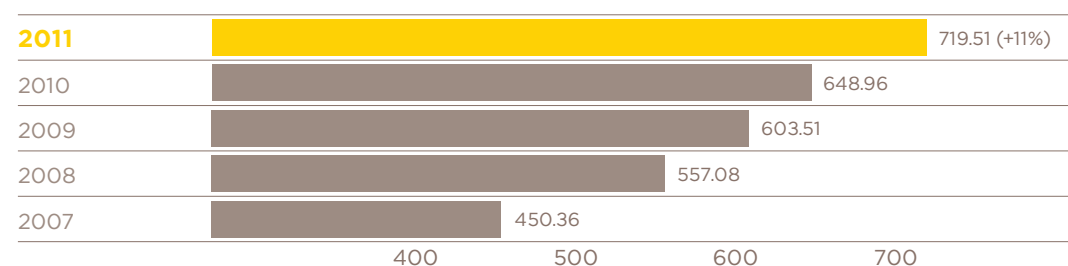
**Mark Arnold**  
President and Chief Executive Officer

# Financial Highlights

(Consolidated)

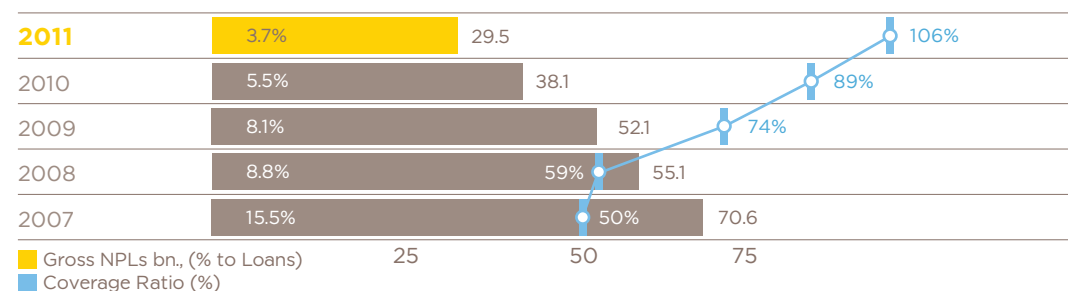
## LOANS

(Billion Baht)



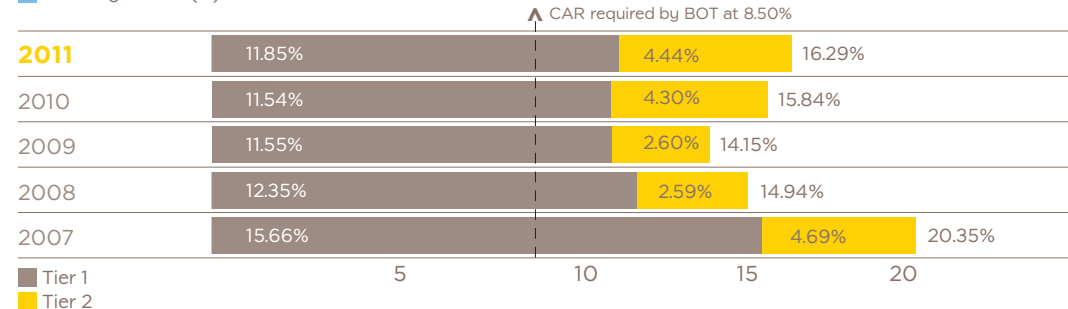
## NPLs & COVERAGE RATIO

(Billion Baht)



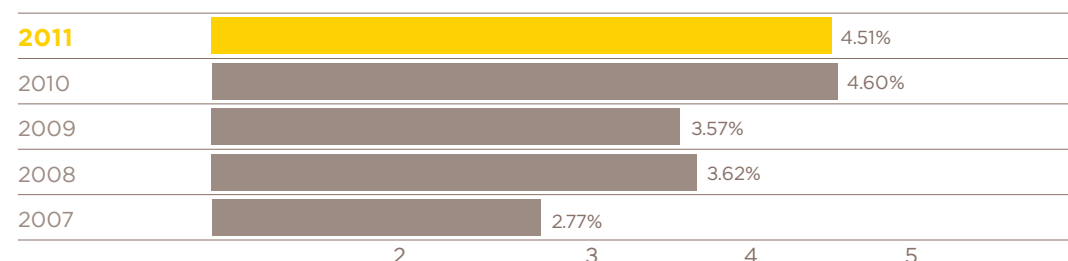
## STRONG CAPITAL BASE

(Percent)



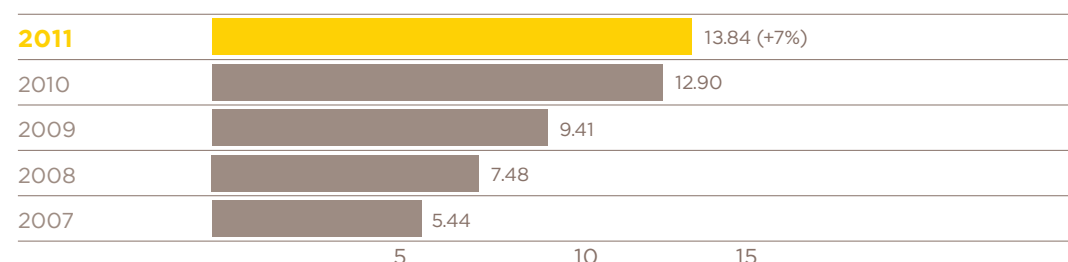
## NET INTEREST MARGIN (NIM)

(Percent)



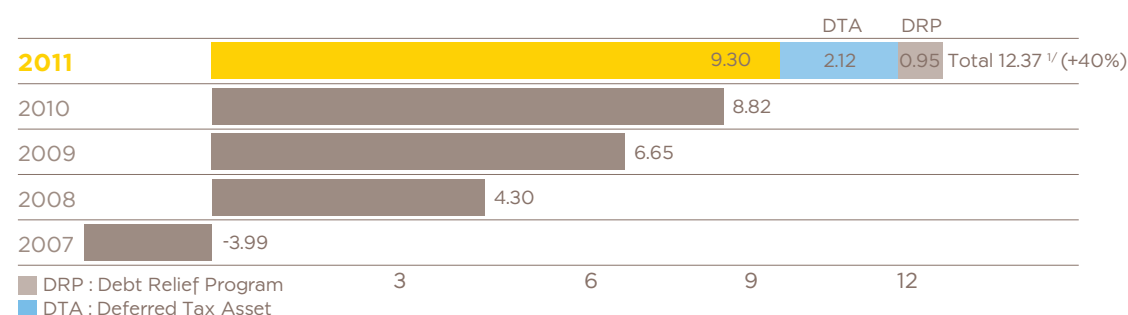
## FEES & SERVICE INCOME

(Billion Baht)



## NET PROFIT

(Billion Baht)



<sup>1/</sup> Excluding one-time impacts from floods and Deferred Tax Asset revaluation in Q4 2011

# Consolidated Financial Statements

2011 2010 2009 2008 2007  
(Restated)

## Balance Sheet Information (Million Baht)

|                                 |         |         |         |         |         |
|---------------------------------|---------|---------|---------|---------|---------|
| Assets                          | 947,797 | 869,834 | 780,132 | 747,885 | 652,376 |
| Loans to customers              | 719,507 | 648,960 | 603,508 | 557,077 | 450,356 |
| Allowance for doubtful accounts | 31,279  | 33,953  | 38,600  | 32,308  | 35,219  |
| Net NPLs                        | 18,763  | 23,832  | 32,370  | 32,954  | 43,627  |
| Gross NPLs                      | 29,536  | 38,149  | 52,080  | 55,137  | 70,633  |
| Liabilities                     | 845,102 | 770,730 | 687,547 | 661,570 | 574,309 |
| Deposits                        | 560,540 | 576,479 | 520,515 | 537,354 | 499,627 |
| Shareholders' equity            | 102,696 | 99,104  | 92,585  | 86,314  | 78,067  |

## Operating Performance (Million Baht) <sup>5/</sup>

|                                              |        |        |        |        |         |
|----------------------------------------------|--------|--------|--------|--------|---------|
| Interest income                              | 56,428 | 47,275 | 38,183 | 40,043 | 34,550  |
| Interest expenses                            | 18,963 | 12,647 | 13,138 | 16,657 | 17,652  |
| Interest income, net                         | 37,465 | 34,628 | 25,045 | 23,386 | 16,898  |
| Fees and service income, net                 | 10,787 | 10,080 | 7,193  | 5,978  | 4,343   |
| Non-interest and non-fee income              | 7,052  | 6,819  | 4,775  | 691    | 2,436   |
| Other operating expenses                     | 27,477 | 26,796 | 18,636 | 16,767 | 15,172  |
| Impairment loss of loans and debt securities | 12,214 | 12,391 | 10,216 | 7,790  | 12,365  |
| Net profit (loss) <sup>1/</sup>              | 9,264  | 8,793  | 6,659  | 4,299  | (3,992) |

## Financial Ratios

|                                                              |        |        |        |        |        |        |
|--------------------------------------------------------------|--------|--------|--------|--------|--------|--------|
| Return on average assets                                     | (%)    | 1.02   | 1.07   | 0.87   | 0.61   | (0.61) |
| Return on average equity                                     | (%)    | 9.18   | 9.17   | 7.44   | 5.23   | (6.38) |
| Net profit (loss) per share                                  | (Baht) | 1.53   | 1.45   | 1.10   | 0.73   | (0.76) |
| Cost / Income ratio <sup>5/</sup>                            | (%)    | 49.68  | 52.00  | 50.35  | 55.79  | 64.08  |
| Capital adequacy ratio <sup>2/</sup>                         | (%)    | 16.29  | 15.84  | 14.15  | 14.94  | 20.35  |
| Tier 1 capital to risk assets ratio <sup>2/</sup>            | (%)    | 11.85  | 11.54  | 11.55  | 12.35  | 15.66  |
| Book value per share                                         | (Baht) | 16.91  | 16.32  | 15.24  | 14.21  | 13.55  |
| Loans to deposit ratio                                       | (%)    | 128.36 | 112.57 | 115.94 | 103.67 | 90.14  |
| Loans to deposit plus debentures and bills of exchange ratio | (%)    | 96.89  | 98.98  | 99.78  | 92.58  | 86.35  |
| Net NPLs / loan <sup>3/</sup>                                | (%)    | 2.41   | 3.48   | 5.18   | 5.45   | 10.20  |
| Gross NPLs / loan <sup>4/</sup>                              | (%)    | 3.74   | 5.45   | 8.08   | 8.80   | 15.53  |
| Coverage Ratio                                               | (%)    | 106.20 | 89.09  | 74.12  | 58.69  | 49.92  |

<sup>1/</sup> Attributable to equity holders of the Bank

<sup>2/</sup> Bank only (BASEL II)

<sup>3/</sup> Represents percentage of net NPLs divided by loans including money market loans less NPL reserves

<sup>4/</sup> Represents percentage of gross NPLs divided by loans including money market loans

<sup>5/</sup> Presents the reclassification in compliance with new financial statement format of the Bank of Thailand's announcement no. SNS. 11/2010



## Prudent growth, pure and simple

Pruning away unnecessary complications lies at the core of our "Make Life Simple" philosophy, designed to ensure that banking with Krungsri is a seamless, easy and enjoyable experience.

# Make Life Simple



Sometimes it's the small things in life that count the most; an act of kindness, a helping hand, a friendly smile. Knowing that life's simple pleasures are often the most rewarding, while remembering not to sweat the small stuff. It's stopping to smell the flowers once in a while, listening as well as talking and understanding the value of face time in a wired world.

Krungsri carries this passion for simplicity of thought and action into every facet of our business, resulting in a new streamlined approach.

In a world that spins at the speed of thought, wouldn't it be nice if sometimes things could become less complicated?

**Simple** is...  
the buzz of perfect teamwork





## Be a part of the group that's always a hive of activity

Krungsri is proud to introduce the contemporary new identity of one of Thailand's most trusted and enduring brands. To reflect the Bank's streamlined philosophy, we are in the process of giving our branches a fresh new face. More importantly, as part of our Team Engagement, one of the four key pillars of our "Make Life Simple" revolution, we are empowering our people with the tools to provide simple, efficient and effective solutions to our customers.

**Simple** is...  
the right tool for the job



## Transforming technology for simplicity and safety

Krungsri's new "Make Life Simple" positioning flows through to every facet of our operations. Our technology upgrades ensure touchpoint ease and intuitive convenience at every customer interface without compromising safety and security. Customers can now open a bank account in as little as 10 minutes, thanks to our innovations. We introduced more and newer ATM machines. And SIM banking has never been safer or easier than with Krungsri. Extensive hardware and software upgrades position us at banking's leading edge, while we recruited world-class specialists to keep your data safe.



**Simple is...**  
more than skin deep





## Enter the bank that's designed around your life

One of the most noticeable ways we "Make Life Simple" is at our Krungsri branches. While the bold design may turn heads, this is no mere facelift. Our renovated branches have been rethought top to bottom to create better, simpler and friendlier environments for our customers and to bolster brand awareness at every touch point. And when it comes to service, we believe in making life simple with smarts, speed and a welcoming smile.

An aerial photograph of a multi-lane road. A white car is positioned in the center lane, slightly angled. To its left, a black car is in the adjacent lane. Further left, another black car is visible. The road has yellow dashed lines for lane separation and a solid yellow line on the right edge. The text "EXPRESS LANE" is overlaid in large, bold, yellow capital letters.

# EXPRESS LANE

**Simple** is...  
the way forward

## Join the group that is creating the future

When he launched the "Make Life Simple" campaign in Bangkok on July 20, 2011, the Bank's President and CEO Mark Arnold also set out a bold challenge: to become Thai customers' number one preferred bank. As we undertook a period of self-evaluation and soul-searching as a brand, Mr. Arnold said, it became clear that the company's brands had to be streamlined. Thus, going forward, the Bank and its many products and services are unified under the strong, simple, instantly recognizable and proudly Thai name "Krungsri".

krungsri  
กรุงศรี





(As of December 31, 2011)

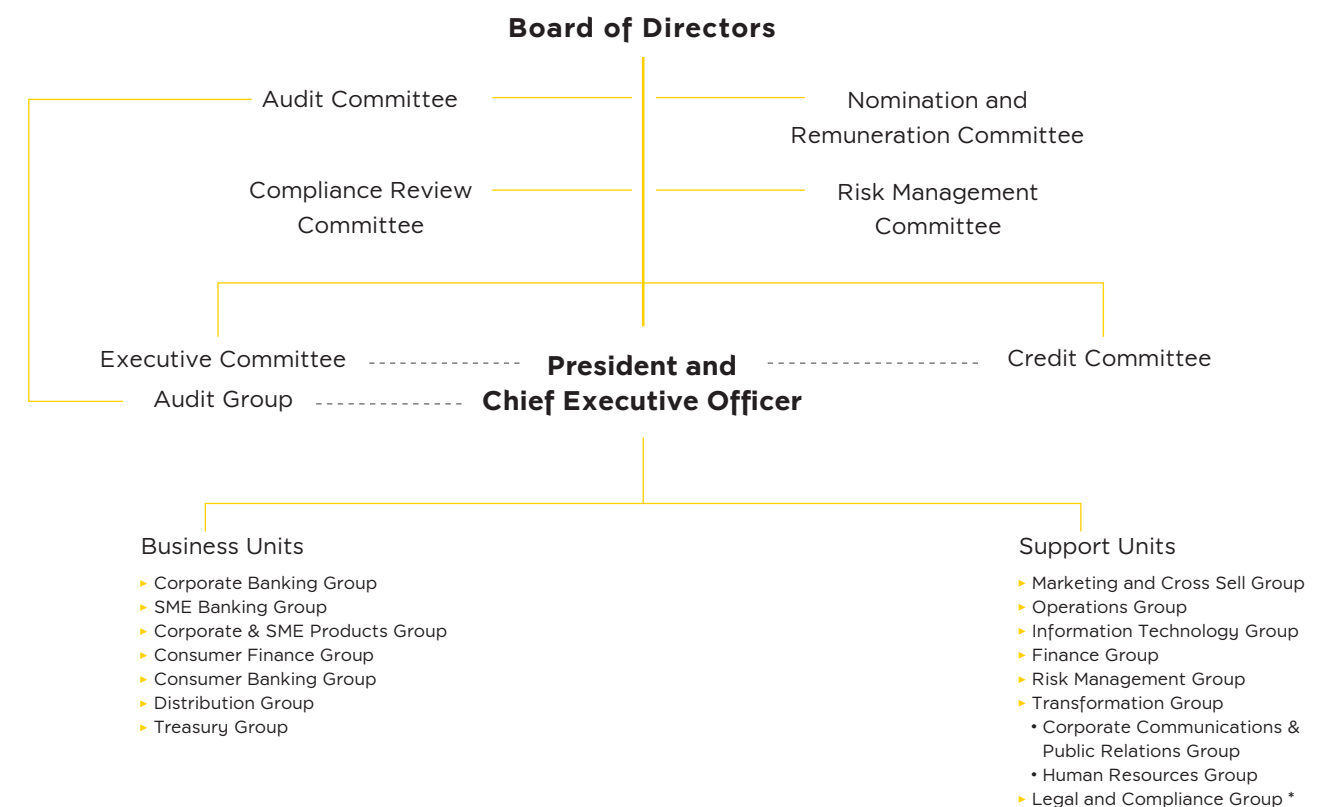
## Board of Directors

- |                                                                                                            |                                                                                                                              |                                                                                             |
|------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|
| 1 Mr. Veraphan Teepsuwan<br>Chairman                                                                       | 5 Mr. Virat Phairatphiboon<br>Independent Director<br>Audit Committee Member<br>Nomination and Remuneration Committee Member | 9 Mr. Des O'Shea *<br>Director                                                              |
| 2 Mr. Mark John Arnold<br>Director<br>President and Chief Executive Officer                                | 6 Mr. Pornsanong Tuchinda<br>Director                                                                                        | 10 Mr. Virojn Srethapramotaya<br>Director                                                   |
| 3 Mr. Surachai Prukbamroong<br>Independent Director<br>Chairman of the Audit Committee                     | 7 Mrs. Janice Rae Van Ekeren<br>Director                                                                                     | 11 Miss Potjaneer Thanavarant<br>Independent Director<br>Audit Committee Member             |
| 4 Mr. Karun Kittisataporn<br>Independent Director<br>Chairman of the Nomination and Remuneration Committee | 8 Mr. Pongpinit Tejagupta<br>Director                                                                                        | 12 Miss Nopporn Tirawattanagool<br>Director<br>Nomination and Remuneration Committee Member |



\* Resigned from being the Director effective November 25, 2011

## Organization Structure



\* Compliance related matters are reported directly to the Board of Directors



(As of December 31, 2011)

# Senior Management

1

**Mr. Mark John Arnold**  
President and Chief Executive Officer

2

**Mr. Pornsanong Tuchinda**  
Head of Transformation

3

**Mrs. Janice Rae Van Ekeren**  
Chief Financial Officer

4

**Mr. Charly Madan**  
Head of Corporate Banking

5

**Mr. Poomchai Wacharapong**  
Head of SME Banking

6

**Miss Phawana Niemloy**  
General Counsel

7

**Mr. Sudargo Harsono**  
Head of Marketing and Cross Sell

8

**Mr. Philip Tan Chen Chong**  
Head of Consumer Finance

9

**Mr. Chandrashekar Subramanian**  
**Krishoolndmangalam**  
Chief Risk Officer

10

**Mrs. Wanna Thamsirisup**  
Head of Operations

11

**Mrs. Voranuch Dejakaisaya**  
Head of Information Technology

12

**Mr. Sayam Prasitsirigul**  
Head of Corporate & SME Products

13

**Mr. Phonganant Thanattrai**  
Head of Distribution

14

**Miss Anuttara Panpothong**  
Head of Human Resources

15

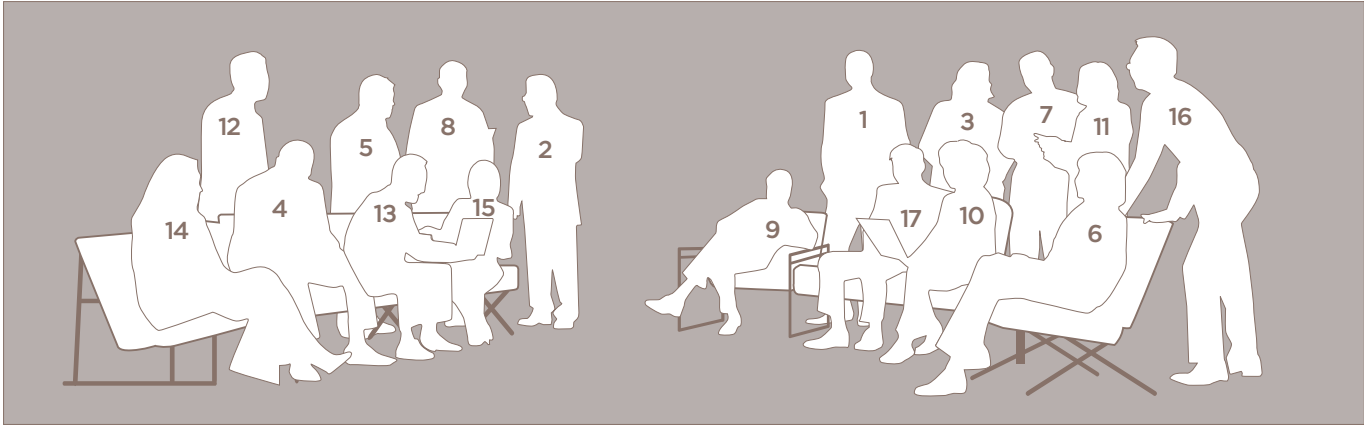
**Miss Puntipa Hannoraseth**  
Head of Audit

16

**Mr. Thakorn Piyapan**  
Executive Vice President of Primary Banking,  
Consumer Banking Group

17

**Mr. Kris Chantanotoke**  
Executive Vice President of Wealth Management  
and Bancassurance, Consumer Banking Group



# Thai Economy in 2011 and 2012 Outlook

## Economic Conditions in 2011

**In 2011, the Thai economy grew at a very slow rate of 0.1% compared with 7.8% in 2010 as a result of the severe flooding in the last quarter of the year.**

During the first nine months, Thai economic growth was favorable on the back of domestic and external drivers. Exports still registered double-digit growth thanks to global economic recovery, particularly in the US and Asia. Domestic spending also grew on the back of high farm income, low unemployment and government stimulus measures. The cyclical upswing in private investment became more visible after domestic political turmoil eased.

The economic recovery during the first three quarters of 2011 contributed to demand-led inflationary pressures. The Bank of Thailand acted to raise interest rates after a long period of extraordinary easing; the policy interest rate was raised in almost every Monetary Policy Committee (MPC) meeting from a record low of 1.25% in mid-2010 to 3.50% in August 2011.

Unfortunately, the Thai economy in the last quarter of 2011 plunged to a negative growth rate of 9%. The floods seriously halted the momentum of domestic demand, affecting both consumption and investment. Heavy flooding in the central plain and

particularly Greater Bangkok, a major production center which contributes more than half of Thailand's economic output, caused massive losses in the agricultural, industrial and service sectors as well as extensive supply chain disruption. The impact of the floods was exacerbated by weaker external demand due to the growing European debt crisis, which also hit Thailand's exports in the fourth quarter of 2011. As economic growth slowed to almost a standstill, the interest rate hikes came to a halt. The benchmark interest rate was kept unchanged in October and cut in November. The policy interest rate at the end of 2011 stood at 3.25%.

## 2012 Economic Outlook

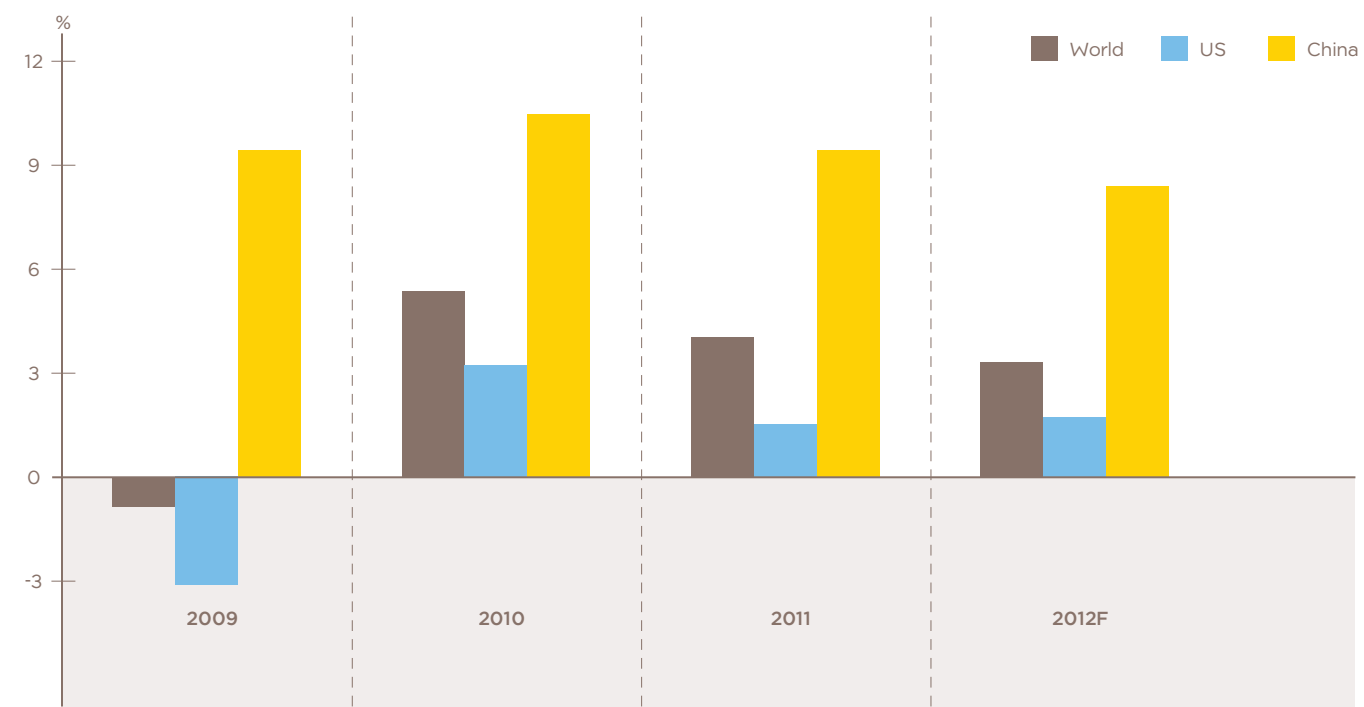
**Thai economic growth in 2012 is expected to accelerate to 4.7-5.7% on the back of renewed domestic spending after the floods and government stimulus measures, although exports are expected to remain relatively weak.**

Overall, domestic spending looks set to accelerate based on the massive need for reconstruction after the floods. Government stimulus programs such as crop price intervention and a hike in the minimum wage will further drive consumption from both the rural and urban population. Meanwhile, private

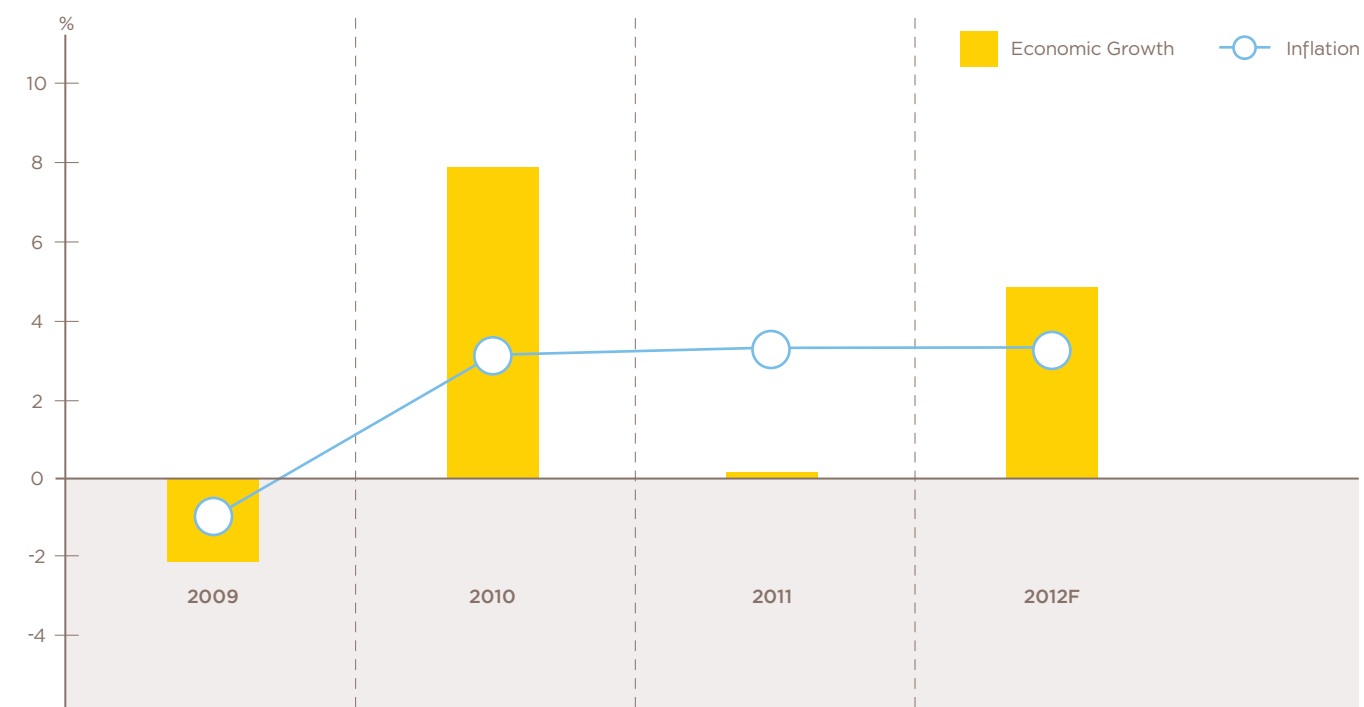
investment will get a boost from flood relief/aid measures and flood prevention programs worth hundreds of billion baht, as well as the continuation of big infrastructure projects. The export sector looks set to grow at around 7-9% because of weaker external demand, especially from advanced economies, and belated recovery of domestic production after floods. Given heightening external risks, particularly from European sovereign debt woes, the global economy as a whole and the financial sector in particular will be highly volatile in 2012, and Thailand will not be immune.

With growing risks to economic growth from both external and internal factors, private sector confidence is expected to remain fragile, while the rise in the minimum wage from April, the Government's policy to reduce subsidies on energy prices, lingering upward pressure from food prices and a likelihood of high oil prices are all factors that mean the policy interest rate in 2012 is likely to remain at current levels. A rate of around 3.0% is projected for the end of 2012.

## Global Economic Growth



## Thai Economic Growth & Inflation



# Commercial Banking Business in 2011 and 2012 Outlook

**15.1%**  
BIS Ratio

**2.5%**  
Net interest  
margin

**1.1%**  
ROA

In 2011, the Thai commercial banking sector remained highly robust and resilient, amid global financial volatility and a challenging domestic environment of rising interest rates and nationwide floods in Q4 2011.

Thai banks registered strong loan growth of 14.9% in 2011. The growth was driven by term loans, working capital, and retail loan growth. Corporate loans expanded at an accelerated pace of 14.8%, attributed to strong expansion in exports and private investment and strong demand for working capital. At the same time, consumer loans grew strongly at 15.4% supported by robust domestic spending, reflecting both improved economic conditions and government stimulus measures.

Meanwhile, deposits grew moderately at 6.8%, reflecting strong competition from specialized financial institutions and deposit substitutes such as Bills of Exchange (B/E), retail bonds, insurance and mutual funds. Of particular importance, B/E grew strongly at 60.4%. Their popularity was driven by demand from investors for alternative investment products as the deposit guarantee coverage was reduced from an unlimited level to a maximum of THB 50 million per customer per bank in August of 2011 and is scheduled to be reduced further to THB 1 million in August of 2012.

Liquidity in the banking system remained ample with the loan-to-deposit (including B/E) ratio at 89.9%, up from 88.3% in the prior year, reflecting strong loan growth.

Asset quality continued to improve. NPL ratio to gross loans dropped from 3.6% in 2010 to 2.7% in 2011, reflecting improved economic and financial conditions. Vigilant risk management policies and practices, active debt workout and collection practices also contributed positively to the sector's improved asset quality.

## Despite the flood crisis in 2011, results have remained strong

Non-interest income continued to improve as banks diversified their earnings sources from their traditional interest income, in particular, leveraging their fees and wealth franchises. As of 2011's end, fee and service income accounted for 23.6% of banks' total revenues.

Overall, Thai banks reported record net profits of THB 144.1 billion, increased THB 21.1 billion from last year, amid significant disruption caused by the worst floods in 60 years and the rising interest rate environment with the official rates being lifted six times. If Q4 2011 results were normalized to

exclude one-off factors like the floods, net profits for the sector would have been even higher. Net interest margin (NIM) and average return on assets (ROA) remained favorable at 2.5% and 1.1%, respectively. Years of accumulated retained earnings contributed to favorable capital levels with a BIS ratio of 15.1% and a Tier-1 ratio of 11.8%, both of which were well above the Bank of Thailand's minimum requirement and among the highest in the world.

In 2012, the outlook for Thai banks remains strong against a background of improved economic conditions, a pick up in investment spending on renewed capital expenditure cycles, reconstruction and replenishment demands by businesses and households impacted by the floods and the Government's investment projects and stimulus spending. Of particular importance, the Government's plan to invest in large scale infrastructure projects, notably water resource management and logistics development/improvement projects, which have been lagging in the past, will act as important catalysts for private investment.

Notwithstanding the positive outlook for Thai banks in 2012, key risks include global financial volatility and greater competition for funds – both among commercial banks and specialized financial institutions. Commercial banks will continue to compete for funds to support their loan books' expansion. Specialized financial institutions, being supportive of various government stimulus programs and activities, will also have a greater need for funds in 2012. Furthermore, the new rules pertaining to criteria governing B/E issuance, together with the planned imposition of fees on commercial banks to service the Financial Institution Development Fund (FIDF) debt will also pose another important challenge to the sector.

Looking beyond 2012, the medium-term challenges for commercial banks include the adjustment needed to meet the new international capital standards of Basel III, with the new capital adequacy and liquidity management rules beginning from 2013, with full implementation by 2019. Financial services sector liberalization under the Bank of Thailand's Financial Sector Master Plan Phase II (FSMP II) as well as Thailand's commitment under the ASEAN Economic Community (AEC), to commence in 2015, will not only bring new entrants into the Thai banking landscape, but also is likely to foster greater liberalization of cross-border consumption of financial services and products. The recent announcement by the Bank of Thailand to allow existing foreign bank branches to apply for a change in their status to become a subsidiary, thus qualifying to have a maximum of 20 branches and 20 off-premise ATMs is one example.

**Amid the operating challenges imposed on Thai banks in 2012 from both structural and regulatory developments, Thai banks are likely to remain sound and robust, supported by the improved economic and favorable employment conditions, higher government spending, Corporate Income Tax rate reduction and the banks' own stability. Commercial banks will continue to grow strongly, with an expected sector-wide loan growth of 8-10%. We also expect to see further innovations as banks introduce new products and services to compete for the attention of customers and adapt to the changing regulatory environment.**



# Smarter. Faster. Better.

## Krungsri's Competitive Difference

| Competitive Capability

### 1 banner

all banking products and services united in 2011 under "Krungsri Group"

### 12.4 bn<sup>1/</sup>

in core net profit, an historic high for Krungsri

### 2 new

strategic partners: AACP and Thai Life

## 2011: Seamless Integration Begins to Bear Fruit

2011 marked a significant development for Krungsri Group. Key milestones accomplished for the year included:

1. "Actual delivery" under One Krungsri Group, entailing consistent and steady advancement on all financial fronts – Performing Loans increased 13%, with Return on Equity (RoE) reaching 12.2%<sup>1/</sup> and the NPL ratio dropping sharply to 3.7%.
2. Formation of new strategic business partnerships with Ayudhya Allianz C.P. Life Pcl. (AACP) and Thai Life Insurance Co., Ltd., to improve our traction in the Bancassurance arena.
3. Krungsri's standalone Bank Financial Strength Rating (BFSR) upgraded by Moody's.
4. Continued delivery of product innovations and speed to market.

## Actual Delivery under "One Krungsri" Group...

The "One Krungsri" concept was adopted and successfully executed in 2011. This bold idea entailed a seamless integration of our universal banking products and services under a single banner – "Krungsri Group" with an aim of becoming our customers' number one preferred bank.

We are proud of our achievements, which included a historical high in net profits, robust improvement in asset

quality, an improved ability to cross-sell our products and services across the Krungsri Group, which resulted in the number of products held per customer increasing from 1.92 to 2.51 and greater utility derived from One Krungsri marketing and promotion activities.

The Net Promoter Score (NPS) – a customer loyalty metric – rose from 37% to 49%, reconfirming our consistency and delivery promised under the One Krungsri mission; we have consistently acquired more "Promoters" and fewer "Detractors". Improved customers' satisfaction as measured by NPS confirmed our leadership on all consumer finance fronts, namely: auto hire purchase, credit cards, personal loans and sales finance.

In short, the One Krungsri mission has been accomplished as promised and widely endorsed by our customers.

## Greater Opportunities in Bancassurance with New Strategic Partners

We have signed and launched strategic bancassurance partnerships with AACP and Thai Life Insurance Co., Ltd., in the third quarter of 2011. The exclusivity of the arrangement with Thailand's leading insurers not only brings about more business opportunity for us and our partners but also advances us closer to our medium to long-term goal of having non-interest income account for more than 38% of the Group's total income.

## Krungsri's Rating Upgraded by Moody's

Reflecting on Krungsri's significant achievements in growing our franchise, our improved fundamentals together with our achievements and leadership in the consumer finance sector – namely credit cards, consumer loans and auto loans – Moody's Investors Service upgraded Krungsri's standalone BFSR with a stable outlook in October 2011. With this upgrade, our individual strength rating is now at par, if not higher, than many of our large Thai banking peers.

Improving financial fundamentals included the Bank's asset quality, capital adequacy, financial efficiency, liquidity and profitability, together with strengthening the Bank's credit and market risk profiles and corporate governance. Asset quality has significantly strengthened with the NPL ratio at 3.7% (gross), while capital remained at a robust 16.29%. NIM was maintained at 4.54%.<sup>2/</sup>

## Product Innovations & Speed to Market

Our in-depth knowledge of customers and products enabled us to secure our leadership position in consumer banking. In 2011, we continued to be first in the Thai banking sector to offer new and innovative products and services, which included:

### 1 philosophy

"responsible lending"

### 12.2%

RoE and RoA at 1.4%<sup>1/</sup>

### Krungsri's

standalone Bank Financial Strength Rating (BFSR) upgraded by Moody's



"Krungsri Auto, a leading automotive financial solutions provider is the winner of 2011's Thailand Superbrands award."

#### 1. Electronic Data Capturing Machines for Account Opening

Customers can now open a bank account in as little as 10 minutes, thanks to our EDC machines, which simplify the process.

#### 2. Krungsri Debit First Choice Card

The first and only card in Thailand to effectively offer four cards in one: 1) debit services for retail purchases, 2) ATM services, 3) sales finance, which is an installment purchase payment and 4) cash loan service and facility. This card is truly unique in the market.

#### 3. Krungsri Banking SIM

New mobile banking service compatible with all phone types that requires no internet connection or

change of phone numbers. A triple-layered security system is embedded for our customers' security.

#### 4. Krungsri SME Tun Jai Loan

Committed turnaround time of 2 days. The loan features use of savings accounts as collateral. SMS notification to our customers upon loan approval also signified "simplicity".

#### 5. Flood Relief Loans: "Blue Sky After the Storm" and "Buy Now Pay Later" campaigns

Proactively providing for our flood-impacted customers, Krungsri was the first bank in Thailand to offer "Flood Relief Loans" to assist customers to repair properties and vehicles and to replace durable goods, or to provide liquidity for businesses. The loans

feature special interest rates and/or extended tenors, together with a delayed first payment option. These flood relief loans and campaigns reflected our "responsible lending philosophy".

#### 6. Krungsri's new, cost-effective card — Krungsri Debit All ATMs

This card features a one-time entry fee followed by three years of absolutely free use at any ATM nationwide.

#### 7. Manchester United debit and credit cards

Krungsri is the first and only Bank in Thailand with proprietary rights to Manchester United Football Club's brand, logos and sponsored products featured on our debit and credit cards to enhance our customers' experience.

<sup>1/</sup> Excluding one-time impact from floods and deferred tax revaluation in Q4 2011.

<sup>2/</sup> Excluding one-time impact of the Debt Relief Program extended to assist customers in Q4 2011.

<sup>1/</sup> Excluding one-time impact from floods and deferred tax revaluation in Q4 2011.

# Making Life Simple with Great Partners and a Firm Foundation

| Nature of Business

## 71 bn

in total registered capital  
as of December 31, 2011

## 61 bn

in paid-up capital  
as of December 31, 2011

### Company Background:

The Bank of Ayudhya Public Company Limited (BAY or Krungsri Group) officially opened its doors on April 1, 1945. It found immediate public favor and grew rapidly, gaining listing on the Stock Exchange of Thailand on September 26, 1977. Its steady growth has continued unabated to the present day. As of December 31, 2011, Krungsri Group had a total registered capital of THB 70,894 million and THB 60,741 million in paid-up capital.

Today, Krungsri Group is Thailand's fifth largest universal bank in terms of assets, loans and deposits. Its major shareholders are General Electric and the Ratanarak Group with shareholding representations of 33% and 25%, respectively. With these two major shareholders, Krungsri Group is able to leverage GE's global best practices and product innovations together with the Ratanarak Group's local expertise and established business relationships. Since the execution of partnership agreements in 2007, the two strategic partners remain strongly committed to Krungsri's continued growth and business opportunities in the Thai banking sector.

Krungsri Group serves the ever-changing needs of our broad customer base by offering a comprehensive range of universal banking financial products and services to three key target groups: Corporate, SME and Consumers. We also provide related financial services through our subsidiaries which are involved in credit cards, life and non-life insurance, asset management, securities trading, auto hire purchase, equipment leasing, factoring, micro-finance and installment loans.

Four pillars are the foundation for Krungsri Group's accomplishments today and in the future: Brand, Technology, People and Branch Transformation.

## 5<sup>th</sup> largest Thai bank

in terms of assets, loans, and deposits

## 4 pillars

underpinning our accomplishments

## Continuing IT investment and optimization

## 3 key target groups:

Corporate, SME and Consumer

### Four pillars are the foundation for Krungsri Group's accomplishments today and in the future: Brand, Technology, People and Branch Transformation

Building the new brand to ensure we live our promise to "Make Life Simple" depends on these crucial factors and critical skills: technology and business intelligence, excellence through IT investment optimization, people development and engagement and a fresh and simplified branch and customer touchpoint experience. The four pillars are the key to consistent delivery of the Krungsri Group's industry-leading reputation for service and innovation. They keep Krungsri at the vanguard of the Thai banking space.

#### 1. Building a unique and unified brand

Understanding our customers' evolving banking requirements, we launched the "Make Life Simple" market positioning with the aim of making financial products and services easy to understand. Streamlining customers' experience at all touchpoints is vital in achieving a simplified experience for our customers. A strong and united brand also builds on existing customers' perceptions of Krungsri Group as trustworthy and helpful.

Branding and communications have been employed to enhance our visibility, simplify our brand architecture and align our image with the streamlined and innovative entity that is Krungsri Group today. The new logo and colors lend freshness, warmth and friendliness to one of Thailand's most trusted brands; a contemporary update that respects a proud history, points to a bright future and reminds us to practice what we preach. That's why we are passionate about plain speaking and straight talking. That's how you start to "Make Life Simple".

#### 2. Building our future through technology investment optimization

IT investment optimization was a focus in 2011 to ensure the right foundation so we could deliver what we promised. A simplified customer experience was implemented at all brand touchpoints. This included the enhancement and upgrade of our core banking system and support applications for branches, enhancement and expansion of electronic banking services, upgrade of branch

equipment and tools, continued investment in and enhancement of IT security and compliance, improvement of operating systems and the development of Enterprise Data Management (EDM). These technology initiatives and projects aimed to facilitate business conduct and activities, improve and simplify processes, eliminate redundancies and unnecessary processes, automate systems and increase flexibility and our capability to deliver convenient, simple banking products and services to our customers with a world-class security system.

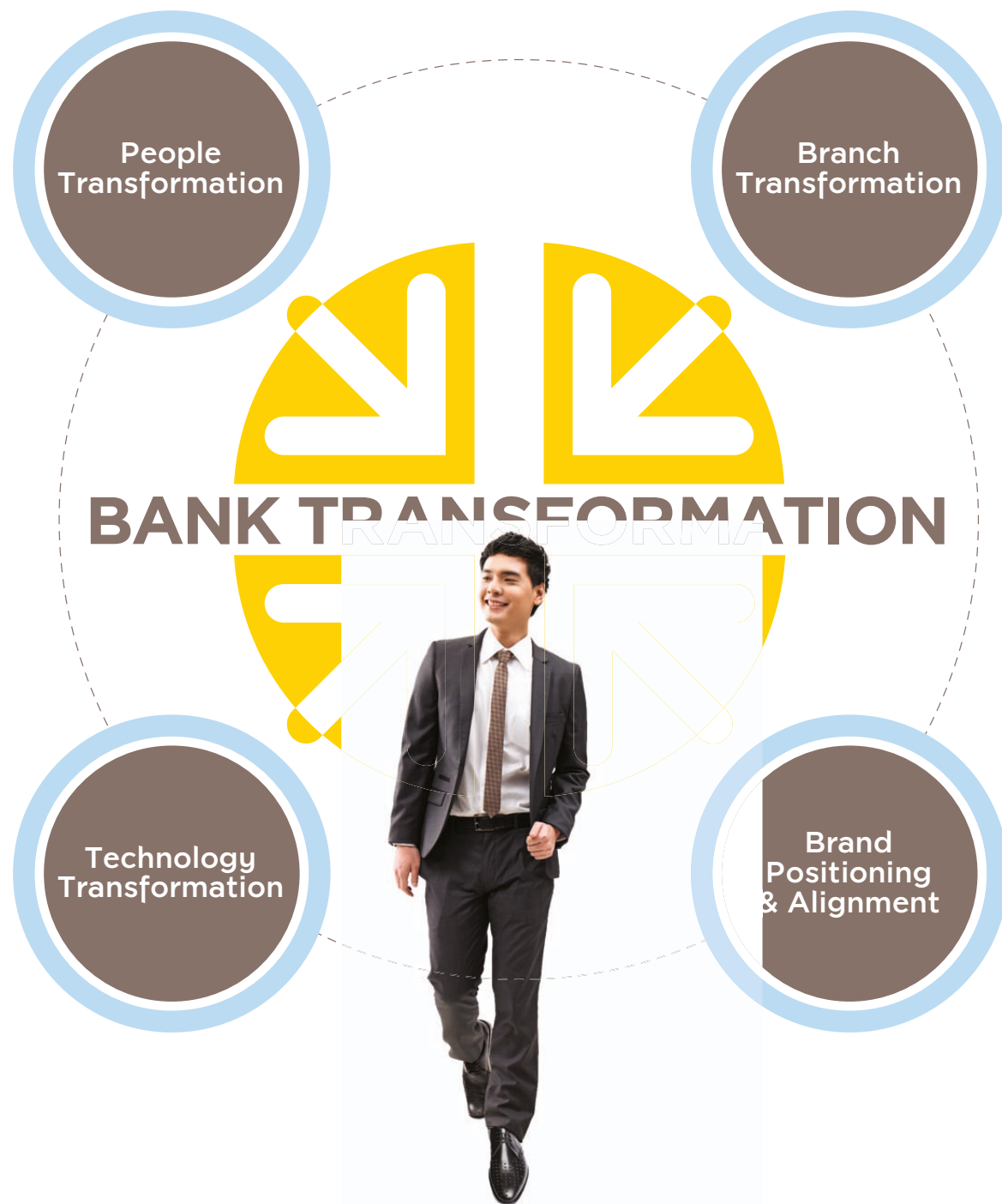
EDM is a robust enterprise data warehouse equipped with a globally recognized banking data model to ensure data integrity and to effectively support business functions such as sales, marketing, cross-selling, Customer Relationship Management (CRM), risk management functions and new requirements of regulatory reporting. Our EDM project will be completed within 24 months of its launch in May 2011.

The ultimate goal of our transformation initiative is to lift Krungsri's market positioning to become

# number one

in customers' mind reflecting a modern financial institution that delivers simple, convenient, sincere and reliable financial solutions. //

**Mr. Pornsanong Tuchinda**  
Head of Transformation



### 3. Our people. Our priority.

The new brand promise to "Make Life Simple" begins and ends with our people. Delivery depends upon each team member understanding the brand, embracing its values and living them every day. Krungsri's core brand values are: Integrity, Team Spirit, Passion for Excellence, Customer Centricity and Embracing Change.

Krungsri Group also introduced a bold pay-for-performance and revenue sharing scheme, aligning employees' performance and rewards to the Bank's financial targets.

### 4. Transforming our branch and distribution network

To ensure our points of sale match with our brand promise and customers' expectations, our ongoing branch redesign and refurbishment was key to delivering Krungsri's modern yet friendly look and feel. Improved accessibility and convenience in both physical branches and alternative channels have also been the focus of an ongoing effort, in particular, the launch of mini-branches for sales finance and auto hire purchase were introduced at modern trade outlets and gas stations through Krungsri

First Choice Kiosks and Krungsri Auto Express outlets.

Our extensive footprint in consumer banking continued to grow and position Krungsri as a leader in this field, increasing our customer touchpoints to 13,196 outlets in 2011, up from 11,863 outlets in 2010.

The right foundations - "Brand, Technology, People and Branch" - are critical to Krungsri Group's mission to be one of Thailand's top three banks based on RoE by 2013.

## Krungsri ... Simply the Best. Our 2011 Accolades and Awards

| Awards

### Top Corporate Governance Report Awards

Krungsri was awarded the "Top Corporate Governance Report Award" in the SET Awards 2011, organized by the Stock Exchange of Thailand. The award honors the outstanding listed companies in corporate governance reports disclosed to the public via different channels i.e. the Annual Report, website and the Report of the Annual General Meeting of Shareholders.

### Bronze Awards at Cannes Film Lions

CFG Services Co., Ltd., owner of the "Srisawad Ngern Tid Lor" (Money on Wheels) brand under Krungsri Group was recognized on a global stage, winning two prestigious Bronze Cannes Film Lions awards for its "Speed" television commercials (TVCs) in the Cannes Lions International Festival of Creativity, the biggest festival of creativity in advertising and communications. The concept behind the TVCs played on our strategy of providing fast and easy services. "Srisawad Ngern Tid Lor" was the only financial product in Asia which received an award in the banking, insurance and investment category. These prestigious awards confirm the commitment of Krungsri and its subsidiaries to targeting communications efficiently, expertly and with utmost creativity to expand our customer base, while bolstering our fine reputation for excellence in auto loan services.

### Superbrands Thailand 2011

Krungsri Auto, a leading automotive financial solutions provider, has been named one of Thailand's Superbrands for 2011. Superbrands is an independent organization which is acclaimed worldwide as being the independent authority and arbiter of branding excellence and is committed to recognising exceptional brands and promoting the discipline of branding. Krungsri Auto has been voted as a Superbrand based on brand quality, brand affinity and brand personality as well as offering consumers significant emotional and/or physical advantages over its competitors.

### Best Thai Trade Bank

Krungsri was awarded "Best Thai Trade Bank" by Trade Finance magazine for its excellent performance in providing financial services to facilitate international trade finance. This recognition stemmed from Krungsri's excellence in service efficiency by our trade finance and business teams, which have done a magnificent job in winning customers' hearts over the years. This is the 5<sup>th</sup> consecutive year that Krungsri has been named the Best Thai Trade Bank.

### Credit Portfolio Award

Krungsri Group received the Visa Credit Portfolio Award from Visa International Asia Pacific for achieving the largest

delivery of Visa entry credit card products with 1.5 million Visa Classic/Gold cards and THB 60,000 million payment volume. Krungsri Consumer is the issuer of Krungsri cards including Krungsri Credit Card, Krungsri First Choice Visa Card, HomePro Credit Card, Tesco Credit Card and AIA Credit Card.

### Payment Excellence Awards for USD Transfer from Citibank

Krungsri won payment excellence awards for United States Dollar (USD) dollar transfers from Citibank, reaffirming its highest standards of financial services. The Bank received the highest score in Thailand showing an outstanding quality of commercial payment transactions. In addition, Krungsri is the only Bank in Thailand that received an award for treasury payment transactions. The awards clearly confirm the service excellence and capabilities of Krungsri in payment services.

### STP USD Transfer Excellence Awards from The Bank of New York Mellon

Krungsri was awarded a Straight Through Processing (STP) USD transfer excellence award from the Bank of New York Mellon reaffirming our high standards in fund transfer service. The Bank received awards for commercial payment transactions and treasury payment transactions.

### STP AUD Transfer Excellence Awards from Australia and New Zealand Banking Group Limited

Krungsri was awarded a STP Australian Dollar (AUD) transfer excellence award from Australia and New Zealand Banking Group Limited reaffirming our high standards in fund transfer service to Australia. The Bank received awards for commercial payment transactions and treasury payment transactions.



## The Pursuit of Simplicity across the Whole Spectrum

| Corporate Banking

**60 bn**

of debt instruments with tenors  
of up to 10 years

**4.5 bn**

term loan  
for Indorama  
Ventures

**595 bn**

assets under  
custody

**14.7 bn**

facility for TOT's  
3G project

## Making Life Simple across a Diverse Client Portfolio

The Corporate Banking Group provides a broad range of financial products and services to corporations that generate a minimum of THB 500 million in annual revenues. In today's rapidly changing environment, the emphasis is on delivering banking capabilities that respond to the specific requirements of our diverse client portfolio. We supply a full suite of commercial banking products (clients' funding solutions / loans / leasing, deposit & investment solutions, treasury & hedging solutions, supply chain financing & factoring solutions, consumer banking products); investment banking products (debt capital markets, equity capital markets via Krungsri Securities, syndication & structured finance solutions); and transaction banking products (trade services & payment solutions, securities & custodial services, cash management solutions, international banking & overseas branches services). A more integrated business model enables us to understand clients better and deliver high-value, customized solutions based on expertise from across the Krungsri Group. This allows us to "Make Life Simple" for our clients, by coordinating a single point of contact through relationship managers.

### People, Products, Processes

In 2011, we emphasized the development, engagement and performance management of our Corporate Banking employees. This was achieved by providing enhanced training & career mapping, clarifying roles & responsibilities, managing talent inventory, reviewing feedback from staff surveys (through "the Voice of Krungsri") and implementing talent management initiatives whereby a number of experienced resources were brought into various parts of the Bank to complement the existing strong team. Employees at all levels within the Corporate Banking Group received more training for their roles, were counseled about their career path and engaged more effectively with each other. The Bank also re-engineered existing processes to provide more integrated, client-focused banking services. The re-engineering simplified processes through LEAN, delegated credit-related authority from senior to mid-level management and expanded our one-stop service capabilities. All this

reduced turnaround time and provided relationship managers with more face time with our valued clients by releasing them from much of their operation-related functions.

In collaboration with the SME Banking Group, we established Krungsri Business Centers (KBCs) across the country. These KBCs are located within Krungsri's retail branch network throughout Thailand, allowing clients to walk-in for commercial banking services. They represent new distribution channels that have increased our presence in provinces while bringing us closer to clients.

In order to follow the continuing evolution of clients, we revisited our existing product line, introduced supply chain financing, syndication fundraising solutions, stepped up foreign exchange hedging and debt capital markets solutions. Our relationship managers and enterprise sales also leveraged the "One Krungsri" proposition by cross-selling products & services within the Krungsri Group. The enterprise sales team strengthened Krungsri's unique and unified brand in 2011 by cross-selling retail mortgages, commercial banking products, hire purchase loans, and credit cards,

”

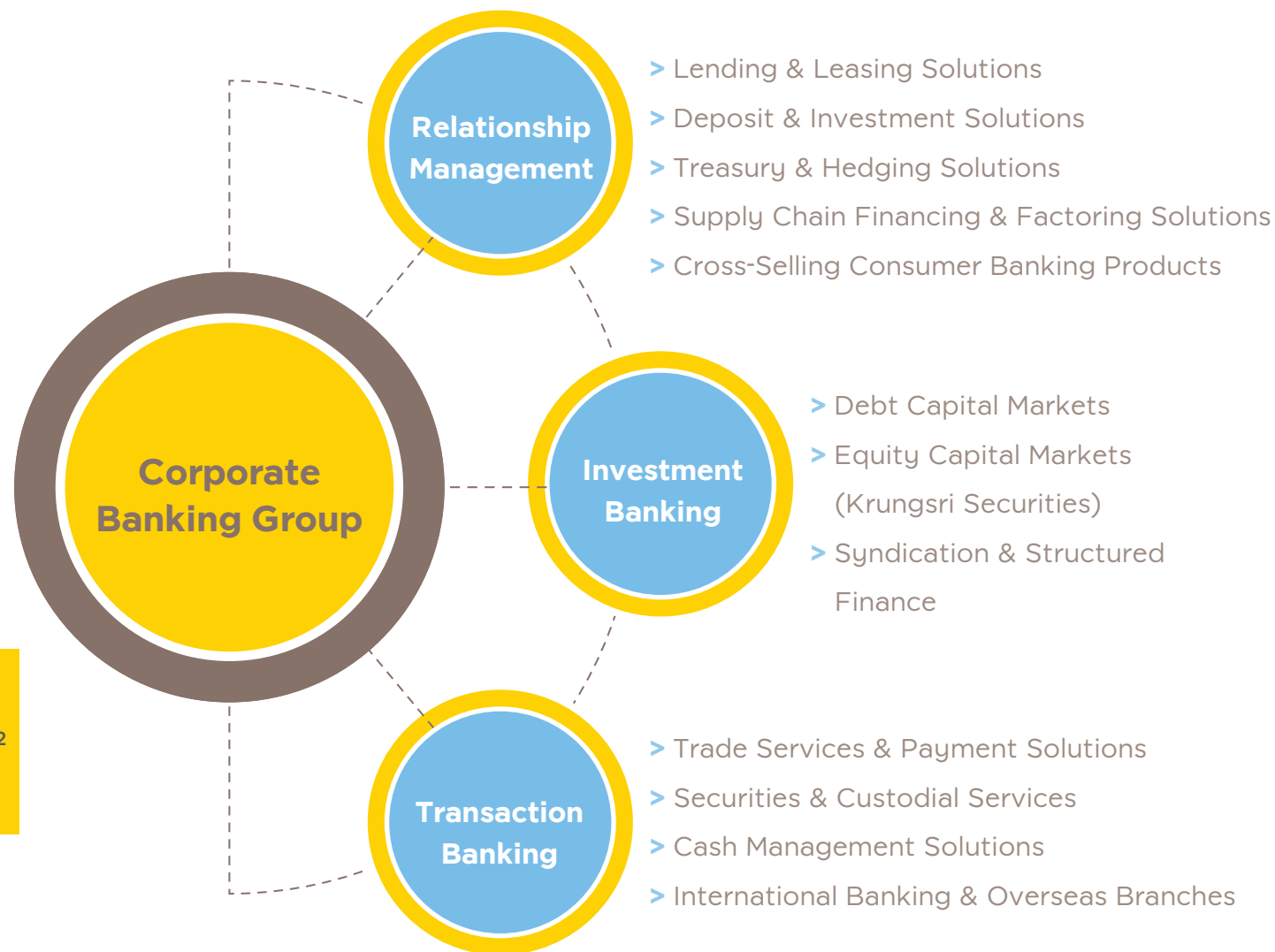
A more integrated business model enables us to understand clients better and deliver high-value, customized solutions based on expertise from across the Krungsri Group. This allows us to

**make life  
simple** for our clients.”

**Mr. Charly Madan**

Head of Corporate Banking





while consolidating the Group's market positioning in key products. Our people, processes and products will continue to transform and evolve in 2012.

## Corporate Banking & International Banking

The Corporate Banking Group in 2011 served leading players in key industries including agriculture, manufacturing, infrastructure development, hotels, retail & commercial businesses, import & export, real estate development, oil & gas and energy sectors. Consistent with the "One Krungsri" theme, Corporate Banking teams leveraged Krungsri Group's franchise and strengthened client relationships by giving them access to a comprehensive range of

products including factoring, cards, insurance, securities services, asset management, leasing and mortgages through enterprise sales and relationship managers.

We continued to grow and deepen our relationship with existing core clients, while taking significant steps to expand client coverage both in the domestic and international markets. A number of seminars on Treasury, cash management and trade services were organized to help clients understand and manage their risks better. The "Krungsri Leadership Academy" further deepened the relationship between Krungsri and customers by providing a forum for the younger generation of our customers to engage actively in leadership training. To expand client coverage, we created a new International Banking team that focused on Asian corporates with a strong

credit profile. Leveraging GE's network in Asia, the International Banking team looks to expand progressively to other key Asian markets in the next few years. Penetrating other key markets in Asia also helps Krungsri Group support our customers as they expand internationally and establishes the foundations for capitalizing potential opportunities arising from the ASEAN Economic Community (AEC).

## Investment Banking

The Group's Investment Banking Division delivered strong results in 2011. Our Debt Capital Markets team underwrote nearly THB 60 billion of debt instruments with tenors of up to 10 years and with ratings ranging from "BBB" to "AAA". The team served leading players in key industries

including hotels, food & beverages, construction, property development and trading. Krungsri continued to be a leading player in Thailand's debt capital markets.

To improve our investment banking capabilities, the Division has established a new structured finance, project finance, syndication team that works with relationship managers and clients to bring more funding solutions to our customers.

## Transaction Banking

The Transaction Banking Division offers trade services & payment solutions, securities & custodial services, cash management solutions and international banking & overseas branches services:

### Trade Services & Payment Solutions:

Import Services, Export Services, Domestic Trade Finance, International Money Transfer

### Cash Management Solutions:

Payment Services, Collection Services Liquidity Management

### Securities & Custodial Services:

Agency Services, Bondholders' Representative Services Custody, Fund Supervisory Services, Registrar Services

### Overseas Branches:

2 Branches in Laos, 1 in Hong Kong, 1 in the Cayman Islands

### The year 2011 marked a series of achievements for the Transaction Banking Division.

- Awarded "The Best Thai Trade Bank 2011" by Trade Finance Magazine for the 5<sup>th</sup> year in a row
- Became the 1<sup>st</sup> Thai Bank to offer custodial services for gold bullion
- Awarded custody of Provident Funds under the Electricity Generating Authority of Thailand (EGAT), the largest combined provident funds in Thailand

- Enhanced check collection services to support ICAS (Imaged Check Clearing & Archive System), which has increased the efficiency of check-clearing services
- Invested in a significant cash management system upgrade and enhanced electronic bill presentment and payment capabilities to support both payment and supply chain financing
- Re-engineered trade services of 25 KBCs to improve the efficiency of our transaction banking services
- Partnered with Thai Life Insurance on bancassurance and took over custodian services for their assets
- Expanded the card business with American International Assurance (AIA)



1. "The Best Thai Trade Bank" for the 5<sup>th</sup> year  
2. Payment of Airline Tickets via Krungsri ATMs, Thai Airways  
3. THB 4.5 billion Term Loan, Indorama Ventures

W Simplicity in action:

# SME

customers get a free checkbook when they open a current account with a balance of just THB 2,000."

**Mr. Poomchai Wacharapong**  
Head of SME Banking



The SME Banking Group is responsible for offering credit facilities of up to THB 200 million to small and medium size customers. In addition to the vast range of products and services, including flexible term loans, working capital loans, cash management, international trade services and supply chain financing that are offered to our customers, we have over 500 well-trained Relationship Managers to provide professional advice and consultation to our SME customers to assist them in managing their business financials as efficiently as possible.

This year our SME loans rose impressively, notwithstanding the floods that seriously affected many parts of the country, in a very competitive market environment. This growth resulted from the combined efforts and dedication of our staff and the vision of our Board of Directors, which allowed us to successfully implement the following activities throughout the year:

- We opened 15 new SME KBCs, bringing the total number to 35. Six new centers were opened in Bangkok located in Pattanakarn,

**"We offer additional services and networking opportunities for our customers and we're doing our best to make banking easy for our SME customers."**

- Baromratchonnanee (Talingchan), Ratchadapisek (Huaykwang), Rachadapisek (Thapra-Taksin), Bangrak and Chaengwattana, while nine new centers were opened in provincial areas located in Hua Hin, Krabi, Nakorn Srithamarat, Koh Samui, Roi-Et, Buriram, Chiang Rai, Nakornsawan and Prachinburi.
- We launched various campaigns for both new and existing SME customers such as the Business Plus program, which provides customers with a free checkbook when they open a current account with a special opening balance of THB 2,000, relaxed from the normal criteria of THB 20,000, or the Tenor Extension Program which allows customers to extend their repayment period an extra 24 months.

- Throughout this year, we organized and sponsored several seminars for our customers to provide them with a chance to network with one another as well as to share learning from experts in various fields. Starting in February, we hosted an FX seminar at Dusit Thani Bangkok to advise SME customers on the financial tools available to them. In March, at Hua Hin we organized "Change for Better Opportunities" with Oishi founder and entrepreneur, Mr. Tan Passakornnatee, as guest speaker to share his experience. In August and September, we co-hosted seminars with the Tourism Authority of Thailand (TAT) in Udon Thani and Chiang Rai, respectively, to share the evolving marketing trends and tools with business operators in the area.

In addition to this, press visits were organized so the press could get an up-close interview with selected customers in Chonburi and Khon Kaen to uncover the fundamentals leading to our business customers' success.

These activities helped us maintain good relations with our existing customers, gain new customers and ultimately allowed us to grow. Going forward into 2012, we will continue our growth momentum by launching more new products that cater to the needs of SME customers, offering additional services and networking opportunities for our customers and doing our best to make banking easy for our SME customers.

## Corporate & SME Product Group

This year, we reached another important milestone on the road to growing our SME banking business. The "Krungsri SME Tun Jai Loan" was introduced at year-end. In response to our customers' needs, this innovative product breaks through traditional barriers with committed turnaround time and provides financial facilities using savings accounts as collateral. With our state of art scanning technology and streamlined process, our approval decision can be done within two business days.

Regardless of strong competition and our own ambitious growth targets, our business philosophy adheres to the notion of partnership and growing together. We not only provide financial facilities to our customers, but also support our customers' business operations. Our "Supplier and Buyer" financing program exemplifies our philosophy. Customers' businesses cannot grow without knowing they can rely on their suppliers and buyers. In mid-2011, Krungsri established a dedicated supply chain team, which swung into action to help overhaul the existing program and make it more streamlined and user-friendly.



Streamlined SME loans turned around within two days. Now that's

**making life simple."**

**Mr. Sayam Prasitsirigul**  
Head of Corporate & SME Products

## Wealth Management (Deposits and Investments)

We have continued to introduce new products in response to customers' needs. The beginning of the year saw the launch of our B/E with passbook and inter-branch transaction capability, increasing convenience for our customers. This was followed by Step Savings, a high-yield savings account suitable for customers seeking to enhance returns while maintaining suitable liquidity. Moreover, throughout the year, those customers with a higher risk appetite had the option of investing in a series of tax-free domestic fixed income funds sold through our branch network. At year end, our conventional "Krungsri Tax Saving" campaign was modified to include an on-top promotional package for customers investing in the Long-term Equity Fund (LTF), the Retirement Mutual Fund (RMF) and Life Insurance or Step Savings. We have gained positive awareness as one of the most proactive wealth management providers with total funds growth of 34% from 2010.

## Bancassurance

2011 marked another significant year for Bancassurance, particularly in our life insurance business. Krungsri joined forces with two major insurance strategic allies — AACP and Thai Life Insurance — in making an aggressive move into the life insurance market through bancassurance. This strengthened the combined product offering and allowed for the expansion of distribution channels, with the partners' products available at all Krungsri branches. Krungsri also established new policies to differentiate itself, such as exempting health examinations and making it easier for customers to get indemnification. The alliances will continue to develop products and services using a customer-centric approach to offer the best solutions for our customers through Krungsri's various channels. As for non-life insurance, we added "Krungsri Senior Prompt (broken bone coverage)"

to the insurance box product group to complete the product range across customers' life stages.

## Exclusive Banking

Exclusive Banking focused on superior financial services specially designed for customers holding a minimum THB 5 million total relationship balance in deposits, investments and insurance or lending products with Krungsri. The service is rendered in the privacy and convenience of our Exclusive Banking Centers, by professional relationship managers who are well-trained and licensed to provide

excellent financial services and advice on investments and tax planning. Moreover, customers enjoy a broad range of banking, personal and lifestyle privileges including but not limited to special rates, transactional banking fee waivers, invitations to special seminars and events as well as access to world-class services from Krungsri's leading business partners in various industries such as hotels and department stores. The Bank is committed to continuous enhancement of this service to deliver the ultimate benefit to our Exclusive Banking customers.

**W** Krungsri Senior Prompt ... insurance that makes caring for seniors so simple."



**Mr. Kris Chantanotoke**  
Executive Vice President  
Wealth Management and  
Bancassurance

## Transactional Banking Service

This year, the Bank adjusted ATM transaction fees to comply with Bank of Thailand measures to reduce ATM transfer and withdrawal fees to lower people's cost of living and promote more ATM usage to help reduce banks' operating costs in the long term. This fee adjustment, however, had a negative impact on the bottom line of all banks in Thailand. To overcome the decrease in income from fees, we have introduced many new services together with our alliance partners to improve customer convenience and increase overall transactions with the Bank.

These services also bolster our drive to "Make Life Simple": for example, the Bank partnered with Thai Airways to introduce a new airfare payment service for our customers to conveniently pay for their ticket via our ATMs and use the printed ATM slip as a record to check-in and obtain boarding passes at Thai Airways Check-in counters.

## "Pay for tickets on Thai Airways at Krungsri ATMs and simply use your printed ATM slip to check in"

Other moves to streamline banking for our customers include a partnership with the Thai National Credit Bureau to provide a service to request personal credit information via our online channels, including Krungsri Online & Krungsri Mobile Banking.

For domestic money transfers, the Bank has continued to enhance our Krungsri Quick Transfer service to fit corporate needs. This newly enhanced service enables corporate customers to make domestic money transfers to non-Bank customers, which can be picked up at any of our branches in near real-time and at a lower operating cost compared to traditional methods.

## | Consumer Banking

**"Krungsri Debit First Choice ... one card with four useful functions. Or, to put it simply, four cards in one."**

## ATM and Debit Cards

The Bank has introduced many new debit cards to reinforce its "Make Life Simple" campaign and to serve different customers' needs. Particularly noteworthy is "Krungsri Debit First Choice", a highly innovative and unique financial product in Thailand resulting from a joint effort between the Bank and Krungsri Consumer, a subsidiary of the Bank. This card combines four different functions: debit services for retail purchases, ATM services for fast withdrawal of cash or money transfers, sales finance installment loan and cash loan services to access an emergency cash supply. Aside from these four distinct functions, this debit card helps simplify life for our customers by making it easier to manage their finances and control their expenses with just one card. The application process has also been streamlined to a single application form per customer.

The Bank also redefined the traditional rules for debit cards by introducing "Krungsri Debit No Annual Fee" cards, the only debit card with no issuing and annual fees for life and "Krungsri All ATMs", the card that allows freedom to make ATM withdrawals & balance inquiries at any ATM in any part of Thailand free of charge.

Apart from these new products, the Bank conducts ongoing in-depth marketing research to understand its customer segments better and to be able to tailor specific products to their needs. The fruits of this research include the Manchester United Debit Card, Student ATM ID Card and Cooperative ATM Card.

## E-Banking Service

In 2011, the Bank grew its online channels customer base, with more than one million customers now using online products, the favorite being "SMS Banking" with more than 600,000 registered accounts. We saw three times the growth seen in 2010 – and the creation of a new interface to connect with customers through online channels also helped us toward our vision of more streamlined and easy banking.

- 790,000 Online Banking customers in 2011, almost doubling the 406,000 customers using online services in 2010
- 18% - the percentage of Online Banking customers to Krungsri's total customer base, which was exactly double the 2010 figure of 9%

A major revamp of the Krungsri website saw significant growth in customer page views per site visit:

- 13.4 million page views ... a 39% jump from the 9.6 million page views recorded in 2010
- 29% rise in unique visitors, from 1.4 million in 2010 to 1.8 million

Krungsri Online (Internet Banking) also received an overhaul, which led to significant growth in online transactions via the internet:

- 1.43 million Internet transactions in 2011, up 36% from 1.05 million the year before



Significant growth in SMS Banking Products was achieved:

- 156% rise in SMS Banking customer base
- 188% rise in income from fees
- 465,000 new accounts acquired

To build on this success, the Bank launched a new mobile banking service called "Krungsri Banking SIM", a mobile banking solution that can be used with all phone types and does not require an internet connection, with triple-layered security built in for users' peace of mind. Krungsri was the first bank in Thailand to offer this service at the time of launch in August 2011. In September 2011, we also launched SMS Banking for SMEs.

### New Product Launch/Innovations

"Krungsri Banking SIM" results just 3 months after launch were impressive:

- 5.5 transactions per month on average, three times higher than any other e-channel
- 160% greater fee income per account per month than internet banking
- 300% greater transaction than mobile Banking WAP version within two months of SIM Banking launch
- New fee income generated from balance inquiries via SMS

## Mortgage Loans

Thailand's real estate market experienced rapid growth during the first three quarters of 2011, due largely to the Government's stimulus package. However in Q4, the flood crisis – the worst in 60 years – had a huge impact on the real estate market, affecting real estate companies and customers alike. To aid flood impacted Krungsri Home Loan customers, our Debt Relief Plan offered various options depending on how severely people were affected.

After the waters receded, the Bank readied itself for a sharp rise in demand for home renovation loans. Krungsri and the Home Builders Association co-operated to offer customers help via the "Hand in Hand for Home Rehabilitation" project.

Krungsri also forged closer relations with several major real estate developers. This expanded our market presence, especially at the upper end of the market and saw growth of around 30% each year for the past three years.

Krungsri Mortgage Loans strengthened our market leadership position, while the "Krungsri Home for Cash Program" utilized channels including TV, radio and billboards to promote competitive features such as repayment terms of up

to 30 years and loans of up to THB 10 million. In addition, Krungsri Mortgage Loans provided customers with quick and convenient access to liquidity, with our "Krungsri Home for Cash Delivery" program. Krungsri advisors provided off-premises advice on the Krungsri Home for Cash program to our customers in Bangkok and surrounding areas. We also spotted and filled a gap in the market by offering Krungsri Credit Cards at the same time.

To improve the efficiency of our approval process, Krungsri Mortgage Loans used a scanning technology called IDA, which ensures a faster pre-approval process via the latest scanning technology. This means over 90% of our customers find out if their credit applications have been successful within one day.

A database from which collateral value information can be retrieved and electronically submitted to credit analysts drives this service. With this technology, the collateral valuation process requires less time - only 3 days, from 5 days previously – and we can obtain a more accurate appraised value of real estate faster and at a lower cost by eliminating paperwork expenses.

We also enhanced our after sales service to continue to Make Life Simple for our customers.



At Krungsri, we believe our customers deserve financial services that are easy to understand, which connect with their ever-evolving financial needs and propel them towards brighter futures.

## "Make Life Simple" is not just a marketing campaign. It is the way we work at Krungsri.

With the aim of simplifying our customers' experience at every touchpoint, we have focused our transformation in four key areas:

### Branding & External Communications:

To increase visibility and modernise the brand, we have introduced new brand guidelines which include enhancement of our logo, a new tone of voice, new visual direction and a new font system. This new identity will be rolled out at all of the Bank's branches by the end of 2012. These efforts are intended to help us forge closer ties with our customers, distinguish our brand and better deliver the messages of "Simplicity" and "Approachable".

### New Core Values:

"A brand can only be as good as the people who deliver it". In the past year, new core values were developed and launched within Krungsri to ensure the transformation to "Make Life Simple" would be sustainable. In the coming year, we will also create a Simplicity platform to review customers' experience across all of our brand touchpoints.

### Products & Services:

To continue being the leader in delivering innovative products and services that simplify customers' experience, products launched under various business groups and subsidiaries are aligned under the theme of making customers' life simple. Many key customers' experience initiatives have also been implemented under the same theme.

- Krungsri Debit First Choice: The first ATM card that comes with an extra credit line
- Krungsri Personal OD: A high credit line overdraft facility that doesn't require customers to pledge any collateral
- Krungsri Debit All ATMs: A card that allows customers to withdraw money from any ATM machines of any bank in Thailand without paying additional fees

- Krungsri SME Tun Jai loan: A loan with guaranteed 2 day approval with 3 times credit line of your collateral value
- EDC account opening: Customers can now open savings accounts using their Thai ID cards, shortening their application process
- Automated slip: Banking transactions at any branch can now be completed without filling in any bank forms
- Krungsri credit card instant rewards: Spend on our credit card and receive cash back from your daily transactions without having to register via SMS, etc.
- Bank at Post: Now, Krungsri customers can deposit money at 1,320 post offices without having to carry their passbook

### Touchpoints:

Customer loyalty is the key measurement that we closely monitor. Loyal customers not only stay with the Bank and obtain more products from us, but they also help us attract new customers by promoting our products and services. Our NPS (Net Promoter Score) has increased significantly in the past year as the result of a service guideline rollout and ongoing branch improvement. Krungsri Smile is the



We became the first bank to launch **SIM banking,** for use with all mobile phones and no internet required. "

**Mr. Thakorn Piyapan**  
Executive Vice President  
Primary Banking



nationwide training program that helps us roll out consistently warm, friendly and impressive service everywhere our customers encounter the Krungsri brand. We also invest in monitoring and building infrastructure that continues to build customer loyalty.

The look and feel of our distribution outlets is key to customers experiencing our transformation. We aim to create the same simple yet contemporary standard across our branches nationwide, no matter what the existing design, decoration and marketing materials. We are also striving to streamline and simplify our services to make them better and more effective for our customers. We plan to launch a new prototype branch with a cutting-edge customer experience during the first half of 2012, which will gradually be rolled out to all branches. In addition to actual bank branches, our alternative channels are focused on bringing a more convenient experience to customers. We have developed more user-friendly interfaces on both our main website - [www.krungsri.com](http://www.krungsri.com) - and our online banking website, [www.krungsrionline.com](http://www.krungsrionline.com). Krungsri Banking SIM, which was launched this year, is another example of product innovation creating a more streamlined banking experience and helping us "Make Life Simple" for our customers.

## "Cross-selling is an area we continue to improve and where we have seen solid gains in business volume."

### Customer Relationship Management

Cross-selling has been gaining momentum within the banking industry and many banks are focusing on their CRM capability. Our bank has well-established CRM infrastructure across major channels, with on-going cross-selling programs. We continue to emphasize a Customer Centric approach to promote product sales, enhance customers' experience and streamline and improve customer retention.

Our Campaign Management Platform has been enhanced to make it more efficient. Krungsri Online is used for cross-selling and to keep up with the market trend towards greater use of e-channels. Cross-selling using other channels, including ATM networks, branch tellers, managers, telesales and call centers is a continual area of improvement where we have seen impressive gains in business volume. SMS has also been actively used to

approach customers who do not regularly visit our channels.

In addition, we further strengthened our cross-selling efforts by launching "Lead Management Express", also known as "Event Based Marketing", an advanced version of lead generation for cross-selling campaigns. This customer interaction-based process was designed to evaluate financial transaction data and detect opportunities for cross-selling.

Further in-depth customer analysis has been carried out to give the Bank a better understanding of our customers. These findings revealed hidden customer value and helped the Bank to identify new opportunities that allowed us to offer better service. We are proud of our achievements, which included a historical high in net profits, robust improvement in asset quality, improved ability to cross-sell our products and services across the Krungsri Group, which resulted in the number of products held per customer increasing from 1.92 to 2.51 and greater utility derived from One Krungsri marketing and promotion activities.

The Distribution Group manages the Bank's sales network of financial products and service centers to serve customers in all sectors. We provide channels for customers to make transactions through domestic branches countrywide and overseas branches, currency exchange centers, Western Union centers and Exclusive Banking centers. The Distribution Group also renders services through electronic-channel unit, telesales unit and independent sales agents. And this year, we have expanded sales channels through agents at branches (Branch Commission Sales).

## "Make financial services at branch simple"

We have implemented various tools to ensure service excellence at our branches. We use the NPS tool, to get feedback from customers. In 2011 we introduced staff scheduling and queue management tools to reduce customers' waiting time. Using these tools, we can manage traffic and service time at branches by measuring the density of customers in each period and plan the appropriate number of employees at any given time, especially peak hours. Results from the project show the NPS score has increased, which means an improved customer satisfaction with Krungsri.

This year, we have separated duties in the service unit and sales unit and established clear Key Performance Indicators (KPI) for individual officers of each unit. They share branch targets to ensure the two units work together as a team. We also replaced more than 7,000 outdated computers. We deployed a scanning system with a program to submit digital files from branches to head office to reduce approval time. Simple queue systems have also been installed at 135 branches to accommodate customers with less paperwork. Customers can simply scan their passbooks, select the type of transaction and the system will then automatically allocate a place in the correct queue and when they reach the counter all their paperwork will be ready.

The Bank sought to motivate staff by adopting an incentive program for salespersons based on their performance. The Bank also provided CRM tools which allow tellers to see, on their screens, which products can best benefit each customer. We also further streamlined branch management via "Krungsri Way" by empowering managers with the tools to efficiently manage sales and service.

## Development of efficient channels to serve a variety of customers

The Bank adopted new technology to analyze statistical data and information for new branches, foreign exchange booths and ATMs. Sales and service was bolstered both in Bangkok and in other major cities. Telesales received a boost with the implementation of the new auto-dialler system which makes life easier for salespersons and this allowed us to offer our products to many more customers.

We expanded our ATM network by 16% to 3,788 machines and upgraded 352 machines as part of our quest to "Make Life Simple" for our customers. The Bank is constantly refining its internet banking services to suit modern lifestyles. We provide financial products and services via easy-to-use and secure channels to enable customers to make online transactions. We also allowed greater use of mobile phones for banking and improved our ATM interface to make it simpler and more user-friendly.

## "User-friendly technology and new services through online channels"



## The Thai Financial Picture in 2011:

- Thai interest rates reached a peak of 3.5% in September, and the Monetary Policy Committee has since reduced the policy rate twice to lessen the impact from the floods.
- The Deposit Protection Agency (DPA) saw the blanket guarantee for savings reduced to THB 50 million maximum. As a result, Bills of Exchange (B/E) grew in popularity as an alternative savings instrument for depositors.
- The Thai Baht strengthened significantly in the first half of the year, reaching 29.66 Baht to the USD, led by export growth but in Q3 the Baht weakened to 31.43, mainly due to the European debt crisis.
- Treasury's risk management and hedging products were actively utilized by exporters and importers alike. Investment products like government bonds and the Bank's B/E saw higher volume of activity, with 300% growth year-on-year. Foreign exchange product volume such as FX Spot, Forward Exchange

Contracts and FX Option grew more than 50% year-on-year.

- The Bank was increasingly active as a primary dealer in the bi-lateral repo market, absorbing more than our market share of surplus liquidity from the Thai banking system which had roughly THB 1.4 trillion in Q4.

## Key Initiatives and Achievements in 2011

### Assets & Liabilities Management

ALM manages interest rate risk and liquidity risk, including subsidiaries and a bond investment portfolio for the regulatory reserve and non-deposit funding alternatives. B/Es were issued to institutional investors during the year. In addition to short-term fixed-rate B/E, a longer tenor at a floating rate will be introduced to investors with new reference indices, e.g. BIBOR and THBFI. Short-term debentures will also be introduced, mainly to institutional investors, to allow diversification from traditional B/E.

### Capital Market Department

CAPM oversees the Bank's investment portfolio, including subsidiaries capital positions.

### Treasury Department

TRD manages local and international money markets as well as foreign exchange and fixed-income trading. The Bank provides exchange rates for 22 currencies through branches nationwide.

### Treasury Sale & Products Department

TSPD provides a full range of Treasury product for risk management as well as financial investments for Corporate, SME and retail clients. Foreign exchange hedging products were actively used by import/export businesses in 2011 due to the USD weakening. Interest rate hedging activities through Interest Rate Swaps and Cross Currency Swaps were also provided to large corporate customers while interest rates continued to rise as a result of the Bank of Thailand's monetary policy.

The Treasury Division delivers comprehensive treasury services and oversees the development of innovative products for the Krungsri Group.



In 2011, the Human Resources Group developed a new performance management scheme to motivate staff and boost financial growth. Under this scheme, performance targets were set and aligned across the Bank's various departments, groups, teams and individual employees. The aim was to ensure core targets would be met for everyone from senior management to operational employees.

The Human Resources Group developed requirements regarding annual performance evaluations for employees, in line with the brand's Core Values, namely: Integrity, Team Spirit, Passion for Excellence, Customer Centricity and Embracing Change. The Group also prepared a handbook on the new brand identity and Core Values called "The Krungsri Way" for distribution to all Krungsri employees to help them "live the brand". Targeted activities were also held throughout the year to promote employees' knowledge and understanding of these Core Values and to ensure they become the way we work across the Krungsri Group.

The Bank recognizes that personnel development is key for both growth and career advancement. In 2011, Krungsri has partnered with the leading

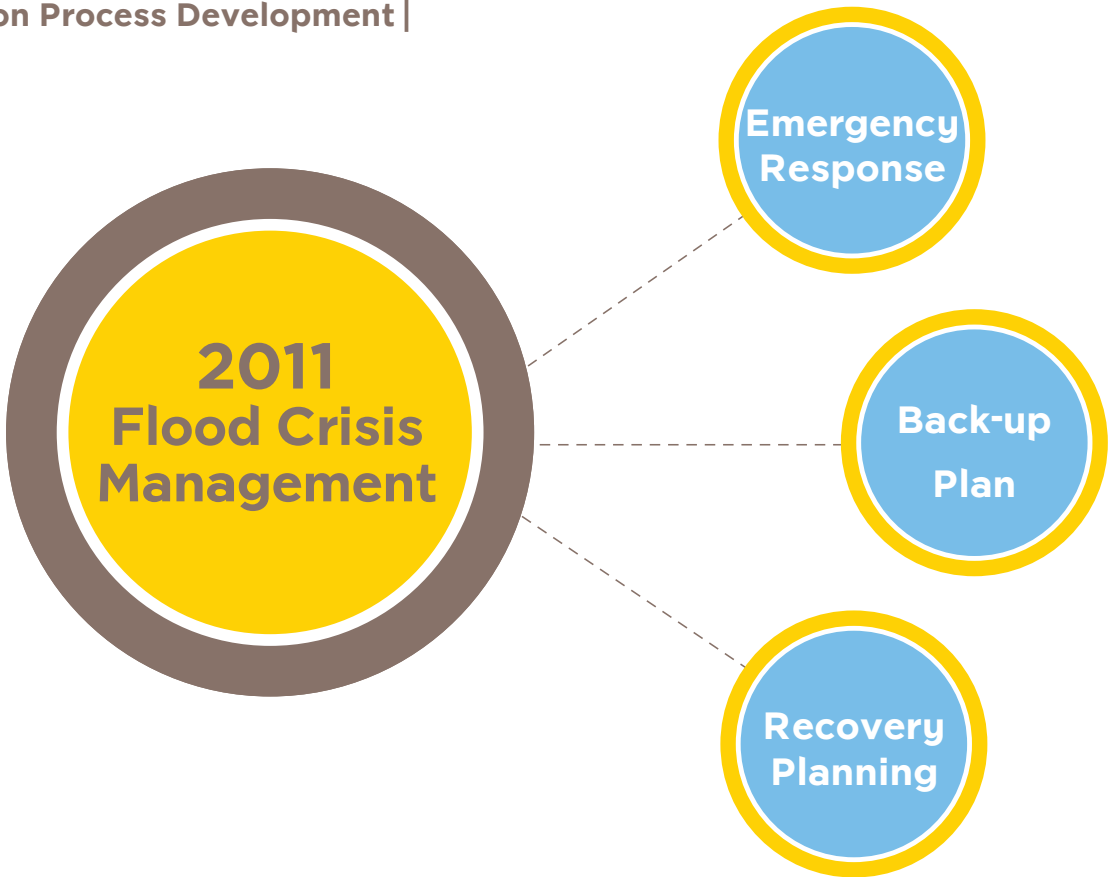
## "Revenue sharing was introduced to incentivize key sales staff and drive growth."

academic institution, Assumption University (ABAC) to develop leadership development program, "Ladders for Leaders" for Krungsri's leaders. Within the same year, the Human Resources Group established talent management guidelines to identify and foster the careers of team members recognized as being highly talented. The Human Resources Group oversaw and managed individual development plans for these individuals. Apart from talent selection, the Group also oversaw career development for functional groups with sales targets in 2011 (namely, the Corporate Banking Group, Consumer Banking Group, SME Banking Group and the Distribution Group).

Furthermore, in 2011 the Bank undertook the Voice of Krungsri (VOK) project, Wave 3, in order to assess employee engagement. Employees understand and recognize the importance of the project as well as benefits gained from their participation and completion of the VOK questionnaire. In the most

recent survey, the average score of Krungsri Group employee engagement has increased significantly from 3.49 in Wave 1 to 4.03 in Wave 3 from a total score of 5.00. This increase is driven by the fact that the Bank has used the previous survey results in the planning and organization of activities for employees across functional groups as well as in improving the working environment and the management and communication processes. The Bank conducts the VOK survey every year and focuses on the formulation of action plans to enhance and foster an effective working environment as well as to strengthen and promote employee engagement to drive the Bank towards being recognized as an employer of choice.





### 2011 Flood Crisis Management

The recent severe flooding in Thailand during Q3-4 2011, penetrating through northern, northeastern and central parts of Thailand, has damaged not only people's livelihoods and homes but also the economic and government sectors in 63 provinces. Krungsri did not escape unscathed, with 156 branches and 745 ATMs belonging to the Bank and its subsidiaries affected.

However, due to our effective and efficient crisis management system, we managed to minimize the impact and, most importantly, were able to continue operations and provide services to clients with minimal inconvenience. The key to our success in managing the crisis was down to the excellent risk management and vision of our Crisis Management Committee, who covered every base in terms of management, human resources and operations initiatives to cope with the myriad of problems created by the floods.

#### Emergency Response:

The Crisis Management Committee monitored and reviewed the situation on a daily basis and took the necessary actions.

#### Back-up Plan:

Alternate or back-up branches were provided for customers, where their normal branches, had been flooded. These were located in close proximity to their core branch. Our aim, to ensure we and they continued business as normal.

#### Recovery Planning:

In order to ensure continuity of service excellence for our clients, the impacted branches and ATMs were promptly repaired as soon as the floods receded.

Not only have we effectively managed to cope with the crisis internally, but the Bank also distinguished itself with its humanitarian response. The Bank moved swiftly to offer a variety of special loans and recovery schemes to suit individual customers, SMEs and corporates affected by the floods. For

employees who suffered flood related problems, we offered emergency accommodation and funding to repair damage, as well as supplying tools and equipment in order to help them resume normal life as soon as possible.

As a consequence of the recent flooding, we have become more aware of the need to be prepared for the unexpected, especially when it comes to natural disasters. We recognize the need to be able to manage and operate the Bank's business in the face of severe disruptions. All of our customers, teams and other stakeholders should rest assured that we will continue to enhance and fine-tune our crisis management system with intelligence and foresight to the most rigorous international standards.

### Smarter. Safer. Simpler.

We upgraded our branches with:

**7,000**  
new desktop and laptop computers

**497**  
digital signage sets

**429**  
magnetic stripe units

**429**  
barcode readers

**378**  
passbook printers

In 2011, the Bank made better information technology one of its main priorities, allowing us to provide new and better products and services, increase market share and boost security for all data and systems. All of this helped the Bank in its quest to "Make Life Simple".

The overall investment in information technology totaled THB 1.4 billion, which included upgrading the core banking system, support applications for branches, internet banking, mobile channels for retail customers and new financial products for SME and Corporate customers.

This investment also covered branch and ATM network infrastructure upgrades, including new PCs and peripherals for branches, which allowed us to serve our customers better and keep them safer than ever before.

### Core Banking System

The Bank has invested in our cash management system to offer streamlined services to SME and Corporate customers. The system we have installed is the best on the market, allowing greater flexibility and functionality when it comes to cash management. By the end of 2012, this system will be up and running.

"We provide customers with safe and seamless internet banking. Krungsri E-Banking is continuously updated and improving."

The Bank successfully migrated the old Promissory Notes System to a Core Banking Loan system as part of our "Loan Consolidation Project" in Q1 2011. This was done to help the Bank manage its loan portfolio more efficiently, and to allow better control over customer credit limits.

To comply with the Bank of Thailand's ICAS (Image Check Clearing and Archive System) initiative, we enhanced our domestic check transfer and collection process, replacing the old physical check clearing process at all branches. We can now extend the daily deadline for check deposits from 1pm to 3pm, reduce risk and costs incurred by transportation of checks and store checks in image form aligned with our One System, One Clearing House and One Day Clearing service as per the Bank of Thailand's policy.

We are the first bank in Thailand to launch the ICAS system for both Bangkok and Metropolitan Region, trialling it successfully in six branches and by working through the provincial clearing system. We changed method of check delivery from the NODE form

to the branches circulation. To build more capability to serve our customers, we also purchased a new Check Capture Device to be installed at all branches by early year 2012.

The Bank also deployed Fund Registrar System to support mutual funds, LTF and RMF registration. The improved system helped the Bank expand its business among this group of customers.

The new web-based Retail Bond System has been developed to support and improve the trading of bonds and debentures at branches. It's easy to use and will enhance the customer banking experience by making the transaction via the web.

The Bank enhanced the Krungsri e-Export system, a document preparation system that creates a consistent set of export documents for any payment method (Export Bills under L/C, Export Bills under B/C, Open A/C or Advance Payment). Our export customers are linked more seamlessly to their own customers' systems. This streamlines the documentation process, making things simple for both the Bank and our customers.

Our Supplier Financing Program System was also improved to support the SME sector, and especially to allow corporate suppliers and vendors to access working capital more easily. The system sets a maximum limit and allows payments to be made per invoice or as a total amount by each supplier or vendor.

Krungsri introduced new deposit products to enhance our core banking product offering. "Krungsri Max Savings" was launched, offering a high interest rate, while "Step Savings" offered an interest rate of up to 3.5% per annum, with monthly interest payment. "Krungsri Home for Cash" allowed customers to get cash from their homes by offering loan periods of up to 30 years for sums up to THB 10 million. "Krungsri Refinance Combo", meanwhile, gave customers a better deal by allowing them to take out two loans at the same time.

The Bank continued to improve and enhance online communications about our products and services through

our website ([www.krungsri.com](http://www.krungsri.com)), providing customers with a superior banking experience that is simple, convenient, secure and innovative. We expanded our website's features, adding a financial calculation option, online job applications and online applications for products and services (E-Application Online). This bolstered our competitiveness and allowed us to move towards our goal of becoming the preferred bank for all of our customers.

To provide customers with the safest and seamless internet banking, Krungsri E-Banking ([www.krungsrionline.com](http://www.krungsrionline.com)) was improved to include more features, while also offering support to the Bank's campaigns to promote its various products and services. Coupled with world class-leading Customer Relationship Management activities, we were able to turn customer interactions into sales opportunities.

The Bank is the first in Thailand to launch a SIM banking service, allowing mobile phone users across a wide range

of handsets and network providers to do all their banking transactions by phone, from balance inquiries to fund transfers, bill payments and Krungsri Yellow Points Redemption.

To strengthen our telesales capabilities, Auto-Dialler technology was introduced to establish direct marketing communications with targeted customers. With Auto-Dialler, our telesales operators can handle the entire sales process from contact response and follow up to tracking performance. This boosts business volume and increases profits while deepening our relationship with our customers.

In order to improve efficiency at branches and cut customers waiting time, the Bank undertook many IT infrastructure improvements, including the installation of 7,000 desktop computers and laptop computers, 378 passbook printers, 429 magnetic stripe units and 429 barcode readers.

To increase performance and productivity, backup electrical systems were installed; 598 UPS for all branches,



plus 86 generators were installed at strategic branches. Customer waiting time was cut and satisfaction enhanced by a new service model called "Simple Q", which has been installed at 135 branches and allows customers to use our "Swipe and Go" concept.

The IT Star program was introduced to minimize computer-related delays and further streamline customer service. A switch is also underway from Microsoft Office to Open Office to minimize operating expenses. So far, 1,321 machines have had Open Office installed.

## IT Security and Compliance

The Bank attaches great importance to upgrading our IT security system to improve security in line with current international standards. To this end, an intrusion prevention and detection system were installed and upgraded through the use of the Global Threat Intelligence™ which provided the Bank with data contributing to real-time protection against new threats.

The Data Loss Protection project was set up in order to protect against and prevent data leakage. In addition, operational risks associated with the Bank's information were assessed and analyzed and action plans were

**"The Bank's image and customer convenience received a further boost from 497 digital signage sets which were installed at branches nationwide, as well as at Krungsri Auto outlets."**

formulated to support data protection efforts, i.e. encryption of information on laptops, prevention of copying bank or customer information on computers and the installation of information management tools to guard against data leakage.

To ensure that transactions executed via e-channels meet the Payment Card Industry Data Security Standard (PCI DSS) and the Open Web Application Security (OWASP) standard, the Bank introduced the PCI DSS project to assess and analyze operational risks as well as develop and implement plans to control transactions executed via e-channels to ensure compliance with the PCI DSS.

Cutting-edge tools were used to identify vulnerabilities within the Bank's IT system at the network and application levels

and to safeguard against threats in accordance with the OWASP standard.

## Operation System, Infrastructure and Networking

The Bank has successfully completed upgrading branch and ATM machine communication link protocols to TCP/IP and also introduced dual link providers. We are also working to move our backup data center, currently located in the center of Bangkok, to an alternate remote location. The Bank provides five Business Continuity Plan centers (BCPs) around Bangkok, all of which can take over as the headquarters if necessary, to ensure customer service is not disrupted in the event of an emergency.



State of the art imaging technology allowed us to **speed up**

check clearing and push the daily deadline for checks from 1pm to 3pm. **"**

**Mrs. Voranuch Dejakaisaya**  
Head of Information Technology

**"Krungsri** successfully implemented the PeopleSoft HR system for Krungsri Consumer and is now working on rolling this system out across the entire organization to consolidate HR management."

Other data center improvements include server consolidation, web server consolidation and database consolidation. This initiative is a shift for the Bank to move towards the industry-wide trend to greater use of "Cloud".

An Automated Monitoring System has been introduced to constantly check all critical systems to ensure they are 100% operational and supporting business as usual. This can detect any downtime or system error, but also warns of critical indicators which have exceeded performance thresholds, to ensure early detection and elimination of potential system problems.

We have started a project to replace our existing ATM Switch (Base 24) to S1/Postilion system, after the existing systems service provider announced globally that it would cease operations at the end of 2012. We also utilized the opportunity to change the legacy system to an open system, which can easily connect to other open systems via the Service Oriented Architecture (SOA) concept. The Bank is implementing this project in 4 phases, 3 phases have already been completed successfully.

We purchased 3,100 new Electronic Data Capturing machines to expand our merchant service. The Bank and Krungsri Consumer are working on a migration project to relocate credit card data processing from Australia to Krungsri's data center, in line with the Bank's strategy of consolidation.

## Enterprise Data Management

The Bank has started a new Enterprise Data Management program to build new enterprise data warehouse with the aim of implementing the globally recognized banking data model to assist in improving data integrity, support business functions such as sales, marketing, cross-selling, CRM and risk management and new requirements for regulatory reporting. The Bank has selected Teradata as its solution partner for this initiative. This program commenced in May 2011 and will run for 2 years.

## Enterprise Business Applications

The Bank has now successfully introduced Oracle Finance system into the Bank and for 13 of its subsidiaries as part of efforts to consolidate accounting for the group using a single platform. This system will be rolled out to remaining subsidiaries over the course of 2012.

PeopleSoft will introduce group-wide standardized appraisals, goals, training and team development. Enterprise Content Management (ECM) is another new initiative for Krungsri Group, with the ultimate aim of paperless operations and work flow automation.



This initiative is expected to help increase productivity, decrease operating expenses and increase both employee and customer satisfaction. For this initiative, the Bank has selected Oracle UCM as the solution partner. This project will start rollout in 2012.

We are also aiming to setup a new system to support its Krungsri Loan Origination System for corporate and SME products with the aim of simplifying and automating existing manual processes and increasing Time to Cash (TTC), as well as digitising back end operation processes. Currently the Bank is in the software selection process and will begin introducing a new system in early 2012.



"Compliance and Integrity" continue to be the Bank's priority when it comes to how we conduct our business. We ensure that staff are fully aware of any new developments regarding regulatory requirements through constant and prompt communications, followed by training exercises. Senior Management and The Board of Directors are also updated on these changes on a regular basis. This is all to ensure that we strictly operate to the letter of any regulatory changes.

2011 marked another demanding year with respect to changes in regulatory requirements, 117 of which were communicated to our staff and training on 33 key requirements were conducted. The training included regulatory requirements on loan guidelines, derivatives, consolidated supervision, credit information,

**"Simplified checklists covering key regulations were rolled out to ensure staff were on top of the many new changes."**

anti-money laundering, limited brokerage dealing and underwriting and Bancassurance, among others.

To further ensure strict compliance with these requirements, an on-going compliance monitoring program was enforced. Checklists covering 67 different regulations were rolled out to various business units within the Krungsri Group for self-assessment purposes and they were validated through the Bank's internal audit program. In parallel, staff were encouraged to report any cases of non-compliance.

From a system perspective, an electronic funds transfer reporting system, as required by the Anti-Money Laundering Office, was launched in 2011. A new related party search engine was also introduced to replace manual searches to pre-screen the Bank's counterparts per the related party provision set forth by the regulators. It is also our intent to explore new systems and technologies that will continue to improve our robust compliance program.

## 8.9 bn

Non-performing Loans sold in 2011, reducing NPL ratio from 5.5% to 3.7%, or from THB 38.1 billion to THB 29.5 billion

## 11%

portfolio growth while maintaining NIM and cutting losses from 191bps in 2010 to 158bps<sup>1/</sup> in 2011

## 106%

NPL reserve coverage on a consolidated basis, up from 89% in 2010

## Business Support Operations

Krungsri's Board of Directors has empowered the Risk Management Group to execute all risk management activities for the Bank. The Risk Management Group formulates risk management policies and procedures in accordance with the Bank's long term strategy, risk appetite and commitment to good corporate governance. The Risk Management Group has an integrated approach to manage three principal risks: Credit Risk, Market Risk and Operational Risk.

The Bank's portfolio quality is managed through a rigorous process of underwriting and account management by a team of credit specialists. All large exposures are reviewed on a quarterly basis by the commercial credit teams. Portfolio quality reviews for each product with detailed segmentation by geography, facility, ratings and industry and more are conducted every month. Any potential future risks are flagged and mitigation strategies developed and executed. This rigorous approach to

portfolio management has enabled the Bank to significantly reduce our NPLs, and timely portfolio interventions have reduced the inflow of new NPLs while improving the efficiency of the NPL sales and settlement processes. Prudent risk management practices ensure that the Bank has adequate reserve coverage. While the Bank follows BOT guidelines to calculate allowance for loan losses, it also provides additional reserve for contingencies. The reserve to NPL ratio on consolidated basis is at 106%, an improvement of 17%, over 2010.

The credit risk infrastructure is continuously enhanced for both the Bank and its subsidiaries. As a first step towards Basel II Advanced Internal Risk-Based (A-IRB) approach readiness the Bank has implemented a statistical internal rating model for Probability of Default (PD) for the commercial portfolio in 2011, with projects to develop Loss Given Default (LGD) and Exposure at Default (EAD) models for the commercial portfolio and PD / LGD / EAD models for the consumer portfolio in the Bank and subsidiaries were also initiated. The Bank took steps to implement Moody's Risk Adjusted

Performance Management (RAPM) which will optimise the risk return equation and maximise ROE.

The Bank has a dedicated team of specialists to manage NPLs. They formulate the best strategies to collect money from delinquent and NPL accounts while minimizing the impact to the Bank's profitability. The team is also responsible for the sale of Non-performing Loans and completed sales of THB 8,927 billion in 2011. NPLs were reduced from THB 38.1 billion to THB 29.5 billion, while better credit and portfolio controls ensured minimal new NPLs.

The Risk Management team responded pro-actively on behalf of the Bank and its subsidiaries in tackling the impact of the floods in Bangkok and neighboring provinces by actively identifying affected customers and reaching out to them with personalised debt relief packages.

The Risk Management Group is actively engaged in implementing Pillar 1 capital requirements and Pillar 2 under Basel II. Maximisation of Return on Equity through adequate pricing and credit risk mitigation

**Implemented internal ratings for our commercial portfolio as a first step towards A-IRB implementation**

strategies is one of the functions undertaken by the Risk Management Group. The Risk Management Group also manages long term capital planning based on the Bank's growth strategy and capital forecasting based on stress tests. The Bank is actively engaged in conducting stress tests to ensure adequate capital adequacy under stress scenarios.

The Market Risk Management Department assesses, monitors and reports the Bank's risk exposures in both the trading and banking books. Market risk management policies, regular

reviews and stress tests are designed to ensure the Bank's income and capital are not adversely impacted by rapidly changing economic conditions.

The Risk Management Department manages the Bank's liquidity risk via a liquidity risk management framework, which involves daily and contingency liquidity management. Liquidity is managed both quantitatively and qualitatively and involves monitoring depositor behavior, economic conditions, financial markets and the competitive environment to ensure

**Developed detailed Risk Control Self Assessments (RCSA) and Key Risk Indicators (KRI) for all key Bank activities to help effectively and prudently manage operations**

adequate of funding is available to support the growth plans of the Bank.

The Bank's Operational Risk Department ensures minimal impact occurs to the Bank and subsidiaries in the event of any internal failures, outages and external factors. The Bank and all subsidiaries have completed RCSA. KRIs have been developed for all departments within the Bank and are closely monitored. A Business Continuity Plan is in place and is regularly updated and tested.



<sup>1/</sup> Excluding one-time impact from floods in Q4 2011.

**584** branches delivering investment products to clients around Thailand

**2.2 bn** in monthly factoring volume

**100 bn** in auto loan products sales

**73** provinces where "Srisawad Ngern Tid Lor" can provide a motorbike loan in 30 minutes

**35,000** fans of our KCC Facebook page and growing everyday

**4.8 m** cards in the marketplace

## Krungsri AMC (Krungsri Ayudhya AMC Ltd.)

**Type of Service:** Purchases or accepts the transfer of impaired assets (NPL and NPA) for management through debt restructuring and/or purchasing their collateral for disposal. Also, undertakes NPA maintenance to ensure they are in good condition and ready for sale.

**Market and Competition:** None, since the Company only provides support services to the Bank.

**Source of Funds:** The Bank

## Krungsri Factoring (Ayudhya Factoring Co., Ltd.)

**Background:** The Krungsri Factoring was established on February 1, 2007 with an initial registered capital of THB 100 million, which was later increased to THB 300 million on June 23, 2011. The Krungsri Factoring is now one of the top three players in its field. As

its only shareholder, the Bank plays an important role in helping the Krungsri Factoring establish itself in the market. Current emphasis is on maintaining the credit quality of the Krungsri Factoring's portfolio while expanding its services across the Krungsri network.

**Type of Service:** Provides factoring services (Domestic Factoring with recourse and notification) by granting short-term revolving credit facilities through the purchase of account receivables and assigning rights for their collection.

**Market and Competition:** The Krungsri Factoring constantly re-aligns its business position with the changing economic conditions, taking into account the increasingly competitive nature of the factoring market. The Krungsri Factoring monitors the prevailing conditions in the industry including 1) current pricing offered by key players, 2) their credit approval process and

3) their service quality – and then adapts accordingly. To ensure its own competitiveness, it has recently added the SME segment as clients. While offering attractive pricing in this new segment, the Krungsri Factoring also practices sound risk management in order to maintain the credit quality of its portfolio.

Thanks to the factoring team's marketing efforts and long-standing experience in the factoring business, the Krungsri Factoring achieved 66% year on year growth in the factored billing turnover and 90% year on year revenue growth in 2010 – a remarkable achievement given the Krungsri Factoring's relatively short history. With a monthly turnover of THB 2.2 billion, the Krungsri Factoring currently ranks among the top three industry players.

**Source of Funds:** The Bank

**"With monthly turnover of THB 2.2 billion, the Krungsri Factoring currently ranks among the top three industry players."**

## Top 50 Superbrands – Krungsri Auto first Thai car financing business to gain Superbrand status

### Krungsri Leasing (Ayudhya Development Leasing Co., Ltd.)

**Type of Service:** Provides financial lease and hire purchase services to enable SME and large corporations to acquire machinery, equipment and commercial vehicles by offering various solutions through structured lease.

**Market and Competition:** Only a few companies in Thailand concentrate on machinery and equipment leasing. Such leases are suitable primarily for companies with limited banking facilities, where leasing is provided based on lessee's operating cash flow as well as the liquidity of the leased assets. This allows us flexibility in providing a financial package suited to the customer's needs.

Krungsri Leasing is the market leader in the leasing industry, with 21% market share.

The Company focuses on big ticket leases as well as structured leases for a variety of industries, including marine transportation, vessels, alternative energy production plants, healthcare and public transportation. These activities provide the Company with a meaningful point of differentiation.

As a strategic leasing arm of the Bank, TRIS Rating upgraded Krungsri Leasing to "A" with stable outlook, due to a strong market positioning, experienced management team's proven track record and low operating costs.

**Source of Funds:** Supported primarily by the Bank

### Krungsri Auto (Ayudhya Capital Auto Lease PCL.)

**Type of Service:** Automobile financing is one of this Group's major products and services. The business operates under Ayudhya Capital Auto

Lease Public Co., Ltd. (Krungsri Auto), one of Thailand's leading full-range auto financing companies that provides: 1) hire purchase financing for new cars, used cars, motorcycles, auto-secured loans (Car4Cash) and top-up loan to existing customers; 2) leasing (financial lease) for a company's car financing; and 3) car dealer inventory financing for effective car inventory financing management.

This year, Krungsri Auto achieved another major milestone by reaching almost THB 100 billion in annual sales volume and over THB 150 billion in loan assets. This made Krungsri Auto the second largest automobile hire purchase operator in Thailand and number one in market share for used car financing and auto-secured loans. Having been proven to be trustworthy and well respected by the credit rating agency, general consumer and marketing professionals, Krungsri Auto received an A+ rating from TRIS Rating with stable outlook for 3 consecutive years. As a



**Mr. Pairote Cheunkrut**  
Managing Director of Krungsri Auto

The Company has successfully bolstered its **positive** perceptions and usage in the minds of consumers."

result, Krungsri Auto became the first and only automobile financing company to have been voted as one of Thailand's "Top 50 Superbrands".

2011 was a year of great expansion for Krungsri Auto in 4 areas.

**Branding:** With a series of corporate advertisements to promote the Krungsri Auto brand and its commitment to responsible lending, the Company has successfully bolstered its positive perceptions and usage in the minds of consumers. In addition, the Company displayed a strong presence at Thailand's major automobile shows and was the official auto finance provider at the 2011 Motor Show, Muang Thong Thani.

**Innovative Services:** The Company implemented new technology to make application processes convenient and easy — The MRs (Marketing Representatives) carried tablet computers everywhere with them whenever they approached potential customers at the dealer sites. This enabled faster submission of data to branches, in turn speeding up application turnaround, benefitting both customers and business partners. Another innovative service highlight was Krungsri Auto Marketplace, an online marketplace to facilitate sale between used car sellers and buyers with integrated used car financing by Krungsri Auto.

**Product Innovation:** With commitment to our brand positioning as a one-stop auto financial solution provider, Krungsri Auto introduced its 3 new product lines 1) inventory financing for used car dealers; 2) auto-secured loan without title transfer; and 3) the first to offer used car financing with extended warranty.

**Accessibility:** With the full support of the Bank, the Company has been able to leverage the branch network to extend coverage and drive growth at minimum cost. In order to accommodate customer's diverse lifestyles, the Company also expanded its channels to serve them at their most convenient location including gasoline stations, modern trade and online services such as web and popular social media. Krungsri Auto also collaborated with a large government network to offer products through the Government Pension Fund (more than 1.2 million members) and Thailand Post (approx. 1,200 offices nationwide).

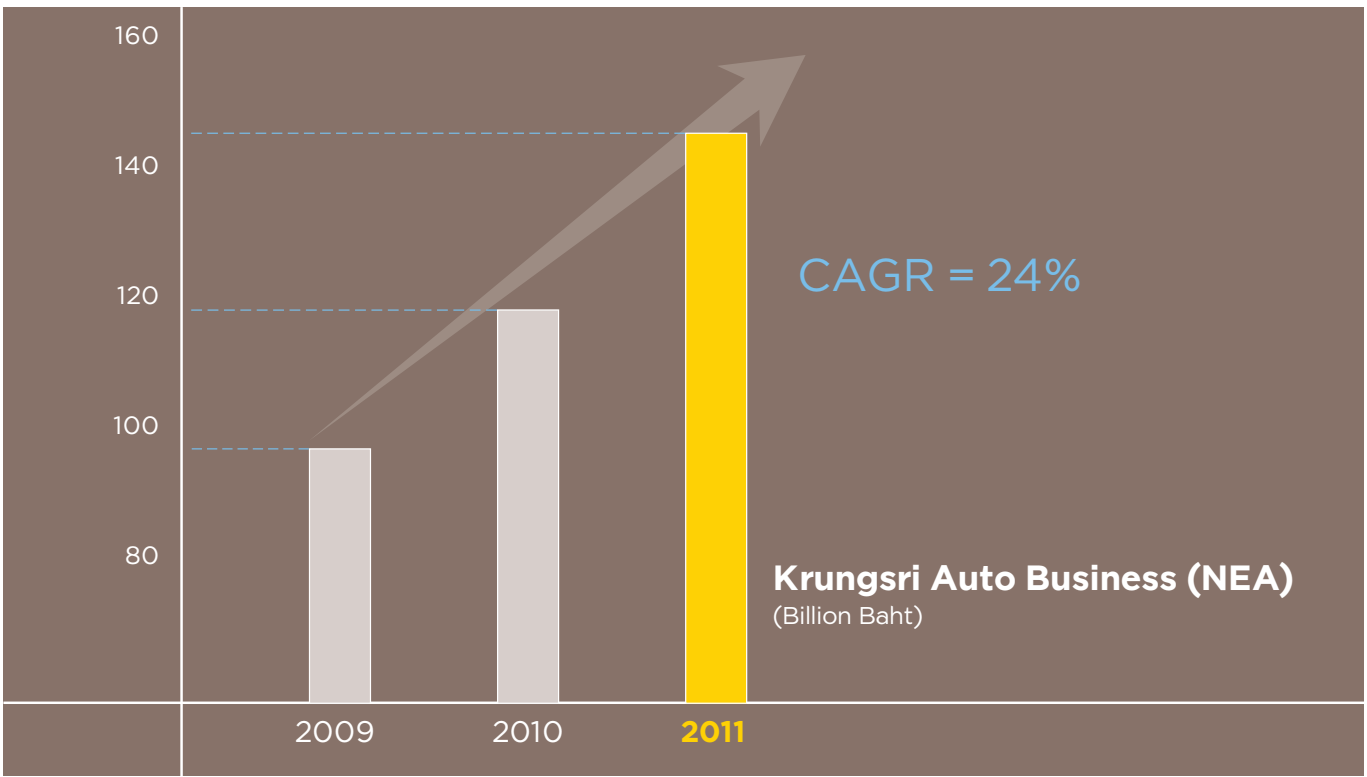
Despite continuous challenges from external factors impacting both supply and demand for the automobile industry in 2011, Krungsri Auto managed to exceed expectations.

**Source of Funds:** The Bank, AYCAL debentures and bills of exchange.

# Krungsri Consumer

**Type of Services:** Krungsri Consumer operates credit card, Sales Finance (merchandise installment financing) and personal loan businesses. The Group's credit card portfolio contains Krungsri Credit Card (KCC), HomePro Credit Card, AIA Credit Card, Central Credit Card, Simple Credit Card, Tesco Credit Card and First Choice Credit Card (3-in-1). We are also the leader in Sales Finance and Personal Loans businesses with the highest market shares of 19%. First Choice Card (2-in-1) and Power Buy Card are the flagship in this businesses with 1.9 million cards. The total cards of all businesses of Krungsri Consumer stood at 4.8 million cards. Krungsri Consumer was also awarded the Largest Visa Issuing Bank Award for Thailand in 2011.

**Market Leading Innovations:** Krungsri Consumer maintained its leadership position introducing a range of innovations to differentiate its services and offers in Thailand.



Our focus on LEAN and Six Sigma methodologies for customer processes and experience began in 1996 and is an ongoing cycle of **continuous improvement."**

**Mr. Philip Tan Chen Chong**  
Head of Consumer Finance



- **Event Trigger Marketing (ETM):** A proprietary mobile technology to deliver personalised offers at the right time, the right place and the right price was introduced and we are the first in the industry who implemented this innovation to the market. This product was designed based on customer feedback that they wanted meaningful offers that meet their needs.
- **Event Trigger Loyalty (ETL):** A proprietary reward redemption at the point of sales after receiving customer feedback on their preference for instant gratification on reward redemption.
- **Extended Payment Plan on Request (EPR):** This service offers flexibility to cardholders who want to change the revolving amount to an installment financing plan at their own request. This feature is designed to enable them to efficiently manage their payment obligations to meet with their cash flow.

Our focus on LEAN and Six Sigma methodologies for customer processes and experience began in 1996 and is an ongoing cycle of continuous improvement. These improvements go hand in hand with our technology investments. The Krungsri Group has consistently evolved and enhanced systems capacity and the flexibility of our core systems, providing product development, partnership configuration, customer centric processing capabilities and a more secure environment for our

customers. We have deployed state of the art fraud detection and prevention algorithms since the early 2000's to minimize customer disruptions. These ongoing cycles of improvements are part of our service culture. The market recognizes this long-term focus on service and process excellence.

## Krungsriayudhya Card Co., Ltd.

**Krungsri Credit Card (KCC):** KCC is the flagship credit card for Krungsri Consumer. Not only was KCC the first credit card in the market that offers waived annual fees for life but we are also the only credit card that offers instant cash back without registration once a purchase is made at participating merchants. The product innovations together with segmentation marketing campaigns are our key growth drivers and distinguish us from our competitors. To serve our customers and meet their needs, these services will be expanded to cover all day-to-day life activities.

In addition, our strategic partnerships are one of the key success factors in

terms of both driving spending volume and building customer satisfaction. With these strong partnerships, KCC has the ability to better serve customers and expand new targetted businesses in the market. We currently have both lifestyle and store co-branded credit cards to appeal to their respective market segments. Our current partners cover a variety of industries, including;

- Airline: Nok Air, Air Asia, Bangkok Airways, Thai Airways
- Travel: Agoda, BTS
- Entertainment: Major's exclusive lane and Paragon Cineplex
- Storewide: Upcountry, 16 stores under Thai Department Store Pool group
- Community malls: Crystal Design Center, Paradise Park, The Circle

Besides KCC credit card, the Company also provides two different types of credit card - HomePro Visa Card and Corporate Card;

**HomePro Visa Card:** HomePro is the largest Do-It-Yourself Home Improvement retailer in Thailand with

"The innovative **Krungsri Buddy** mobile application offers GPS navigation to our preferred merchants and customers. Stay tuned for smartphone-friendly **Krungsri Buddy 2."**

THB 30 billion in sales per annum and 44 branches nationwide. The business started with the HomePro Visa Private Label Credit Card, which became HomePro Visa Credit Card in 2005. Its annual billed volume is over THB 4.5 billion with 190,000 cards.

**KCC Corporate Card:** The Company offers Corporate Cards to companies to allow efficient incidental spending by management relating to business practices including airline tickets, hotels and meals consumed by selected staff or corporate executives.

KCC is also actively promoting a merchandise installment financing plan featuring 0% interest to our qualified customers. Krungsri Smart plan is an installment financing feature, which can be used at more than 7,000 partners nationwide with normal or 0% interest. Partner coverage was expanded to many categories including consumer electric, IT & mobile phone, home improvement, beauty clinic and luxury merchandises.

The company also offers KCC Dream Loans to eligible customers, which provide emergency cash credit lines with a simple approval process and short response time.

**Market Leading Innovations:** In mid 2011, KCC introduced Krungsri Buddy, an innovative and market-leading mobile application offering directional navigation assistance via GPS to our preferred merchants and account maintenance capabilities for

our subscribing customers. Moreover, Krungsri Buddy phase II provides total account maintenance, which allows cardholders to manage their own account information, check balance and transactions, check and redeem their points and get cash. The next version release will cover smart phones from Apple, RIM, Android and Symbian-based technologies.

The KCC website and social media, such as Facebook, are also major marketing channels, especially in this generation. The number of users who access our website and Facebook has been increasing rapidly every year. So far, according to IP addresses, the number of visitors increased 138% from last year, 30% of whom became fans of our KCC Facebook page.

Early 2012, we plan to launch a co-branded Manchester United Champions Credit Card. The card will directly target Manchester United fans throughout Thailand. It will be the only credit card to bring fans closer to the "Theatre of Dreams", Old Trafford and will target the 6 million members of the Manchester United Fan Club nationwide. This card will offer a variety of benefits including special discounts from key partners such as Manchester United Megastore and Manchester United Restaurants and Bar. Special privileges including discounts, bonus points, brand experiences and hospitality privileges, especially in the sport and travel categories, will also be offered.

**Source of Funds:** The Bank

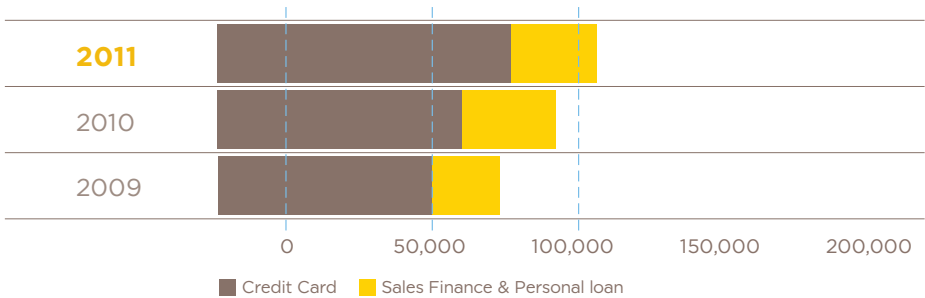
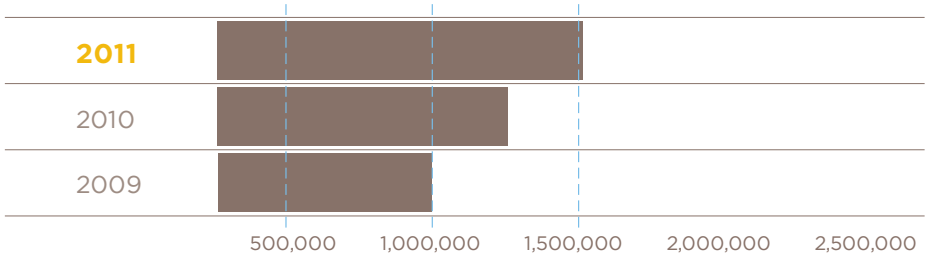
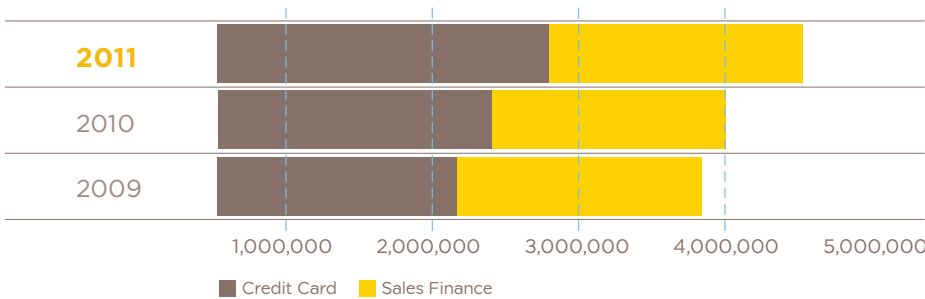
## General Card Services Ltd.

**Central Credit Card:** Central Credit Card is the leading retail card in Thailand. The Group partnered with Thailand's largest premier department store to issue an exclusive credit card plus personal loan service under the Central brand name. Central customers are the primary target. We created a special shopping experience for cardholders by organising events specially catering to them. These included the "Central Card Day", "Preview Day" in major campaign such as, "Midnight Sale, Private Sale" prior to the actual event. The card offers a primary discount of 5-10% on normal items purchased at Central Department Stores throughout the year. Moreover, special campaigns offering aggressive discounts and benefits out-of-store were available for Central Credit Card customers such as cash back at "Tops Super", "Great Escape" and "The More You Spend, The More You Get". These special promotions and campaigns contribute to the continuity of customer loyalty and our product attractiveness.

In mid-2011, Central Personal Loan was rebranded to "Central Exclusive Cash" to strengthen its brand perception amongst customers by introducing ATM features to allow customers greater flexibility and convenience to get cash via Krungsri ATM machines throughout Thailand. The new feature was well received by our customers.

**Simple Visa Card:** The card was previously Robinson Visa Card, which was re-branded as Simple Visa Card due to the expiration of the Robinson Merchant Service Agreement. The Simple Visa Card continues to offer attractive promotions and campaigns, discounts and privileges for cardholders in Robinson Department Stores and other big retailers such as Central Department Store, The Mall and Siam Paragon. The card is positioned as "The Best Shopping Card in Thailand".

**Power Buy Card:** Krungsri Group partnered with Power Buy, a major electrical appliance distributor with 88 branches nationwide, to issue a Power Buy Sales Finance Card with merchandise installment financing features. The card



can only be used in Power Buy stores. Similar to other Sales Finance features, cardholders can enjoy in-store special promotions with special interest rates, including an option of 0% interest with longer-term repayments. The minimum income requirement for the Power Buy card is lower than that required for normal credit cards. The Power Buy card also provided personal loans with installments of up to 36 months, reaching consumers via multiple channels such as Power Buy One Call and Power Buy servicing counters nationwide.

**Source of Funds:** The Bank

## Ayudhya Card Services Co., Ltd.

**AIA Visa Card:** The card came by way of acquisition from AIG Card (Thailand) in 2009. In September 2011, the Group has re-launched the new card design with the new concept of "Live Wellthy" (Wellness and Healthy), offering a value proposition based on

the "Health and Wellness" living trend towards a more holistic and health-focused approach to life. Cardholders will enjoy special benefits such as a cash rebate on AIA insurance premiums – we are the only credit card offering cash back on AIA life insurance premium payment with a grace period of up to 75 days. Other health-related benefits include special discounts at leading hospitals e.g. up to 20% discount on free medical check-ups at Bangkok Dusit Medical Services and extra reward points on health-related spending covering spa treatments, medications etc.

Besides health-related privileges, cardholders also enjoy lifestyle benefits including discounts of up to 2% at Bangchak gas station, 0% merchandise installment plan at leading department stores and free of charge for entry fee and annual fee. Everyday spending is also one of the key card features including a 1% cash rebate at supermarkets and 3x reward points for overseas spending.

**Source of Funds:** The Bank

## Ayudhya Capital Services Co., Ltd.

The Company continued to maintain a high market share of 11% in the area of Sales Finance (merchandise installment financing) and Personal Loans. The Sales Finance business was launched in 1994 by GE Capital under the brand of "First Choice". The original value proposition of the First Choice Card was to provide retail installment financing, focusing on electrical appliances. Product coverage was expanded to more categories including IT, mobile phones, home improvement, education, car accessories and beauty segment. Personal Loans were later added as a card feature to make the First Choice Card 2-in-1. After cementing its affiliation with the Bank of Ayudhya in early 2010, First Choice was re-branded as Krungsri First Choice. The Krungsri First Choice Card has continued to be a 2-in-1 card providing Sales Finance with terms of up to 48 months and Personal Loans with revolving features as well as

installment loans features up to 48 months. The Card accepts a customer's application and requires a lower income criterion than normal credit cards. Krungsri First Choice is now offered through 27 branches with more than 270 service counters located in key partner areas nationwide.

The Card's key strength comes in the area of partnership management. To date, more than 7,000 major merchandise distributors across the country have elected to accept the card and participate in special promotion programs. In addition, we have enjoyed a solid, long-time relationship with key leading electrical manufacturers (OEM) including Samsung, Sony, Acer, HP, Dell, Lenovo, Panasonic, Toshiba, Philips, Hitachi, Blackberry, HTC, Michelin, Bridgestone, etc., working with them on co-promotions aimed at cardholders. There are 200-300 active campaigns each month. Krungsri First Choice offers 0% interest with installment terms of up to 48 months to ensure broader coverage of an array of product categories.

In addition, as part of the One Krungsri strategy, the Bank is jointly working with Krungsri First Choice to provide credit facility to merchandise distributors to purchase goods from OEM (manufacturers) as part of supply chain solutions. This enables Krungsri Group to provide financial solutions to support our partners' supply chain management from OEMs, merchant distributors to the end users.

#### **Krungsri First Choice Visa card:**

The card was launched in 2008, inspired by customers' need to have everyday spending credit card features in addition to the normal Sales Finance and personal loan installment programs with longer repayment periods. It was 3-in-1 in nature by combining a credit card for everyday spending, sales financing (merchandise installment financing up to 48 months) and Personal Loans with a revolving feature as well as a repayment period of up to 60 months. The Card concentrated on the customer segment that met credit card criteria but required more liquidity through longer-term payments. The Card is accepted across the VISA network for normal credit card spending and is accepted by more than 7,000 partners across the country for Sales Finance with normal or 0% interest feature.

#### **Krungsri Debit First Choice card:**

The card was launched in mid 2011. It was the first ever 4-in-1 card in the market that was inspired by corporate vision to "Make Life Simple". It combined, within one card, an ATM feature and debit card services from Krungsri plus sales finance and personal loan services from Krungsri First Choice. The Card can be used to draw cash from all Krungsri ATMs. The debit card spending feature uses the VISA network. For sales finance, the card is accepted by more than 7,000 sales finance partners with installment financing feature of up to 48 months. The cardholder also enjoys personal

loan functionality with a revolving feature as well as a repayment period of up to 36 months.

The customer's qualification requirements are the same as Krungsri First Choice Card (2-in-1) that requires lower customer income compared to normal credit cards. Krungsri Debit First Choice is offered through all branches of the Bank.

Besides Sales Finance, Krungsri First Choice offers personal loans, which is the Group's major contributor. One of the key growth drivers was convenience to easy cash access via multiple channels including Hello Cash (via IVR), Krungsri First Choice branches and service counters (via EDC) and the Bank's ATMs.

**Source of Funds:** The Bank

### **Total Services Solutions PCL.**

**Type of Service:** Provides collection services up to and including the litigation process. Its core business is providing collection services for unsecured products which include personal loans, credit cards and sales finance. The Company's customers are mainly the Bank's subsidiaries, namely Ayudhya Capital Services Co., Ltd., General Card Services Ltd., Krungsriayudhya Card Co., Ltd., Tesco Card Services Ltd., Ayudhya Card Services Co., Ltd and the Bank itself.

**Market and Competition:** The Company has considerable expertise in efficient collection and litigation for unsecured products. The Company uses advanced auto dialer technology to reach customers effectively and efficiently. All processes are designed with the customer in mind and follow Bank of Thailand regulations. TSS is rated among the top collection service firms for delivering high collection efficiency with strict compliance controls. The Company continually tests and implements new strategies; even in a tough year the company delivered exceptional results exceeding commitments for all its customers.

**Source of Funds:** The Bank

### **Krungsri General Insurance Broker Ltd.**

**Type of Service:** Established as a non-life insurance broker on May 29, 2007 with registered capital of THB 2 million. The Company changed its name from Quality General Insurance Broker to Krungsri General Insurance Broker on November 15, 2011.

#### **Market and Competition:**

The Company introduces personal accident insurance and auto insurance to customer of General Card Services Ltd., Krungsriayudhya Card Co., Ltd., and Ayudhya Capital Services Co., Ltd. customers. Since 2009, the Company has grown on the back of its customer segmentation and cross-selling drive, seeking to attract new insurers and increasing its product range. It continues to introduce to customers a wide range of non-life products such as hospital income plan, personal accident and other selected insurance partners. This strategy brought a 15% growth in premiums.

**Source of Funds:** Ayudhya Capital Services Co., Ltd.

### **Krungsri Life Assurance Broker Ltd.**

**Type of Service:** Established as a life insurance broker on June 4, 2007 with registered capital of THB 2 million. The Company changed its name from Quality Life Assurance Broker to



**"Record numbers of Tesco Lotus shoppers used the Tesco Visa Card, as its popularity went from strength to strength. It seems so simple when you get it right."**

Krungsri Life Assurance Broker in order to align with the Krungsri Group on November 15, 2011.

#### **Market and Competition:**

The Company's main business is to introduce life, personal accident, health and payment protection insurance to customers of General Card Services Ltd., Krungsriayudhya Card Co., Ltd., and Ayudhya Capital Services Co. Ltd. customers.

The life insurance market continued to grow with projected sales increase of 15% result from a broader product range, new insurance partners, customer segmentation and cross-selling. The Company continues to introduce to its customers a range of endowments and term life products from selected life insurance partners. The Company focused on customer analytics to determine the characteristics of each customer segment in introduce to offer the right products to serve their needs.

**Source of Funds:** Ayudhya Capital Services Co., Ltd.

### **Tesco Card Services Ltd.**

The Company is a joint venture between Krungsri Group and Tesco Lotus, the largest supermarket store chain in Thailand and was set up in 2001 to run the Tesco Credit Card program. The business started with the Tesco Private Label Credit Card and later converted to

Tesco Visa Card. The business further evolved to include Tesco Premier Card (merchandise installment financing), Tesco Personal Loan and Tesco Insurance Broker Services.

The Company has continued to expand and improve its distribution through Tesco Lotus stores, with the number of in store branches increasing from 118 to 128 during 2011. An ongoing renovation program to give branches a facelift continues, with all outlets refreshed and offering additional services by Q1 2012.

One of the outstanding card features was the integration of the Tesco Lotus Clubcard loyalty scheme into its credit card with points collected on the card transactions both inside and outside Tesco Lotus stores. The points were converted to Tesco Lotus Store coupons and delivered to the cardholders.

This feature provides customers with the fastest way of collecting Clubcard points and saving money on their weekly shopping at Tesco Lotus. In 2011, many features were added to the card including 3.5% cash back at Tesco Lotus, 3.0% cash back with our partner Esso and 0.5% cash back on spending anywhere else. These benefits were very well perceived by the cardholders with a record number of Tesco Lotus shoppers using the Tesco Visa Card.

**Source of Funds:** The Company's shareholders



## Tesco General Insurance Broker Ltd.

TGIB introduces non-life insurance products and services to cardholders of Tesco Card Services Ltd., and to customers of Tesco Lotus stores. The Company has improved distribution and customer service through the launch of call centers to handle calls for auto insurance customers. In addition, the Company introduced insurance quotes on its website to streamline and simplify customers' auto insurance inquiries. The website provides an end-to-end sales process with real-time price quotations, secured online payment and the ability to print policy documents. Recently, the Company has added Motorcycle CTP Insurance to be one of its insurance services offered to the shoppers at Tesco Lotus stores.

**Source of Funds:** The Company's shareholders (Tesco Card Services Ltd.)

## Tesco Life Assurance Broker Ltd.

TLAB introduces life insurance products and services to cardholders of Tesco Card Services Ltd. and to customers of Tesco Lotus stores. The company has partnered with life insurance companies to offer the products to the shoppers of Tesco Lotus stores.

**Source of Funds:** The Company's shareholders (Tesco Card Services Ltd.)

## Ayudhya Total Solutions PCL.

**Type of Service:** Auto Hire Purchase. This Portfolio is undergoing a process of transfer/consolidate business as appropriate into the Krungsri Auto entity. The anticipated completion of transfer/consolidate business as appropriate is slated for the first half of 2012. The portfolio has performed exceedingly well even though no new customers were added during the transition. All customer services were maintained.

**Source of Funds:** The Company's fund

## Krungsri Microfinance (CFG Services Co., Ltd.)

**Type of Service:** Provides sale and lease-back via hire purchase and secured loan contracts to those customers who already hold titles to cars and other vehicles. The Company entered the consumer financing field in 2007 by acquiring a stake in a local Thai company which had been operating since 1980. The Krungsri Group subsequently acquired controlling shares (99.99%) in the Company in September 2009. With more than 200 branches, CFG services is a leader in secured lending, with rural Thai customers as its primary target. Having developed underwriting expertise

and nurtured in-depth community relationships, it has grown rapidly in the years since.

**Market and Competition:** The Company operates as the well-known "Srisawad Ngern Tid Lor" brand, competing head-to-head with family-run, local and regional finance companies, but with the aim of consolidating this fragmented market. CFG Services distinguishes itself by pursuing fair and transparent lending practices and adhering to international standards, which the management team believes will create long-term value for Thai consumers. "Srisawad Ngern Tid Lor" is widely known for its ability to provide cash loans to motorcycle owners in only 30 minutes.

## "Coming off a year of 100% growth in 2010, CFG Services is again one of the fastest-growing Krungsri Group companies".

**Key Achievements:** In 2011, CFG services increased its outstanding receivables by more than 40%, rising to a current level of over THB 4 billion. It was also a record year of profits for the Company. Beyond the Krungsri Group, CFG Services was the only company in Asia to receive two prestigious Cannes Lions Film awards in the Banking, Finance and Insurance category for its Motorcycle and Pick-Up television commercials productions that helped raise awareness of the "Srisawad Ngern Tid Lor" brand by 300%. The Company was also successful in its nationwide branch network expansion, having opened over 20 new branches. CFG Services now has a presence in 73 of Thailand's 77 provinces. In parallel with its impressive growth, the Company also managed to improve its portfolio quality by reducing its 90 days past due delinquency levels by 30%. Substantial investments in upgrading the Company's branch and sales management tools as well as internal communication infrastructure were also made.



### Game-Changing New Products:

This year was marked with several key introductions that further establish CFG Services as a pioneer and leader of the consumer finance space rather than a market follower. The Company successfully implemented a nationwide campaign to relax guarantor requirements for motorcycle title loans which led to a 100% growth rate for this product. Also, in the last quarter of 2011 the Company also became known as the first national player to target SMEs with title loans designed to accept 10-wheeler trucks as collateral.

**In the Pipeline:** In a move to strengthen its position as a consumer finance leader among Thailand's grassroots customers, the Company recently received regulatory approval to originate unsecured loan products. This critical milestone brings CFG Services one step closer to its microfinance aspirations.

**Source of Funds:** The Bank

## Krungsri Securities (Krungsri Securities PCL.)

**Type of Service:** Offer brokerage services in listed securities:

- **Securities and derivative products brokerage:** The Company serves as a securities and derivative products broker, trading equity and derivative instruments for general investors and institutional investors, both domestic and overseas; it is member no. 29 of the Stock Exchange of Thailand. In addition, it provides securities research and analysis for customers to support their investment decisions.

- **Investment banking:** The Company provides financial advisory and underwriting services covering all aspects of finance, including fundraising (both capital and loans), financial reorganization, debt restructuring, mergers and acquisitions, feasibility studies, estimation of business value and transactions in accordance with the regulations of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand.

- **Personal fund management:** The Company provides personal fund management for its customers. Each customer is assigned a fund manager responsible for fund planning and management to meet the customer's investment objectives and needs.

- **Mutual fund selling agent services:** The Company acts as agent for most of the mutual fund companies in Thailand by selling mutual fund companies' products to interested investors.

- **Investment:** The Company invests in debt and equity instrument securities along two investment lines: proprietary short-term investments and mid- to long-term investments.

**Market and Competition:** This year, the market capitalization of the Stock Exchange of Thailand and the Market for Alternative Investment (MAI) had a total value of THB 8.5 trillion, a 1.1% rise from 2010. The average daily turnover of THB 29.47 billion (including proprietary trading) was a slight increase from 2010's THB 29.07 billion. The Company ended the year with a market share of 2.41%, ranked 21<sup>st</sup> among 33 securities brokers compared to a market share of 2.12%, or ranked 21<sup>st</sup>, in 2010. Although there was no political turmoil to pressure the Thai stock market like in the past two years, 2011 brought no shortage of challenges, starting with Japanese' great tsunami in the first quarter followed by intensified concern over the EU debt crisis as well as the declining pace of global economic recovery. Nevertheless, KSS managed to maintain revenue close to that of last year while profit dropped slightly and bottom line with total revenue of THB 499.8 million, a slight increase of 1.86% year on year, and the net profit of THB

58.13 million, a moderate annual decline of 10.12%. Key developments in 2011 and strategies going forward are:

1. Investing in an IT system upgrade which will provide more efficiency along with preparation to support new products, i.e., the readiness to engage in Asean linkage, giving customers the opportunities to invest abroad.
2. Changing the name from "Ayudhaya Securities PLC. (AYS)" to "Krungsri Securities PLC. (KSS)" to unify and solidify our brand, which harmonizes with the One Krungsri policy.
3. Enlarging our sales force and establishing more mini-branches, giving KSS accessibility to the Bank's client base.
4. Establishing a system to invest directionally for medium term gain. Apart from the aforementioned key areas of progress, we also will leave no stone unturned when it comes to innovative ways to improve our existing services and products, such as research quality, more channels to enhance brokerage income, website redesign and every detail we see appropriate. In spite of that, we did not forgo Corporate Social Responsibility activities, donating significant sum to help the flood victims.

**Source of Funds:** The Bank

## Krungsri Asset Management (Krungsri Asset Management Co., Ltd.)

**Company Background:** Krungsri Asset Management Co., Ltd. ("KSAM") is one of the leading asset management companies offering full range of investment products and services across all major asset classes including equities, fixed income, commodities and real estate through four business division funds: mutual, private, provident and fund to serve retail clients and high net-worth individuals, as well as institutional and corporate investors.

The Company's mission is to deliver consistent fund performance tailored to each client's return expectations and

risk appetite. The Company's excellent investment management process is based on three pillars: prudent investment management procedures, efficient and effective investment execution platforms plus the expertise and commitment of our investment management team.

To ensure prudent and disciplined portfolio management practices fully in compliance with our portfolio investment policy as well as Securities and Exchange Commission (SEC) rules and regulations, KSAM is among the few asset management companies in Thailand to implement the Charles River Investment Management System (CRIMs) as a front-middle-office trading execution platform.

KSAM's competitive strength lies in the expertise, capability and commitment of its employees to meet clients' needs and deliver successful results for the Company. KSAM is committed to continued investment in its workforce through extensive internal and external training programs. To attract and retain key talent, the Company provides competitive compensation via an

## "Leveraging the power of 584 branches to deliver investment products to clients across Thailand"

incentive program to encourage and reward outstanding staff performance. The Company's exceptional track record for the past 3-5 years is testament to the long-term performance orientation of our investment management team.

**Key Initiatives and Achievements:** Strong distribution is one of the key factors contributing to the success of asset management companies in Thailand. As part of the Krungsri Group, KSAM is able to leverage the Bank's nationwide distribution network through 584 branches to deliver investment products to clients across Thailand. In parallel with this, the Company continues to strengthen its distribution capabilities both through its own channels as well as through selling agents. Alternatively, clients can choose to execute transactions via ATM, telephone, and KSAM's Internet based service, @ccess.

Furthermore, the Company had successfully changed its business name from Ayudhya Fund Management Co., Ltd. or "AYF" to Krungsri Asset Management Co., Ltd. or "KSAM" on 2 June 2011, as part of Krungsri Group Rebranding.

With strong support from the Bank together with the Company's expertise in asset management, our Asset Under Management (AUM) as of December 30, 2011 was THB 103.94 billion up by 16.8% compared to year-end 2010. The Industry assets increased by only 4% compared to year-end 2010.

Despite the difficult economic environment and the floods that struck Thailand in the third quarter, KSAM achieved a strong increase in revenue of THB 700 million, largely attributable to a strong net inflow into Fixed Income closed-end funds, as well as Long-term Investment Fund and Retirement Mutual Fund products. Moreover, KSAM's

operating profit grew strongly by 128% to THB 100.24 million, reflecting higher revenue in a lean operating environment.

**New Products/Services:** KSAM continued to broaden its products to enable clients to experience a full spectrum of diversification that best suits their investment style and varying risk and return objectives by co-developing new investment products with numerous respectable global asset management companies.

In the first quarter of 2011, the Company launched two Foreign Investment Funds, Krungsri Chinese Yuan Complex Return 18M1 Fund (KFCYCR18M1) and Krungsri Chinese Yuan Complex Return 1Y1 Fund (KFCYCR1Y1) to offer clients a diversification opportunity in foreign markets. In the third quarter, we launched another two Foreign Investment Funds, Krungsri Gold Linked Complex Return 18M1.

Moreover, KSAM Equity Funds, Long-Term Investment Fund (LTF) and Retirement Mutual Fund (RMF) provided outstanding returns in comparison with similar funds and with the SET Index as classified by Morningstar.

With a strong commitment to deliver excellent service across the firm, the Employee's Choice program has been offered to our Provident Fund clients since 2009. The program enables clients to manage their own provident fund contributions by investing in

KSAM's mutual fund products (Fund of Fund) with different investment policies according to his/her own risk profile and return expectations.

In addition, KSAM contributed to the development of Thailand's asset management industry by providing continuous investment education programs for a broad spectrum of investors. As investors become more educated about investment risk and return and the importance of financial planning, the Company expects the industry to benefit as a whole while enjoying its own sustainable long-term growth.

**Source of Funds:** The Company's fund

### Krungsri Services Siam Realty and Service Co., Ltd.

**Type of Service:** Provides human resource services and rental automobiles to the Bank and its affiliates within the scope specified by the Bank of Thailand. SRS operates in these two business areas:

1. Provides drivers, maids, messengers, security personnel and other essential staff to the Bank and its affiliates.
2. Provides rental cars to the Bank and its affiliates within the scope specified by the Bank of Thailand.

**Market and Competition:** The Company has no competitor in the market because it provides support only to the Bank which is its single shareholder. This year, the Company expanded its car rental service to include the Bank's affiliates.

**Source of Funds:** The Bank

### Metro Designee Co., Ltd.

**Type of Service:** Established on March 4, 2009 with a registered capital of THB 100,000, the Company operates under an agreement between the Bank and others banks' syndication lenders of Bangkok Metro PCL. (BMCL). The Company takes up all rights pursuant to the concession agreement between the Mass Rapid Transit Authority of Thailand (MRTA) and BMCL in the event of a breach of that agreement or a breach of its obligations under the loan agreement with its creditors. The Company has not commenced operations.

**Source of Funds:** The Company's shareholders

## Under Liquidation

### 1. Ayudhya Auto Lease PCL.

The Company registered with the Ministry of Commerce to liquidate on September 30, 2011 and is currently in the liquidation process.

### Equity Fund Performance:

| Name                          | YTD Return (%) | Outperformance* (%) |
|-------------------------------|----------------|---------------------|
| Krungsri Value Stock          | -0.94          | 10.34               |
| Krungsri Dividend Stock       | -1.33          | 9.96                |
| Krungsri Dynamic Dividend     | -1.00          | 10.28               |
| Krungsri Star Equity Dividend | -10.40         | 0.88                |
| SET Index                     | -7.90          | 3.38                |

### LTF Performance:

| Name                                           | YTD Return (%) | Outperformance* (%) |
|------------------------------------------------|----------------|---------------------|
| Krungsri Dividend Stock Long Term Equity 70/30 | -0.52          | 10.76               |
| Krungsri Dividend Stock Long Term Equity       | -1.73          | 9.55                |
| Krungsri SET50 Long Term Equity                | -9.23          | 2.06                |
| SET Index                                      | -7.90          | 3.38                |

### RMF Performance:

| Name                        | YTD Return (%) | Outperformance* (%) |
|-----------------------------|----------------|---------------------|
| Krungsri Dividend Stock RMF | -1.07          | 10.22               |
| Krungsri SET100 RMF         | -8.93          | 2.35                |
| SET Index                   | -7.90          | 3.38                |

Remark: \* Fund performance outperformed SET Total Return benchmark

Subsidiaries and Associated Companies

| Name and Address                               | Business Type                         | Issued Shares      |                   | Ownership (%) |
|------------------------------------------------|---------------------------------------|--------------------|-------------------|---------------|
|                                                |                                       | Share Type         | No. of Shares     |               |
| 1. Krungsri Ayudhya AMC Ltd.                   | Asset management                      | Ordinary           | 600,000,000       | 99.99         |
| 2. Ayudhya Factoring Co., Ltd.                 | Factoring                             | Ordinary           | 30,000,000        | 99.99         |
| 3. Ayudhya Capital Auto Lease Plc.             | Finance (Auto Financing)              | Ordinary           | 104,500,000       | 99.99         |
| 4. Ayudhya Development Leasing Co., Ltd.       | Finance (Leasing & Hire Purchase)     | Ordinary           | 70,500,000        | 99.99         |
| 5. Ayudhya Card Services Co., Ltd.             | Finance (Credit Card & Personal Loan) | Ordinary           | 7,200,000         | 99.99         |
| 6. CFG Services Co., Ltd.                      | Finance (Auto Financing)              | Ordinary Preferred | 4,919,061 222,000 | 99.99         |
| 7. Ayudhya Capital Services Co., Ltd.          | Finance (Credit Card & Personal Loan) | Ordinary           | 2,750,000         | 99.99         |
| 8. General Card Services Limited               | Finance (Credit Card & Personal Loan) | Ordinary           | 75,800,000        | 99.99         |
| 9. Krungsriayudhya Card Co., Ltd.              | Finance (Credit Card & Personal Loan) | Ordinary           | 110,000,000       | 99.99         |
| 10. Siam Realty and Services Co., Ltd.         | Service                               | Ordinary           | 1,000,000         | 99.99         |
| 11. Total Services Solutions Plc.              | Service (Collection)                  | Ordinary           | 132,600,002       | 99.99         |
| 12. Krungsri Life Assurance Broker Limited     | Finance (Life Insurance Broker)       | Ordinary           | 20,000            | 99.99         |
| 13. Krungsri General Insurance Broker Limited  | Finance (Non-Life Insurance Broker)   | Ordinary           | 20,000            | 99.99         |
| 14. Ayudhya Total Solutions Plc. <sup>1/</sup> | "Finance (Auto Financing)             | Ordinary           | 119,699,977       | 99.99         |
| 15. Krungsri Securities Plc.                   | Securities                            | Ordinary           | 60,000,000        | 88.13         |
| 16. Krungsri Asset Management Co., Ltd.        | Asset Management                      | Ordinary           | 3,500,000         | 76.59         |
| 17. Tesco Card Services Limited                | Finance (Credit Card & Personal Loan) | Ordinary           | 7,800,000         | 50.00         |
| 18. Tesco Life Assurance Broker Limited        | Finance (Life Insurance Broker)       | Ordinary           | 20,000            | 50.00         |
| 19. Tesco General Insurance Broker Limited     | Finance (Non-life Insurance Broker)   | Ordinary           | 770,000           | 50.00         |
| 20. Metro Designee Co., Ltd. <sup>2/</sup>     | Service                               | Ordinary           | 1,000             | 21.90         |

Remark: <sup>1/</sup> The company no longer extends new loans and is under process of transfer business into Ayudhya Capital Auto Lease PCL.  
<sup>2/</sup> Established by an agreement between BAY and others banks' syndication lenders of Bangkok Metro Plc. ("BMCL"). Its purpose is to take up all rights pursuant to the concession agreement between Mass Rapid Transit Authority of Thailand ("MRTA") and BMCL in case BMCL is in breach of such agreement or BMCL is in breach of its obligations under the loan agreement with its creditors.

Companies under Dissolution and Liquidation Process

| Name and Address                  | Business Type            | Issued Shares      |                        | Ownership (%) |
|-----------------------------------|--------------------------|--------------------|------------------------|---------------|
|                                   |                          | Share Type         | No. of Shares          |               |
| 1. Ayudhya Capital Lease Co.,Ltd. | Finance (Auto Financing) | Ordinary Preferred | 235,000,000 50,000,000 | 99.99         |
| 2. Siam Bangkok Port Limited      | Cargo Loading Warehouse  | Ordinary           | 6,000,000              | 10.00         |

Companies that the Bank Holds Shares of at least 10% but Less than 20% of Paid-up Capital

| Name and Address                                    | Business Type           | Issued Shares     |               | Ownership (%) |
|-----------------------------------------------------|-------------------------|-------------------|---------------|---------------|
|                                                     |                         | Share Type        | No. of Shares |               |
| 1. Sri Ayudhya General Insurance Plc. <sup>1/</sup> | Holding <sup>2/</sup>   | Ordinary (listed) | 250,000,000   | 10.92         |
| 2. P.P. Parawood Co., Ltd.                          | Furniture Manufacturer  | Ordinary          | 95,000        | 10.00         |
| 3. Asian Trade and Leasing Co., Ltd.                | Leasing & Hire Purchase | Ordinary          | 1,500,000     | 10.00         |

Remark: <sup>1/</sup> Former name: The Ayudhya Insurance Plc. The Company has registered its new name with the Ministry of Commerce on December 23, 2011.  
<sup>2/</sup> Previously, the company was an insurance business but on December 20, 2011, the company converted into an investment holding company

Companies Acquired through Debt Restructuring Process

| Name and Address             | Business Type                        | Issued Shares      |                       | Ownership (%) |
|------------------------------|--------------------------------------|--------------------|-----------------------|---------------|
|                              |                                      | Share Type         | No. of Shares         |               |
| 1. Lenso Phonocard Co., Ltd. | International Line Public Phone Card | Ordinary           | 62,423,190            | 10.00         |
| 2. UMC Metals Limited        | Manufacturingand Trading (Steel Rod) | Ordinary Preferred | 95,000,000 50,000,000 | 10.00 10.00   |

# Income Structure of the Bank, Subsidiaries and Associated Companies

For 2011 operating performance, the Bank and subsidiaries had interest income and non-interest income at a ratio of 72.98 % and 27.02 %, respectively. Interest on loans constituted the largest proportion representing 47.02 % of total income. Details are as follows:

| Income Structure                                               | 2011         |        | 2010         |        | 2009         |        |
|----------------------------------------------------------------|--------------|--------|--------------|--------|--------------|--------|
|                                                                | Million Baht | %      | Million Baht | %      | Million Baht | %      |
| Interest on loans                                              | 36,356       | 47.02  | 31,391       | 46.86  | 24,204       | 46.22  |
| Interest on interbank and money market items                   | 3,095        | 4.00   | 1,145        | 1.71   | 844          | 1.61   |
| Hire purchase and financial lease income                       | 14,952       | 19.34  | 13,049       | 19.48  | 11,667       | 22.28  |
| Investments and trading transactions                           | 79           | 0.10   | 90           | 0.13   | 96           | 0.18   |
| Investments in debts securities                                | 1,946        | 2.52   | 1,600        | 2.39   | 1,372        | 2.62   |
| Total Interest Income                                          | 56,428       | 72.98  | 47,275       | 70.57  | 38,183       | 72.92  |
| Fees and service income                                        | 13,838       | 17.90  | 12,898       | 19.25  | 9,408        | 17.97  |
| Gain on tradings and FX transactions                           | 1,278        | 1.65   | 1,459        | 2.18   | 858          | 1.64   |
| Gain (Losses) on investments                                   | 820          | 1.06   | 251          | 0.37   | (92)         | (0.18) |
| Share of profit (loss) from investment for using equity method | 32           | 0.04   | 144          | 0.21   | 126          | 0.24   |
| Dividend income                                                | 441          | 0.57   | 394          | 0.59   | 350          | 0.67   |
| Bad debts recoveries                                           | 2,215        | 2.87   | 1,826        | 2.73   | 948          | 1.81   |
| Other income                                                   | 2,266        | 2.93   | 2,745        | 4.10   | 2,585        | 4.93   |
| Total Non Interest Income                                      | 20,890       | 27.02  | 19,717       | 29.43  | 14,183       | 27.08  |
| Total Income                                                   | 77,318       | 100.00 | 66,992       | 100.00 | 52,366       | 100.00 |

| Income Structure                         | 2011         |        | 2010         |        | 2009         |        |
|------------------------------------------|--------------|--------|--------------|--------|--------------|--------|
|                                          | Million Baht | %      | Million Baht | %      | Million Baht | %      |
| 1. Bank of Ayudhya Plc. <sup>1/</sup>    |              |        |              |        |              |        |
| Total Interest Income                    | 37,399       | 73.31  | 29,043       | 69.26  | 28,600       | 78.02  |
| Total Non Interest Income                | 13,614       | 26.69  | 12,888       | 30.74  | 8,058        | 21.98  |
| Total                                    | 51,013       | 100.00 | 41,931       | 100.00 | 36,658       | 100.00 |
| 2. Krungsri Ayudhya AMC Ltd.             |              |        |              |        |              |        |
| Total Interest Income                    | 304          | 20.60  | 401          | 25.16  | 327          | 35.01  |
| Total Non Interest Income                | 1,172        | 79.40  | 1,193        | 74.84  | 607          | 64.99  |
| Total                                    | 1,476        | 100.00 | 1,594        | 100.00 | 934          | 100.00 |
| 3. Ayudhya Development Leasing Co., Ltd. |              |        |              |        |              |        |
| Total Interest Income                    | 731          | 81.04  | 544          | 91.12  | 506          | 95.83  |
| Total Non Interest Income                | 171          | 18.96  | 53           | 8.88   | 22           | 4.17   |
| Total                                    | 902          | 100.00 | 597          | 100.00 | 528          | 100.00 |
| 4. Ayudhya Factoring Co., Ltd.           |              |        |              |        |              |        |
| Total Interest Income                    | 293          | 82.30  | 138          | 78.86  | 76           | 78.35  |
| Total Non Interest Income                | 63           | 17.70  | 37           | 21.14  | 21           | 21.65  |
| Total                                    | 356          | 100.00 | 175          | 100.00 | 97           | 100.00 |
| 5. Ayudhya Capital Auto Lease Plc.       |              |        |              |        |              |        |
| Total Interest Income                    | 12,803       | 79.63  | 10,873       | 78.43  | 9,727        | 77.54  |
| Total Non Interest Income                | 3,276        | 20.37  | 2,990        | 21.57  | 2,818        | 22.46  |
| Total                                    | 16,079       | 100.00 | 13,863       | 100.00 | 12,545       | 100.00 |
| 6. Ayudhya Total Solutions Plc.          |              |        |              |        |              |        |
| Total Interest Income                    | 236          | 71.95  | 528          | 81.48  | 647          | 73.44  |
| Total Non Interest Income                | 92           | 28.05  | 120          | 18.52  | 234          | 26.56  |
| Total                                    | 328          | 100.00 | 648          | 100.00 | 881          | 100.00 |
| 7. Ayudhya Card Services Co., Ltd.       |              |        |              |        |              |        |
| Total Interest Income                    | 501          | 57.85  | 670          | 61.81  | 483          | 43.99  |
| Total Non Interest Income                | 365          | 42.15  | 414          | 38.19  | 615          | 56.01  |
| Total                                    | 866          | 100.00 | 1,084        | 100.00 | 1,098        | 100.00 |
| 8. Ayudhya Capital Services Co., Ltd.    |              |        |              |        |              |        |
| Total Interest Income                    | 4,935        | 63.07  | 4,689        | 56.59  | 705          | 63.57  |
| Total Non Interest Income                | 2,890        | 36.93  | 3,597        | 43.41  | 404          | 36.43  |
| Total                                    | 7,825        | 100.00 | 8,286        | 100.00 | 1,109        | 100.00 |
| 9. General Card Service Ltd.             |              |        |              |        |              |        |
| Total Interest Income                    | 1,822        | 59.56  | 1,815        | 59.57  | 294          | 61.00  |
| Total Non Interest Income                | 1,237        | 40.44  | 1,232        | 40.43  | 188          | 39.00  |
| Total                                    | 3,059        | 100.00 | 3,047        | 100.00 | 482          | 100.00 |
| 10. Krungsriayudhya Card Co., Ltd.       |              |        |              |        |              |        |
| Total Interest Income                    | 2,039        | 54.27  | 2,038        | 55.29  | 349          | 58.85  |
| Total Non Interest Income                | 1,718        | 45.73  | 1,648        | 44.71  | 244          | 41.15  |
| Total                                    | 3,757        | 100.00 | 3,686        | 100.00 | 593          | 100.00 |

| Income Structure                                             | 2011         |        | 2010         |        | 2009         |        |
|--------------------------------------------------------------|--------------|--------|--------------|--------|--------------|--------|
|                                                              | Million Baht | %      | Million Baht | %      | Million Baht | %      |
| <b>11. Krungsri Securities Plc. <sup>2/</sup></b>            |              |        |              |        |              |        |
| Total Interest Income                                        | 39           | 7.80   | 21           | 4.29   | 17           | 4.14   |
| Total Non Interest Income                                    | 461          | 92.20  | 469          | 95.71  | 394          | 95.36  |
| Total                                                        | 500          | 100.00 | 490          | 100.00 | 411          | 100.00 |
| <b>12. Siam Realty and Service Co., Ltd.</b>                 |              |        |              |        |              |        |
| Total Interest Income                                        | -            | -      | -            | -      | -            | -      |
| Total Non Interest Income                                    | 543          | 100.00 | 552          | 100.00 | 597          | 100.00 |
| Total                                                        | 543          | 100.00 | 552          | 100.00 | 597          | 100.00 |
| <b>13. Krungsri Asset Management Co., Ltd. <sup>3/</sup></b> |              |        |              |        |              |        |
| Total Interest Income                                        | 7            | 1.00   | 2            | 0.39   | 1            | 0.27   |
| Total Non Interest Income                                    | 693          | 99.00  | 516          | 99.61  | 365          | 99.73  |
| Total                                                        | 700          | 100.00 | 518          | 100.00 | 366          | 100.00 |
| <b>14. Total Service Solutions Plc.</b>                      |              |        |              |        |              |        |
| Total Interest Income                                        | 25           | 2.46   | 16           | 1.58   | -            | -      |
| Total Non Interest Income                                    | 990          | 97.54  | 998          | 98.42  | 160          | 100.00 |
| Total                                                        | 1,015        | 100.00 | 1,014        | 100.00 | 160          | 100.00 |
| <b>15. CFG Services Company Co., Ltd.</b>                    |              |        |              |        |              |        |
| Total Interest Income                                        | 1,027        | 79.49  | 650          | 77.75  | 143          | 73.33  |
| Total Non Interest Income                                    | 265          | 20.51  | 186          | 22.25  | 52           | 26.67  |
| Total                                                        | 1,292        | 100.00 | 836          | 100.00 | 195          | 100.00 |
| <b>16. Krungsri General Insurance Broker Co., Ltd.</b>       |              |        |              |        |              |        |
| Total Interest Income                                        | -            | -      | -            | -      | -            | -      |
| Total Non Interest Income                                    | 241          | 100.00 | 164          | 100.00 | 25           | 100.00 |
| Total                                                        | 241          | 100.00 | 164          | 100.00 | 25           | 100.00 |
| <b>17. Krungsri Life Assurance Broker Co., Ltd.</b>          |              |        |              |        |              |        |
| Total Interest Income                                        | -            | -      | -            | -      | -            | -      |
| Total Non Interest Income                                    | 270          | 100.00 | 238          | 100.00 | 43           | 100.00 |
| Total                                                        | 270          | 100.00 | 238          | 100.00 | 43           | 100.00 |
| <b>18. Tesco Card Service Ltd.</b>                           |              |        |              |        |              |        |
| Total Interest Income                                        | 1,192        | 56.84  | 1,135        | 58.21  | 1,136        | 58.74  |
| Total Non Interest Income                                    | 905          | 43.16  | 815          | 41.79  | 798          | 41.26  |
| Total                                                        | 2,097        | 100.00 | 1,950        | 100.00 | 1,934        | 100.00 |
| <b>19. Tesco General Insurance Broker Ltd. <sup>4/</sup></b> |              |        |              |        |              |        |
| Total Interest Income                                        | 2            | 1.04   | 1            | 0.42   | -            | -      |
| Total Non Interest Income                                    | 190          | 98.96  | 141          | 99.58  | 144          | 100.00 |
| Total                                                        | 192          | 100.00 | 142          | 100.00 | 144          | 100.00 |

| Income Structure                                          | 2011         |        | 2010         |        | 2009         |        |
|-----------------------------------------------------------|--------------|--------|--------------|--------|--------------|--------|
|                                                           | Million Baht | %      | Million Baht | %      | Million Baht | %      |
| <b>20. Tesco Life Assurance Broker Ltd. <sup>4/</sup></b> |              |        |              |        |              |        |
| Total Interest Income                                     | -            | -      | -            | -      | -            | -      |
| Total Non Interest Income                                 | 15           | 100.00 | 15           | 100.00 | 20           | 100.00 |
| Total                                                     | 15           | 100.00 | 15           | 100.00 | 20           | 100.00 |
| <b>21. Metro Designee Co., Ltd. <sup>5/</sup></b>         |              |        |              |        |              |        |
| Total Interest Income                                     | -            | -      | -            | -      | -            | -      |
| Total Non Interest Income                                 | -            | -      | -            | -      | -            | -      |
| Total                                                     | -            | -      | -            | -      | -            | -      |

## Companies Under Dissolution and Liquidation Process

|                                   |    |        |     |        |     |        |
|-----------------------------------|----|--------|-----|--------|-----|--------|
| <b>1. Ayudhya Auto Lease Plc.</b> |    |        |     |        |     |        |
| Total Interest Income             | 31 | 71.43  | 117 | 68.82  | 275 | 83.59  |
| Total Non Interest Income         | 12 | 28.57  | 53  | 31.18  | 54  | 16.41  |
| Total                             | 43 | 100.00 | 171 | 100.00 | 329 | 100.00 |

Remarks: Year 2011 data is unaudited

<sup>1/</sup> Statement of comprehensive income of Bank of Ayudhya Public Company Limited

<sup>2/</sup> Krungsri Securities Public Company Limited has registered to change the Company name from formerly Ayudhya Securities Public Company Limited.

<sup>3/</sup> Krungsri Asset Management Company Limited has registered to change the Company name from formerly Ayudhya Fund Management Company Limited.

<sup>4/</sup> Subsidiary of Tesco Card Services Company Limited

<sup>5/</sup> The Bank invested on December 25, 2009 and immaterial financial information in 2009, 2010 and 2011

## Risk Management Principles

Risk management is an independent function within the Bank, and is responsible for driving and managing the risk appetite (as approved by the Board of Directors) through policies, processes, monitoring, control and good corporate governance principles. This strategy ensures an adequate risk-reward balance. The unit's management information system (MIS) facilitates the analysis, evaluation, management and control of risk or combinations of risks. The Bank takes an integrated approach to managing three main types of risk: credit, market and operational.

### The Group follows these principles:

1. Ensure that business growth is supported by requisite risk infrastructure.
2. Identify material risk events and plan required risk responses.
3. Manage risk profiles, risk-reward decisions and business plans to ensure that losses are within the approved risk appetite.
4. Envisage potential adverse situations and plan mitigating action to keep the Bank safe from a credit, operational, market and liquidity risk standpoint.
5. Ensure adequate monitoring of risk-taking across the business spectrum, including reports on risk exposures, concentrations and key sensitivities.

"A streamlined strategy to find the optimum risk reward balance"

## Risk Management Structure

The Board of Directors assigns the Risk Management Group the authority to formulate risk management policies and procedures appropriate for each type of risk. These policies and procedures, are developed in accordance with our defined risk appetite and are then endorsed by the Risk Management Committee and approved by The Board of Directors. The Group is also responsible for monitoring and reporting to The Board of Directors and other relevant committees the portfolio quality, highlighting key risks as well as the strategy to manage future potential risks both at a portfolio and account level.

The authority and responsibilities of those involved in managing risk are:

- The Board of Directors defines the Bank's risk appetite. It has delegated approval authority for all deals less than THB 3 billion to the Credit Committee, while deals above THB 3 billion are approved by The Board of Directors. The Board of Directors also oversees the operation of the Credit Committee and Risk Management Committee.
- The Credit Committee is comprised of high-level executives from the Risk Management Group and related functions. It is authorized to approve loan applications of up to THB 3 billion.
- The Risk Management Committee's primary responsibilities are:
  1. Approving and recommending to The Board of Directors all integrated-risk management policies and procedures for the Bank and its subsidiaries.
  2. Reviewing portfolio quality for the Bank and its subsidiaries.
  3. Reviewing key market and operational risks, operational losses (such as fraud), as well as related system and human errors.
  4. Ensuring that the Bank complies with all regulatory requirements with respect to risk management.
- The Asset and Liability Management Committee is responsible for:
  1. Maintaining adequacy of funding requirements based on growth plans.
  2. Managing asset-liability requirements at both tenors and interest rate levels for local and foreign currencies.
  3. Ensuring for adequate liquidity based on liquidity management policies, asset growth projections, liability run-off profiles and interest rate outlook.
  4. Arranging effective deployment of excess liquidity to maximize returns.
  5. Approving interest rates for assets and liabilities.
- The Collateral Valuation Committee is responsible for:
  1. Establishing and reviewing policies and procedures regarding the valuation of collateral submitted with loan applications and foreclosed assets or auctioned properties, in accordance with asset revaluation regulations.
  2. Overseeing and controlling internal property appraisers to ensure that they execute their jobs with integrity, accuracy and in compliance with the Bank and Bank of Thailand procedures.
  3. Reviewing and approving the results of asset valuations undertaken by internal or independent property appraisers.

"An in-depth analysis of the industry outlook, concentrations of industry & customer-type, detailed financial analysis including cash flows and debt-service ratios is conducted for each borrower."

## Capital Management

The Bank has conducted the Internal Capital Adequacy Assessment Process (ICAAP) in accordance with the Supervisory Review Process, or Pillar 2, of Basel II since 2010. Risk Management also manages the capital adequacy process for credit, market and operational risk under Pillar 1 and the capital buffer under Pillar 2, which covers credit concentration, interest rate in the banking book, liquidity, strategic, reputation and other material risks.

The Bank's capital management framework is designed to ensure that the capital level of the Bank and financial business group are in line with their risk levels.

Capital adequacy is monitored on a regular basis to ensure current and future capital requirements are aligned with the risk appetite in the Bank. The Bank has also developed capital escalation plans to ensure capital is managed pro-actively.

Capital forecasting and other tools for assessing the impact of changes in the external environment on the capital base are in place. Together, they ensure that the stress testing is efficient and the impact on the Bank's capital base can be accurately gauged in the event of a crisis.

The function also manages the capital requirements for subsidiaries under Pillar 1 solo consolidation. Pillar 2 and ICAAP requirements have been adopted by subsidiaries in 2011.

## Credit Risk Management

Credit risk is defined as the risk of financial loss if a customer or counterparty fails to meet contractual obligations and thereby impacts the Bank's income and capital.

The core objective of credit risk management is to ensure that credit-related losses are within stipulated risk appetite levels. It establishes a framework of controls to ensure that the risk taking is within defined parameters while ensuring that risk reward objectives are met. Credit risk teams continuously endeavor to improve the quality of the portfolio by upgrading the Bank's infrastructure, processes and risk management tools. Risk management begins at the stage of processing customers credit requests and progresses through to ensuring timely repayments of obligations and, where necessary, ensuring collection of past-due payments.

## Credit Risk Control

The Credit Risk Management unit's responsibilities are divided between two teams: commercial and consumer. The teams function as follows:

### Commercial risk

Credit assessment of commercial customers is carried out on a deal-by-deal basis by a specialized underwriting team concentrating on specific industries.

Deal-structuring and credit mitigation is undertaken before exposures are granted or renewed. Customer ratings drive decisions, credit line size and pricing. A statistical-based PD model has been implemented in 2011 and is currently running in parallel with the existing rating scale. The model will be validated and implemented in full by 2012. LGD and EAD models are proactively under development and will be ready in 2012. The commercial risk team conducts rigorous account and portfolio management as part of the monitoring process.

### Consumer risk

Credit policies and underwriting criteria are developed by the Consumer Risk Management team and approved by the Risk Management Committee. Decisions and line assignments are based on application scorecards and credit bureau behavior. Where applicable, line enhancements are based on behavior scorecards. Underwriting is carried out based on approved policies and is managed by the Operations function. Past-due management is centralized and is managed by a separate unit under the Operations function. The processes are automated using auto dialers and collection scorecards. PD / LGD/ EAD models are being developed for the consumer portfolios in the Bank and across all subsidiaries to improve portfolio management and also prepare for A-IRB compliance in the future.

### Country risk management

The Bank has established credit limits applicable to counterparties operating or residing in foreign countries in accordance with each country's unique or particular risk. This enables us to manage country and cross-border risk as well as risk concentration.

# Credit Risk Monitoring and Review

We rigorously monitor and review customer and portfolio risks as follows:

### 1. Reserve adequacy

Loan loss provisions are calculated based on Bank of Thailand (BOT) criteria. Reserves are calculated centrally by our risk analysis team. Reserves adequacy is reviewed and approved by our Chief Risk Officer and Chief Financial Officer. Specific reserves are allocated to the portfolio as required.

### 2. Annual credit risk review

We maintain a centralized credit risk review department which audits the functioning of the credit risk management units. This department is separate from our internal audit department. The credit risk review department's audit scope and plans are approved by the Risk Management Committee and The Board of Directors. They review the risk ratings, covenant compliance and compliance with credit policies.

### 3. Credit monitoring and MIS

We regularly update the Board of Directors, the relevant committees and senior management on matters pertaining to our credit quality. The monthly credit portfolio report includes information on portfolio quality including segmentation by facility, ratings, geography, industry, aging and more.

### 4. Stress testing

The Risk Management Group conducts stress tests based on our stress test policy which are executed on both commercial and consumer portfolios. Stress tests use past historical trends as well as future macro-economic projections to determine the impact on the Bank's losses and ultimately on the Bank's capital. Stress test results are shared with the Risk Management Committee and also the Board of Directors. We have strategies and action plans in place to prevent adverse effects.

### 5. Subsidiary Management

The following subsidiaries operate under consolidated Supervision: Ayudhya Capital Auto Lease Pcl. (AYCAL), Krungsri Ayudhya AMC Ltd. (Krungsri AMC), Ayudhya Capital Services Co., Ltd. (AYCAP), Ayudhya Development Leasing Co., Ltd. (ADLC), Krungsri Factoring Co., Ltd., Ayudhya Total Solutions Plc. (AYTS), Ayudhya Card Services Co., Ltd. (AYCS), Ayudhya Auto Lease Plc. (AYAL), General Card Services Ltd. (GCS), Krungsriayudhya Card Co. Ltd. (KCC), Krungsri Securities Plc. (KSS). All subsidiaries maintain independent risk organizations headed by senior risk

executives. The Bank's Chief Risk Officer has oversight of subsidiaries' risk management activities. The subsidiaries' risk management units must comply with Krungsri's overall risk management strategy. They must ensure they have appropriate capacity, the required risk-related infrastructure and comply with the Bank's risk appetite and reporting requirements. All product, policy, and process changes must be approved by the Chief Risk Officer and the Risk Management Committee.

### 6. 2011 Floods Operational Risk Management

A well documented Business Continuity Plan (BCP) is in place. The BCP was tested during the floods. The Bank was able to successfully navigate through the crisis without any significant system downtime.

"The Bank was able to successfully operate without losing a single working hour."

The Bank's commercial and consumer risk management teams have proactively worked to ensure minimum impact on the credit quality from the 2011 floods in Bangkok and neighboring provinces. The teams have proactively identified and reached out to impacted customers. Debt relief packages for both the commercial and consumer portfolios were worked out to meet customer requirements and were implemented within the guidelines issued by the Bank of Thailand.

### 7. Non-performing Loan Management

Non-performing Loans are managed by a dedicated team of specialists with experience in handling past-due accounts. The department manages all high value loans and determines the best course of action to collect from the customer in order to improve asset quality and minimize financial losses. The Bank's NPL department also undertakes to sell NPLs based on guidance and approval from the Board of Directors. In September and December, the Bank sold 2 tranches of NPLs which reduced our outstanding NPLs by THB 8.9 billion.

# Managing Volatility Intelligently and Diligently

## Market Risk Management

### Objective

"Market risk" refers to the adverse impact on income and capital funds caused by price changes in the trading and banking books with regard to interest rates, exchange rates, equity instruments and commodities. These rates and price movements are external factors beyond the Bank's control. The Bank has therefore instituted a market risk management framework to use as a guideline for managing risk properly and effectively at the Bank and subsidiary levels. The Bank also maintains adequate capital relative to risk exposure and ensures risk management practices of subsidiaries remain at a level that is compatible with the Bank and consistent with the consolidated supervision policy of the Bank of Thailand.

### Principles

We recognize the importance of market risk management. The Bank monitors market risk via appropriate internal control systems and risk limits. We also review risk management policy on a regular basis to ensure it is commensurate with the scope, volume and complexity of transactions and the prevailing market circumstances. In addition, we establish risk and internal controls and practices to ensure effective risk management of subsidiaries in line with the consolidated supervision policy of the Bank of Thailand.

### Organization and Structure

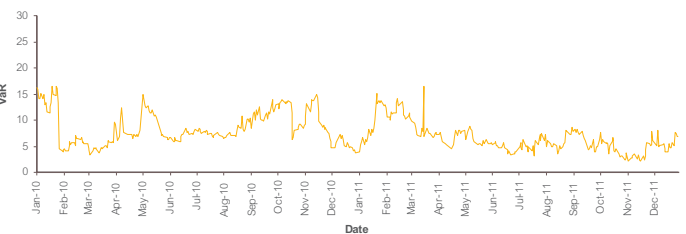
The Board of Directors has delegated risk management oversight to the Risk Management Committee and the Asset and Liability Management Committee (ALCO), which have the authority to manage and control market risk in a manner consistent with policy. ALCO establishes guidelines for appropriate management of assets, liabilities and off-balance sheet items. The organizational structure clearly segregates the duties and responsibilities of the units responsible for transaction execution, operations and risk management to avoid conflicts of interest. The Treasury Division executes transactions and manages positions under the risk limits approved by the Board of Directors. The market risk management department assesses, monitors and reports the Bank's risk exposures.

### Measurement System

In 2011, the Bank's aggregate market risk was well within acceptable levels. The assessment, control and monitoring of market risk can be divided into two parts: transactions in the trading book and transactions in the banking book.

1. For risks from transactions in the trading book the Bank use Value-at-Risk (VaR) and conduct back-testing to assess the reliability of the models. The Bank also conducts stress testing to assess risk under crisis situations.

### The Bank's Total Daily VaR Movement: 2011 and 2010



2. For risks from transactions in the banking book the Bank manages risks from mismatches of the interest rate structure and on- and off-balance sheet positions. The Bank assesses the probable impact on net interest income from assets, liabilities and off-balance sheet items that are sensitive to interest rates. The Bank conducts re-pricing gap analysis in terms of static simulation and dynamic simulation according to the projected interest rate trend. In addition, we analyze interest rate risk reflecting the sensitivity of the economic value of shareholder equity.

|                                | As of December 31, 2011 |            | As of December 31, 2010 |            |
|--------------------------------|-------------------------|------------|-------------------------|------------|
| (Unit : Million Baht)          | - 100 bps.              | + 100 bps. | - 100 bps.              | + 100 bps. |
| Net Interest Income            | 301.36                  | -486.23    | -546.71                 | 240.05     |
| Impact                         |                         |            |                         |            |
| % of Total Net Interest Income | 0.747%                  | -1.204%    | -1.513%                 | 0.664%     |

Financial Group assets and liabilities based on next re-pricing maturity  
December 31, 2011 and December 31, 2010

The Financial Group’s Financial Statements as of December 31, 2011

| (Unit : Million Baht)            | 0-3 months | Greater than 3 – 12 months | Greater than 1 – 5 years | Greater than 5 years | Non-performing loans | Non-interest bearing | Total   |
|----------------------------------|------------|----------------------------|--------------------------|----------------------|----------------------|----------------------|---------|
| Financial Assets                 |            |                            |                          |                      |                      |                      |         |
| Interbank and money market items | 71,366     | -                          | -                        | -                    | -                    | 10,452               | 81,818  |
| Net investment                   | 15,975     | 31,963                     | 23,770                   | 2,154                | -                    | 7,342                | 81,204  |
| Loans                            | 442,472    | 69,310                     | 126,436                  | 6,614                | 29,536               | 77,037               | 751,405 |
| Financial Liabilities            |            |                            |                          |                      |                      |                      |         |
| Deposits                         | 370,958    | 147,880                    | 21,385                   | -                    | -                    | 20,317               | 560,540 |
| Interbank and money market items | 14,861     | 5,934                      | 1,121                    | 13                   | -                    | 1,811                | 23,741  |
| Borrowings                       | 106,116    | 53,743                     | 28,356                   | 20,044               | -                    | 4                    | 208,263 |

The Financial Group’s Financial Statements as of December 31, 2010

| (Unit : Million Baht)            | 0-3 months | Greater than 3 – 12 months | Greater than 1 – 5 years | Greater than 5 years | Non-performing loans | Non-interest bearing | Total   |
|----------------------------------|------------|----------------------------|--------------------------|----------------------|----------------------|----------------------|---------|
| Financial Assets                 |            |                            |                          |                      |                      |                      |         |
| Interbank and money market items | 62,392     | -                          | -                        | -                    | -                    | 12,135               | 74,527  |
| Net investment                   | 10,287     | 18,961                     | 41,901                   | 1,131                | -                    | 6,809                | 79,089  |
| Loans                            | 413,191    | 84,146                     | 69,579                   | 3,701                | 38,149               | 40,194               | 648,960 |
| Financial Liabilities            |            |                            |                          |                      |                      |                      |         |
| Deposits                         | 362,794    | 140,467                    | 55,042                   | -                    | -                    | 18,176               | 576,479 |
| Interbank and money market items | 37,801     | 2,464                      | 1,108                    | 67                   | -                    | 2,348                | 43,788  |
| Borrowings                       | 23,175     | 26,950                     | 29,219                   | 20,011               | -                    | 10                   | 99,365  |

Capital Requirements

The Bank conducts risk assessments and maintain capital funds at Bank and subsidiary levels based on a standardized approach dictated by Bank of Thailand guidelines.

Market Risk Capital Requirement: As of  
December 31, 2011 and December 31, 2010

| Standardized Approach                      | (Unit : Million Baht) |       |
|--------------------------------------------|-----------------------|-------|
|                                            | 2011                  | 2010  |
| Total Capital Charge for Market Risk       | 300                   | 254   |
| Total Risk Weighted Assets for Market Risk | 3,746                 | 3,180 |

A Solid Stance on Liquidity Risk

Liquidity Risk Management

Objective

"Liquidity risk" is the risk arising from failure to pay debts and contingent liabilities by the due date because of an inability to convert assets into cash. It also relates to the failure to procure sufficient funds, or that fund procurement comes at a higher cost, thereby adversely affecting income and capital funds. Liquidity risk comes from internal and external factors. The liquidity risk management policy has been implemented at Bank and subsidiary levels to control and manage cash flows to ensure liquidity is sufficient to cover activities under normal and stressed conditions. Contingency plans are formulated to deal with crisis situations and to ensure a liquidity cushion and are tested on a regular basis. In addition, events or circumstances that might become potential factors for a liquidity crisis using early warning indicators are predicted.

Principles

In response to the intensely competitive nature, diversity and sophistication of the Thai financial market, the Bank maintains liquid assets in accordance with regulatory requirements and maintains an excess liquidity cushion at a level commensurate with the economic situation. The Bank ensures that there is adequate cash for both the Bank's and subsidiaries' business operations. Liquidity management utilizes qualitative and quantitative approaches for appropriate risk diversification. The structure and behavior of customers' deposits/withdrawals are considered in order to ensure efficient alignment with the cash flow demand for each time period at an appropriate cost level.

Organization and Structure

The Board of Directors has delegated, through the Risk Management Committee, the authority to manage and control liquidity risk in a manner consistent with policy. ALCO closely monitors the liquidity position and liquidity risk. The Treasury Division is responsible for carrying out regular reviews to determine appropriate liquidity levels, manage daily liquidity to meet the Bank's and subsidiaries' cash demands and also undertake regular analyzes of the contingency plans for liquidity in two types of crisis situations: (a) temporary liquidity problems arising from daily transaction executions and (b) medium to long-term liquidity problems. To this end, the ALCO is responsible for implementing its liquidity crisis management plan via the Funding Crisis Management Team (FCMT).

Measurement System

In 2011, the Bank's aggregate liquidity risk was near the safer end of acceptable levels. The Bank employs a variety of liquidity risk management tools such as cash flow/liquidity projection and liquidity gap analysis by assets, liabilities and contingent liabilities according to the remaining contractual maturity. In this regard, consideration is given both to normal and crisis situations and the results are adjusted in accordance with behavioral maturity to align with the actual behavior to ensure that the liquidity risk reporting and monitoring systems are efficient. In addition, the Board of Directors monitors liquidity risk indicators which serve as early warning signs. These signs include early warning points and trigger points, decreases in the highest deposit level each day and the top 20 depositors, in order to reduce the concentration of the Bank's funding sources, as well as its liquidity ratios. The Treasury Division proposes liquidity risk management guidelines and business strategies to the ALCO. The Market Risk Management Department assesses liquidity risk levels and reports them to the ALCO.

Financial Group assets and liabilities based on remaining contractual maturity  
December 31, 2011 and December 31, 2010

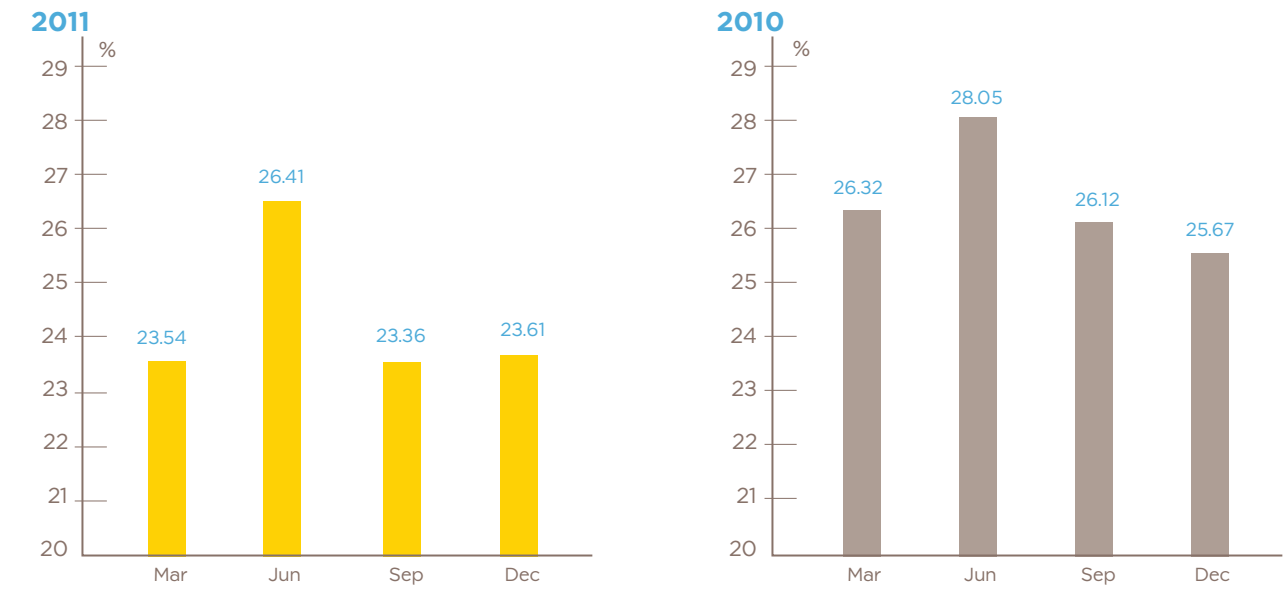
Financial Group’s Financial Statements as of December 31, 2011

| (Unit : Million Baht)            | On Demand | 0-3 months | Greater than 3 – 12 months | Greater than 1 – 5 years | Greater than 5 years | Non-performing loans | Non-interest bearing | Total   |
|----------------------------------|-----------|------------|----------------------------|--------------------------|----------------------|----------------------|----------------------|---------|
| Financial Assets                 |           |            |                            |                          |                      |                      |                      |         |
| Interbank and money market items | 10,610    | 70,685     | 200                        | 120                      | -                    | -                    | 203                  | 81,818  |
| Net investment                   | 300       | 2,224      | 24,827                     | 44,345                   | 2,166                |                      | 7,342                | 81,204  |
| Loans                            | 6,401     | 165,074    | 142,986                    | 246,941                  | 160,467              | 29,536               | -                    | 751,405 |
| Financial Liabilities            |           |            |                            |                          |                      |                      |                      |         |
| Deposits                         | 237,660   | 153,616    | 147,855                    | 21,409                   | -                    |                      |                      | 560,540 |
| Interbank and money market items | 3,720     | 11,942     | 6,248                      | 1,818                    | 12.7                 |                      |                      | 23,741  |
| Borrowings                       |           | 106,116    | 53,744                     | 28,359                   | 20,044               |                      |                      | 208,263 |

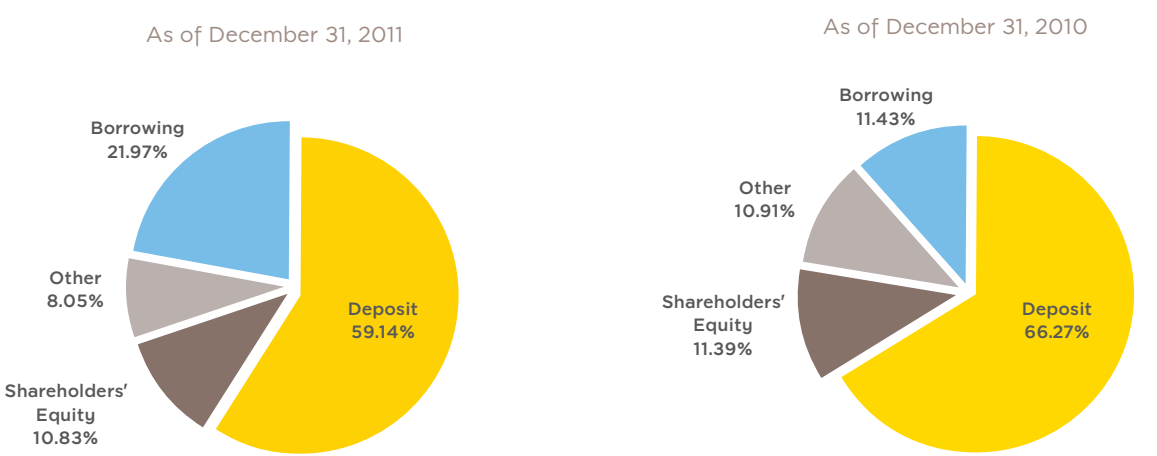
Financial Group’s Financial Statements as of December 31, 2011

| (Unit : Million Baht)            | On Demand | 0-3 months | Greater than 3 – 12 months | Greater than 1 – 5 years | Greater than 5 years | Non-performing loans | Non-interest bearing | Total   |
|----------------------------------|-----------|------------|----------------------------|--------------------------|----------------------|----------------------|----------------------|---------|
| <b>Financial Assets</b>          |           |            |                            |                          |                      |                      |                      |         |
| Interbank and money market items | 12,856    | 61,137     | 201                        | 119                      | -                    | -                    | 214                  | 74,527  |
| Net investment                   | -         | 6,653      | 21,103                     | 44,303                   | 1,146                | -                    | 5,884                | 79,089  |
| Loans                            | 17,308    | 149,297    | 141,597                    | 167,315                  | 135,294              | 38,149               | -                    | 648,960 |
| <b>Financial Liabilities</b>     |           |            |                            |                          |                      |                      |                      |         |
| Deposits                         | 237,593   | 143,367    | 140,462                    | 55,057                   | -                    | -                    | -                    | 576,479 |
| Interbank and money market items | 4,651     | 34,897     | 2,115                      | 2,058                    | 67                   | -                    | -                    | 43,788  |
| Borrowings                       | -         | 23,175     | 26,951                     | 29,228                   | 20,011               | -                    | -                    | 99,365  |

Financial Group’s Ratio of Liquid Assets to Short – Term Liabilities



Financial Group’s Sources of Funds



Operational Risk

A Unified Approach to Operational Risk Objective

“Operational risk” refers to the risk of loss resulting from inadequate or failed internal processes, technology problems, human factors, or external events including legal risk but excluding strategic and reputation risk. Operational risk is an integral and unavoidable part of the Bank’s business as it is inherent in our endeavors to provide services to customer and to generate profits for shareholders. The Bank and the Bank’s subsidiaries have implemented a sound operational risk management framework as per the Bank of Thailand’s requirements, including Basel II. This ensures that our operational risks are effectively managed and controlled within the risk appetite.

Principles

The Bank recognizes the significance of operational risk and provides sufficient resources to manage the risk within acceptable levels through the promotion of sound operational risk management governance and frameworks.

Organization and Structure

The Group Operational Risk Management Policies stipulate the minimum requirements of a framework that is implemented throughout the organizational structure along three lines of defense to ensure independent oversight of operational risk management throughout the Group. All business units as primary operational risk owners and risk takers have prime responsibility for day-to-day managing of operational risk in their operations according to the policies set out.

The Risk Management Committee, assigned by the Board of Directors, is responsible for formulating strategies and conducting oversight of the adequacy of the risk and control processes. The Operational Risk Management Department, an independent function reporting to the Chief Risk Officer, is responsible for designing, implementing and maintaining the operational risk framework and measurement system. In addition, the Internal Audit function provides independent assurance of the proper functioning of the design, adequacy and effectiveness of our internal controls.

Measurement System

Over the past year, the Bank improved some of the key techniques in effectively managing and measuring operational risks across the Group:

- Risk and Control Self-Assessment (RCSA): All units periodically identify and assess key operational risks and effectiveness of controls to ensure the risks are effectively managed within the business risk threshold. The decision to take action is made to mitigate the risk promptly.

"Key Risk Indicators are regularly collected and tracked both bank-wide and at the business unit level. If risk levels exceed the acceptable threshold, action is taken."

- Operational risk losses data collection: Losses beyond a certain threshold are systematically collected by the business units and reported to the Operational Risk Management Department. The Bank extends the scope of loss definition covering any near-miss incidents. This standard criteria is used across the Group for reporting loss events. In addition, the new system includes a central loss database. The root causes are analyzed and corrective action is taken to mitigate losses. Referral of the escalation of individual events to senior management is determined by the seriousness of the event.
- Outsourcing management: The Bank has established policies setting out the process for managing potential operational risks that might stem from sourcing arrangements. This risk assessment and monitoring process is in place. We also ensure the continuity of business operations and service provision to customers and have a suitable customer protection system with an emphasis on customer data security.
- New product/process/system risk assessment program: This ensures that all new products—or significant changes to existing process/systems—are subject to comprehensive risk evaluation and are approved by specialists prior to launch.
- Business continuity management: In order to ensure continuity throughout the Group, key risks and threats are periodically assessed, reviewed and monitored from a business continuity perspective, including political crisis, pandemics, technology disruptions, flooding and other environmental impacts. Alternate site strategy has been reviewed and implemented. Business continuity plans are reviewed and improved to ensure that we can continue to provide key products and services to carry out vital operations.
- Risk Reporting: All units are required to report their operational risks such as RCSA, KRI and loss data to the Operational Risk Management Department for analysis. The group’s operational risk profile report is then prepared and delivered to the Risk Management Committee and Board of Directors regularly, to drive appropriate decision making.

Capital Requirements

The Bank currently uses the Standardized Approach (SA) for the calculation of operational risk capital within the Bank’s Financial Group. These capital requirements are detailed in the following table.

Operational Risk Minimum Capital Requirement

As of December 31, 2011 and December 31, 2010

| (Unit: Million Baht)                                 |        |        |
|------------------------------------------------------|--------|--------|
| Standardized Approach                                | 2011   | 2010   |
| Total Capital Charge for Operational Risk            | 3,925  | 3,427  |
| Equivalent Risk Weighted Assets for Operational Risk | 49,068 | 42,841 |

Executive Summary:

The 2011 execution of our "One Krungsri" mission progressed significantly as evidenced by our achievements-record core financial earning performance, an upgrade from Moody's Investor Services of the company's financial strength and recognition from the Stock Exchange of Thailand in winning its 2011 Top Corporate Governance Report Award.

Amid continuing global financial volatility paired with the twin domestic challenges of a rising interest rate environment and the worst nationwide flooding in 60 years, Krungsri Group successfully executed and delivered robust performing loan growth of 13%, with record core earnings of Baht 12.4 billion. Including the one-off impact from the floods and the deferred tax asset revaluation, net profit was Baht 9.3 billion.

The 2011 floods took a heavy toll on the economy with 13 million people impacted. Our key focus in the fourth quarter was assisting our customers and employees through this difficult period with the goals of strengthening long term business relationships and demonstrating a strong commitment to our staff. Through the "Debt Relief Program", Krungsri Group provided a range of options to assist customers including principal and interest grace periods, waiving of selected fees and reconstruction financing. These actions resulted in our net interest margin moderating in the fourth quarter to 4.25%; if the impact of the floods was excluded net interest margin in the fourth quarter would have been at 4.37%.

Overall, in 2011, significant advancements were made in building a strong and balanced loan portfolio with broad-based growth delivered in Corporate, SME, and Retail segments. Of particular importance, our retail segment grew strongly at 17% and now accounts for 45.4% of our loan portfolio, reflecting our balancing of an optimal portfolio mix as well as our deliberate shift out of lower yielding assets as a result of pricing wars in the corporate segment in the first half of 2011.

In light of the domestic and global challenges facing the Thai economy and banking sector, our ability to grow the retail business enabled us to maintain our net interest margin at 4.51% on a full year basis. Excluding the Debt Relief Program extended to our customers, our net interest margin would have closed at 4.54% for the year.

Despite the floods, our asset quality improved. NPLs continued their declining trend, with a sharp reduction of 22.6% in 2011 resulting in an NPL ratio to gross loans of 3.7%, down from 5.5% at the end of 2010. At the same time coverage improved further to 106%. We have set aside an additional "environmental reserve" in the fourth quarter of Baht 800 million to cover future losses arising as a result of the floods.

For the year 2011, reported net profit rose 5.5% over the prior year to Baht 9.3 billion. Excluding the one-time impact of the floods and the deferred tax asset revaluation, the core net profit increased by 40.4%, primarily reflecting higher net interest income from strong loan growth, fees and service income growth, and lowered provisions.

The outlook for 2012 is positive. We expect a continued robust performance in loan growth and core earnings, on the back of an economic recovery and an increased demand for loans for reconstruction and rehabilitation as well as the pent up demand for both automobiles and durable goods. Our key mission for 2012 remains "to be customers' number one preferred bank" by offering simple, comprehensive products and services across our customer groups under our "Make Life Simple" brand positioning.

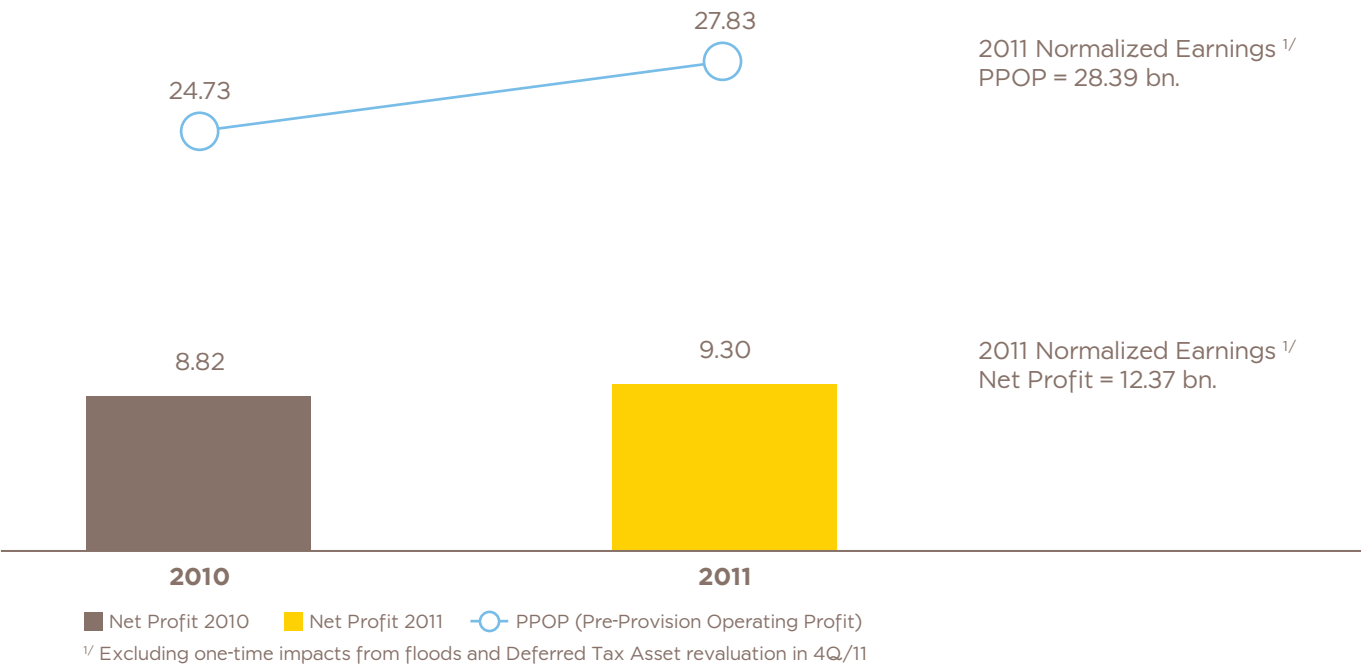
1. Summary of Financial Performance and Status:

2011 Key Targets were successfully achieved:

- Performing Loan Growth: Increased 13% or Baht 79.2 billion compared to December 2010.
- Core Operating Profit: Delivered Baht 28.4 billion, an increase of 14.8% from 2010. Including the one-time impact from the flood Debt Relief Program, operating profit increased 12.5% to Baht 27.8 billion.
- Core Net Profit: Achieved Baht 12.4 billion (before one-offs), increasing 40.4% from 2010. Including the one-time impact from the floods and deferred tax asset revaluation, net profit increased 5.5% to 9.3 billion from 2010.
- Net Interest Margin: Maintained strong NIM at 4.51%, including the impact of the "Debt Relief Program" extended to customers. Excluding the Debt Relief Program, the NIM registered at 4.54% for 2011.
- Cost to Income Ratio: Improved to 49.7% from 52% in 2010.
- Non-performing Loans: Decreased sharply to Baht 29.5 billion from Baht 38.1 billion in December 2010, and from 5.5% to 3.7% on a gross NPLs to total loans basis. Coverage improved to 106%.
- Net Fees and Service Income: Increased 7% for 2011, amid the prolonged business disruption in 4Q/2011.
- Funding Growth: Increased Baht 93.0 billion, or 13.8%, compared to December 2010.
- Capital Adequacy Ratio: Increased to 16.3% from 15.8% in December 2010, reflecting strong business growth and profitability.

PPOP & Net Profit

Unit: Baht Billion



Core operating profit for the year 2011, excluding the impact of the floods, rose to Baht 28,386 million, representing an increase of Baht 3,655 million, or 14.8%, from last year, largely attributed to robust growth in both net interest income and non-interest income, together with a smaller increase in operating expenses.

Including the one-time impact from floods, operating profit rose to Baht 27,827 million, representing an increase of Baht 3,096 million, or 12.5%, from last year, resulting from robust growth in both net interest income and non-interest income.

Normalized net profits for 2011 rose to Baht 12,373 million, an increase of Baht 3,557 million from last year. If the one-time impact in 4Q/11 was included from the floods and the deferred tax asset revaluation, net profits grew 5.5% to Baht 9,304 million in 2011.

| Statements of Comprehensive Income Consolidated | 2011   | 2010   | Change  |       |
|-------------------------------------------------|--------|--------|---------|-------|
|                                                 |        |        | Baht mn | %     |
| Interest Income                                 | 56,428 | 47,275 | 9,153   | 19.4  |
| Interest Expenses                               | 18,963 | 12,647 | 6,316   | 49.9  |
| Interest Income, Net                            | 37,465 | 34,628 | 2,837   | 8.2   |
| Fees and Service Income                         | 13,838 | 12,898 | 940     | 7.3   |
| Fees and Service Expenses                       | 3,051  | 2,818  | 233     | 8.3   |
| Fees and Service Income, Net                    | 10,787 | 10,080 | 707     | 7.0   |
| Non-interest and Non-fees Income                | 7,052  | 6,819  | 233     | 3.4   |
| Other Operating Expenses                        | 27,477 | 26,796 | 681     | 2.5   |
| Pre-Provision Operating Profit (PPOP)           | 27,827 | 24,731 | 3,096   | 12.5  |
| Impairment Loss of Loan and Debt Securities     | 12,213 | 12,391 | (178)   | (1.4) |
| Income Tax Expenses                             | 6,310  | 3,524  | 2,786   | 79.1  |
| Net Profit                                      | 9,304  | 8,816  | 488     | 5.5   |

| Statements of Comprehensive Income (Con't)<br>Consolidated | 2011         | 2010         | Change      |            |
|------------------------------------------------------------|--------------|--------------|-------------|------------|
|                                                            |              |              | Baht mn     | %          |
| Other Comprehensive income                                 | 347          | 288          | 59          | 20.5       |
| <b>Total Comprehensive income</b>                          | <b>9,651</b> | <b>9,104</b> | <b>547</b>  | <b>6.0</b> |
| Net Profit Attributable To                                 |              |              |             |            |
| Owners of the Bank                                         | 9,265        | 8,793        | 472         | 5.4        |
| Non-Controlling Interest                                   | 39           | 23           | 16          | 69.6       |
| <b>Net Profit</b>                                          | <b>9,304</b> | <b>8,816</b> | <b>488</b>  | <b>5.5</b> |
| Total Comprehensive Income Attributable To                 |              |              |             |            |
| Owners of the Bank                                         | 9,612        | 9,081        | 531         | 5.8        |
| Non-Controlling Interest                                   | 39           | 23           | 16          | 69.6       |
| <b>Total Comprehensive income</b>                          | <b>9,651</b> | <b>9,104</b> | <b>547</b>  | <b>6.0</b> |
| <b>Earning Per Share (Baht)</b>                            | <b>1.53</b>  | <b>1.45</b>  | <b>0.08</b> | <b>5.5</b> |

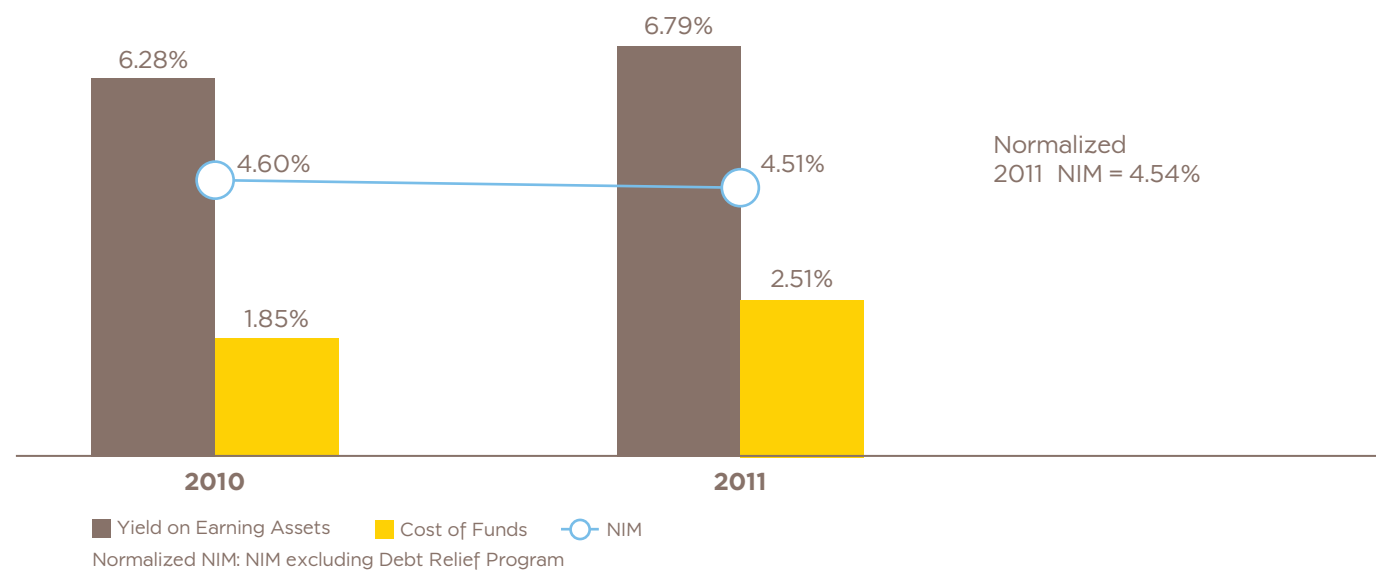
## 2. Financial Performance

### 2.1 Net Interest Income

| Consolidated                                 | 2011          | 2010          | Change       |             |
|----------------------------------------------|---------------|---------------|--------------|-------------|
|                                              |               |               | Baht mn      | %           |
| INTEREST INCOME                              |               |               |              |             |
| Interest on loans                            | 36,356        | 31,391        | 4,965        | 15.8        |
| Interest on interbank and money market items | 3,095         | 1,145         | 1,950        | 170.3       |
| Hire purchase and financial lease income     | 14,952        | 13,049        | 1,903        | 14.6        |
| Investments and trading transactions         | 79            | 90            | (11)         | (12.2)      |
| Investments in debt securities               | 1,946         | 1,600         | 346          | 21.6        |
| <b>Total Interest Income</b>                 | <b>56,428</b> | <b>47,275</b> | <b>9,153</b> | <b>19.4</b> |
| INTEREST EXPENSES                            |               |               |              |             |
| Interest on deposits                         | 8,956         | 5,630         | 3,326        | 59.1        |
| Interest on interbank and money market items | 1,631         | 718           | 913          | 127.2       |
| Interest on borrowings                       | 6,140         | 4,139         | 2,001        | 48.3        |
| Contribution to Deposit Protection Agency    | 2,229         | 2,155         | 74           | 3.4         |
| Other interest expenses                      | 7             | 5             | 2            | 40.0        |
| <b>Total Interest Expenses</b>               | <b>18,963</b> | <b>12,647</b> | <b>6,316</b> | <b>49.9</b> |
| <b>Interest Income, net</b>                  | <b>37,465</b> | <b>34,628</b> | <b>2,837</b> | <b>8.2</b>  |
| Net Interest Margin                          | 4.51%         | 4.60%         |              |             |
| Yield on Earning Assets                      | 6.79%         | 6.28%         |              |             |
| Cost of Funds                                | 2.51%         | 1.85%         |              |             |

For 2011, net interest income reached Baht 37,465 million, an increase of Baht 2,837 million, or 8.2%, compared to last year, as interest income rose by a larger magnitude than interest expenses. The marked growth in net interest income was attributed to higher interest rates, higher loan and hire purchase volumes, and higher average repurchase transactions. Meanwhile, the higher interest expenses on deposits and borrowing costs reflected the six policy rate increases before November 2011.

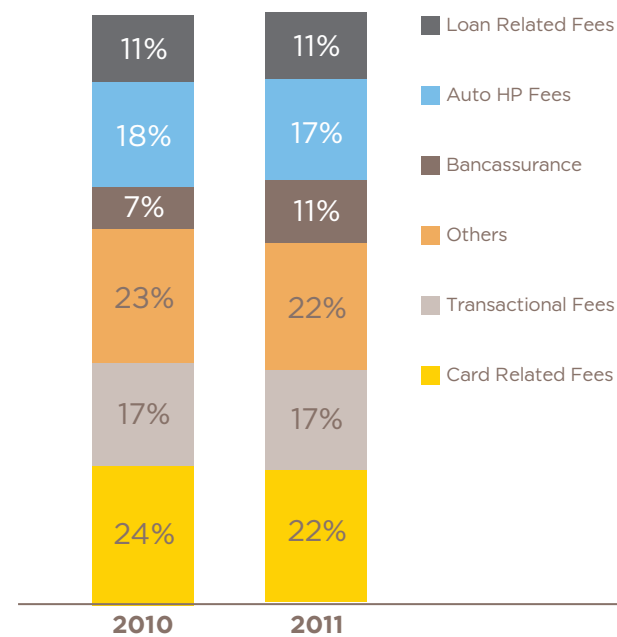
### Net Interest Margin



### 2.2 Net Fees and Service Income

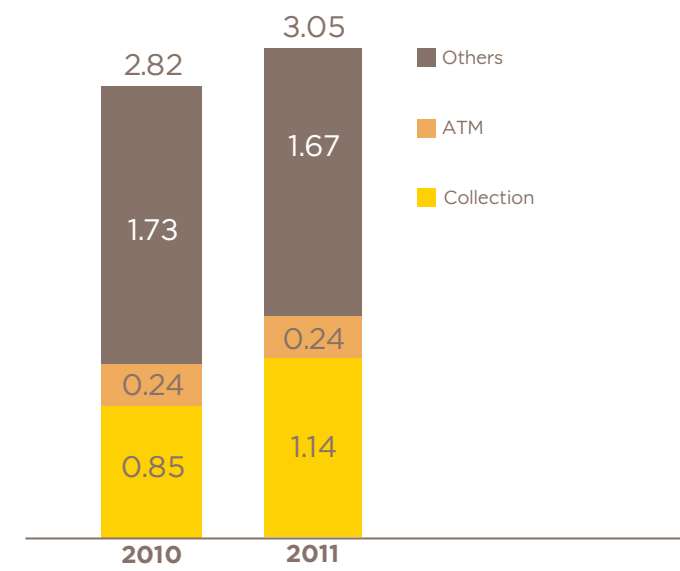
| Consolidated                       | 2011          | 2010          | Change     |            |
|------------------------------------|---------------|---------------|------------|------------|
|                                    |               |               | Baht mn    | %          |
| Acceptances, aval and guarantees   | 601           | 637           | (36)       | (5.7)      |
| Other fees and service income      | 13,237        | 12,261        | 976        | 8.0        |
| <b>Fees and service income</b>     | <b>13,838</b> | <b>12,898</b> | <b>940</b> | <b>7.3</b> |
| Fees and service expenses          | 3,051         | 2,818         | 233        | 8.3        |
| <b>Fee and Service Income, net</b> | <b>10,787</b> | <b>10,080</b> | <b>707</b> | <b>7.0</b> |

### Fees & Service Income Breakdown



### Fees & Service Expenses

Unit: Baht Billion



Compared with 2010, net fees and service income increased by Baht 707 million, or 7.0%, driven primarily by increased fees from Bancassurance and fund management fees. This was offset by a reduction in collection fees resulting from better portfolio quality and the Debt Relief Program in 4Q/11.

2.3 Non-interest and Non-fees Income

| Consolidated                                            | 2011         | 2010         | Change     |            |
|---------------------------------------------------------|--------------|--------------|------------|------------|
|                                                         |              |              | Baht mn    | %          |
| Gains on trading and foreign exchange transactions      | 1,278        | 1,459        | (181)      | (12.4)     |
| Gains on investments                                    | 820          | 251          | 569        | 226.7      |
| Share of profit from investment for using equity method | 32           | 144          | (112)      | (77.8)     |
| Other operating income                                  | 4,922        | 4,965        | (43)       | (0.9)      |
| <b>Total Non-interest and Non-fees Income</b>           | <b>7,052</b> | <b>6,819</b> | <b>233</b> | <b>3.4</b> |

Compared with 2010, non-interest and non-fee income rose 3.4% to Baht 7,052 million, driven primarily by:

- An increase in gains on investments of Baht 569 million, or 226.7%, mainly from a reversal of a reserve for investment in loan of Dubai World Group Finance Limited at Baht 424 million recorded in 2Q/11.
- An increase in returns from treasury transactions and positions of Baht 504 million, or 67.2%.

The above-mentioned items were offset by:

- A decrease in gain on debt instrument of Baht 665 million, driven by a one-off gain on a CDO sale of Baht 677 million in 4Q/10.
- A decrease in an excess of net fair value of acquired subsidiary over purchase cost of Baht 519 million recorded in 4Q/10.

2.4 Other Operating Expenses

| Consolidated                          | 2011          | 2010          | Change     |            |
|---------------------------------------|---------------|---------------|------------|------------|
|                                       |               |               | Baht mn    | %          |
| Employee's expenses                   | 12,319        | 11,820        | 499        | 4.2        |
| Premises and equipment expenses       | 4,632         | 4,293         | 339        | 7.9        |
| Taxes and duties                      | 1,782         | 1,535         | 247        | 16.1       |
| Directors' remuneration               | 33            | 28            | 5          | 17.9       |
| Other expenses                        | 8,711         | 9,120         | (409)      | (4.5)      |
| <b>Total Other Operating Expenses</b> | <b>27,477</b> | <b>26,796</b> | <b>681</b> | <b>2.5</b> |

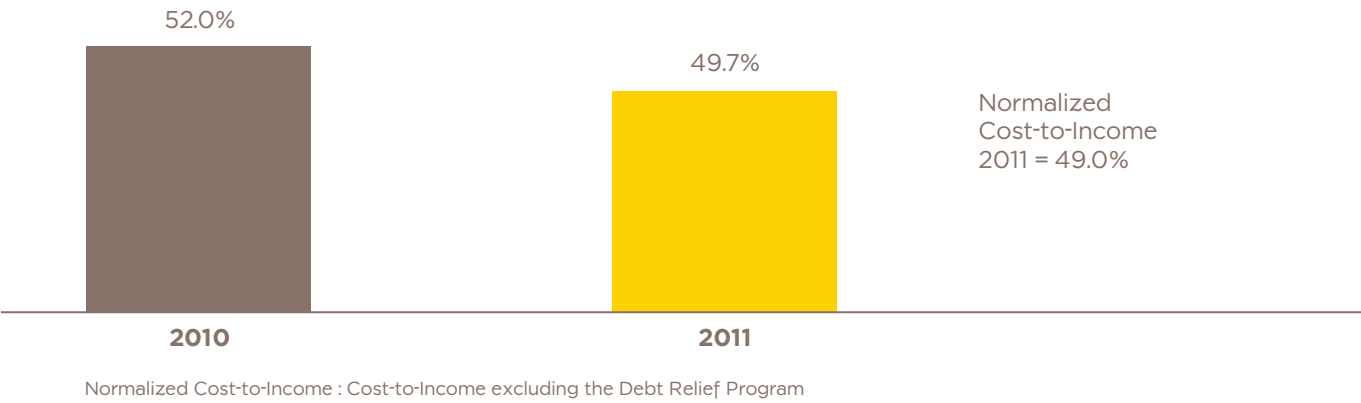
Compared to 2010, other operating expenses increased by Baht 681 million, or 2.5%, driven by:

- An increase in employee's expenses of Baht 499 million, or 4.2%, mainly driven by the adoption of a new accounting principle governing employee benefits in early 2011, incentive payments, annual merit increases and assistance provided to employees affected by the floods.
- An increase in premises and equipment expenses of Baht 339 million, or 7.9%, mainly driven by the Bank's continued investment in its ATM network expansion, ongoing branch refurbishment improvements and supporting activities relating to rebranding initiative.

The above-mentioned increases in operating expenses were offset by:

- A decrease in other expenses of Baht 409 million, or 4.5%, mainly from a decrease in marketing and promotion expenses of Baht 530 million, or a 17.8% reduction, from our cost control and management initiative in 4Q/11 and a reserve on assets transferred to TAMC of Baht 600 million recorded in 2010. These improvements were offset by an increase in the amortization of the fair value of intangible assets of Baht 247 million and reserves for customer loyalty program bonus points of Baht 539 million.

Cost-to-Income Ratio



Given our cost control initiatives, together with the strong improvement in core earnings, the cost-to-income ratio reduced markedly from 52% in 2010 to 49.7% in 2011, reflecting the on-going effort to improve operations and income generation efficiency.

2.5 Impairment loss of loans and debt securities

| Consolidated                                             | 2011          | 2010          | Change       |              |
|----------------------------------------------------------|---------------|---------------|--------------|--------------|
|                                                          |               |               | Baht mn      | %            |
| Bad Debt and Doubtful Accounts                           | 11,392        | 11,425        | (33)         | (0.3)        |
| Loss on Debt Restructuring                               | 821           | 966           | (145)        | (15.0)       |
| <b>Total impairment loss of loan and debt securities</b> | <b>12,213</b> | <b>12,391</b> | <b>(178)</b> | <b>(1.4)</b> |

Despite a prudent reserving policy in recording an "environmental reserve" of Baht 800 million in 4Q/11, the overall loan loss provision decreased by Baht 178 million, or 1.4%, from 2010. This improvement reflected both the declining trend of new NPL formation and our rigorous credit analysis standards. Meanwhile, the Group's loan loss coverage ratio improved to 106.2% from 89.1% at the end of 2010. The provision is expected to normalize in 2012.

# 3. Financial Status

## 3.1 Financial Position

| Consolidated                                    | 2011     | 2010     | Change   |        |
|-------------------------------------------------|----------|----------|----------|--------|
|                                                 |          |          | Baht mn  | %      |
| ASSETS                                          |          |          |          |        |
| Cash                                            | 25,165   | 22,461   | 2,704    | 12.0   |
| Interbank and money market items, net           | 81,818   | 74,527   | 7,291    | 9.8    |
| Investments, net                                | 81,204   | 78,360   | 2,844    | 3.6    |
| Investments in subsidiaries and associates, net | 769      | 729      | 40       | 5.5    |
| Loans to customers                              | 751,405  | 674,596  | 76,809   | 11.4   |
| Accrued interest receivable                     | 1,859    | 1,724    | 135      | 7.8    |
| Deferred revenue                                | (31,898) | (25,636) | (6,262)  | (24.4) |
| Allowance for doubtful accounts                 | (30,776) | (33,410) | 2,634    | 7.9    |
| Revaluation allowance for debt restructuring    | (502)    | (543)    | 41       | 7.6    |
| Properties for sale, net                        | 11,737   | 14,727   | (2,990)  | (20.3) |
| Others                                          | 57,016   | 62,299   | (5,283)  | (8.5)  |
| TOTAL ASSETS                                    | 947,797  | 869,834  | 77,963   | 9.0    |
| LIABILITIES AND SHAREHOLDERS' EQUITY            |          |          |          |        |
| Deposits                                        | 560,540  | 576,479  | (15,939) | (2.8)  |
| Interbank and money market items, net           | 23,741   | 43,762   | (20,021) | (45.7) |
| Debt issued and borrowings                      | 208,263  | 99,365   | 108,898  | 109.6  |
| Others                                          | 52,558   | 51,124   | 1,434    | 2.8    |
| TOTAL LIABILITIES                               | 845,102  | 770,730  | 74,372   | 9.6    |
| Issued and paid-up share capital                | 60,741   | 60,741   | 0        | -      |
| Retained earning                                | 22,442   | 19,225   | 3,217    | 16.7   |
| Others                                          | 19,512   | 19,138   | 374      | 2.0    |
| TOTAL SHAREHOLDERS EQUITY                       | 102,695  | 99,104   | 3,591    | 3.6    |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY      | 947,797  | 869,834  | 77,963   | 9.0    |

In 2011, total assets increased Baht 77,963 million, or 9.0%, largely attributed to a higher loan volume of Baht 70,547 million, or 10.9%. Interbank and money market items grew 9.8% or Baht 7,291 million. Liabilities grew 9.6% in 2011, driven by a strong increase in bills of exchange of 460.4%.

Total shareholders' equity rose to Baht 102,695 million, an increase of Baht 3,591 million, or 3.6%, from December 31, 2010. The increase was mainly due to equity holders' net income of Baht 9,265 million for the year 2011. This was offset mainly by dividends paid of Baht 4,252 million and the adjustment for provision of employee's benefits of Baht 1,793 million.

Book value per share as of December 31, 2011 was Baht 16.91, up from Baht 16.32 last year, equivalent to an increase of 3.6%.

## 3.2 Loans to customer

### 3.2.1 Loans by segment

| Consolidated       | 2011    | 2010    | Change  |      |
|--------------------|---------|---------|---------|------|
|                    |         |         | Baht mn | %    |
| Corporate          | 204,286 | 190,046 | 14,240  | 7.5  |
| SMEs               | 188,955 | 180,104 | 8,851   | 4.9  |
| Retail             | 326,266 | 278,810 | 47,456  | 17.0 |
| - Hire purchases   | 156,041 | 126,444 | 29,597  | 23.4 |
| - Housing          | 93,320  | 82,280  | 11,040  | 13.4 |
| - Personal & other | 76,905  | 70,086  | 6,819   | 9.7  |
| Total *            | 719,507 | 648,960 | 70,547  | 10.9 |

\* Loans to customers net of deferred income

For 2011, total loans rose 10.9% to Baht 719,507 million, an increase of Baht 70,547 million from the end of December 31, 2010, driven by an increase in performing loans of Baht 79,158 million. In line with our strategic focus, the retail segment continued to drive growth with a notable increase of Baht 47,456 million, or 17.0%, followed by Corporate and SME segments which grew 7.5% and 4.9%, respectively.

For Corporate and SME loans, the growth observed were largely long-term domestic loans covering sectors such as commerce and manufacturing. Strong growth was also achieved in the SME-Small and SME-Retail segments through our SME customer segmentation strategy, complemented by product and customer touch point simplification through our 55 Business Centers.

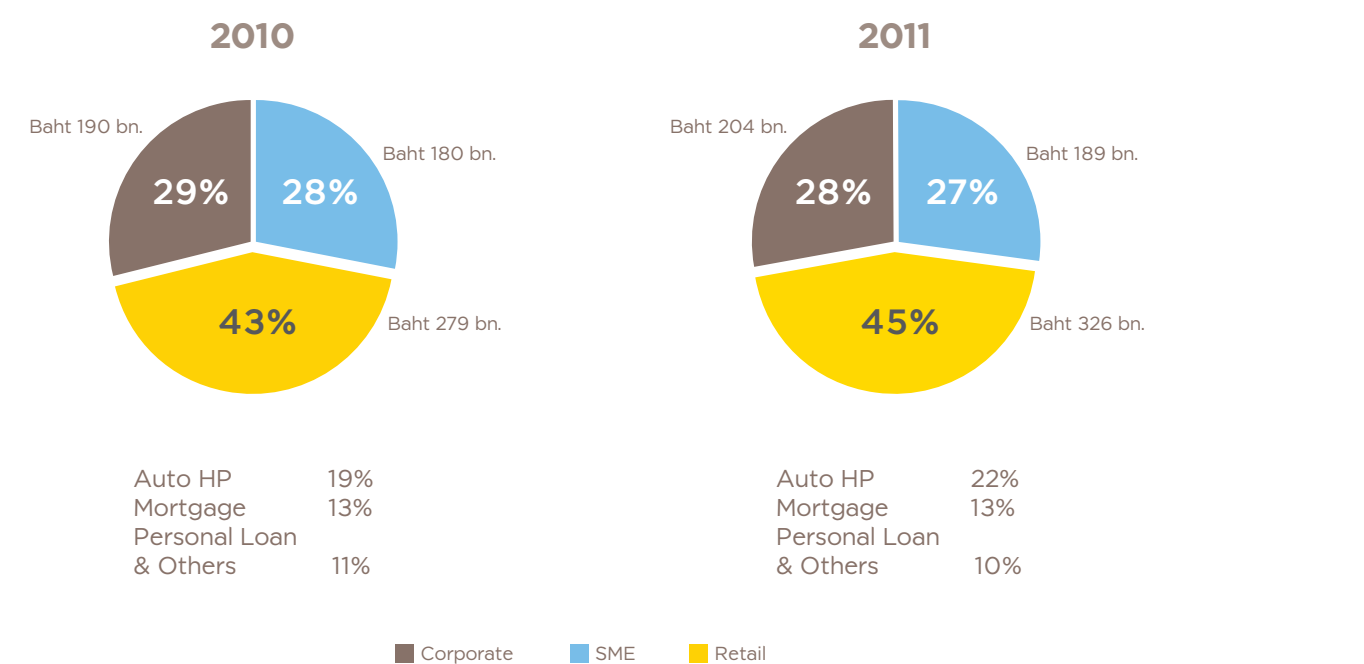
For consumer loans, impressive growth continued to be driven by the auto hire purchase business. Notwithstanding the supply chain disruption from Japan in 2Q/11 and Thailand's floods in 4Q/11, hire purchase loans grew a record of Baht 29,597 million, or 23.4%, for 2011. Our performance was enhanced by our diversified portfolio mix of new car, used car and refinance program volume, together with a diversified brand mix. This strategy provided greater flexibility to shift segments and brands in light of a changing environment and market conditions. The fast-growing volume generated from Krungsri channels, together with product and service innovations, such as quicker turnaround times and the introduction of "Krungsri Auto Express", also helped to boost volume.

The outlook for the auto hire purchase segment is positive for 2012, supported by pent up demand due to the closures of local auto manufacturers in 4Q/11, and the implementation of the government's first car program.

Housing loans grew strongly at 13.4% in 2011. This reflected both sustained positive economic conditions and an improvement in the residential housing market for the first nine months of 2011. Of particular importance, our strategic relationships with prime developers, particularly in the condominium segment, also helped to boost the housing loan volume.

In 2011, personal loans and credit card receivables grew 9.7%. The strong growth in these two segments highlighted our sustained leadership position, supported by both the offering of a strong customer value proposition and product innovations.

### Loan composition



Corporate

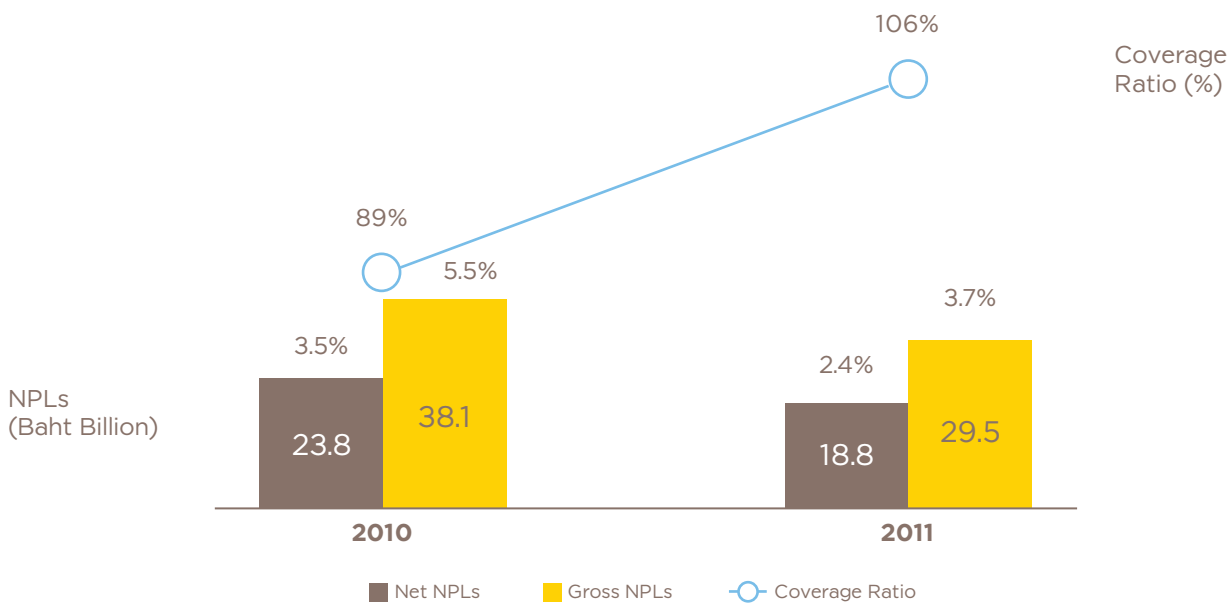
SME

Retail

### Non-performing loans

| Consolidated                 | 2011   | 2010   | Change  |        |
|------------------------------|--------|--------|---------|--------|
|                              |        |        | Baht mn | %      |
| Non-performing Loans (Net)   | 18,763 | 23,832 | (5,069) | (21.3) |
| Non-performing Loans (Gross) | 29,536 | 38,149 | (8,613) | (22.6) |
| Loans loss reserves (LLR)    | 31,366 | 33,988 | (2,622) | (7.7)  |
| Coverage                     | 106.2% | 89.1%  | 17.1%   | 19.2   |
| BOT Requirement              | 18,899 | 21,322 | (2,423) | (11.4) |
| Actual / Required LLR        | 166.0% | 159.4% | 6.6%    | 4.1    |

### NPLs and Coverage Ratio



Amid a challenging environment in 2011, NPLs were reduced by 22.6%, from Baht 38,149 million to Baht 29,536 million. Consequently, NPLs stood at 3.7% of gross loans as of year end 2011. The improvement in asset quality is largely attributed to the Bank’s vigilant credit risk management policies and procedures to prevent new NPL formation, continued efforts to resolve legacy NPLs, and improved collection and workout practices. Consequently, the Bank’s coverage ratio improved to 106% from 89% in the prior year.

As of December 31, 2011, the provision stood at Baht 31,366 million, with an excess provision over Bank of Thailand requirements of Baht 12,467 million. Correspondingly, the actual provisioning ratio when compared to Bank of Thailand requirements increased to 166.0% from 159.4% last year.

#### 3.2.2 Loan classification and provision

| Consolidated                             | 2011                                  |               | 2010                                  |               | Change                                |                |
|------------------------------------------|---------------------------------------|---------------|---------------------------------------|---------------|---------------------------------------|----------------|
|                                          | Loans and Accrued Interest Receivable | Provision     | Loans and Accrued Interest Receivable | Provision     | Loans and Accrued Interest Receivable | Provision      |
| Normal                                   | 658,940                               | 5,031         | 586,356                               | 5,257         | 72,584                                | (226)          |
| Special mention                          | 31,444                                | 2,603         | 24,864                                | 1,170         | 6,580                                 | 1,433          |
| Substandard                              | 7,260                                 | 2,923         | 10,104                                | 5,564         | (2,844)                               | (2,641)        |
| Doubtful                                 | 7,532                                 | 3,089         | 4,897                                 | 1,268         | 2,635                                 | 1,821          |
| Doubtful of loss                         | 14,800                                | 4,663         | 23,269                                | 7,485         | (8,469)                               | (2,822)        |
| Total BOT Provision                      | 719,976                               | 18,309        | 649,490                               | 20,744        | 70,486                                | (2,435)        |
| Plus (less) deferred income / commission | 1,390                                 |               | 1,194                                 |               | 196                                   |                |
| Surplus Reserve                          |                                       | 12,467        |                                       | 12,666        |                                       | (199)          |
| <b>Total</b>                             | <b>721,366</b>                        | <b>30,776</b> | <b>650,684</b>                        | <b>33,410</b> | <b>70,682</b>                         | <b>(2,634)</b> |

3.3 Investment in Securities

As of December 31, 2011, Krungsri Group had investments in government securities with a book value of Baht 55,426 million for the primary purpose of fulfilling Bank of Thailand requirements, including liquid assets and intraday holding of liquidity. In addition, private sector securities held by Krungsri Group had a total value of Baht 25,778 million.

3.4 Deposits

| Consolidated | 2011    | 2010    | Change   |        | Deposit Structure (%) |        |
|--------------|---------|---------|----------|--------|-----------------------|--------|
|              |         |         | Baht mn  | %      | 2011                  | 2010   |
| Current      | 19,265  | 18,129  | 1,136    | 6.3    | 3.44                  | 3.14   |
| Savings      | 218,395 | 219,464 | (1,069)  | (0.5)  | 38.96                 | 38.07  |
| Time         | 322,880 | 338,886 | (16,006) | (4.7)  | 57.60                 | 58.79  |
| < 6 months   | 66,436  | 95,395  | (28,959) | (30.4) | 11.85                 | 16.55  |
| 6 M - 1 Year | 158,625 | 106,666 | 51,959   | 48.7   | 28.30                 | 18.50  |
| > 1 Year     | 97,819  | 136,825 | (39,006) | (28.5) | 17.45                 | 23.73  |
| Total        | 560,540 | 576,479 | (15,939) | (2.8)  | 100.00                | 100.00 |

As of December 31, 2011, overall funding for the Bank including deposits, bills of exchange and debentures increased Baht 92,959 million, or 13.8%, from December 2010.

During the year, the popularity of bills of exchange, particularly among retail investors, helped grow the outstanding balance to Baht 155,785 million. Bills of exchange are a product that has increasingly substituted for time deposits in Thailand. Their "sticky" behavior and broader range of tenors also suit our "matched funding" discipline. Thus, in 2011, maturing debentures were replaced with bills of exchange, resulting in a lower cost of funds.

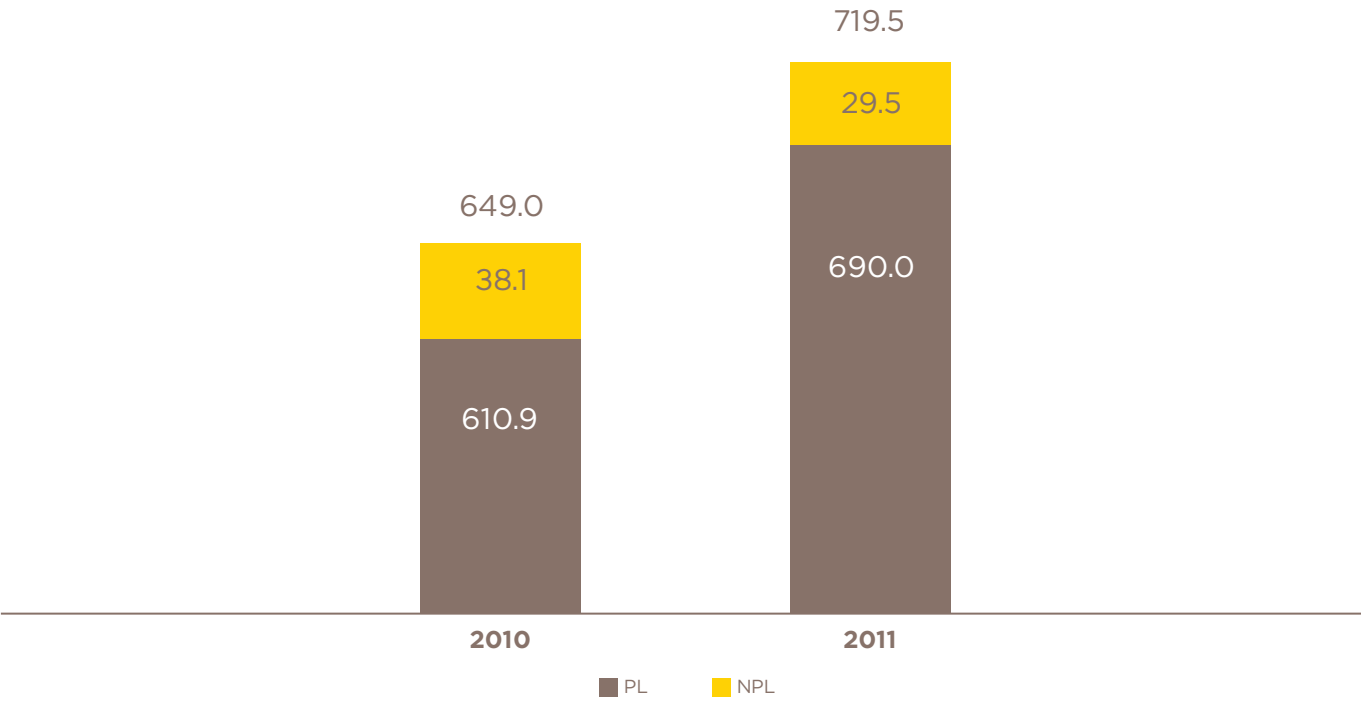
Overall, the increase in bills of exchange of Baht 127,986 million, or 460.4%, more than offset the decrease in deposits of Baht 15,939 million, or 2.8%. This significant increase in bills of exchange reflected customers' interest in alternative products providing higher yields. This trend accelerated as a result of the drop in deposit insurance coverage from an unlimited level to a maximum of Baht 50 million per customer per bank which became effective on August 11, 2011.

As of December 31, 2011, deposits totaled Baht 560,540 million. The proportion of savings and demand deposits as a percentage of total deposits improved from 41.2% to 42.4%. The ability to maintain this mix was notable in light of the strong competition to mobilize funds from domestic commercial banks and specialized financial institutions in 2011, as well as other competing deposit-substitution products.

The strong loan growth observed in 2011 resulted in an L/D ratio at 128%; nevertheless, the L/D plus bills of exchange and debentures ratio improved to 97%.

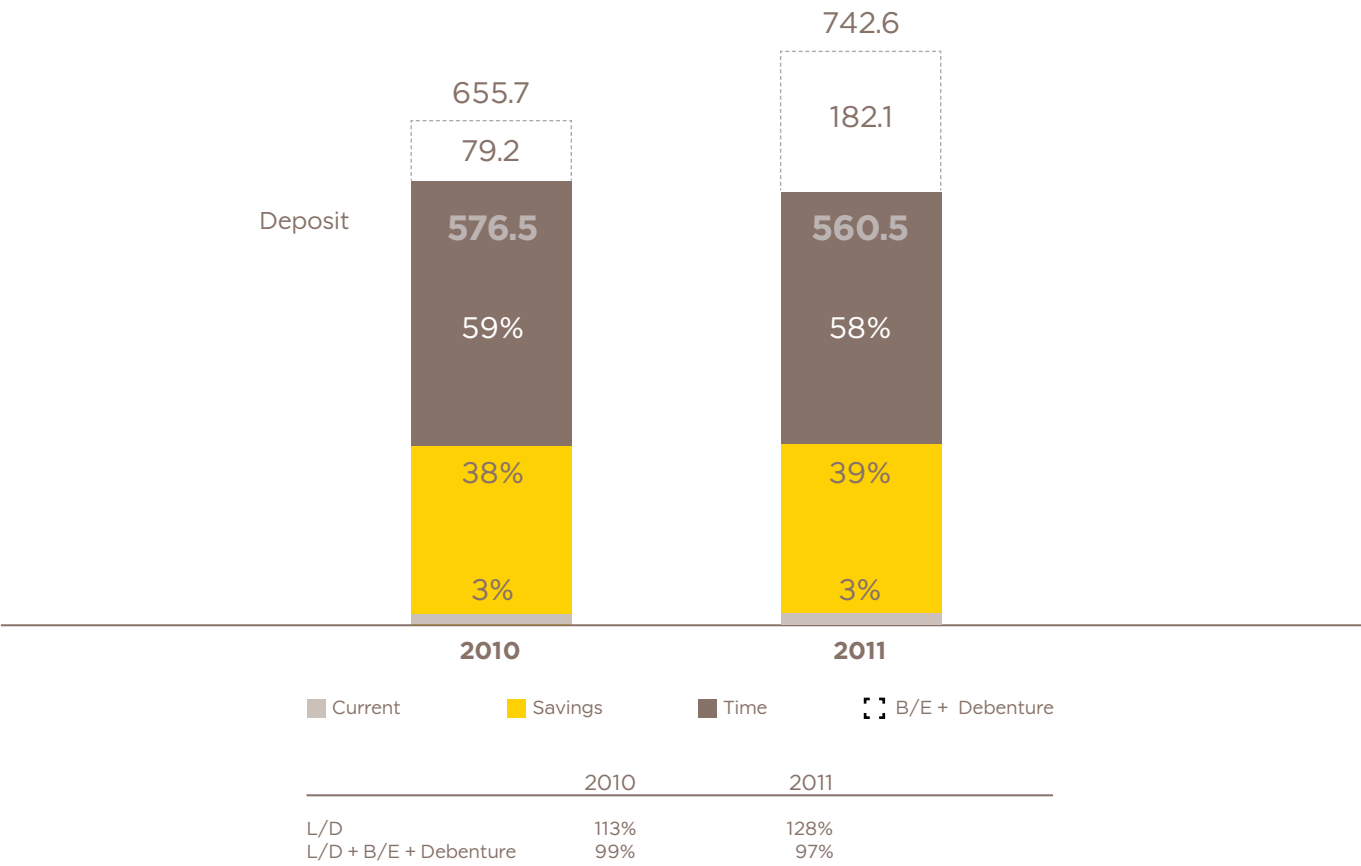
Loans

Unit: Baht Billion



Deposits + B/E + Debenture

Unit: Baht Billion



3.5 Contingencies

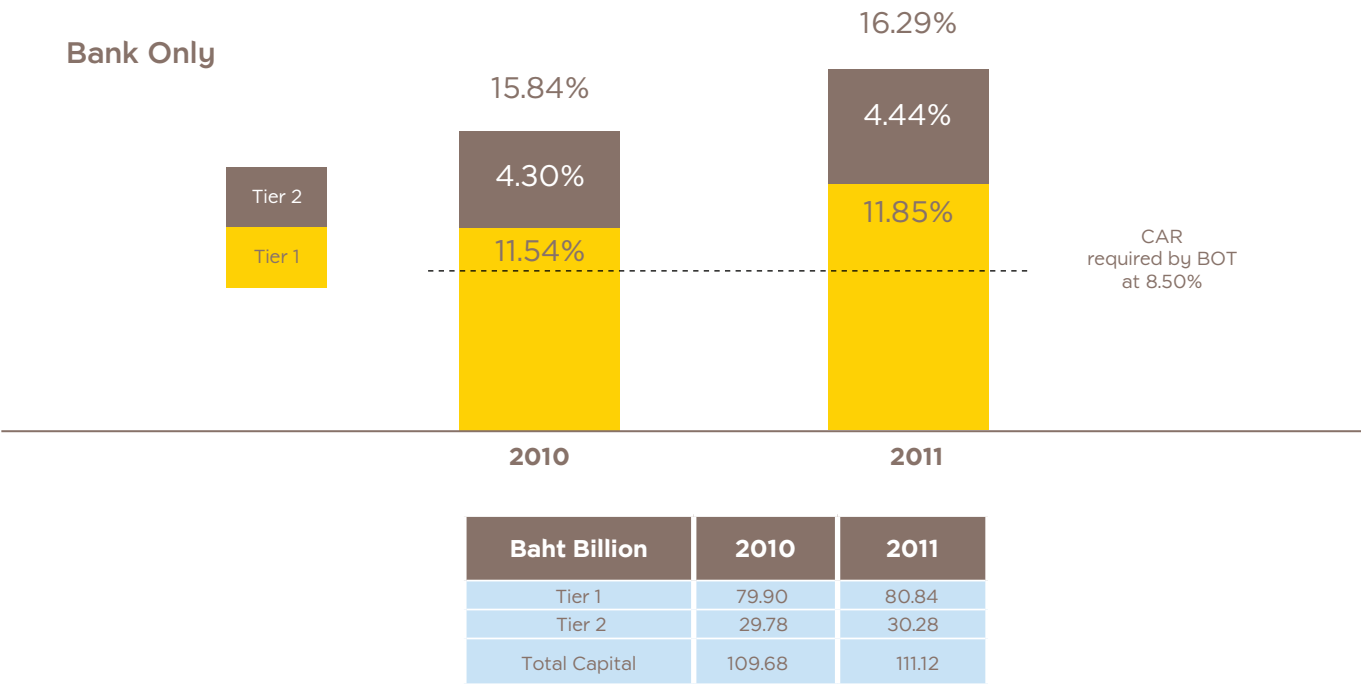
| Consolidated                           | 2011    | 2010    | Change  |        |
|----------------------------------------|---------|---------|---------|--------|
|                                        |         |         | Baht mn | %      |
| Avals to bills and Guarantees of loans | 1,765   | 3,929   | (2,164) | (55.1) |
| Liability under unmatured import bills | 1,465   | 1,202   | 263     | 21.9   |
| Letters of credit                      | 8,293   | 8,126   | 167     | 2.1    |
| Other contingencies                    | 456,621 | 387,165 | 69,456  | 17.9   |
| Total                                  | 468,144 | 400,422 | 67,722  | 16.9   |

Krungsri Group's contingencies as of December 31, 2011 totaled Baht 468,144 million, an increase of Baht 67,722 million or 16.9% from December 31, 2010. This increase was driven by other contingencies of Baht 69,456 million, mainly resulting from derivative transactions.

3.6 Statutory Capital

As of December 31, 2011, the Bank's capital increased to Baht 111,122 million, equivalent to 16.29% of risk-weighted assets with 11.85% in Tier 1 capital. Incorporating 2H/11 net profit the total BIS ratio would be 16.84%.

Capital Adequacy Ratio



4. Credit Ratings

The Bank's credit ratings assigned by Moody's Investors Service, Standard & Poor's and Fitch Ratings as of December 31, 2011 are shown in the table below. On October 13, 2011, Moody's Investors Service upgraded Krungsri's Standalone Bank Financial Strength Rating (BFSR) to D+ from D, citing "the Bank's achievements in growing its franchise, especially in consumer lending, while also improving its financial fundamentals, especially its capitalization and asset quality".

| Moody's Investors Service       |         |
|---------------------------------|---------|
| Bank Deposits                   |         |
| Long Term                       | Baa2    |
| Short Term                      | Prime-2 |
| Debt                            |         |
| Long Term - Senior Debt         | Baa2    |
| Long Term - Subordinated Debt   | Ba2     |
| Short Term                      | Prime-3 |
| Debt and Deposit Rating Outlook | Stable  |
| Bank Financial Strength Ratings | D+      |
| Outlook                         | Stable  |

| Standard and Poor's               |        |
|-----------------------------------|--------|
| Issuer Credit Rating (ICR)        |        |
| Long Term                         | BBB-   |
| Short Term                        | A-3    |
| Foreign Currency                  |        |
| Long Term - Senior Debt           | BBB-   |
| Short Term                        | A-3    |
| Stand-alone Credit Profile (SACP) | bb+    |
| Outlook                           | Stable |

| Fitch Ratings                           |           |
|-----------------------------------------|-----------|
| International Rating (Foreign Currency) |           |
| Long Term                               | BBB       |
| Subordinated Debt                       | BBB-      |
| Short Term                              | F3        |
| Viability Rating                        | bbb       |
| Support                                 | 3         |
| Support Rating Floor                    | BB+       |
| Outlook                                 | Stable    |
| National Ratings                        |           |
| Long Term - Debenture                   | AA- (tha) |
| Subordinated Debt                       | A+ (tha)  |
| Short Term                              | F1+ (tha) |
| Outlook                                 | Stable    |

# The Partners Who Share in Our Quest for Simplicity

## Top Ten Shareholders

The following is a list of the Bank’s top 10 shareholders as of closing on September 9, 2011 (6,074,143,747 issued and paid-up ordinary shares at a par value of THB 10 per share):

| Rank | Shareholder Name                              | Number of Shares | % of Total Shares |
|------|-----------------------------------------------|------------------|-------------------|
| 1.   | GE Capital International Holdings Corporation | 2,000,000,000    | 32.93             |
| 2.   | Thai NVDR Company Limited                     | 940,659,122      | 15.49             |
| 3.   | HSBC (Singapore) Nominees Pte Limited         | 196,173,935      | 3.23              |
| 4.   | Stronghold Assets Company Limited             | 166,536,980      | 2.74              |
| 5.   | Tunmahachoke Company Limited                  | 166,478,940      | 2.74              |
| 6.   | G L Assets Company Limited                    | 166,414,640      | 2.74              |
| 7.   | BBTV Sattelvision Company Limited             | 166,151,114      | 2.74              |
| 8.   | BBTV Assets Management Company Limited        | 163,112,900      | 2.69              |
| 9.   | Bangkok Broadcasting & TV Company Limited     | 160,789,220      | 2.65              |
| 10.  | Mahakit Holding Company Limited               | 158,726,810      | 2.61              |

Remark : For data on current Bank shareholders, investors should visit [www.krungsri.com](http://www.krungsri.com).

## Management Structure

### Committee Structure

The Committee structure comprises the Board of Directors and six Committees appointed by the Board of Directors to supervise the Bank’s businesses. The Committees are:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Risk Management Committee
4. Executive Committee
5. Compliance Review Committee
6. Credit Committee

The roles and responsibilities of the Board of Directors and the management are clearly separated to ensure that the Bank’s operations are carried out in compliance with the law and consistent with the business code of conduct and good corporate governance principles. Currently, the Chairman of the Board and the President and Chief Executive Officer are different persons and even though the Chairman of the Board is not an independent director, his performance of duties is independent from the management and the major shareholders, focusing mainly on the benefits of the Bank and all its shareholders.

## Board of Directors

### Composition and Qualifications

The Board of Directors consists of at least five directors as stipulated by relevant laws; not less than half of all directors shall have domiciles in Thailand. Each director has extensive knowledge and experience in various areas, comprehends his/her responsibilities and the Bank’s nature of business and devotes time to his/her performance as a director.

The Board of Directors currently consists of 12 directors: five non-executive directors, four independent directors and three executive directors.

### Selection of Directors

The Board of Directors has put in place nomination procedures for the Bank’s directors which are transparent and not influenced by the shareholders having control or management powers to promote confidence in third parties. Opportunity for the shareholders to nominate person(s) to be elected as the Bank’s director(s) is also provided, prior to the dispatch of the Annual General Meeting of Shareholders’ notification.

- The Board of Directors has appointed the Nomination and Remuneration Committee chaired by an independent director to be responsible for selecting and/or qualifying appropriate person(s) then nominate to the Board of Directors to consider appointing (in case of vacancy from any reason except for rotation) or to the shareholder meeting to consider appointing (in case of rotation) as the Bank’s director(s) whom are qualified and have no prohibited characteristics according to the regulations prescribed by regulators.
- Having all qualifications required by law to be a financial institution’s director and having the qualifications, skill, knowledge and experience as prescribed by the Bank.

### Qualifications for Independent Directors

The Bank has established the following qualifications for independent directors which conform to the notification of the Capital Market Supervisory Board with a more strict provision on shareholding in order to bolster investor confidence and maintain a proper system of checks and balances:

1. Holding not more than 0.5% of the total voting shares of the Bank, parent company, subsidiary company, associated company, major shareholder, or managerial authority of the Bank. Any share held by their related persons shall also be counted.
2. Within two years prior to the appointment, not being or never having been an executive director, contract staff, employee, salaried advisor, or managerial authority of the Bank, parent company, subsidiary company, associated company, subsidiary on the same level, major shareholder, or managerial authority of the Bank.
3. Not having, either by blood or law, a father, mother, spouse, brother, sister, child, or child’s spouse who is an executive, major shareholder, managerial authority, or any person nominated as an executive or managerial authority of the Bank, subsidiary company, or associated company.
4. Within two years prior to the appointment, not having or never having had a business relationship with the Bank, parent company, subsidiary company, associated company, major shareholder, or managerial authority of the Bank in a manner that may affect independent discretion. Also, not being or never having been a principal shareholder or managerial authority of an organization having a business relationship with the Bank, parent company, subsidiary company, associated company, major shareholder, or managerial authority of the Bank.
5. Within two years prior to the appointment, not being or never having been an auditor of the Bank, parent company, subsidiary company, associated company, major shareholder, or managerial authority of the Bank including being a principal shareholder, managerial authority or partner of an audit office which is employed as the auditor of the Bank, parent company, subsidiary company, associated company, major shareholder, or managerial authority of the Bank.
6. Within two years prior to the appointment, not being or never having been a professional service provider including legal advisor or financial advisor obtaining more than THB 2 million service fee from the Bank, parent company, subsidiary company, associated company, major shareholder, or managerial authority of the Bank, including being a principal shareholder, managerial authority or partner of such professional office.
7. Not being a director who was appointed as a representative of a director of the Bank, major shareholder, or other shareholder related to a major shareholder of the Bank.
8. Not operating any business which has the same nature as and is in competition with the business of the Bank, subsidiary company, or associated company, or being a principal partner or executive director, contract staff, employee, salaried advisor, or holding more than 0.5% of the total voting shares of other companies/ partnership companies which operate the same business and are in competition with the business of the Bank, subsidiary company, or associated company.
9. Not having other characteristics which may cause incapability to provide an independent opinion relating to the business operations of the Bank.

However, consideration of the above relationship period shall be in accordance with the Notification stipulated by the Capital Market Supervisory Board.

Term of Office

The directors' term of office is clearly specified in the Articles of Associations and in accordance with the Public Limited Company Act of B.E. 2535. At every annual general meeting of shareholders, one-third of all Board members who hold the longest term of office shall retire and if the number of Board members is not a multiple of three, the number nearest to one-third shall retire. However, a member who retires by rotation may be reappointed.

The Bank has adopted a guideline on the director's term of office whereby the director shall retire at the age of 72. A director who reaches 72 during the term of office is allowed to continue his/her office until the end of the term and then retire. But if a director has yet not reached 72 at the time of nomination, he/she is allowed to be reappointed for another term.

Authority, Duties and Responsibilities

1. Ensure that the Bank undertakes its business operations in compliance with laws, objectives and Articles of Association of the Bank, as well as resolutions of the Board of Directors and shareholders' meetings.

2. Set overall direction and strategic goals for the Bank.

3. Consider and approve policies proposed by the Bank's management.

4. Oversee that the Bank's executives implement the approved policies effectively and efficiently in order to protect the interests of the Bank and its shareholders.

5. Ensure the establishment of a system to monitor conflicts of interest.

6. Ensure the establishment and communication of the Code of Conduct and business ethics for directors, executives and Bank employees at all levels.

7. Ensure that the Bank's management conduct the business in compliance with the laws.

8. Ensure effective internal controls and internal audit procedures are in place.

9. Ensure the establishment of transparent procedures for selecting the Bank's directors, which entitle shareholders to nominate persons to be elected as directors before the Bank submits the notification of the annual general meeting of shareholders. In this regard, the criteria for exercising the right shall be communicated to shareholders via the system of the Stock Exchange of Thailand.

10. Ensure the establishment of a transparent remuneration system, where the determined rate of remuneration for the Bank's directors must be in accordance with the established criteria and reflect their duties and responsibilities, with remuneration comparable to the industry standard. The remuneration should also be adjusted to reflect greater scope of duties and responsibilities. The remuneration of directors must be approved by the shareholders at the annual general meeting.

11. Ensure the Bank's executives implement risk management processes and procedures and carry out regular reviews of policies and strategies.

12. Consider and approve roles and responsibilities of various sub-committees and substantial changes in their scope of power and duties.

13. Ensure an effective reporting system that enables the Board of Directors to receive adequate information from the Bank's executives in exercising their authority and conducting their duties and responsibilities.

14. Appoint a Corporate Secretary to serve the Board of Directors by acting as a minutes taker, providing advice on relevant laws and regulations, overseeing the Board's activities and coordinating with management to ensure compliance with the Board's resolutions.

15. Ensure adequate disclosure of the consolidated financial statements of the Bank and its subsidiaries and all other financial information in the annual report.

16. Attend at least half of the total number of Board meetings held each year.

Members of the Board of Directors

The Board of Directors consists of 12 directors as below:

| Non-executive Directors       |                              |                                     |
|-------------------------------|------------------------------|-------------------------------------|
| 1.                            | Mr. Veraphan Teepsuwan       | Chairman                            |
| 2.                            | Mr. Pongpinit Tejagupta      | Director                            |
| 3.                            | Mr. Virojn Srethapramotaya   | Director                            |
| 4.                            | Miss Nopporn Tirawattanagool | Director                            |
| 5.                            | Mr. Des O'Shea *             | Director                            |
| Independent Directors         |                              |                                     |
| 6.                            | Mr. Surachai Prukbamroong    | Director                            |
| 7.                            | Mr. Karun Kittisataporn      | Director                            |
| 8.                            | Mr. Virat Phairatphiboon     | Director                            |
| 9.                            | Miss Potjanee Thanavaranit   | Director                            |
| Executive Directors           |                              |                                     |
| 10.                           | Mr. Mark John Arnold         | Director                            |
| 11.                           | Mrs. Janice Rae Van Ekeren   | Director                            |
| 12.                           | Mr. Pornsanong Tuchinda      | Director                            |
| Mrs. Thidarat Sethavaravichit |                              | Secretary to the Board of Directors |

Remark: \* Resigned from being the Director effective November 25, 2011.

Authorized Directors

The Bank's authorized signatory directors are either Mr. Pongpinit Tejagupta or Mr. Virojn Srethapramotaya who co-sign with either Mr. Mark John Arnold or Mrs. Janice Rae Van Ekeren, a total of two directors; jointly affix their signatures and the Company seal.

Meetings of the Board of Directors

In 2011, there were a total of 12 meetings which consisted of 12 scheduled meetings as detailed below:

| Members of the Board of Directors | Number of Times Attended / Total Number of Meetings Held |                 |                                       |                           |                     |                             |
|-----------------------------------|----------------------------------------------------------|-----------------|---------------------------------------|---------------------------|---------------------|-----------------------------|
|                                   | Board of Directors                                       | Audit Committee | Nomination and Remuneration Committee | Risk Management Committee | Executive Committee | Compliance Review Committee |
| Non-executive Directors           |                                                          |                 |                                       |                           |                     |                             |
| 1. Mr. Veraphan Teepsuwan         | 12/12                                                    |                 |                                       |                           |                     |                             |
| 2. Mr. Pongpinit Tejagupta        | 12/12                                                    |                 |                                       |                           |                     |                             |
| 3. Mr. Virojn Srethapramotaya     | 12/12                                                    |                 |                                       |                           |                     |                             |
| 4. Miss Nopporn Tirawattanagool   | 12/12                                                    |                 | 15/15                                 |                           |                     |                             |
| Independent Directors             |                                                          |                 |                                       |                           |                     |                             |
| 5. Mr. Surachai Prukbamroong      | 12/12                                                    | 13/13           |                                       |                           |                     |                             |
| 6. Mr. Karun Kittisataporn        | 11/12                                                    |                 | 15/15                                 |                           |                     |                             |
| 7. Mr. Virat Phairatphiboon       | 11/12                                                    | 11/13           | 12/15                                 |                           |                     |                             |
| 8. Miss Potjanee Thanavaranit     | 12/12                                                    | 13/13           |                                       |                           |                     |                             |
| Executive Directors               |                                                          |                 |                                       |                           |                     |                             |
| 9. Mr. Mark John Arnold           | 12/12                                                    |                 |                                       | 10/12                     | 12/12               |                             |
| 10. Mrs. Janice Rae Van Ekeren    | 11/12                                                    |                 |                                       | 7/12                      | 11/12               | 8/10                        |
| 11. Mr. Pornsanong Tuchinda       | 12/12                                                    |                 |                                       |                           | 12/12               |                             |
| Director resigned during the year |                                                          |                 |                                       |                           |                     |                             |
| 1. Mr. Des O'Shea *               | 11/11                                                    |                 |                                       |                           |                     | 9/9                         |

Remark: \* Resigned from being the Director effective November 25, 2011 as approved by the Board of Directors Meeting No. 11/2011 on November 23, 2011

Sub-committees

The Board of Directors appointed sub-committees to help the Board of Directors oversee important matters, follow up on operations, and govern performance with completeness and efficiency. The sub-committees are as follows:

Audit Committee

• Composition, Qualifications and Term of Office

The Board of Directors is responsible for appointment of the Audit Committee which consists of no less than three independent directors having qualifications as per regulations stipulated by the Capital Market Supervisory Board and not being a director who has been assigned by the Board of Directors to make decisions regarding business operations of the Bank, subsidiary company, associated company, subsidiary on the same level, major shareholders or managerial authority of the Bank and not being a director of listed companies which are a subsidiary company, or a subsidiary on the same level. Each committee member has a three-year term of office. At least 1 committee member shall possess knowledge and experience at a level sufficient to review the reliability of financial statements.

• Authority, Duties and Responsibilities

1. Ensure that Audit Committee members, the Bank’s auditors, management team and internal auditors have a clear and common understanding of their roles and duties.
2. Conduct a review and revision of the Audit Committee Charter to ensure that it is up-to-date and appropriate to the current organizational environment.
3. Consider and select the Bank’s auditors as well as consider the audit fees and propose the matters to the Board of Directors for consideration and further submission to the Bank of Thailand for endorsement before proposing them to the shareholders’ meeting of the Bank.
4. Ensure and attest the independence of internal auditors and the Bank’s auditors and to endorse the consideration of appointment, transfer and employment termination of the head of the internal audit unit.
5. Question the Bank’s management, internal auditors and the Bank’s auditors about major business risks and measures to control or mitigate such risks.
6. Examine and set the audit scope and plans of the internal auditors and to give suggestions and recommendations on audit plans of the Bank’s auditors to ensure appropriateness and efficiency.
7. Cooperate with internal auditors and the Bank’s auditors in reviewing all matters required to be audited in order to eliminate redundancy of audit tasks and reduce expenses of the Bank.
8. Cooperate with internal auditors and the Bank’s auditors in examining the adequacy of the Bank’s internal auditing and control mechanisms and identifying major weaknesses.
9. Cooperate with the Bank’s auditors, internal auditors and executives of relevant departments in conducting a review at the end of each quarterly and/or annual audit in order to ensure that financial statements and the notes to financial statements are accurate, complete and are transparently disclosed.
10. Monitor any cooperation or significant conflict between the management and the Bank’s auditors / internal auditors during the course of audit operations.
11. Cooperate with the management and internal auditors in reviewing and examining major weaknesses being detected and to monitor the corrective response from the management.
12. Review the preparation and the revision of the Charter by internal auditors to ensure that it is constantly updated and appropriate for the Bank.
13. Review and monitor the operations, business undertakings or actions taken by the Bank in order to ensure compliance with policies, rules and regulations of supervising authorities and laws related to banking business.
14. Hold meetings with the Bank’s auditors, internal auditors and the management as well as to hold a special meeting at least once a year for matters which the Audit Committee deems appropriate to discuss without the management’ s presence.
15. Prepare performance reports and/or minutes of the Audit Committee’s meetings for submission to the Board of Directors.
16. Prepare a report publicly disclosing responsibilities and undertakings of the Audit Committee which forms part of the annual report.

17. Conduct an examination and investigation on employees or relevant persons within the given scope of authority.
18. Hire an expert or seek professional advice, in the name of the Bank, in order to assist the audit or investigation task at the Bank’s expense.
19. Conduct a review or to give opinions as well as to examine the disclosure of the Bank’s information to ensure correctness and completeness especially in the case of connected transactions or conflict of interest transactions.
20. Make a report to the Board of Directors for corrective actions taken within the time frame the Audit Committee deems appropriate in cases where the Audit Committee discovers or suspects the following transactions or undertakings:

- Conflict of interest transactions
- Significant fraud cases, abnormalities or weaknesses in the internal control system
- Breaches of rules, regulations and the Bank’s Articles of Associations as well as laws relating to the Bank’s business

In cases where the Audit Committee deems that the above-mentioned transactions or undertakings which have been reported to the Board of Directors have not been rectified within the time frame specified by the Audit Committee without justifiable reasons, the Audit Committee shall specify the matters in the Annual Report and report the matters further to the Bank of Thailand and the Securities and Exchange Commission or the Stock Exchange of Thailand.

21. Report in writing any changes in the composition of the Audit Committee as well as any changes that have a significant impact on the operations of the Audit Committee which have been approved by the Board of Directors and to disclose the matters to shareholders in the Bank’s Annual Report.
22. Perform any other duties as assigned by the Board of Directors and endorsed by the Audit Committee.

• Names of Members and Meetings of the Audit Committee

As of December 31, 2011, the Audit Committee consisted of three members who are competent and experienced in the review of company financial statements. During the year, a total of 13 meetings were held which consisted of 12 scheduled meetings and 1 extraordinary meeting with the Bank’s external auditors without the Bank’s Management present.

| Members of the Audit Committee                               |                            | Position | Number of Times Attended /Total Number of Meetings Held |
|--------------------------------------------------------------|----------------------------|----------|---------------------------------------------------------|
| 1.                                                           | Mr. Surachai Prukbamroong  | Chairman | 13/13                                                   |
| 2.                                                           | Mr. Virat Phairatphiboon   | Member   | 11/13                                                   |
| 3.                                                           | Miss Potjanee Thanavaranit | Member   | 13/13                                                   |
| Secretary to the Audit Committee is Miss Puntipa Hannoraseth |                            |          |                                                         |

Nomination and Remuneration Committee

• Composition, Qualifications and Term of Office

The Board of Directors is responsible for appointment of the Nomination and Remuneration Committee which consists of no less than three non-executive directors, provided that the Chairman of the Committee shall be an independent director. The Head of Human Resources shall act as the Secretary to the Committee. Each committee member shall have extensive knowledge, skills and experience including thorough understanding on his/her role and responsibilities. Each committee member has a three-year term of office. A year term shall mean the period starting from the date of the annual general meeting of shareholders in the year of appointment through the date of the next annual general meeting of shareholders.

• Authority, Duties and Responsibilities

1. Determine the following:
  - The policies, rules and procedures of nomination of directors, members of committees and senior executives of the Bank consisting of the President and CEO, the various Chief Officers, First Executive Vice Presidents and Executive Vice Presidents.
  - The policies, rules and procedures of nomination as well as selection and/or screening of the names of the suitable candidates as the case may be of directors, managing director or the equivalent thereof under any other name of the companies in which the Bank hold 50% or more of shares. This selection and/or screening are also applicable to internal candidates suitable for appointment to these positions as well.

- The policy of remuneration and other benefits, including those applicable to the directors, committee members and senior executives of the Bank, i.e. the President and CEO, the various Chief Officers, First Executive Vice Presidents and Executive Vice Presidents based on the principles of clearness and transparency for submission to the consideration and approval of the Board of Directors and for sending to the Bank of Thailand for information upon request.
2. Select and/or screen candidates for appointment to the following positions for submission to the consideration of the Board of Directors.
    - Directors of the Bank
    - Members of the various committees report directly to the Board of Directors
    - Senior executives, i.e. the President and CEO, the various Chief Officers, First Executive Vice Presidents and Executive Vice Presidents
    - Directors of companies in which the Bank holds 50% or more of shares
  3. Ensure that the directors, members of the various committees and senior executives of the Bank, i.e. the President and CEO, the various Chief Officers, First Executive Vice Presidents and Executive Vice Presidents receive fair remunerations in consideration of their roles and responsibilities comparable to other commercial banks based on the Bank's regulations. The Nomination and Remuneration Committee shall also ensure that those who are assigned with additional roles and responsibilities shall receive additional remuneration commensurate with the additional assignments.
  4. Ensure that the size and composition of the Board of Directors is relevant for the organization and modify it as appropriate in consideration of the changes in the environment. The Board of Directors of the Bank shall, as a rule, be endowed with members who are knowledgeable, competent and experienced in a variety of fields.
  5. Determine ways and means to assess and evaluate the performances of directors and senior executives, i.e. the President and CEO, the various Chief Officers, First Executive Vice Presidents and Executive Vice Presidents in order to consider the annual remuneration based on their responsibilities and the risks involved with their functions. Also the increase in the valuation of shareholders' equity in the long-term shall be taken into account as well.
  6. Develop a succession plan for the positions of President and CEO and approve a succession plan for the various Chief Officers.
  7. Ensure openness relating to relevant policies and enclose a summary report of the operations of the Nomination and Remuneration Committee to the Bank's Annual Report.
  8. Seek advice from external consultant experts (independent) such as for salary surveys, selection of directors and senior executives, etc., as needed, with the Bank being responsible for the expenses incurred.

• Names of Members and Meetings of the Nomination and Remuneration Committee

As of December 31, 2011, the Nomination and Remuneration Committee consisted of three members. During the year, a total of 15 meetings were held.

| Members of the Nomination and Remuneration Committee                               | Position | Number of Times Attended /Total Number of Meetings Held |
|------------------------------------------------------------------------------------|----------|---------------------------------------------------------|
| 1. Mr. Karun Kittisataporn                                                         | Chairman | 15/15                                                   |
| 2. Mr. Virat Phairatphiboon                                                        | Member   | 12/15                                                   |
| 3. Miss Nopporn Tirawattanagool                                                    | Member   | 15/15                                                   |
| Secretary to the Nomination and Remuneration Committee is Miss Anuttara Panpothong |          |                                                         |

## Risk Management Committee

• Composition, Qualifications and Term of Office

The Board of Directors is responsible for appointment of the Risk Management Committee which consists of no less than seven members i.e. the President and CEO (who shall act as the Chairman of the Committee by position), Chief Risk Officer and other suitable executives. Members of the Risk Management Committee shall have extensive knowledge, skills, experiences and understanding on their duties and responsibilities including on business operations and risk control of the Bank. The term of office is two years.

• Authority, Duties and Responsibilities

1. Make policy recommendations relating to integrated Risk Management to the Bank's Board of Directors. Recommendations are in line with Bank of Thailand's risk-based approach to commercial banking, which sets guidelines for assessing core risks such as strategic risk, credit risk, market risk, liquidity risk, operational risk, legal risk and other forms of risk which may have an impact on the reputation of the Bank.
2. Monitor and administer the Bank's transactions in accordance with the Bank's Integrated Risk Management.
3. Prepare reports to submit to the Executive Committee as assigned by the said Committee.
4. Set strategies in line with the Bank's overall risk management policies. The Risk Management Committee is responsible for monitoring and assessing risk and ensuring that it remains within acceptable limits.
5. Ensure that the Bank's overall risk management is in line with principles of good corporate governance.
6. Review the Bank's policies and risk management practices in order to find ways to improve the quality and effectiveness of the Bank's approach to risk management.
7. Consider and approve policies and guidelines of assessment of assets as collateral for credit extension and immovable properties foreclosed obtained from debt payment or auction as well as principles of revaluation of these assets.
8. Prepare and review credit lending policy and guidelines, including the setting up of a reserve, the policy to write-off NPLs, credit limit management, the use of a scorecard system for credit approval and credit pricing which depend on risks involved and investments in the acquisition of other businesses.
9. Give advice on information technology relating to risk management.
10. Approve new products launching programs or change of pricing for products under the process of approval to be included in the Bank's business plans.
11. Oversee the supervision of the companies within the Financial Business Group to comply with the measures set forth by the Bank of Thailand and Bank's Internal Risk Management Policy.
12. Establish a risk management policy governing the risk management framework of the entities within the Financial Business Group, both from a system or process perspectives for supervision purposes.
13. Appoint additional committees/ working committees to oversee the management of different types of risk, as it sees fit. These committees/working committees report directly to the Risk Management Committee.
14. Inspect any Bank documents and to question any Bank employee as necessary for successful completion of the committee's work.
15. Consistently notify the Audit Committee of all operations in need of improvement or adjustment to comply with the specified policies and strategies.

• Names of Members and Meetings of the Risk Management Committee

As of December 31, 2011, the Risk Management Committee consisted of seven members. During the year, there were a total of 12 meetings were held.

| Members of the Risk Management Committee                                 | Position      | Number of Times Attended /Total Number of Meetings Held |
|--------------------------------------------------------------------------|---------------|---------------------------------------------------------|
| 1. Mr. Mark John Arnold                                                  | Chairman      | 10/12                                                   |
| 2. Mr. Chandrashekar Subramanian<br>Krishoolndmangalam                   | Vice Chairman | 10/12                                                   |
| 3. Mrs. Janice Rae Van Ekeren                                            | Member        | 7/12                                                    |
| 4. Mr. Charly Madan                                                      | Member        | 11/12                                                   |
| 5. Mr. Poomchai Wacharapong                                              | Member        | 10/12                                                   |
| 6. Mr. Philip Tan Chen Chong                                             | Member        | 7/12                                                    |
| 7. Mr. Saengchart Wanichwatphibun                                        | Member        | 11/12                                                   |
| Secretary to the Risk Management Committee is Mr. Nitus Lertpittayanukun |               |                                                         |

# Executive Committee

• Composition, Qualifications and Term of Office

The Board of Directors appoints the Executive Committee consisting of at least five members, namely, President and CEO (being the Chairman of the Executive Committee by position), Chief Financial Officer, Chief Risk Officer, General Counsel, Head of Operations and other suitable executives. Members of the Executive Committee shall have capability, experience, and an understanding of their duties and responsibilities as persons of good judgment in acting for the benefit of the business according to the Bank’s good corporate governance principles. The term of office is as per the directive of the appointment of the Executive Committee.

• Authority, Duties and Responsibilities

1. Supervise the Bank’s operations to ensure compliance with all relevant laws and the Bank’s regulations.
2. Supervise the Bank’s business management to achieve the set goals, policies, strategies and business plans.
3. Assist the Board of Directors in setting optimal policies and plans by providing full and accurate information.
4. Screen strategic plans, annual business plan, capital expenditure budgets, operational objectives and other project plans, including incomes/non-interest expenditure controls before submitting to the Board of Directors.
5. Assign other committees and sub-committees to consider matters which occur from the Bank’s ordinary operations.
6. Prepare reports as assigned by the Board of Directors.
7. Review policy and business plans prepared by the President and CEO which have been reviewed by the Financial Management Committee and propose the business plans which have been reviewed to Board of Directors for approval.
8. Consider policy and business plans endorsed by the Board of Directors on a quarterly basis and present views relating to the policy and business plans to the Board.
9. Consider, approve and monitor the following operations:
  - High cost investment.
  - Launching of new product or cessation of providing service or adjustment of prices which have been approved.
  - Go into business by capital investment, share investment, business partnership or contracts or agreements.
  - Provision of credits or guarantee apart from the Bank’s ordinary operations.
  - Any actions resulting in property rights or right over the Bank’s assets.
  - Liability payments or liability payment before due date.
  - Changes of remuneration or employee benefit policy.
  - Changes of strategies relating to the provision of credit and acceptance of deposits.
  - Credit limits opening and closing and
  - To enter into agreements or the setting of policy relating to agreements with the departments monitoring the Bank’s business operations in cases other than those which the Bank’s high-level executives have been empowered to do.
10. Monitor operations of the Bank’s departments to ensure compliance with plans and goals in an efficient and effective manner.
11. Review, monitor, provide suggestions and directions to ensure that the management system and operational process of various departments are modern, up-to-date and correspond to the fast changing economic situation.
12. Examine the Bank’s documents and data and summon relevant employees for questioning to enable the Committee to fulfill its objectives.
13. Appoint and set the roles and responsibilities of sub-committees and/or individuals as deemed appropriate to assist the management of the Bank.
14. Undertake assignments from the Board of Directors.
15. Report the Bank’s operations and various activities that have major implications to the Board of Directors.
16. Direct matters relating to the Bank’s overall business or operations.
17. Monitor operations of the sub-committees reporting to the Executive Committee.

• Names of Members and Meetings of the Executive Committee

As of December 31, 2011, the Executive Committee consisted of six members. During the year, a total of 12 meetings were held.

| Members of the Executive Committee                                    | Position      | Number of Times Attended /Total Number of Meetings Held |
|-----------------------------------------------------------------------|---------------|---------------------------------------------------------|
| 1. Mr. Mark John Arnold                                               | Chairman      | 12/12                                                   |
| 2. Mrs. Janice Rae Van Ekeren                                         | Vice Chairman | 11/12                                                   |
| 3. Mr. Chandrashekar Subramanian<br>Krishoolndmangalam                | Member        | 11/12                                                   |
| 4. Miss Phawana Niemloy                                               | Member        | 12/12                                                   |
| 5. Mrs. Wanna Thamsirisup                                             | Member        | 11/12                                                   |
| 6. Mr. Pornsanong Tuchinda                                            | Member        | 12/12                                                   |
| Secretary to the Executive Committee is Mrs. Thidarat Sethavaravichit |               |                                                         |

# Compliance Review Committee

• Composition, Qualifications and Term of Office

The Board of Directors appoints the Compliance Review Committee consisting of at least five members, namely, one Director or Independent Director (being the Chairman of the Compliance Review Committee by position), General Counsel and other suitable executives. The President and CEO shall serve as the Advisor to the Compliance Review Committee. Members of the Compliance Review Committee shall have capability, experience, and an understanding of their duties and responsibilities as persons with good judgment in acting for the benefit of the business in accordance with sound compliance principles. The term of office is two years.

• Authority, Duties and Responsibilities

1. Make recommendations on principles and practices for effective compliance measure for the Bank.
2. Make recommendations on the development of Good Corporate Governance – Best Practices for the Bank.
3. Make recommendations on Code of Business Conduct and employee Code of Conduct for publication and communication to related persons for acknowledgement and use as guidelines.
4. Make recommendations on the development and implementation of plans to ensure compliance practices as prescribed by policies.
5. Make recommendations relating to Business ethics and good practices of the Bank’s executives and employees.
6. Make recommendations on reports to be made to the Board of Directors containing details and formats as required by the Board of Directors unless otherwise specified by the Board of Directors.
7. Make recommendations on control and enforcement in compliance with policies and regulations and laws applicable to the Bank.
8. Follow up on development of the basic culture of the organization in the fields of compliance, prevention, auditing and correction.
9. Ensure that training is provided to the employee to promote understanding of each employee’s responsibilities as prescribed by the compliance program.
10. Report and give suggestions on corrective plans related to compliance principles/policies.
11. Ensure that reports prepared in accordance with the compliance program are proposed to the Board of Directors.
12. Review and make recommendations on ensuring consistency of compliance practices and principles and applicability of those guidelines to the business of the Bank.
13. Review and make recommendations on messages regarding good corporate governance to the public.
14. Review and report to the Board of Directors on the Bank’s good corporate governance practice and to provide recommendations or advice on the improvement of the practice as deemed appropriate unless otherwise specified by the Board of Directors.
15. Appoint a sub-committee and/or working group as deemed necessary.

• Names of Members and Meetings of the Compliance Review Committee

As of December 31, 2011, the Compliance Review Committee consisted of five members. During the year, a total of 10 meetings were held.

| Members of the Compliance Review Committee                                     | Position      | Number of Times Attended /Total Number of Meetings Held |
|--------------------------------------------------------------------------------|---------------|---------------------------------------------------------|
| 1. - Vacant -                                                                  | Chairman      | -                                                       |
| 2. Miss Phawana Niemloy                                                        | Vice Chairman | 10/10                                                   |
| 3. Mrs. Janice Rae Van Ekeren                                                  | Member        | 8/10                                                    |
| 4. Mr. Chandrashekar Subramanian Krishoolndmangalam                            | Member        | 6/10                                                    |
| 5. Mr. Phonganant Thanattrai <sup>1/</sup>                                     | Member        | -                                                       |
| 6. Mrs. Wanna Thamsirisup                                                      | Member        | 8/10                                                    |
| Members that resigned or the term ended during the year                        |               |                                                         |
| 1. Mr. Des O'Shea <sup>2/</sup>                                                | Chairman      | 9/9                                                     |
| 2. Mr. Piriyah Wisedjinda <sup>3/</sup>                                        | Member        | 7/9                                                     |
| Secretary to the Compliance Review Committee is Mr. Saengchart Wanichwatphibun |               |                                                         |

Remark : <sup>1/</sup> Appointed by the Board of Directors effective from November 23, 2011

<sup>2/</sup> Resigned from being a Bank Director November 25, 2011

<sup>3/</sup> Resigned from being a Bank Executive effective October 1, 2011

Credit Committee

• Composition, Qualifications, and Term of Office

The Board of Directors appoints the Credit Committee consisting of at least five members, namely, Chief Risk Officer (being the Chairman of the Credit Committee by position) and other suitable executives. Members of the Credit Committee shall have capability, experience and an understanding of their duties and responsibilities as persons with good judgment in acting for the benefit of the business. The term of office is as per the directive of the appointment of the Credit Committee.

• Authority, Duties and Responsibilities

1.

Approve credit requests and also relevant operations relating to credit within its scope of authorizations in accordance with the credit policy and based on acceptable risk with risk policy.
2.

Examine the Bank’s documents and data and summon relevant employees for questioning so that the Credit Committee may fulfill its objectives.
3.

Appoint and set the roles and responsibilities of sub-committees and/or individuals as deemed appropriate to assist in credit management and credit extensions of the Bank.

• Names of Members and Meetings of the Credit Committee

As of December 31, 2011, the Credit Committee consisted of five members. During the year, a total of 98 meetings were held.

| Members of the Credit Committee                             | Position | Number of Times Attended /Total Number of Meetings Held |
|-------------------------------------------------------------|----------|---------------------------------------------------------|
| 1. Mr. Chandrashekar Subramanian Krishoolndmangalam         | Chairman | 85/98                                                   |
| 2. Mr. Charly Madan                                         | Member   | 70/98                                                   |
| 3. Mr. Poomchai Wacharapong                                 | Member   | 73/98                                                   |
| 4. Mr. Nuttawit Boonyawat                                   | Member   | 96/98                                                   |
| 5. Miss Maleewan Phongsathorn                               | Member   | 88/98                                                   |
| Secretary to the Credit Committee is Mr. Khomkrit Chantapoh |          |                                                         |

Shareholding of Directors and Executives (as defined by the SEC)

| Name-Surname                                         | 31 December 2011 |                  | 31 December 2010   |                  |
|------------------------------------------------------|------------------|------------------|--------------------|------------------|
|                                                      | No. of Shares    | Shareholding (%) | No. of Shares      | Shareholding (%) |
| Non-Executive Directors                              |                  |                  |                    |                  |
| 1. Mr. Veraphan Teepsuwan                            | 253,861          | 0.0042           | 249,449            | 0.0041           |
| 2. Mr. Pongpinit Tejagupta                           | -                | -                | -                  | -                |
| 3. Mr. Virojn Srethapramotaya                        | -                | -                | -                  | -                |
| 4. Miss Nopporn Tirawattanagool                      | -                | -                | -                  | -                |
| 5. Mr. Des O'Shea <sup>1/</sup>                      | -                | -                | -                  | -                |
| (as of November 24, 2011)                            |                  |                  |                    |                  |
| Independent Directors                                |                  |                  |                    |                  |
| 6. Mr. Surachai Prukbamroong                         | -                | -                | -                  | -                |
| 7. Mr. Karun Kittisataporn                           | -                | -                | -                  | -                |
| 8. Mr. Virat Phairatphiboon                          | -                | -                | -                  | -                |
| 9. Miss Potjanee Thanavaranit                        | -                | -                | -                  | -                |
| Executive Directors                                  |                  |                  |                    |                  |
| 10. Mr. Mark John Arnold                             | -                | -                | -                  | -                |
| 11. Mr. Pornsanong Tuchinda                          | -                | -                | -                  | -                |
| 12. Mrs. Janice Rae Van Ekeren                       | 150,000          | 0.0025           | 150,000            | 0.0025           |
| Executives                                           |                  |                  |                    |                  |
| 13. Mr. Chandrashekar Subramanian Krishoolndmangalam | -                | -                | -                  | -                |
| 14. Miss Phawana Niemloy                             | -                | -                | -                  | -                |
| 15. Mr. Charly Madan                                 | -                | -                | -                  | -                |
| 16. Mr. Poomchai Wacharapong                         | 2                | 0.0000           | 2                  | 0.0000           |
| 17. Mr. Phillip Tan Chen Chong                       | -                | -                | -                  | -                |
| 18. Mr. Sudargo (Dan) Harsono                        | -                | -                | -                  | -                |
| 19. Mrs. Wanna Thamsirisup                           | -                | -                | -                  | -                |
| 20. Mrs. Voranuch Dejakaisaya                        | -                | -                | -                  | -                |
| 21. Miss Puntipa Hannorraseth                        | 14,000           | 0.0002           | 14,000             | 0.0002           |
| 22. Miss Anuttara Panpothong                         | -                | -                | -                  | -                |
| 23. Mr. Sayam Prasitsirigul                          | -                | -                | N.A. <sup>2/</sup> | -                |
| 24. Mr. Phonganant Thanattrai                        | -                | -                | N.A. <sup>2/</sup> | -                |
| 25. Miss Duangdao Wongpanitkrit                      | -                | -                | -                  | -                |
| 26. Mr. John Howard Harker                           | -                | -                | -                  | -                |
| 27. Mrs. Orawan Sujarittayon                         | -                | -                | -                  | -                |
| 28. Miss Pathatai Kulachan                           | -                | -                | -                  | -                |
| 29. Mrs. Varabhorn Achakornlak                       | -                | -                | -                  | -                |
| 30. Miss Jiraporn Popairoj                           | -                | -                | -                  | -                |
| 31. Mr. Poonsit Wongthawatchai                       | -                | -                | N.A. <sup>2/</sup> | -                |
| 32. Mr. Kriangsak Jongsukkgiparnich                  | -                | -                | -                  | -                |
| 33. Mr. Jamorn Phianphrom                            | 2                | 0.0000           | 2                  | 0.0000           |
| 34. Miss Pornnapa Patarasatienkul                    | -                | -                | -                  | -                |
| 35. Miss Pisara Pattanasiri                          | -                | -                | -                  | -                |
| 36. Mr. Khomson Adunwitthayakorn                     | -                | -                | -                  | -                |
| 37. Miss Somjai Pattanakipairoj                      | -                | -                | -                  | -                |
| 38. Mr. Pongsawut Surakomol                          | -                | -                | -                  | -                |
| 39. Mrs. Sonthaya Tewprayoon                         | 58,000           | 0.0010           | 58,000             | 0.0010           |
| 40. Miss Uraivan Charoenbunditchai                   | -                | -                | N.A. <sup>2/</sup> | -                |

Remark: Shareholding includes spouse and child who has not yet reached adulthood. As of December 31, 2010 and December 31, 2011, the Bank had a total of 6,074,143,747 ordinary shares sold.

<sup>1/</sup> Resigned from being the Director effective November 25, 2011.

<sup>2/</sup> Executives have not been appointed as an executive defined by SEC in 2010.

Educational Background and Work Experience of Directors and Executives (as defined by the SEC)

As of December 31, 2011

| Name – Surname / Education                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Age (Yrs) | Work Experience in the last 5 years |                                          |                                                                         |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|-------------------------------------|------------------------------------------|-------------------------------------------------------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |           | Period                              | Position                                 | Name of Organization                                                    |
| Non-Executive Directors                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |           |                                     |                                          |                                                                         |
| 1. Mr. Veraphan Teepsuwan                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 70        | Jan 2007 – Present                  | Chairman                                 | Bank of Ayudhya PCL                                                     |
| <ul style="list-style-type: none"><li>• MBA., Northeastern University, U.S.A.</li><li>• Bachelor of Economics, Boston University, U.S.A.</li><li>• Certificate of Role of the Chairman Program (RCP), Thai Institute of Directors Association (IOD)</li></ul>                                                                                                                                                                                                                                                                                           |           | Apr 2006 – Jan 2007                 | Director                                 |                                                                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |           | Sep 2010 – Present                  | Director                                 | Exclusive Senior Care International Co., Ltd.                           |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |           | Nov 2006 – Present                  | Chairman                                 | Siam City Cement PCL                                                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |           | 2003 – Present                      | Vice Chairman                            | Eastern Star Real Estate PCL                                            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |           | 1999 – Present                      | Chairman                                 | Sri Ayudhya Capital PCL (Formerly Ayudhya Insurance PCL)                |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |           | 1983 – Present                      | Director                                 | Bangkok Broadcasting & T.V. Co., Ltd.                                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |           | 1995 – Jan 2011                     | Chairman                                 | Ayudhya Allianz C.P. Life PCL                                           |
| 2. Mr. Pongpinit Tejagupta                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 57        | Aug 2005 – Present                  | Director (Authorized Signatory)          | Bank of Ayudhya PCL                                                     |
| <ul style="list-style-type: none"><li>• MBA., University of Detroit, Michigan, U.S.A.</li><li>• Bachelor of Accountancy, Chulalongkorn University</li><li>• Certificate of Director Accreditation Program (DAP), Director Certification Program (DCP), Advanced Audit Committee Program (completed ACP, MIA, MFM, MFR, MIR), Successful Formulation &amp; Execution of Strategy (SFE), Financial Institutions Governance Program (FGP), The Board’s Role in Mergers and Acquisitions (M&amp;A), Thai Institute of Directors Association (IOD)</li></ul> |           | 8 – 31 Jul 2009                     | Senior Advisor to the Distribution Group |                                                                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |           | Jan 2009 – Jul 2009                 | Compliance Review Committee Member       |                                                                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |           | Jun 2007 – Jul 2009                 | Head of Distribution                     |                                                                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |           | Apr 2006 – Jul 2009                 | Executive Committee Member               |                                                                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |           | Apr 2006 – Jun 2007                 | Vice Chairman of the Credit Committee    |                                                                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |           | Oct 2002 – Jun 2007                 | Risk Management Committee Member         |                                                                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |           | Aug 2005 – Jan 2007                 | President                                |                                                                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |           | Apr 2011 – Present                  | Chairman of the Audit Committee          | Siam City Cement PCL                                                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |           | Feb 2010 – Present                  | Independent Director                     |                                                                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |           | Feb 2010 – Apr 2011                 | Audit Committee Member                   |                                                                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |           | Apr 2003 – Present                  | Director (Authorized Signatory)          | Ayudhya Allianz C.P. Life PCL                                           |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |           | Aug 1996 – Jul 2009                 | Director                                 | Krungsriayudhya Card Co., Ltd.                                          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |           | Dec 2001– Apr 2008                  | Director                                 | Krungsri Ayudhya AMC Ltd. (Formerly Ayudhya Asset Management Co., Ltd.) |

| Name – Surname / Education                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Age (Yrs) | Work Experience in the last 5 years         |                                                       |                                                                                      |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|---------------------------------------------|-------------------------------------------------------|--------------------------------------------------------------------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |           | Period                                      | Position                                              | Name of Organization                                                                 |
| 3. Mr. Virojn Srethapramotaya<br><br>• MBA., Jacksonville State University, U.S.A.<br>• Bachelor of Accountancy, Chulalongkorn University<br>• Advanced Management Program for International Bankers, The Wharton School, University of Pennsylvania<br>• Certificate of Financial Executive, The Thai Institute of Banking and Finance Association, The Thai Bankers’ Association<br>• Certificate of Director Accreditation Program (DAP), Director Certification Program (DCP), Director Diploma Examination (DDE), Role of the Chairman Program (RCP), DCP Refresher Course, Successful Formulation & Execution of Strategy (SFE), Financial Institutions Governance Program (FGP), Thai Institute of Directors Association (IOD) | 59        | Feb 2010 – Present                          | Director (Authorized Signatory)                       | Bank of Ayudhya PCL                                                                  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |           | Jan 2010 – Feb 2010                         | Senior Advisor to the Corporate Banking Group         |                                                                                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |           | Jan 2007 – Dec 2009                         | Head of Corporate Banking                             |                                                                                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |           | Jan 2009 – Dec 2009 and Aug 2005 – Jun 2007 | Credit Committee Member                               |                                                                                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |           | Apr 2006 – Dec 2009                         | Executive Committee Member                            |                                                                                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |           | Feb 2004 – Dec 2009                         | Senior Executive Vice President                       |                                                                                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |           | Oct 2002 – Dec 2009                         | Risk Management Committee Member                      |                                                                                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |           | Jul 2007 – Mar 2009                         | Compliance Review Committee Member                    |                                                                                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |           | Jan 2011 – Present                          | Chairman                                              | Sri Ayudhya General Insurance PCL (Formerly Sri Ayudhya General Insurance Co., Ltd.) |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |           | Dec 2010 – Jan 2011                         | Director                                              |                                                                                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |           | Feb 1998 – Present                          | Director                                              | Sri Ayudhya Capital PCL (Formerly Ayudhya Insurance PCL)                             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |           | Feb 2007 – Dec 2009                         | Chairman                                              | Krungsri Factoring Co., Ltd. (Formerly Ayudhya Factoring Co., Ltd.)                  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |           | Apr 2008 – Apr 2009                         | Director                                              | Ayudhya Development Leasing Co., Ltd.                                                |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |           | May 2004 – Apr 2008                         | Chairman                                              | Ayudhya Auto Lease PCL                                                               |
| 4. Miss Nopporn Tirawattanagool<br><br>• Master of Accounting, Faculty of Commerce and Accountancy, Thammasat University<br>• Bachelor of Business Administration (in Accounting), Thammasat University<br>• Certificate of Director Accreditation Program (DAP), Role of the Compensation Committee (RCC), Audit Committee Program (ACP) Director Certification Program (DCP), Financial Institutions Governance Program (FGP), Thai Institute of Directors Association (IOD)                                                                                                                                                                                                                                                        | 57        | Apr 2010 – Present                          | Director Nomination and Remuneration Committee Member | Bank of Ayudhya PCL                                                                  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |           | Mar 2009 – Feb 2010                         | Executive Committee Member                            |                                                                                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |           | Sep 2008 – Apr 2010                         | Head of Human Resources                               |                                                                                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |           | Dec 2004 – Apr 2010                         | First Executive Vice President                        |                                                                                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |           | Jun 2007 – Mar 2009                         | Secretary to the Executive Committee                  |                                                                                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |           |                                             |                                                       |                                                                                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |           |                                             |                                                       |                                                                                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |           |                                             |                                                       |                                                                                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |           |                                             |                                                       |                                                                                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |           |                                             |                                                       |                                                                                      |

| Name – Surname /<br>Education                                                                                                                                                      | Age<br>(Yrs) | Work Experience in the last 5 years |                                                                         |                                                                         |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|-------------------------------------|-------------------------------------------------------------------------|-------------------------------------------------------------------------|
|                                                                                                                                                                                    |              | Period                              | Position                                                                | Name of Organization                                                    |
| Miss Nopporn Tirawattanagool<br>(continued)                                                                                                                                        |              | Apr 2006 – Jun 2007                 | Director and Secretary to the Executive Committee                       | Bank of Ayudhya PCL                                                     |
|                                                                                                                                                                                    |              | Oct 2002 – Jun 2007                 | Risk Management Committee Member                                        |                                                                         |
|                                                                                                                                                                                    |              | Apr 2011 – Present                  | Director (Authorized Signatory)                                         | Exclusive Senior Care International Co., Ltd.                           |
|                                                                                                                                                                                    |              | Sep 2010 – Present                  | Director (Authorized Signatory)                                         | BBTV International Holding Co., Ltd.                                    |
|                                                                                                                                                                                    |              | Sep 2010 – Present                  | Director (Authorized Signatory)                                         | Sunrise Equity Co., Ltd.                                                |
|                                                                                                                                                                                    |              | Sep 2010 – Present                  | Director (Authorized Signatory)                                         | BBTV Equity Co., Ltd.                                                   |
|                                                                                                                                                                                    |              | Apr 2010 – Jan 2012                 | Independent Director Audit Committee Member                             | Lanna Resources PCL                                                     |
|                                                                                                                                                                                    |              | May 2010 – Aug 2011                 | Chairman (Authorized Signatory)                                         | Professional Call Center Co., Ltd.                                      |
|                                                                                                                                                                                    |              | May 2004 – Jan 2011                 | Director                                                                | Dherakupt International Law Office Co., Ltd.                            |
|                                                                                                                                                                                    |              | Nov 2009 – Apr 2010                 | Director                                                                | Total Services Solutions PCL                                            |
|                                                                                                                                                                                    |              | Apr 2009 – Apr 2010                 | Director                                                                | Ayudhya Total Solutions PCL                                             |
|                                                                                                                                                                                    |              | Apr 2008 – Apr 2010                 | Director                                                                | Ayudhya Capital Auto Lease PCL                                          |
|                                                                                                                                                                                    |              | Nov 2003 – Apr 2010                 | Director                                                                | Ayudhya Auto Lease PCL                                                  |
|                                                                                                                                                                                    |              | Apr 2008 – Mar 2010                 | Director                                                                | Krungsri Securities PCL (Formerly Ayudhya Securities PCL)               |
|                                                                                                                                                                                    |              | Apr 2008 – Dec 2008                 | Director                                                                | Ayudhya Hire Purchase Co., Ltd.                                         |
|                                                                                                                                                                                    |              | Aug 2000 – Apr 2008                 | Director                                                                | Krungsri Ayudhya AMC Ltd. (Formerly Ayudhya Asset Management Co., Ltd.) |
|                                                                                                                                                                                    |              | May 1999 – Dec 2007                 | Director                                                                | K.S. Law Office Co., Ltd.                                               |
| 5. Mr. Des O’Shea*<br><br>• Fellow of the Institute of Chartered Accountants of Ireland<br>• Bachelor of Commerce (1 <sup>st</sup> Class Honors), University College Cork, Ireland | 55           | Feb 2010 – Nov 2011                 | Director                                                                | Bank of Ayudhya PCL                                                     |
|                                                                                                                                                                                    |              | Jan 2011 – Nov 2011                 | Chairman of the Compliance Review Committee                             |                                                                         |
|                                                                                                                                                                                    |              | Jan 2009 – Present                  | Chief Commercial Officer                                                | GE Capital Global Banking                                               |
|                                                                                                                                                                                    |              | Apr 2008 – Present                  | Member of Board, Risk Committee and Compensation Committee              | Cosmos Bank, Taiwan                                                     |
|                                                                                                                                                                                    |              | Apr 2008 – Jun 2011                 | Member of Board of Directors                                            | Banco Colpatría – Multi Banca Colpatría S.A., Columbia                  |
|                                                                                                                                                                                    |              | Jun 2008 – May 2011                 | Member of Supervisory Board Credit Committee and Remuneration Committee | Bank BPH S.A., Poland                                                   |

Remark: \*Resigned from being the Director effective November 25, 2011

| Name – Surname /<br>Education                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Age<br>(Yrs) | Work Experience in the last 5 years |                                                      |                                                                                      |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|-------------------------------------|------------------------------------------------------|--------------------------------------------------------------------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |              | Period                              | Position                                             | Name of Organization                                                                 |
| Mr. Des O'Shea<br>(continued)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |              | Mar 2008 – Mar 2011                 | Member of Board and ALCO Committee                   | BAC Credomatic GECF Inc., U.S.A.                                                     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |              | Nov 2006 – Mar 2011                 | Member of Board and Audit Committee                  | Turkiye Garanti Bankasi A.S., Turkey                                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |              | May 2008 – May 2010                 | Member of Board of Directors                         | CAMGE, Spain                                                                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |              | Sep 2002 – Mar 2010                 | Member of Supervisory Board                          | GE Money Bank Soplka Akcyjna, Poland                                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |              | Jun 2006 – Jun 2008                 | Member of Audit Committee                            |                                                                                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |              | Jul 2005 – Mar 2008                 | Chief Commercial Officer                             | GE Money Europe Middle - East and Africa (EMEA)                                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |              | Jun 2004 – Jun 2008                 | Member of Board of Directors                         | GE Money Bank, Spain                                                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |              | Oct 2003 – Jun 2008                 | Chairman of Supervisory Board                        | GE Money Bank, Czech                                                                 |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |              | Mar 2008 – Dec 2008                 | Senior Vice President                                | GE Money, London                                                                     |
| Independent Directors                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |              |                                     |                                                      |                                                                                      |
| 6. Mr. Surachai Prukbamroong<br><br>• Bachelor of Accounting and Bachelor of Commerce, Thammasat University<br>• Certificate of Assistant Bank Examiner and Bank Examiner, Bank Examination School, Federal Deposit Insurance Corporation, U.S.A.<br>• Certificate of Pacific Rim Bankers Program, University of Washington, U.S.A.<br>• Certificate of Senior Management, University of California, Berkeley, U.S.A.<br>• Certificate of Banking, The Bank of Tokyo Ltd., Tokyo, Japan<br>• Certificate of Senior Executive Program, Sasin Graduate Institute of Business Administration of Chulalongkorn University<br>• Certificate of Financial Executive, The Thai Institute of Banking and Finance Association, The Thai Bankers’ Association<br>• Certificate of Executive Information System, IBM Education Center<br>• Certificate of Chairman 2000, Director Accreditation Program (DAP), Board Performance Evaluation (BPE), Corporate Governance Report of Thai Listed Companies (CGR), DCP Refresher Course, Director Forum, Thai Institute of Directors Association (IOD) | 73           | 1999 – Present                      | Independent Director Chairman of the Audit Committee | Bank of Ayudhya PCL                                                                  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |              | Nov 2010 – Present                  | Independent Director Chairman of the Audit Committee | Sri Ayudhya General Insurance PCL (Formerly Sri Ayudhya General Insurance Co., Ltd.) |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |              | 1999 – Present                      | Independent Director Chairman of the Audit Committee | Sri Ayudhya Capital PCL (Formerly Ayudhya Insurance PCL)                             |

| Name – Surname / Education                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Age (Yrs) | Work Experience in the last 5 years           |                                                                               |                                                                                   |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------------------------------------------|-------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |           | Period                                        | Position                                                                      | Name of Organization                                                              |
| 7. Mr. Karun Kittisataporn<br><br>• MA., (International Trade), Syracuse University, N.Y., U.S.A. (USAID Scholarship)<br>• BCA., Victoria University of Wellington, New Zealand (Colombo Plan Scholarship)<br>• Degree from the National Defense College, Class 8<br>• Certificate of Commercial Policy Course, GATT, Geneva<br>• Certificate of Director Certification Program (DCP), Role of the Compensation Committee (RCC), Audit Committee Program (ACP), Financial Statements for Directors (FSD), Financial Institutions Governance Program (FGP), Monitoring the Quality of Financial Reporting (MFR), Thai Institute of Directors Association (IOD) | 64        | Apr 2008 – Present                            | Independent Director<br>Chairman of the Nomination and Remuneration Committee | Bank of Ayudhya PCL                                                               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |           | Jan 2011 – Present                            | Audit Committee Member                                                        | Central Pattana PCL                                                               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |           | Apr 2009 – Present                            | Independent Director<br>Nomination and Remuneration Committee Member          |                                                                                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |           | Feb 2010 – Present                            | Independent Director<br>Nomination and Remuneration Committee Member          | Khon Kaen Sugar Industry PCL                                                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |           | Nov 2008 – Present                            | Audit Committee Member                                                        | Sahamit Machinery PCL                                                             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |           | May 2008 – Present                            | Chairman of the Executive Committee                                           | The Support Arts and Craft International Center of Thailand (Public Organization) |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |           | Oct 2007 – Present                            | Commissioner                                                                  | Insurance Commission                                                              |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |           | Nov 2006 – Present                            | Member                                                                        | Council of State                                                                  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |           | Jan 2008 – Feb 2011                           | Commissioner                                                                  | Public Sector Development Commission                                              |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |           | Nov 2009 – Feb 2011 and<br>Nov 2001– Sep 2007 | Director                                                                      | Securities and Exchange Commission                                                |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |           | Oct 2006 – Mar 2008                           | Member                                                                        | The National Legislative Assembly of Thailand                                     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |           | Dec 2003 – Feb 2008                           | Director                                                                      | Bank of Thailand                                                                  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |           | Nov 2001 – Sep 2007                           | Permanent Secretary                                                           | Ministry of Commerce                                                              |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |           |                                               |                                                                               |                                                                                   |
| 8. Mr. Virat Phairatphiboon<br><br>• BA. in Economics and Business Administration, Adams State College, Colorado, U.S.A.<br>• Executive Development Program, Princeton University, U.S.A.<br>• Certificate of Director Certification Program (DCP), Audit Committee Program (ACP), Role of the Compensation Committee (RCC), Thai Institute of Directors Association (IOD)                                                                                                                                                                                                                                                                                    | 63        | Feb 2007 – Present                            | Nomination and Remuneration Committee Member                                  | Bank of Ayudhya PCL                                                               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |           | 1999 – Present                                | Audit Committee Member                                                        |                                                                                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |           | 1998 – Present                                | Independent Director                                                          |                                                                                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |           | 2007 – Present                                | Independent Director<br>Audit Committee Member                                | Tipco Foods (Thailand) PCL                                                        |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |           | 2005 – 2007                                   | Director<br>Chairman of the Audit Committee                                   | Bliss – Tel PCL                                                                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |           |                                               |                                                                               |                                                                                   |

| Name – Surname / Education                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Age (Yrs) | Work Experience in the last 5 years |                                                                                                                                    |                                               |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|-------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |           | Period                              | Position                                                                                                                           | Name of Organization                          |
| 9. Miss Potjaneer Thanavaranit<br><br>• MBA., Syracuse University, U.S.A. (USAID Scholarship)<br>• Bachelor of Accountancy, Chulalongkorn University<br>• Certificate of Advanced General Insurance Program, Swiss Insurance Training Center, Switzerland (Swiss Re Scholarship)<br>• Certificate of Advanced Management Program, Australian Management College, Australia (COLOMBO Scholarship)<br>• Certificate of Executive Development Program (Class 18), Office of the Civil Service Commission<br>• Degree from the National Defense College, Class 42<br>• Certificate of Top Executive Program, Class 8, Capital Market Academy<br>• Certificate of Top Executive Program in Commerce and Trade, Class 3, Commerce Academy<br>• Certificate of Advanced Security Management Program, The National Defense College Association of Thailand<br>• Certificate of Director Certification Program (DCP), Role of the Chairman Program (RCP), Role of the Compensation Committee Program (RCC), Audit Committee Program (ACP), Financial Institutions Governance Program (FGP), Thai Institute of Directors Association (IOD) | 65        | Apr 2010 – Present                  | Independent Director<br>Audit Committee Member                                                                                     | Bank of Ayudhya PCL                           |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |           | Apr 2010 – Present                  | Director                                                                                                                           | BJC International Co., Ltd.                   |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |           | 2009 – Present                      | Independent Director<br>Audit Committee Member                                                                                     | Oishi Group PCL                               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |           | 2009 – Present                      | Independent Director                                                                                                               | Berli Jucker PCL                              |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |           | 2008 – Present                      | Chairman of the Public Sector<br>Audit and Evaluation Committee                                                                    | Ministry of Commerce                          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |           | Oct 2006 – Feb 2008                 | Advisor to the Commerce Minister<br>(non – political position)                                                                     |                                               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |           | 2007 – Present                      | Independent Director                                                                                                               | Thai Reinsurance PCL                          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |           | 2007 – Present                      | Independent Director<br>Audit Committee Member                                                                                     | Bangkok Insurance PCL                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |           | 2007 – Present                      | Chairman of the Board<br>(Independent Director)<br>Audit Committee Member<br>Chairman of the Compensation and Nomination Committee | Univentures PCL                               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |           | 2007 – Present                      | Member and Treasurer                                                                                                               | Bhumirajanagarindra Kidney Foundation         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |           | 2007 – Present                      | Qualified member of the Committee                                                                                                  | The Federation of Thai Insurance Organization |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |           | 2006 – Present                      | Member                                                                                                                             | Council of State                              |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |           | Sep 2006 – Feb 2009                 | Advisor                                                                                                                            | Council of National Security                  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |           | Oct 2006 – Mar 2008                 | Vice President                                                                                                                     | The National Legislative Assembly of Thailand |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |           | Jun 2001 – Aug 2008                 | Member of the Financial Institutions Policy Committee                                                                              | Bank of Thailand                              |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |           | 2002 – 2007                         | Chairman                                                                                                                           | Thailand Insurance Institute                  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |           |                                     |                                                                                                                                    |                                               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |           |                                     |                                                                                                                                    |                                               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |           |                                     |                                                                                                                                    |                                               |

| Name – Surname /<br>Education                                                                                                                                                          | Age<br>(Yrs) | Work Experience in the last 5 years |                                                                                                                                                                                         |                                                        |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|-------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|
|                                                                                                                                                                                        |              | Period                              | Position                                                                                                                                                                                | Name of Organization                                   |
| Executive Directors                                                                                                                                                                    |              |                                     |                                                                                                                                                                                         |                                                        |
| 10. Mr. Mark John Arnold<br><br>• BA., (1 <sup>st</sup> Class Honors)<br>Management Studies,<br>University of Liverpool<br>• Diploma in Marketing, Chartered<br>Institute of Marketing | 43           | Jan 2010 – Present                  | President and CEO<br>Director<br>(Authorized Signatory)<br>Chairman of the Risk<br>Management Committee<br>Chairman of the Executive<br>Committee<br>Advisor to the Credit<br>Committee | Bank of Ayudhya PCL                                    |
|                                                                                                                                                                                        |              | Jan 2011 – Present                  | Advisor to the Compliance<br>Review Committee                                                                                                                                           |                                                        |
|                                                                                                                                                                                        |              | Jan 2010 – Dec 2010                 | Chairman of the Compliance<br>Review Committee                                                                                                                                          |                                                        |
|                                                                                                                                                                                        |              | Apr 2009 – Jan 2010                 | Director                                                                                                                                                                                |                                                        |
|                                                                                                                                                                                        |              | Aug 2009 – Feb 2010                 | Director                                                                                                                                                                                | PT Astra Sedaya<br>Finance                             |
|                                                                                                                                                                                        |              | May 2009 – Jan 2010                 | Director                                                                                                                                                                                | Cosmos Bank, Taiwan                                    |
|                                                                                                                                                                                        |              | Jul 2009 – Dec 2009                 | Director                                                                                                                                                                                | GE Capital Philippines<br>Investment Holding<br>B.V.   |
|                                                                                                                                                                                        |              | Apr 2009 – Dec 2009                 | Director                                                                                                                                                                                | GE Capital Emerging<br>Markets Holding B.V.            |
|                                                                                                                                                                                        |              | Apr 2009 – Dec 2009                 | Director                                                                                                                                                                                | GE Capital South East<br>Asia Holding B.V.             |
|                                                                                                                                                                                        |              | Apr 2009 – Dec 2009                 | Director                                                                                                                                                                                | GE Garanti Bank S.A.<br>(Romania)                      |
|                                                                                                                                                                                        |              | Jan 2009 – Dec 2009                 | CEO                                                                                                                                                                                     | GE Capital Global<br>Banking, South East<br>Asia       |
|                                                                                                                                                                                        |              | Sep 2006 – Aug 2009                 | Member of the Management<br>Board                                                                                                                                                       | Leasemart Holding<br>B.V.                              |
|                                                                                                                                                                                        |              | Sep 2006 – Apr 2009                 | Member of the Board of<br>Directors                                                                                                                                                     | S.C. Ralfi IFN S.A., Cluj,<br>Romania                  |
|                                                                                                                                                                                        |              | Sep 2006 – Apr 2009                 | Member of the Board of<br>Directors                                                                                                                                                     | S.C. Domenia Credit<br>IFN S.A., Bucharest,<br>Romania |
|                                                                                                                                                                                        |              | Sep 2006 – Apr 2009                 | Member and Chairman of the<br>Board of Directors                                                                                                                                        | S.C. Motoractive IFN S.A.,<br>Bucharest, Romania       |
|                                                                                                                                                                                        |              | Oct 2004 – Apr 2009                 | CEO and President                                                                                                                                                                       | Budapest Bank<br>(GE Money), Budapest,<br>Hungary      |
|                                                                                                                                                                                        |              | Apr 2007 – Mar 2009                 | Member of the Board of<br>Directors                                                                                                                                                     | Motoractive<br>Multiservices SRL                       |

| Name – Surname /<br>Education                                                                                                                                                                                                                                                                                                                                                                         | Age<br>(Yrs) | Work Experience in the last 5 years        |                                                                                                                                                                  |                                                                                  |
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|                                                                                                                                                                                                                                                                                                                                                                                                       |              | Period                                     | Position                                                                                                                                                         | Name of Organization                                                             |
| 11. Mr. Pornsanong Tuchinda<br><br>• MBA. (Finance and Management), Babson College, Massachusetts, U.S.A.<br>• BA. (Economics and Political Science), The University of Michigan, Ann Arbor, Michigan, U.S.A.<br>• Certificate of Director Accreditation Program (DAP), Director Certification Program (DCP), Audit Committee Program (ACP), Thai Institute of Directors Association (IOD)            | 50           | Feb 2010 – Present                         | Executive Committee Member                                                                                                                                       | Bank of Ayudhya PCL                                                              |
|                                                                                                                                                                                                                                                                                                                                                                                                       |              | Jan 2010 – Present                         | Head of Transformation Senior Executive Vice President                                                                                                           |                                                                                  |
|                                                                                                                                                                                                                                                                                                                                                                                                       |              | Jan 2007 – Present                         | Director                                                                                                                                                         |                                                                                  |
|                                                                                                                                                                                                                                                                                                                                                                                                       |              | Apr 2010 – Jun 2010                        | Acting Head of Human Resources Secretary to the Nomination and Remuneration Committee                                                                            |                                                                                  |
|                                                                                                                                                                                                                                                                                                                                                                                                       |              | Feb 2007 – Dec 2009                        | Nomination and Remuneration Committee Member                                                                                                                     | Focus Development & Construction PCL                                             |
|                                                                                                                                                                                                                                                                                                                                                                                                       |              | Mar 2010 – Present                         | Audit Committee Member                                                                                                                                           |                                                                                  |
|                                                                                                                                                                                                                                                                                                                                                                                                       |              | May 2008 – Present                         | Remuneration Committee Member                                                                                                                                    |                                                                                  |
|                                                                                                                                                                                                                                                                                                                                                                                                       |              | Mar 2005 – Present                         | Independent Director                                                                                                                                             |                                                                                  |
|                                                                                                                                                                                                                                                                                                                                                                                                       |              | May 2008 – Feb 2010                        | Chairman of Audit Committee                                                                                                                                      |                                                                                  |
|                                                                                                                                                                                                                                                                                                                                                                                                       |              | Mar 2005 – May 2008                        | Audit Committee Member                                                                                                                                           |                                                                                  |
|                                                                                                                                                                                                                                                                                                                                                                                                       |              | Nov 2009 – Present                         | Chairman                                                                                                                                                         | Krungsri Securities PCL (Formerly Ayudhya Securities PCL)                        |
|                                                                                                                                                                                                                                                                                                                                                                                                       |              | 2007 – Sep 2010                            | Chairman                                                                                                                                                         | Triple P Development Co., Ltd.                                                   |
|                                                                                                                                                                                                                                                                                                                                                                                                       |              | Dec 2008 – Nov 2009                        | Chairman                                                                                                                                                         | Krungsri Asset Management Co., Ltd. (Formerly Ayudhya Fund Management Co., Ltd.) |
|                                                                                                                                                                                                                                                                                                                                                                                                       |              | 2005 – Feb 2008                            | Independent Director Audit Committee Member                                                                                                                      | Syrus Securities Co., Ltd.                                                       |
| 12. Mrs. Janice Rae Van Ekeren<br><br>• MBA. (Finance), University of Chicago, U.S.A.<br>• BSc., in Industrial Administration, Iowa State University, U.S.A.<br>• Certified Public Accountant (US)<br>• Certified Bank Auditor (US)<br>• Certificate of Director Certification Program (English), Director Diploma Examination Program (Fellow Member), Thai Institute of Directors Association (IOD) | 52           | Jan 2007 – Present                         | Chief Financial Officer Director (Authorized Signatory) Vice Chairman of the Executive Committee Risk Management Committee Member First Executive Vice President | Bank of Ayudhya PCL                                                              |
|                                                                                                                                                                                                                                                                                                                                                                                                       |              | Aug 2009 – Present                         | Acting Head of Treasury                                                                                                                                          |                                                                                  |
|                                                                                                                                                                                                                                                                                                                                                                                                       |              | Jul 2009 – Present and Jul 2007 – Mar 2009 | Compliance Review Committee Member                                                                                                                               |                                                                                  |
|                                                                                                                                                                                                                                                                                                                                                                                                       |              | Jan 2007 – Jun 2007                        | Credit Committee Member                                                                                                                                          |                                                                                  |
|                                                                                                                                                                                                                                                                                                                                                                                                       |              | Jan 2010 – Present                         | Board of Governors, Secretary                                                                                                                                    | American Chamber of Commerce Thailand                                            |
|                                                                                                                                                                                                                                                                                                                                                                                                       |              | Nov 2009 – Present                         | Director (Authorized Signatory)                                                                                                                                  | Tesco Card Services Ltd.                                                         |
|                                                                                                                                                                                                                                                                                                                                                                                                       |              |                                            |                                                                                                                                                                  |                                                                                  |

| Name – Surname /<br>Education                                                                                                                                                                                                                                                                     | Age<br>(Yrs) | Work Experience in the last 5 years |                                                                                                                                      |                                                                         |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|-------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|
|                                                                                                                                                                                                                                                                                                   |              | Period                              | Position                                                                                                                             | Name of Organization                                                    |
| Executives and Persons with control authority of the Bank                                                                                                                                                                                                                                         |              |                                     |                                                                                                                                      |                                                                         |
| <b>1. Mr. Chandrashekar Subramanian Krishoolndmangalam</b><br><br>• Master in Commerce, Bombay University<br>• Certificate of Director Certification Program (DCP), Thai Institute of Directors Association (IOD)                                                                                 | 49           | Jan 2007 – Present                  | Chief Risk Officer<br>Vice Chairman of the Risk Management Committee<br>Executive Committee Member<br>First Executive Vice President | Bank of Ayudhya PCL                                                     |
|                                                                                                                                                                                                                                                                                                   |              | Jan 2009 – Present                  | Chairman of the Credit Committee                                                                                                     |                                                                         |
|                                                                                                                                                                                                                                                                                                   |              | Jul 2007 – Present                  | Compliance Review Committee Member                                                                                                   |                                                                         |
|                                                                                                                                                                                                                                                                                                   |              | Jan 2007 – Dec 2008                 | Credit Committee Member                                                                                                              |                                                                         |
|                                                                                                                                                                                                                                                                                                   |              | Nov 2011 – Present                  | Director                                                                                                                             | Ayudhya Development Leasing Co., Ltd.                                   |
|                                                                                                                                                                                                                                                                                                   |              | Apr 2008 – Present                  | Director                                                                                                                             | Krungsri Ayudhya AMC Ltd. (Formerly Ayudhya Asset Management Co., Ltd.) |
|                                                                                                                                                                                                                                                                                                   |              |                                     | Director                                                                                                                             | Ayudhya Capital Auto Lease PCL                                          |
|                                                                                                                                                                                                                                                                                                   |              | Nov 2009 – Dec 2011                 | Director                                                                                                                             | Total Services Solutions PCL                                            |
| <b>2. Miss Phawana Niemloy</b><br><br>• LL.M., Harvard Law School<br>• Bachelor of Law (Gold Medal), Chulalongkorn University<br>• Certificate of Director Certification Program (DCP), Finance for Non - Finance Director (FND), Thai Institute of Directors Association (IOD)                   | 52           | May 2007 – Present                  | General Counsel                                                                                                                      | Bank of Ayudhya PCL                                                     |
|                                                                                                                                                                                                                                                                                                   |              | Jul 2007 – Present                  | Vice Chairman of the Compliance Review Committee                                                                                     |                                                                         |
|                                                                                                                                                                                                                                                                                                   |              | Jul 2007 – Present                  | Executive Committee Member                                                                                                           |                                                                         |
|                                                                                                                                                                                                                                                                                                   |              | Jan 2007 – Present                  | First Executive Vice President                                                                                                       |                                                                         |
|                                                                                                                                                                                                                                                                                                   |              | Jan 2007 – Mar 2009                 | Risk Management Committee Member                                                                                                     |                                                                         |
|                                                                                                                                                                                                                                                                                                   |              | Jan 2007 – May 2007                 | Deputy General Counsel                                                                                                               |                                                                         |
|                                                                                                                                                                                                                                                                                                   |              | Sep 2002 – Present                  | Director<br>Executive Director and Assistant Secretary                                                                               | Mae Fah Luang Foundation under Royal Patronage                          |
| <b>3. Mr. Charly Madan</b><br><br>• MBA., Sasin Graduate Institute of Business Administration of Chulalongkorn University<br>• Bachelor of Business Administration, Assumption University<br>• Certificate of Director Certification Program (DCP), Thai Institute of Directors Association (IOD) | 50           | Jan 2010 – Present                  | Head of Corporate Banking<br>Risk Management Committee Member<br>Credit Committee Member<br>First Executive Vice President           | Bank of Ayudhya PCL                                                     |
|                                                                                                                                                                                                                                                                                                   |              | Jan 2010 – Feb 2010                 | Executive Committee Member                                                                                                           |                                                                         |
|                                                                                                                                                                                                                                                                                                   |              | May 2010 – Present                  | Director                                                                                                                             | Krungsri Securities PCL (Formerly Ayudhya Securities PCL)               |

| Name – Surname /<br>Education                                                                                                                                                                                                                                                                                                                                                     | Age<br>(Yrs) | Work Experience in the last 5 years |                                                            |                                                                         |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|-------------------------------------|------------------------------------------------------------|-------------------------------------------------------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                   |              | Period                              | Position                                                   | Name of Organization                                                    |
| Mr. Charly Madan (continued)                                                                                                                                                                                                                                                                                                                                                      |              | Feb 2010 – Present                  | Chairman                                                   | Krungsri Factoring Co., Ltd. (Formerly Ayudhya Factoring Co., Ltd.)     |
|                                                                                                                                                                                                                                                                                                                                                                                   |              | 2008 – 2009                         | President and CEO                                          | AIG Retail Bank PCL                                                     |
|                                                                                                                                                                                                                                                                                                                                                                                   |              | 1994 – 2008                         | Managing Director                                          | Citibank, N.A. Thailand, Vietnam                                        |
| <b>4. Mr. Poomchai Wacharapong</b><br><br>• MS. (Economics), North Texas State University, U.S.A.<br>• Certificate of Senior Executive Program (SEP), Sasin Graduate Institute of Business Administration of Chulalongkorn University<br>• Certificate of Director Certification Program (DCP), Role of the Chairman Program (RCP), Thai Institute of Directors Association (IOD) | 53           | Jan 2007 – Present                  | Head of SME Banking                                        | Bank of Ayudhya PCL                                                     |
|                                                                                                                                                                                                                                                                                                                                                                                   |              | Jan 2009 – Present                  | Credit Committee Member                                    |                                                                         |
|                                                                                                                                                                                                                                                                                                                                                                                   |              | Jun 2007 – Present                  | Risk Management Committee Member                           |                                                                         |
|                                                                                                                                                                                                                                                                                                                                                                                   |              | May 2005 – Present                  | First Executive Vice President                             |                                                                         |
|                                                                                                                                                                                                                                                                                                                                                                                   |              | Jun 2007 – Feb 2010                 | Executive Committee Member                                 |                                                                         |
|                                                                                                                                                                                                                                                                                                                                                                                   |              | Oct 2010 – Present                  | Director (Authorized Signatory)                            | Grand Lanluang Co., Ltd.                                                |
|                                                                                                                                                                                                                                                                                                                                                                                   |              | 2001 – Present                      | Chairman (Authorized Signatory)                            | Ayudhya Development Leasing Co., Ltd.                                   |
|                                                                                                                                                                                                                                                                                                                                                                                   |              |                                     | Director                                                   | Krungsri Ayudhya AMC Ltd. (Formerly Ayudhya Asset Management Co., Ltd.) |
|                                                                                                                                                                                                                                                                                                                                                                                   |              | Feb 2007 – Apr 2009                 | Director                                                   | Krungsri Factoring Co., Ltd. (Formerly Ayudhya Factoring Co., Ltd.)     |
|                                                                                                                                                                                                                                                                                                                                                                                   |              | Dec 2006 – Dec 2008                 | Director                                                   | Ayudhya Capital Lease Co., Ltd.                                         |
|                                                                                                                                                                                                                                                                                                                                                                                   |              |                                     |                                                            |                                                                         |
| <b>5. Mr. Philip Tan Chen Chong</b><br><br>• Master of Management, Sasin Graduate Institute of Business Administration of Chulalongkorn University<br>• Bachelors of Science Electrical Engineering, University of Maryland, U.S.A.                                                                                                                                               | 46           | Mar 2010 – Present                  | Head of Consumer Finance<br>First Executive Vice President | Bank of Ayudhya PCL                                                     |
|                                                                                                                                                                                                                                                                                                                                                                                   |              | Aug 2011 –Present                   | Board of Visitors                                          | University of Maryland                                                  |
|                                                                                                                                                                                                                                                                                                                                                                                   |              | Jun 2010 – Present                  | Chairman                                                   | Krungsriayudhya Card Co., Ltd.                                          |
|                                                                                                                                                                                                                                                                                                                                                                                   |              | Jun 2010 – Present                  | Chairman                                                   | Ayudhya Capital Auto Lease PCL                                          |
|                                                                                                                                                                                                                                                                                                                                                                                   |              | May 2010 – Present                  | Chairman                                                   | Ayudhya Card Services Co., Ltd.                                         |
|                                                                                                                                                                                                                                                                                                                                                                                   |              | May 2010 – Present                  | Chairman                                                   | Ayudhya Total Solutions PCL                                             |
|                                                                                                                                                                                                                                                                                                                                                                                   |              | May 2010 – Present                  | Chairman                                                   | General Card Services Ltd.                                              |
|                                                                                                                                                                                                                                                                                                                                                                                   |              | May 2007 – Present                  | Chairman                                                   | Ayudhya Capital Services Co., Ltd.                                      |

| Name – Surname / Education                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | Age (Yrs) | Work Experience in the last 5 years        |                                               |                                                                                         |
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|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |           | Period                                     | Position                                      | Name of Organization                                                                    |
| Mr. Philip Tan Chen Chong<br>(continued)                                                                                                                                                                                                                                                                                                                                                                                                                                                         |           | Jun 2010 – Sep 2011                        | Chairman                                      | Ayudhya Auto Lease PCL                                                                  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |           | Nov 2008 – Apr 2010                        | Director                                      | Krungsri General Insurance Broker Ltd. (Formerly Quality General Insurance Broker Ltd.) |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |           |                                            | Director                                      | Krungsri Life Assurance Broker Ltd. (Formerly Quality Life Assurance Broker Ltd.)       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |           | Jul 2009 – Mar 2010                        | Chief Executive Officer (CEO)                 | GE Money (Thailand) Ltd.                                                                |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |           | Jan 2007 – Jul 2009                        | Chief Marketing Officer (CMO)                 |                                                                                         |
| 6. Mr. Sudargo (Dan) Harsono <ul style="list-style-type: none"><li>MBA. in Finance and Marketing, Indiana University, Bloomington, IN, U.S.A.</li><li>Bachelor of Science Cum Laude, Biomedical and Electrical Engineering (Honors Program), University of Southern California, LA, U.S.A.</li><li>Certificate of Director Certification Program (DCP), Thai Institute of Directors Association (IOD)</li></ul>                                                                                  | 51        | Apr 2010 – Present                         | Head of Marketing and Cross Sell              | Bank of Ayudhya PCL                                                                     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |           | Aug 2007 – Present                         | First Executive Vice President                |                                                                                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |           | Aug 2007 – Apr 2010                        | Chief Marketing Officer                       |                                                                                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |           | Jan 2008 – Feb 2010                        | Executive Committee Member                    | CFG Services Co., Ltd.                                                                  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |           | Nov 2009 – Present                         | Chairman                                      |                                                                                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |           | Nov 2009 – Present and May 2006 – Oct 2007 | Director                                      | General Card Services Ltd.                                                              |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |           | Jan 2008 – Present                         | Director                                      | Ayudhya Capital Auto Lease PCL                                                          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |           | Jan 2008 – Apr 2011                        | Director                                      | Krungsriayudhya Card Co., Ltd.                                                          |
| 7. Mrs. Wanna Thamsirisup <ul style="list-style-type: none"><li>Diploma in Auditing, Thammasat University</li><li>BA. in Accounting, Faculty of Commerce and Accountancy, Thammasat University</li><li>Certified Public Accountant (CPA Thailand)</li><li>Certificate of Director Accreditation Program (DAP), Director Certification Program (DCP), Financial Institutions Governance Program(FGP), Role of the Chairman Program (RCP), Thai Institute of Directors Association (IOD)</li></ul> | 55        | Jan 2008 – Present                         | Head of Operations Executive Committee Member | Bank of Ayudhya PCL                                                                     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |           | Mar 2009 – Present                         | Compliance Review Committee Member            |                                                                                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |           | Sep 2007 – Present                         | First Executive Vice President                |                                                                                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |           | May 2011 - Present                         | Director                                      | Krungsri Securities PCL (Formerly Ayudhya Securities PCL)                               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |           | Jun 2010 – Present                         | Director                                      | Total Services Solutions PCL                                                            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |           | Nov 2009 – Jun 2010                        | Chairman                                      | Ayudhya Capital Services Co., Ltd.                                                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |           | Nov 2009 – Present                         | Director                                      |                                                                                         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |           | Apr 2009 – Present                         | Director                                      | Ayudhya Total Solutions PCL                                                             |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |           | Feb 2009 – Present                         | Chairman                                      | Siam Realty and Services Co., Ltd.                                                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |           | Nov 2006 – Sep 2007                        | Chief Operating Officer                       | AIG Consumer Finance Group (Thailand)                                                   |

| Name – Surname / Education                                                                                                                                                                                                                                                                                                                                                                                                                                 | Age (Yrs) | Work Experience in the last 5 years         |                                                                                                               |                                    |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|---------------------------------------------|---------------------------------------------------------------------------------------------------------------|------------------------------------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                            |           | Period                                      | Position                                                                                                      | Name of Organization               |
| 8. Mrs. Voranuch Dejakaisaya <ul style="list-style-type: none"><li>MBA., Chulalongkorn University</li><li>BA. in Statistics, Faculty of Commerce and Accountancy, Chulalongkorn University</li><li>Certificate of Director Certification Program (DCP), Financial Statements for Directors (FSD), Thai Institute of Directors Association (IOD)</li></ul>                                                                                                  | 51        | Jul 2009 – Present                          | Head of Information Technology First Executive Vice President                                                 | Bank of Ayudhya PCL                |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                            |           | Jul 2009 – Feb 2010                         | Executive Committee Member                                                                                    |                                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                            |           | Nov 2009 – Present and Jan 2007 – Jul 2009  | Director                                                                                                      | Total Services Solutions PCL       |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                            |           | Nov 2009 – Present and Oct 2007 – Jul 2009  | Director                                                                                                      | General Card Services Ltd.         |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                            |           | Nov 2009 – Apr 2011 and May 2007 – Aug 2009 | Director                                                                                                      | Ayudhya Capital Services Co., Ltd. |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                            |           | 2009 – Jun 2009                             | IT SEA Leader-Global Banking                                                                                  |                                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                            |           | 2007 – 2009                                 | Chief Information Officer & IT Regional Support                                                               |                                    |
| 9. Miss Puntipa Hannoraseth <ul style="list-style-type: none"><li>MBA., Thammasat University</li><li>Bachelor of Accounting (1<sup>st</sup> Class Honor), Thammasat University</li><li>Certified Public Accountant (CPA Thailand)</li><li>Certified Internal Auditor</li><li>Certificate of Advanced Audit Committee Program (completed ACP, MIA, MFM, MFR, MIR), Company Secretary Program (CSP), Thai Institute of Directors Association (IOD)</li></ul> | 43        | Sep 2010 – Present and Jan 2009 – Sep 2009  | Secretary to the Audit Committee                                                                              | Bank of Ayudhya PCL                |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                            |           | Apr 2009 – Present                          | Head of Audit                                                                                                 |                                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                            |           | Nov 2009 – Present                          | Executive Vice President                                                                                      |                                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                            |           | Apr 2009 – Oct 2009 and 2007 – Dec 2008     | Senior Vice President, Audit Department                                                                       |                                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                            |           | Jan 2009 – Apr 2009                         | Senior Vice President and Manager, Audit Department                                                           |                                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                            |           |                                             |                                                                                                               |                                    |
| 10. Miss Anuttara Panpothong <ul style="list-style-type: none"><li>MBA. (Finance), George Washington University, U.S.A.</li><li>BA. in Finance and Banking (1<sup>st</sup> Class Honor), Thammasat University</li></ul>                                                                                                                                                                                                                                    | 40        | Jul 2010 – Present                          | Head of Human Resources Secretary to the Nomination and Remuneration Committee First Executive Vice President | Bank of Ayudhya PCL                |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                            |           | Jan 2009 – Jun 2010                         | Chief Officer, Human Resources Department                                                                     | Ayudhya Allianz C.P. Life PCL      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                            |           | 2008                                        | Human Resources Director                                                                                      | The Minor Food Group PCL           |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                            |           | 2007                                        | Head of Organization Development                                                                              | Pepsi Co. (International)          |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                            |           |                                             |                                                                                                               |                                    |
| 11. Mr. Sayam Prasitsirigul <ul style="list-style-type: none"><li>MBA. (Finance), The Peter F. Drucker Center, The Claremont Graduate School, California, U.S.A.</li><li>Bachelor of Electrical Engineering, Chulalongkorn University</li></ul>                                                                                                                                                                                                            | 43        | Sep 2011 – Present                          | Head of Corporate & SME Products                                                                              | Bank of Ayudhya PCL                |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                            |           | Jul 2011 – Present                          | First Executive Vice President                                                                                |                                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                            |           | Aug 2011 – Sep 2011                         | Head of Supply Chain Solutions and Special Projects                                                           |                                    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                            |           | Dec 2008 – Jun 2011                         | Chief SME Banking Officer                                                                                     | TMB Bank PCL                       |

| Name – Surname / Education          | Age (Yrs) | Work Experience in the last 5 years |                                                                                     |                                                                                  |
|-------------------------------------|-----------|-------------------------------------|-------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|
|                                     |           | Period                              | Position                                                                            | Name of Organization                                                             |
| Mr. Sayam Prasitsirigul (continued) |           | May 2008 – Sep 2008                 | First Vice President, Head of Cash Management Department                            | Kasikornbank PCL                                                                 |
|                                     |           | Apr 2007 – Apr 2008                 | First Vice President, Head of Supply Chain Financing                                |                                                                                  |
|                                     |           | Sep 2003 – Apr 2007                 | Senior Vice President, Head of Local Product Management                             | Standard Chartered Bank (Thai) PCL                                               |
| 12. Mr. Phonganant Thanattrai       | 47        | Nov 2011 – Present                  | Head of Distribution                                                                | Bank of Ayudhya PCL                                                              |
|                                     |           | Jul 2010 – Present                  | Executive Vice President, Branch Metropolitan Business Division, Distribution Group |                                                                                  |
|                                     |           | Dec 2010 – Present                  | Director                                                                            | Krungsri Asset Management Co., Ltd. (Formerly Ayudhya Fund Management Co., Ltd.) |
|                                     |           | 2006 – Jul 2010                     | Executive Vice President, Value Center GM – SME / Branch Banking / Secured Lending  | Standard Chartered Bank (Thai) PCL                                               |
|                                     |           |                                     |                                                                                     |                                                                                  |
| 13. Miss Duangdao Wongpanitkrit     | 43        | Jun 2007 – Present                  | Executive Vice President, Financial Planning and Analysis Division, Finance Group   | Bank of Ayudhya PCL                                                              |
|                                     |           | Nov 2009 – Present                  | Director                                                                            | Ayudhya Capital Services Co., Ltd.                                               |
|                                     |           | Apr 2009 – Present                  | Director                                                                            | Ayudhya Card Services Co., Ltd.                                                  |
|                                     |           | Apr 2009 – Present                  | Director                                                                            | Ayudhya Total Solutions PCL                                                      |
|                                     |           | Apr 2005 – May 2007                 | Senior Vice President, Finance & Accounting                                         | GE Money Retail Bank PCL                                                         |
| 14. Mr. John Howard Harker          | 53        | Jul 2007 – Present                  | Executive Vice President, Operational Controllership Division, Finance Group        | Bank of Ayudhya PCL                                                              |
|                                     |           | Mar 2009 – Jul 2009                 | Compliance Review Committee Member                                                  |                                                                                  |
|                                     |           | Nov 2009 – Present                  | Director                                                                            | Total Services Solutions PCL                                                     |
|                                     |           | May 2010 – Sep 2010                 | Director                                                                            | Ayudhya Auto Lease PCL                                                           |

| Name – Surname / Education     | Age (Yrs) | Work Experience in the last 5 years |                                                                                                           |                                                                                  |
|--------------------------------|-----------|-------------------------------------|-----------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------|
|                                |           | Period                              | Position                                                                                                  | Name of Organization                                                             |
| 15. Mrs. Orawan Sujarittayon   | 45        | Jul 2010 – Present                  | Executive Vice President, Accounting Division, Finance Group                                              | Bank of Ayudhya PCL                                                              |
|                                |           | Nov 2008 – Jun 2010                 | Senior Vice President and Manager, Accounting Department                                                  |                                                                                  |
|                                |           | Nov 2009 – Present                  | Director (Authorized Signatory) Audit Committee                                                           | Krungsri Asset Management Co., Ltd. (Formerly Ayudhya Fund Management Co., Ltd.) |
|                                |           | Jul 2007 – Oct 2008                 | Vice President, Financial Controller                                                                      | AIG Retail Bank PCL                                                              |
|                                |           | Jan 2005 – Jun 2007                 | Senior Manager – Operation Support                                                                        | Standard Chartered Bank (Thai) PCL                                               |
| 16. Miss Pathatai Kulachan     | 38        | Jul 2007 – Present                  | Senior Vice President and Manager, Consumer Financial Planning and Analysis Department, Finance Group     | Bank of Ayudhya PCL                                                              |
|                                |           | Nov 2009 – Present                  | Director                                                                                                  | Krungsriayudhya Card Co., Ltd.                                                   |
|                                |           | Nov 2009 – Present                  | Director                                                                                                  | General Card Services Ltd.                                                       |
|                                |           | Apr 2009 – Present                  | Director                                                                                                  | Ayudhya Capital Auto Lease PCL                                                   |
| 17. Mrs. Varabhorn Achakornlak | 48        | Sep 2010 – Present                  | Senior Vice President and Manager, Procurement Department, Finance Group                                  | Bank of Ayudhya PCL                                                              |
|                                |           | Mar 2008 – Sep 2010                 | Senior Vice President, Procurement Section, Finance Group                                                 |                                                                                  |
|                                |           | Apr 2001 – Mar 2008                 | Vice President, Country Procurement Services Unit Head                                                    | Citibank N.A., Bangkok Branch                                                    |
| 18. Miss Jiraporn Popairoj     | 50        | Sep 2010 – Present                  | Senior Vice President and Manager, Financial Compliance Department, Finance Group                         | Bank of Ayudhya PCL                                                              |
|                                |           | Nov 2008 – Aug 2010                 | Senior Vice President and Manager, Audit Department Secretary to the Audit Committee                      |                                                                                  |
|                                |           | Nov 2008 – Sep 2009                 | Senior Vice President, Subsidiaries, Treasury and Investment Audit Section, Audit Department, Audit Group |                                                                                  |
|                                |           | Oct 2006 – Oct 2008                 | Senior Vice President and Manager, Accounting Department                                                  |                                                                                  |

| Name – Surname / Education                                                                                                                                                                                                                                 | Age (Yrs) | Work Experience in the last 5 years |                                                                                                                   |                                    |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|-------------------------------------|-------------------------------------------------------------------------------------------------------------------|------------------------------------|
|                                                                                                                                                                                                                                                            |           | Period                              | Position                                                                                                          | Name of Organization               |
| 19. Mr. Poonsit Wongthawatchai<br><br>• Master of Philosophy, University of Cambridge<br>• MBA. (International Banking and Finance), Columbia University<br>• Bachelor of Science in Business Economics and Political Science, University of New Hampshire | 40        | Jun 2011 – Present                  | Senior Vice President and Manager, Investor Relations Department, Finance Group                                   | Bank of Ayudhya PCL                |
|                                                                                                                                                                                                                                                            |           | Aug 2010 – May 2011                 | Head, Investor Relations Division, Strategy Division and Business Transformation Office                           | CIMB Thai Bank PCL                 |
|                                                                                                                                                                                                                                                            |           | Jul 2009 – Jul 2010                 | Director, International Relations Department                                                                      | The Stock Exchange of Thailand     |
|                                                                                                                                                                                                                                                            |           | Apr 2005 – Jun 2009                 | Personal Assistant to the President, Office of the President                                                      | Siam Commercial Bank PCL           |
|                                                                                                                                                                                                                                                            |           | Oct 2006 – Mar 2008                 | Technical Advisor                                                                                                 | The National Legislative Assembly  |
| 20. Mr. Kriangsak Jongsukkiqparnich<br><br>• MBA. (Finance), Western Michigan University<br>• Bachelor, Faculty of Commerce and Accountancy (Cost Accounting), Chulalongkorn University                                                                    | 43        | Mar 2011 – Present                  | Senior Vice President, Operational Controllershship Division, Finance Group                                       | Bank of Ayudhya PCL                |
|                                                                                                                                                                                                                                                            |           | Jul 2007 – Feb 2011                 | Vice President, Operational Controllershship Division, Finance Group                                              |                                    |
|                                                                                                                                                                                                                                                            |           | Aug 1996 – Jun 2007                 | Vice President, Accounting                                                                                        | GE Capital (Thailand) Ltd.         |
| 21. Mr. Jamorn Phianphrom<br><br>• MBA. (Finance), Dhurakij Pundit University<br>• BA., Chiangmai University                                                                                                                                               | 50        | Sep 2010 – Present                  | Vice President, Tax Management and Payment Verification Department, Finance Group                                 | Bank of Ayudhya PCL                |
|                                                                                                                                                                                                                                                            |           | May 2007 – Sep 2010                 | Vice President and Manager, Tax Management and Payment Verification Section, Accounting Department, Finance Group |                                    |
|                                                                                                                                                                                                                                                            |           | Oct 2002 – Apr 2007                 | First Assistant Vice President, Accounting Department                                                             |                                    |
|                                                                                                                                                                                                                                                            |           |                                     |                                                                                                                   |                                    |
| 22. Miss Pornnapa Patarasatienkul<br><br>• Master of Science (Finance), Thammasat University<br>• Bachelor of Banking and Finance, Assumption University                                                                                                   | 39        | Oct 2010 – Present                  | Vice President, Financial Planning and Analysis Consolidation Department, Finance Group                           | Bank of Ayudhya PCL                |
|                                                                                                                                                                                                                                                            |           | Apr 2009 – Sep 2010                 | Vice President, Finance Group                                                                                     |                                    |
|                                                                                                                                                                                                                                                            |           | Jul 2011 – Present                  | Director                                                                                                          | Siam Realty and Services Co., Ltd. |
|                                                                                                                                                                                                                                                            |           | Jan 2007 – Apr 2009                 | Vice President, Financial Planning and Analysis Department                                                        | AIG Retail Bank PCL                |
| 23. Miss Pisara Pattanasiri<br><br>• MBA., Seattle University, U.S.A.<br>• Bachelor of Accounting, Faculty of Commerce and Accountancy, Chulalongkorn University                                                                                           | 46        | Sep 2009 – Present                  | Vice President, Treasury Financial Planning and Analysis Department, Finance Group                                | Bank of Ayudhya PCL                |
|                                                                                                                                                                                                                                                            |           | Jul 2007 – Aug 2009                 | First Assistant Vice President, Treasury Financial Planning and Analysis Department                               |                                    |
|                                                                                                                                                                                                                                                            |           | Jul 2004 – Jun 2007                 | Assistant Vice President                                                                                          |                                    |

| Name – Surname / Education                                                                                                                                                                                                                       | Age (Yrs) | Work Experience in the last 5 years |                                                                                                          |                                      |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|-------------------------------------|----------------------------------------------------------------------------------------------------------|--------------------------------------|
|                                                                                                                                                                                                                                                  |           | Period                              | Position                                                                                                 | Name of Organization                 |
| 24. Mr. Khomson Adunwitthayakorn<br><br>• Master of Science (Finance), Chulalongkorn University<br>• Bachelor of Accounting, Faculty of Commerce and Accountancy, Thammasat University<br>• Certified Public Accountant (CPA Thailand)           | 38        | Sep 2010 – Present                  | Vice President, Accounting and Control Department, Finance Group                                         | Bank of Ayudhya PCL                  |
|                                                                                                                                                                                                                                                  |           | Oct 2009 – Sep 2010                 | Vice President and Section Manager, Accounting and Control Section, Accounting Department, Finance Group |                                      |
|                                                                                                                                                                                                                                                  |           | Oct 2007 – Sep 2009                 | Regional Financial Controller                                                                            | Digital Marketing Solution Co., Ltd. |
|                                                                                                                                                                                                                                                  |           | Jul 2006 – Sep 2007                 | Regional Financial Controller                                                                            | SR. Telecom (Bangkok) Co., Ltd.      |
| 25. Miss Somjai Pattanakitpairoj<br><br>• Master of Science in Accounting, Thammasat University<br>• Diploma in Auditing, Thammasat University<br>• Bachelor of Accounting, Thammasat University<br>• Certified Public Accountant (CPA Thailand) | 41        | Sep 2010 – Present                  | Vice President, Technical Accounting Department, Finance Group                                           | Bank of Ayudhya PCL                  |
|                                                                                                                                                                                                                                                  |           | Apr 2010 – Sep 2010                 | Vice President, Technical Accounting Section, Accounting Department, Finance Group                       |                                      |
|                                                                                                                                                                                                                                                  |           | Mar 2008 – Apr 2010                 | Senior Manager – Assurance and Audit                                                                     | Standard Chartered Bank (Thai) PCL   |
|                                                                                                                                                                                                                                                  |           | Apr 2007 – Mar 2008                 | Senior Manager – Financial Operational Risk Assurance                                                    |                                      |
|                                                                                                                                                                                                                                                  |           | Dec 2004 – Apr 2007                 | Accounting Policy & Control Manager                                                                      |                                      |
| 26. Mr. Pongsawut Surakomol<br><br>• MBA. (Finance), Pace University, New York, U.S.A.<br>• Bachelor of Arts (Accounting), Michigan State University, Michigan, U.S.A.                                                                           | 36        | Sep 2010 – Present                  | Vice President, SME Financial Planning and Analysis Department, Finance Group                            | Bank of Ayudhya PCL                  |
|                                                                                                                                                                                                                                                  |           | Jul 2010 – Sep 2010                 | Vice President Corporate & SME Finance Planning and Analysis Department, Finance Group                   |                                      |
|                                                                                                                                                                                                                                                  |           | Mar 2009 – Jun 2010                 | Assistant Vice President                                                                                 | Bangkok Bank PCL                     |
|                                                                                                                                                                                                                                                  |           | Jun 2007 – Dec 2008                 | Chief Financial Officer                                                                                  | Haidar Capital Management, U.S.A.    |
|                                                                                                                                                                                                                                                  |           | Jun 2004 – May 2007                 | Senior Associate                                                                                         | KPMG LLP, New York, U.S.A.           |
| 27. Mrs. Sonthaya Tewprayoon<br><br>• Bachelor of Economics, (Monetary Economics and Finance), Chulalongkorn University                                                                                                                          | 56        | Jun 2010 – Present                  | Banking Analyst 9, Investor Relations Department, Finance Group                                          | Bank of Ayudhya PCL                  |
|                                                                                                                                                                                                                                                  |           | Jan 2008 – Jun 2010                 | Banking Analysis 9, Investor Relations Department, Corporate Communications & Investor Relations Group   |                                      |
|                                                                                                                                                                                                                                                  |           | June 2007 – Dec 2007                | First Assistant Vice President, Investor Relations Department                                            |                                      |
|                                                                                                                                                                                                                                                  |           | Oct 2003 – May 2007                 | Banking Analyst 8, Investor Relations Section, Office of the President                                   |                                      |
|                                                                                                                                                                                                                                                  |           |                                     |                                                                                                          |                                      |
| 28. Miss Uraivan Charoenbunditchai<br><br>• Bachelor of Business Administrative, the University of Thai Chamber of Commerce                                                                                                                      | 45        | Mar 2011 – Present                  | Vice President, Procurement Department, Finance Group                                                    | Bank of Ayudhya PCL                  |
|                                                                                                                                                                                                                                                  |           | Sep 2008 – Feb 2011                 | First Assistant Vice President, Procurement Department, Finance Group                                    |                                      |
|                                                                                                                                                                                                                                                  |           | Apr 1995 – Oct 2007                 | Assistant Vice President, Country Procurement Service Department                                         | Citibank, N.A. Thailand              |

Remuneration of Directors and Executives |  
(as per definitions determined by the SEC)

Remuneration of Directors:

The Bank has established clear and transparent policies related to directors’ remuneration which is comparable to the level paid in the industry and has been approved at the shareholders’ meetings. Directors appointed to be members of the Audit Committee or the Nomination and Remuneration Committee will receive additional compensation commensurate with the increased workload.

Remuneration of executives:

Remuneration of executives is based on principles and policies set by the Board of Directors and linked to their individual performance.

Remuneration in 2011:

Remuneration paid by the Bank in 2011 to directors and executives are as per the following details:

Cash remuneration

(1) Total remuneration (retainer fee, pension and attendance fee) of the 12 directors amounted to THB 30,445,840.00. Details of remuneration paid to each director are as follows:

Unit : Baht

| List of Directors                                                                           | Remuneration of the Board of Directors |                |              | Remuneration of the Audit Committee | Remuneration of the Nomination and Remuneration Committee | Total Remuneration |
|---------------------------------------------------------------------------------------------|----------------------------------------|----------------|--------------|-------------------------------------|-----------------------------------------------------------|--------------------|
|                                                                                             | Retainer fee                           | Attendance fee | Pension      |                                     |                                                           |                    |
| Non-Executive Directors                                                                     |                                        |                |              |                                     |                                                           |                    |
| 1. Mr. Veraphan Teepsuwan<br><br>- Chairman of the Board of Directors                       | 2,044,800.00                           | 908,800.00     | 1,271,184.00 | -                                   | -                                                         | 4,224,784.00       |
| 2. Mr. Pongpinit Tejagupta                                                                  | 1,651,200.00                           | 792,576.00     | 825,600.00   | -                                   | -                                                         | 3,269,376.00       |
| 3. Mr. Virojn Srethapramotaya                                                               | 1,651,200.00                           | 792,576.00     | 825,600.00   | -                                   | -                                                         | 3,269,376.00       |
| 4. Ms. Nopporn Tirawattanagool<br><br>- Member of the Nomination and Remuneration Committee | 1,651,200.00                           | 792,576.00     | 825,600.00   | -                                   | 544,896.00                                                | 3,814,272.00       |
| 5. Mr. Des O'Shea <sup>1/</sup>                                                             | -                                      | -              | -            | -                                   | -                                                         | -                  |

Unit : Baht

| List of Directors                                                                                                       | Remuneration of the Board of Directors |                |            | Remuneration of the Audit Committee | Remuneration of the Nomination and Remuneration Committee | Total Remuneration |
|-------------------------------------------------------------------------------------------------------------------------|----------------------------------------|----------------|------------|-------------------------------------|-----------------------------------------------------------|--------------------|
|                                                                                                                         | Retainer fee                           | Attendance fee | Pension    |                                     |                                                           |                    |
| Independent Directors                                                                                                   |                                        |                |            |                                     |                                                           |                    |
| 6. Mr. Surachai Prukbamroong<br>- Chairman of the Audit Committee                                                       | 1,651,200.00                           | 792,576.00     | 825,600.00 | 577,920.00                          | -                                                         | 3,847,296.00       |
| 7. Mr. Karun Kittisataporn<br>- Chairman of the Nomination and Remuneration Committee                                   | 1,651,200.00                           | 792,576.00     | 825,600.00 | -                                   | 577,920.00                                                | 3,847,296.00       |
| 8. Mr. Virat Phairatphiboon<br>- Member of the Audit Committee<br>- Member of the Nomination and Remuneration Committee | 1,651,200.00                           | 792,576.00     | 825,600.00 | 544,896.00                          | 544,896.00                                                | 4,359,168.00       |
| 9. Ms. Potjanee Thanavaranit<br>- Member of the Audit Committee                                                         | 1,651,200.00                           | 792,576.00     | 825,600.00 | 544,896.00                          | -                                                         | 3,814,272.00       |
| Executive Directors <sup>2/</sup>                                                                                       |                                        |                |            |                                     |                                                           |                    |
| 10. Mr. Mark John Arnold                                                                                                | -                                      | -              | -          | -                                   | -                                                         | -                  |
| 11. Ms. Janice Rae Van Ekeren                                                                                           | -                                      | -              | -          | -                                   | -                                                         | -                  |
| 12. Mr. Pornsanong Tuchinda                                                                                             | -                                      | -              | -          | -                                   | -                                                         | -                  |

Remark Due to the floods disaster incurred in Thailand  
A) Mr. Veraphan Teepsuwan donated 2 months remuneration in November and December 2011.  
B) Other directors have donated an amount totaling THB 940,000 for flood relief to impacted employees.  
  
<sup>1/</sup> Resigned on 25 November 2011.  
<sup>2/</sup> Executive directors are not entitled to remuneration paid to directors.

(2) The Executive Committee is not paid remuneration.  
  
(3) The total executives’ remuneration paid in 2011 in the form of salary and bonus to the manager and the first four executives immediately in the line of command under him, as specified in the Notification of the Capital Market Supervisory Board, i.e. the president and chief executive officer and chief officers / heads of functional groups totaling 16 persons (including 1 executive resigned during the year), amounted to THB 203,788,385.84.

Other remuneration

Contribution to the provident funds for executives (3) amounts to 6,138,205.05.  
  
The Bank does not provide any non-cash remuneration such as shares / warrants to executives.

# A Bank in Transformation Must Hold Dear to its Principles

## Corporate Governance Policy

The Bank’s Board of Directors recognizes the importance of corporate governance. In order to ensure that our operations are carried out with transparency, honesty and accountability as well as responsibility for and fair treatment to all stakeholders, the Board of Directors has established the **"Good Corporate Governance Principles"** for the Bank, which is subject to review every two years or immediately subsequent to any material change. The Good Corporate Governance Principles state the rights of shareholders and stipulates their fair treatment. They also require disclosure of information and transparency, cover the responsibilities of the Board of Directors, the internal control system and internal audit, business conduct, the Bank’s core values and the morality and ethics of its employees. Furthermore, the Bank has crafted a document named The Spirit & The Letter, which is at the heart of our code of conduct. It prescribes, matters of which employees should be aware and to which they are to adhere as well as setting out penalties in case of violations. Communications are made via email and the Intranet to directors, executives and employees to raise awareness and create a common understanding of the policy and guidelines to ensure compliance. In addition, each department is required to appoint a Compliance Champion to provide knowledge and ensure understanding on corporate governance to the department’s employees about the Bank’s policies.

The Board of Directors determines the Bank’s vision to ensure that the executives and employees are progressing in the same direction.

"One team of employees advocating our products and services, dedicated to becoming our customer’s Number One Preferred Bank."

The Bank’s core values are set out as follows:

|                        |                                                                                                                                                                     |
|------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Integrity              | We are fair and professional, inspiring trust and working with transparency and always respectful of the law and ethics.                                            |
| Team Spirit            | We work together as a team for the benefit of customers and Krungsri with an open heart and open mind as we push toward our goals.                                  |
| Customer Centricity    | We put our customers first, understanding and anticipating their needs and expectations with superlative service and the best solutions.                            |
| Passion for Excellence | We aim to be "The Champions of Simplicity" by dedicating ourselves to a more streamlined approach while aspiring to excellence in delivering our work and services. |
| Embracing Change       | We do better every day by being open to change and new experiences, always with an eye on what will benefit Krungsri and our customers.                             |

In this regard, our Good Corporate Governance Principles are disclosed to the public via the Bank’s website under the heading of Corporate Governance.

Compliance with the Bank’s Good Corporate Governance Principles pursuant to the guidance of the Stock Exchange of Thailand is summarized as follows:

## Section 1: Shareholder Rights

### 1.1 Policy on Protection of Shareholder Rights

The Bank places importance on the rights of all shareholders equally and encourages them to exercise their fundamental rights under law such as trading or transfer of shares, participation in shareholder meetings and casting of votes, receipt of dividends, receipt of the Bank’s information via the disclosure channel of the Stock Exchange of Thailand, the Bank’s website under the heading of "Investor Relations" and "IR Newsletter", which are delivered by post twice a year to notify the Bank’s operating results, exercise of shareholder rights, analysis and activities of the Bank.

### 1.2 Shareholder Meetings

The Bank’s 2011 Annual General Meeting of Shareholders (AGM) No. 99 was organized on April 7, 2011 in accordance with relevant laws and regulations, including good governance standards, details of which are summarized below.

- Shareholders were entitled to propose agendas and nominate persons to be elected as the Bank directors and submit, in advance, queries which require response in the AGM. The criteria for exercise of such rights are published on the Bank’s website. The shareholders were informed in the AGM that no shareholders proposed an agenda or nominated a person to be elected as the Bank director.
- The notification of the AGM was issued both in Thai and English, dispatched together with the annual report in CD-ROM format 21 days prior to the AGM date and published on the Bank’s website more than 30 days prior to the AGM date. It contains the date, time, venue and details of the agendas with precise and sufficient facts and reasons as well as clear and adequate comments provided by the Board of Directors and relevant Committees. Also enclosed were the registration process and list of documents required to present to officers prior to attending the AGM, both in person and by proxy. In this regard, the Bank neither added any agenda nor changed any significant information without prior notice to the shareholders.
- The Proxy Form was prepared as prescribed by the Ministry of Commerce, which provided space for the shareholders to express opinions of their votes, enclosed with the notification of the AGM. Furthermore, the Bank also provided duty stamp service. In this respect, the Bank set non-complicated conditions for proxy appointment. Additionally, the Bank nominated two independent directors to the shareholders for appointment as their proxies.
- The barcode system was utilized in the registration process. The shareholders were entitled to register not less than two hours prior to the AGM and after the AGM was duly convened, the shareholders were entitled to register to exercise the right to vote on the agendas, which resolutions had not yet passed. After registration, the shareholders were provided with ballots for exercising their voting right.
- The Chairman of the Board, the President and CEO and the Chairmen of all sub-committees all attended the Meeting, as well as high-level executives, the Bank’s external auditor and representatives from Norton Rose (Thailand) Co., Ltd., the Bank’s legal advisor, who served as the inspectors at the AGM. The Chairman of the Board introduced these persons one by one to the AGM and their names and titles were recorded in the minutes of AGM.
- The number and the ratio of shareholders participating in person and by proxy were conveyed to the AGM by the Chairman of the Board, together with the criteria and procedures for casting votes. Before voting on each agenda, the shareholders were entitled to express their opinions or raised questions about the agendas or the Bank independently and these statements were recorded in the minutes of the AGM.
- In casting votes, one share was equal to one vote and a majority vote is required unless otherwise specified.

"Any shareholder having a conflict of interest on any agenda will not be entitled to vote."

- For the agenda relating to the election of directors, the directors who retired by rotation were absent during consideration of the agenda in order to ensure that the shareholders could independently express their opinions and cast their votes. Votes were cast for election of directors on an individual basis and ballots were collected from all participating shareholders.
- The Bank videotaped the entire meeting and separated the file into video clips of each agenda for dissemination on the Bank’s website.

- Subsequent to the AGM, the summary of meeting and voting results of each agenda was delivered and the Bank expressed gratitude to all shareholders for exercising their rights and entrusting the Bank's directors with their proxies.
- The Bank prepared the Minutes of the AGM on an accurate and complete basis, which were proposed to the Chairman of the Board and all members of the Audit Committee for review of the correctness and completeness prior to submission to the related authorities within 14 days of the AGM date.

## Section 2: Equal Treatment of Shareholders

### Simply Fair ... Treating Every Single Shareholder as an Owner

All shareholders are regarded as the owners of the Bank. Thus, it is the Bank's policy to incorporate fair and equal treatment in its corporate governance as reflected in the shareholders meeting which is organized in a transparent and effective manner. With regard to the appointment of a director who has a conflict of interest as the proxy at the shareholders meeting, if the shareholder appointing the proxy does not mark his/her vote to pass a resolution, that director shall abstain from voting on his/her behalf to ensure transparency and fair voting.

The Board of Directors has formulated the policy to bar any transactions that may lead to a conflict of interest and any use of inside information to seek unlawful benefits for themselves or others. The policy states that the directors, executives and employees are to abide strictly by the relevant laws, directives or policies of the Bank as well as the code of business conduct and ethics conduct of the Bank and that compliance is monitored on a regular basis. Moreover, stock trading is prohibited during the Blackout Period. It is also required that the directors and executives have the duty to disclose their holding of Bank securities, including those of their spouses and minors and shall report the holding of Bank securities to the Office of the Securities and Exchange Commission and to the Board of Directors. In the previous year, the Bank's directors, executives and employees were not involved in any cases of insider trading.

The Board of Directors has established a process for consideration and screening of related party transactions between the Bank, its subsidiaries or associate companies and stakeholders or individuals having an actual or potential conflict of interest. The directors or executives with conflict of interest issues shall not participate in relevant consideration and voting. In addition, the Audit Committee is authorized to provide opinions in relation to the necessity of such transactions and propriety of pricing and to ensure that correct and complete disclosure of transactions, which may incur a conflict of interest, is made on a regular basis. The Bank neither violated nor failed to comply with the criteria for related party transactions in the previous year.

## Section 3: Role of Stakeholders

### So Much at Stake, For So Many

The Bank incorporated in the Good Corporate Governance Principles the code of business conduct and ethics relating to all groups of stakeholders i.e. shareholders, customers, suppliers, directors, employees and executives as well as society and the environment.

**Shareholders:** The Bank recognizes the importance of all shareholders and respects their rights equally. Management practices take into consideration business growth and sound operating results that bring about appropriate remuneration to the shareholders in the long run. In the past, the Bank disclosed material information to the shareholders in a correct and complete manner, with clarity and accountability.

**Board of Directors:** The Bank provides an opportunity for the Board of Directors to carry out its duty on a full-scale basis, with independence in expressing opinions and giving recommendations on the operation to the management of the Bank. We provide the Board of Directors with the Director Handbook and notify them of appropriate training courses on a regular basis. Additionally, a function is established to facilitate and support practices and activities of the Board of Directors in order to ensure full compliance with the laws and our Good Corporate Governance Principles.

**Executives:** The Bank provides an opportunity for the management to perform duties independently without intervention as per the role, duties and responsibilities assigned by the Board of Directors.

**Employees:** Employees are provided with proper and fair treatment. The Bank provides suitable remuneration and fringe benefits namely, welfare funds, employee loans, provident fund and social security fund.

"We allow employees to participate in management and express opinions in respect of their direct responsibility to the Bank's business."

A committee is appointed specifically to oversee safety, occupational health and the workplace environment. In addition, the Bank promotes constant development of employees and grants them scholarships to advance their skills and knowledge. Details of personnel development is disclosed in the Annual Registration Statement (Form 56-1) and the Annual Report (Form 56-2) under the heading of "Personnel Development".

**Customers:** The Bank's business is founded on honesty and integrity. We strive to protect the best interests of customers and achieve maximum customer satisfaction. The Bank offers quality products and excellent, swift, heartwarming and fair services. We respect and pay attention to customers' needs, provide an opportunity for customers to voice their opinions and file complaints with the Bank via several channels. The Bank recognizes the importance of keeping customers' information confidential.

**Suppliers:** The Bank treats each supplier with honesty, integrity and fairness, without taking advantage for our related entities or ourselves and keeps confidentiality pursuant to the relevant criteria and laws. In addition, the Bank neither takes advantage of nor dishonestly seeks information on suppliers. We exchange information that mutually benefits the business to achieve the Bank's goals. In this regard, the Bank determines clear policy and guidelines for Procurement and Hiring and the Gift and Entertainment Policy to be adhered to by employees, with the purpose of fair treatment to all related parties and to ensure transparency and accountability.

**Creditors:** We also demonstrate our honesty by complying with loan obligations and other contractual arrangements with all creditors, business creditors, debenture holders and depositors under the conditions, regulations and requirements stipulated by applicable laws. Relevant information is provided in a transparent and auditable manner.

**Commercial Banks or Financial Institutions:** The Bank provides cooperation in exchange for information beneficial to the overall business operation to prevent any impact which may result in damage to the commercial banking system. We promote activities that foster understanding and compete against other commercial banks in compliance with relevant rules and regulations. In addition, we cooperate to reduce the costs and expenses of the commercial banking system and the overall economy.

**Society and Environment:** We realize that the responsibility towards local communities, society and the environment is integral to sustainable development. The Board of Directors therefore includes policies on the Environment, Sanitary and Safety in "The Spirit and the Letter". The Bank makes available environmental training courses in the form of "E-Learning" to create knowledge and understanding among employees.

"We initiated the 'Go Green' Project to encourage employees to optimize their consumption of resources, namely energy saving and a campaign for the sensible disposal of outdated electrical appliances. The Bank regularly provides cooperation and support for policies and activities which benefit youth, communities and society overall. We promote and instill awareness and responsibility towards communities, society and the environment to all of our executives and employees on a continuous basis and focus on involvement of employees through voluntary activities."

The Bank conducts social activities in line with its initiatives and supports charitable organizations as well as the public and private sectors. We make donations with an emphasis on education, youth, the environment and society, art and culture, religions, public interest activities and humanitarian assistance. In addition, the Bank ensures that its business practice is in compliance with the relevant laws and does not grant support to operators of businesses which are unlawful or cause an adverse impact on the environment. Further details are disclosed in the Annual Report (Form 56-2) under the heading of "Social and Environmental Responsibility".

Additionally, the Bank sets the guideline for practice, details of which are shown below.

- No violation of human rights such as child labor and religious segregation to ensure equal treatment to all parties by establishing the policies on non-violation of human rights and privacy.
- No infringement of intellectual property or copyright: The Bank requires that employees respect others' right of intellectual property, which is incorporated as a principle in "The Spirit & the Letter".
- Anti-corruption and prohibition of bribery for business gains: The Bank forbids improper payment in any business deals entered into with the public or private sectors, which is incorporated in "The Spirit & the Letter". In addition, the policy on anti-money laundering and counter terrorism financing has been drawn up.

The Board of Directors created a mechanism to enable all stakeholders to conveniently and quickly access information, file complaints and draw attention to illegal or unethical acts, incorrect financial information, or problems with the internal control system. Communications can be sent as follows:

- By mail: please address to:
  - Chairman of the Audit Committee (Mr. Surachai Prukbamroong) or;
  - Member of the Audit Committee (Mr. Virat Phairatphiboon) or;
  - Member of the Audit Committee (Ms. Potjanee Thanavaranit) or;
  - Secretary to the Audit CommitteeAll mails should be sent to: Bank of Ayudhya Public Company Limited, Head Office  
1222 Rama III Road, Bang Phongphang, Yan Nawa, Bangkok 10120
- Email: [audit.committee@krungsri.com](mailto:audit.committee@krungsri.com)
- Bank's website: Heading: About Us > Corporate Governance

Furthermore, any complaints or request for information can be submitted to the Krungsri Call Center at Tel. 1572 or email: [irgroup@krungsri.com](mailto:irgroup@krungsri.com) or the Bank's website under the heading: "Investor Relations".

In case of complaints, the Bank will keep the information of complaints filed confidential. The matter will be forwarded to the executives of related functions for swift action and results will be reported to the executives or the Board of Directors, as appropriate.

Besides the above channels, the Bank's employees can file complaints about wrongful acts or violation of policies to the Ombudspersons i.e. Ms. Ladawan Kongkruapun and Ms. Thidarat Sethavaravichit, senior executives of the Bank who are recognized by their fellow executives and employees for their honesty, ethics and objectivity.

## Section 4: Disclosure of Information and Transparency

### Make Life Simple by Making Things Transparent

The Bank has a policy to disclose information to the shareholders, investors and general public in a transparent, timely, correct, complete, thorough and equal manner in compliance with relevant laws and regulations. Such information includes financial data, annual reports, quarterly and yearly financial statements and other information in Thai and English, which is disclosed via several channels, including the Bank's website. The efficiency of the information disclosure process is assessed on a regular basis.

The financial statements disclosed by the Bank were audited by a certified public accountant and endorsed by the Office of the Securities and Exchange Commission that they are presented fairly in all material aspects in accordance with Generally Accepted Accounting Principles. In the previous year, the Bank prepared and submitted the quarterly and yearly financial

statements within the submission deadline and no corrections were required for these financial statements by the Office of the Securities and Exchange Commission.

The Board of Directors has determined the detailed and clear criteria and procedure for reporting interests of the directors and executives of the Bank as well as their related parties to ensure compliance with the applicable laws and consistency with the guidance of the regulatory authorities of the Bank. In this connection, the Bank's Corporate Secretary is responsible for compiling the said report and proposing it to the Chairman of the Board and the Chairman of the Audit Committee on a regular basis.

In the previous year, no acts or allegations regarding lapses in disclosing information according to the requirements were lodged against the Bank by the Office of the Securities and Exchange Commission or the Stock Exchange of Thailand.

#### Relations with Investors and Other Parties

The Investor Relations Department was established in 2002 with the key mandate of managing investor relations-related duties and activities, in particular, the disclosure of both financial and non-financial information under the above mentioned governing disclosure and transparency policy. The information not only relates to the Krungsri Group itself but includes comparative financial performance and status, current operations, ability to compete in the financial sector, future plans and policies, as well as overall financial regulations and the financial industry in general.

Key stakeholders of Investor Relations Departments, among others, include shareholders, investors, securities analysts and credit rating agencies resided both domestically and abroad.

The scope of work and the number of activities for the Investor Relations Department have markedly expanded in recent years as the Bank has acquired and successfully integrated new businesses and transformed the Bank and subsidiaries into the "One Krungsri" Group as well as the change in the mix of shareholders for Krungsri Group.

The active engagement and participation of senior management in Investor Relations activities reflect both the change in the shareholder mix and dynamism of investor relations activities as evidence by the record numbers of international road show trips, company visits, conferences and one-on-one meetings conducted by the CEO and/or CFO, together with the Senior Vice President for Investor Relations. Of particular interest, 2011 non-deal road show activities covered trips to the United States, United Kingdom, Canada, Hong Kong and Singapore. 2011 Investor Relations' key activities were as follows:

| Type of Meeting                                              | No. of Events | No. of Companies | No. of Individuals |
|--------------------------------------------------------------|---------------|------------------|--------------------|
| Press Conference*                                            | 2             | 96               | 124                |
| Analyst Briefings*                                           | 2             | 73               | 85                 |
| International Non-Deal Road shows**<br>- One-on-One meetings | 4             | 68               | 98                 |
| International Conferences*<br>- One-on-One meetings          | 2             | 51               | 66                 |
| Domestic Conferences*<br>- One-on-One meetings               | 4             | 66               | 92                 |
| Meetings with Credit Ratings agencies*                       | 7             | 7                | 20                 |
| Company Visits                                               | 84            | 142              | 189                |
| Conference Calls<br>- Conducted by the CEO and/or CFO        | 24            | 28               | 30                 |
| Analyst Previews***                                          | 13            | 131              | 190                |

Remark : \* Activities conducted by the CEO and/or CFO.  
\*\* In 2011, 4 road shows were organized, with all but one attended by the CEO or CFO.  
\*\*\* Activities conducted by the Head of Investor Relations.

The absolute number of activities in 2011 reflected both Krungsri's active Investor Relations programs and strong interest from investors and securities analysts from all regions of the world.

In addition to serving our external stakeholders, the Investor Relations Department also actively develops and monitors performance metrics and regularly appraises the Board of Directors and senior management team. Analyst reports are summarized and communicated to both management and the Board of Directors. Formulation of annual Investor Relations programs, a periodic analysis and a study of optimum mix for shareholder are also regularly reported and consulted with the Board of Directors.

## Section 5: Responsibility of the Board of Directors

The Board of Directors plays an important role in overseeing the business to ensure the best interests of the Bank and shareholders. All directors are proficient and possess full qualifications as per the Bank’s Articles of Association and the relevant laws and regulations.

### Offices of Directors and Senior Executives

The Bank directors may hold the position of Chairman, executive director or authorized signatory director of other companies in not more than three business groups in compliance with the criteria stipulated by the Bank of Thailand. In addition, the Bank determines that senior executives serve as its sub-committee members or directors in the companies under the umbrella of the business group on no more than six boards, except in case of necessity. This is to ensure that management of the companies under the Bank’s business group is in alignment with the policy of the Bank, consistent with industry benchmarks and is marked by performance that is both effective and accountable.

### Board of Directors Meetings

The Board of Directors meeting is held at least once a month and additional meetings may be held to address necessary or urgent matters. The Bank schedules the Board of Directors meetings one year in advance and significant agendas of the meeting such as monthly financial performance report and business review of the Bank’s subsidiaries are included. The Corporate Secretary of the Bank compiles and proposes the agendas to the Chairman of the Board and the President and CEO for joint consideration and endorsement prior to being proposed to the Board of Directors meeting. In this regard, the directors may add agendas by informing the Chairman of the Board, President and CEO, or the Corporate Secretary.

The Corporate Secretary issues the notification of the meeting, together with the agendas and supporting documents to the directors in the forms of hard copy and electronic files at least seven days prior to the meeting. The directors may request additional information or documents from related departments by making request to the executive directors or the Corporate Secretary.

All directors must attend all Board of Directors meetings unless he/she has an imperative business such as a meeting with a government agency or an overseas business trip. In addition, the Bank holds meetings for non-executive directors to meet among themselves and freely discuss any concerns without participation of the management.

Each Board of Directors meeting takes an average of four hours.

"The Chairman of the Board provides an opportunity for all directors to make inquiries fully and independently."

The directors are asked to give their recommendations on the meeting’s main issues and the Chairman encourages a full and frank discussion of pressing matters. Senior experts and specialist staff may be invited to some board meetings to furnish detailed information on their areas of expertise.

The minutes of the meeting list start and finish times, attending and absent directors, material content discussed and a summary of the proposed matters, recommendations of the Board of Directors, management clarifications and resolutions of the Board of Directors, which are presented in a clear manner. The minutes are signed off by the Chairman of the Meeting and the minutes taker. In this regard, any directors with a conflict of interest in any matters shall not participate and shall abstain from voting of such matters, which shall be duly noted in the minutes. The minutes endorsed by the meeting are then submitted to the related internal groups and departments and external agencies in a timely manner. The Corporate Secretariat Department safeguards the minutes for the purpose of reference and accountability. However, amendments to the minutes cannot be made without approval of the Board of Directors.

### Evaluation of Performance of the Board of Directors

The Bank stipulates that the Board of Directors’ performance be evaluated on an annual basis. The evaluation form was endorsed by the Nomination and Remuneration Committee and the Board of Directors, with the objectives as shown below:

1. To promote our Good Corporate Governance Principles;
2. To enhance the effectiveness and efficiency of the Board of Directors and the management;
3. To provide an opportunity for the Board of Directors to review its performance as well as any issues and ordeals in the previous year.

The evaluation form prepared by the Bank is for assessing performance of the Board of Directors as a whole. While it contains opinions of each director towards overall performance of the Board of Directors, it is not evaluation of performance of an individual director. Evaluation is divided into six key areas as follows:

1. Structure and qualifications of the Board of Directors.
2. Roles, duties and responsibility of the Board of Directors.
3. Meeting of the Board of Directors.
4. Performance of the directors.
5. Relation to the management.
6. Professional development of directors and executives.

The results of the evaluation are handed to the Nomination and Remuneration Committee for acknowledgement and forwarded to the Board of Directors to allow further discussion on measures which could improve the Bank’s performance.

### Remuneration of Directors and Executives

The Bank has established a clear and transparent policy on remuneration of directors, which is comparable to the industry benchmark for similar sized banks, taking into account the duties and responsibilities, as well as the contribution, of each director. The remuneration is determined to attract and retain quality directors. The related policy and remuneration of the Bank directors are proposed to an annual general meeting of shareholders and the remuneration of each director is disclosed with breakdown details on the remuneration for service of directorship and other services. Remuneration of the executives is in accordance with the principles and policies stipulated by the Bank, which is connected to the goals of the Bank as well as individual performance.

### Corporate Secretary

The Bank has appointed Ms. Thidarat Sethavaravichit, Senior Vice President of the Corporate Secretariat Department, as Corporate Secretary of the Bank and Secretary to the Board of Directors, with the duties and responsibilities as prescribed by law. The Corporate Secretary has taken training courses beneficial to her practice, which are organized by the Institute of Directors (IOD) and other agencies.

### Internal Control and Audit

The Bank has set a stringent internal control system and established an independent unit to perform audits, which reports to the Board of Directors. Related details are disclosed in the Annual Registration Statement (Form 56-1) and the Annual Report (Form 56-2) under the heading of "Internal Control".

### Risk Management

The Board of Directors appoints the Risk Management Committee to determine the scope and policy on integrated risk management. The Board also establishes the Risk Management Group to analyze, assess, monitor and control risk management relating to the Bank’s loan approvals. This is to ensure that all transactions are carried out within the agreed scope and in compliance with the rules and regulations of the Bank and regulatory authorities. The adequacy of the risk management system and its efficiency is reviewed by the Board of Directors on a regular basis. The Bank disclosed related details in the Annual Registration Statement (Form 56-1) and the Annual Report (Form 56-2) under the heading "Risk Factors and Risk Management".

### Professional Development of Directors and Executives

Directors assuming the first term of directorship of the Bank are provided with a briefing from the President and CEO and senior executives in charge of the Bank’s core businesses. The brief includes information on specific areas of operation, relevant laws and other pertinent information. They are also given a Directors’ Handbook, information and documents necessary for performing their duties as directors.

The Bank encourages and arranges for directors, executives and parties directly related to corporate governance and the Corporate Secretary to attend, from time to time, seminars and training courses on relevant practice which are organized by the IOD, the Stock Exchange of Thailand and other leading domestic and international training institutions. On a quarterly basis, the Corporate Secretary compiles information on training courses to be held in the following quarter by IOD and submits it to the directors to facilitate them in allocating their time to participate in related courses.

### Succession and Management Development Plans

The Nomination and Remuneration Committee is responsible for preparing a succession plan for the key position of President and CEO. It also approves succession plans for Chief Officers/Group Heads to ensure continuity and quality in the management of the Bank.

The Bank is currently preparing the succession plan and specific training & development plans on an individual basis, taking into consideration the executives and their subordinates in cascading tiers according to their performance and potential. Career plans are then formulated to develop relevant knowledge and skills under the umbrella of Competency Based Management. Employees in line for promotions or further skills development will be closely monitored and evaluated before new positions are confirmed.

It is our policy that employees must not disclose material and non-public information of the Bank or our customers. As such, use of insider information will result in disciplinary actions against those who use the information inappropriately, including termination of employment.

A mandatory three month holding period of Bank shares is imposed on staff once bought unless otherwise approved by the Audit Committee or authorized persons. In any event, staff are not permitted to trade Bank shares during the 'Blackout Period' declared by the Bank, which is three days before and three days after quarterly official financial performance results announcements. Members of the Board and top management have to disclose their own securities holdings, including their related parties' on a quarterly basis or upon changes to demonstrate their commitment to this good governance principle.

Another measure is to establish ethical walls between workstations of different business units apart from restricting access rights to sensitive and/or customer information. Sensitive information and information disposition are also closely controlled and monitored.

To further educate new and existing staff on these requirements, various courses and activities have already been put in place for training and awareness. Whereas the rules on inside information would be introduced to new staff as part of their orientation program, periodic refresher courses are also organized for the existing staff. This year we encouraged staff to participate in interactive activities designed to reinforce their awareness of the requirement and philosophy.

These established measures are intended to create a foundation for a strong corporate governance culture.

# Attention to Detail and an Eye on the Bottom Line

Cognizant of the importance of an effective internal control system, the Bank ensures that the internal control system is sufficient and adequate. To this effect, the organizational structure is set up in line with business operations, requiring supervision and review according to best practices by segregating duties to ensure an effective system of checks and balances. Operational authority is clearly outlined, stressing regularly the importance of the policy of integrity and the philosophy of working with professionalism.

Apart from establishing an internal control system at the operational level as an independent unit, the internal audit evaluates whether the internal control systems of all our operational processes and systems as well as those of companies in the Krungsri Group and all outsourced activities are sufficient and adequate. In addition, the audit team undertakes continuous auditing by using technology or developing computer audit programs to analyze unusual transactions. Also, integrated audit consisting of integrating technological auditing of work systems with operational auditing is ensured in order to improve auditing efficiency. The outcome of the internal control system review are reported directly to the managers of the audited unit as well as other units concerned, to enable them to consider and implement improvements together within the appropriate time. The internal audit unit also monitors actions taken as a result of the audit recommendations and reports them to senior management as well as the Audit Committee every month. In 2011, an electronic audit tracking system has also been developed which significantly helps improve monitoring efficiency.

In addition, auditing in 2011 has been performed in line with the Bank's strategy and main objectives such as the auditing of the Bank's fee collection, which aims to help the Bank increase income. With regard to the continuous improvement of the audit quality as required by the Bank, apart from collecting the opinion of all those who have gone through the audit process by way of a satisfaction survey, the audit quality is also reviewed by an independent unit within the Bank to further ensure quality assurance. Furthermore, the audit unit has also provided knowledge regarding internal control to all of the Bank's functional units and branches nationwide through various communication channels on a regular basis through games and other means of communication.



"In the area of personnel development, the audit unit has developed a self-learning system (E-Learning) which is a course on internal control specifically designed for auditors, to enable them to have the opportunity to study wherever they are."

In addition, continuous training is also provided both in-house and by other institutions such as the professional training course for auditors and the certificate course on internal audit as well as courses on new knowledge and various technological systems. Auditors are also regularly tested on their knowledge regarding new rules and regulations. In 2011, the Bank's auditors have received an additional 20 audit-related certificates.

**66** years  
of giving back to  
Thailand

**250** underprivileged  
females received free mammograms  
for breast cancer examinations

**15** underprivileged  
youths were awarded  
university scholarships

**over 8** million Baht  
from Krungsri staff and customers  
donated to flood and Japanese  
tsunami victims

**over 50,000** check dams  
built to support upstream water resource management at  
Doi Tung under the Mae Fah Luang Foundation

For over six decades, Krungsri has been a leading, trustworthy financial institution in the minds of the Thai people. We are committed to sustainable growth and strive to make life simple for all stakeholders. We continue to enhance our capacities to meet business objectives while balancing the interests of a diverse range of stakeholders regarding economic, social and environmental considerations.

Throughout 66 years of operation, Krungsri has been known as an honest, warm and knowledgeable bank. We operate our business in accordance with the law and to the letter of the Bank's Code of Conduct. Being a good bank not only means practising our duties honestly, but it also makes us want to go the extra mile towards becoming a good corporate citizen. Our aim is to contribute to society and make a meaningful difference through our sustainable Corporate Social Responsibility programs.

Throughout the years, we have supported community activities in six key areas including;



## 1. Poverty Alleviation

"Krungsri... Rob Roo Reang Ngern" (Knowledgeable about Money with Krungsri) is our signature project aiming at the utilization of our business and employees' expertise to educate the disadvantaged and vocational school senior-year students who could benefit greatly from the program. The course was designed to instill basic financial knowledge and to create awareness of responsible lending and saving skills for more vulnerable people. The course consists of 5 basic financial modules;

- Smart Consumers
- Employee Career Path
- Entrepreneurial Skills
- Saving and Basic Investment
- Managing Your Loan

We have been working with the National Council on Social Welfare of Thailand (NCSWT) and Office of Vocational Education Commission (OVEC) to equip those in need with basic financial literacy. Our volunteers have devoted their time and energy to teach the students. To make this project sustainable, we also conducted "Train the Trainer Program" for employees of NCSWT and OVEC, so that they can continue the training on their own when our volunteers move on to initiate training at other schools.

**840,000** cc's  
blood donated by Krungsri  
staff in honor of the King's 84<sup>th</sup>  
birthday

**370** computers  
donated to Buriram  
students

## 2. Youth and Education Development

Krungsri realizes that education is a fundamental issue for sustainable development of the country. We have been providing opportunities for underprivileged young students to continue their academic learning and develop their talents. In 2011, 141 scholarships were granted to students with outstanding academic performance, 370 computer sets were donated to the IT learning center in Buriram province and close to 1,000 young students enjoyed watching movies with our ongoing "Krungsri...Bringing Kids to the Movie" at Krungsri IMAX Theaters.

For the 27<sup>th</sup> year in a row on National Youth Day, Krungsri executives presented 15 scholarships to underprivileged students with good academic records from Ban MahaMek Boys' Home. These funds will see the recipients continue until they earn bachelor's degrees. <sup>(1)</sup>

Sixty students who demonstrated exemplary conduct at schools located near Krungsri's Head Office received grants from the Bank on National Children's Day at Wat Dok Mai School. The event was organized by the Yannawa district office and sponsored for four years in a row by the Bank. <sup>(2)</sup>

Krungsri promoted IT skills for the youth by donating 370 computers to the Chum Chon Dot Net Project. The donation was made to Mr. Mechai Veravaidya, Founder and Chairman of the Population and Community Development Association at the Matthayom Mechai Patthana School in Buriram.

The school serves as the center for developing and administering programs aimed at giving youngsters more opportunities in life through IT education for youths and communities. <sup>(3)</sup>



"Close to 1,000 children from various development centers were treated to movies, in 3D, at the Krungsri IMAX Theater, Siam Paragon throughout 2011."

Fun and entertaining, the movies were chosen to further children's learning outside the classroom. <sup>(4)</sup>

On the Bank's 66<sup>th</sup> anniversary, we awarded 66 scholarships to underprivileged and handicapped youth who displayed academic excellence and exemplary behavior. <sup>(5)</sup>

3. Religion, arts and culture

The Bank plays an outstanding role in national art and cultural conservation. We are confident our efforts are helping pass on Thai arts and culture to future generations via the support of the Krungsri Chronicle TV program, Royal Kathin ceremonies and our latest initiative – the preservation of Ayutthaya, Thailand's historic town and world heritage site, which faces a huge challenge in the wake of Thailand's recent devastating floods.

We have continued supporting "Jod Mai Head Krungsri - Krungsri Chronicles", a long-established short documentary program aired on Channel 7 for 26 years as part of our commitment to promote traditional Thai art and culture. (1)

Krungsri hosted the religious ceremony (grand robe-presentation) at Wat Bovonnives in Bangkok, presided over by Chairman Veraphan Teepsuwan, attended by about 100 Krungsri directors, executives, employees, and the general public. The group collectively presented THB 3,377,062.25 to Somdet Phra Wannarat (the temple's presiding monk)

as a contribution towards the construction of a new group of salas and dharma practice centers for temples attached to the Dharmayut sect in Ayutthaya province. (2)

The Bank has been working with the Fine Arts Department to develop a long-term project for the preservation of historic sites in Ayutthaya province, the hometown of Krungsri. Ongoing discussions and site visits with the Fine Arts Department were held in 2011. Sam Pluem Pagoda, Phet Fortress and other important sites have been put forward in the project plan. (3)



The Bank presented THB 800,000 to the Royal Thai Army in support of a project for tree planting, dam building and canal broadening in response to royal grace as a part of Krungsri's desire to help the nation develop long-term solutions to water-related problems and to develop water resources, in line with the vision of His Majesty the King. (5)

For the 4<sup>th</sup> consecutive year, the Bank has been building weirs at Doi Tung under the Mae Fah Luang Foundation. The project is now being used as model for water-shed area development. Volunteers from Krungsri Group with other executives built over 50,000 weirs under the project. (6)



5. Health Care

Recognizing the importance of healthcare in enhancing the well-being of the Thais, Krungsri actively supports healthcare projects. We have organized a quarterly blood donation drive for the National Blood Center of the Thai Red Cross Society for 23 years in a row and contribute to a number of other public-health activities.

For the 6<sup>th</sup> consecutive year, we have contributed to the Prince Mahidol Foundation under royal patronage to reward people and organizations worldwide for outstanding medical and public health work for the benefit of humanity. (1)

To commemorate the King's 84<sup>th</sup> birthday anniversary, Krungsri Group employees donated a total of 840,000 cc of blood. (2)

Krungsri Group contributed THB 500,000 to the Thanyarak Foundation under the patronage of the late Princess Mother.



6. Disaster Relief

During the course of the year, a number of natural disasters occurred both in and outside of Thailand. The Bank promptly responded to the emerging crises. Assistance was given in the form of financial donations as well as staff volunteering activities.

During the great flood which affected many provinces of Thailand, the Bank provided help to victims by donating survival kits and floating toilets to flood-affected residents in Ayutthaya (Krungsri's hometown). We opened several donation channels for internal and public donations. In total, THB 8,209,590.90 in donations had been provided to flood victims. (7)

Krungsri together with 16 other members of the Thai Banker's Association presented a donation of THB 1,335,854.25 to

From this donation, 250 underprivileged female residents living in the Krungsri Head Office's surrounding area received free mammogram breast cancer examinations from the mobile mammography van run by the Foundation. (3)

The Bank contributed THB 300,000 to Sayamindradhiraj Medical Institute in support of the construction of the institute at Siriraj Hospital. (4)

The Foundation for Indigent Patients at Siriraj Hospital received a donation of THB 828,900 from Krungsri. (5)

Our staff donated used eyeglasses to the Wankaew Project under the patronage of H.R.H. Princess Maha Chakri Sirindhorn. The project provides free eyeglasses for underprivileged people with eyesight problems. (6)

the Thai Banker's Association to restore 430 households in Lopburi damaged by floods earlier this year. (8)

We donated THB 5,173,434 to the Thai Red Cross Society, for use in the aid and rehabilitation of Japan's tsunami victims. The donation came from the Bank's employees and customers nationwide. (9)

The Bank has been providing blankets for North and Northeastern provinces ahead of predictions of the coldest winter in 30 years. Blankets were sent to those in need in Loei, Naan, Ubon-Ratchathani, Sakon Nakorn and Buriram provinces. (10)

THB 2 million was donated to the Thai Red Cross Society, for use in the relief and rehabilitation of those affected by floods in the South. (11) The fund was collected from the Bank's customers and branch employees nationwide. Krungsri employees also volunteered to help clean up Thessaban Tha Kham 2 School and Wat Tha Kham, Tambon Tha Kham, Amphoe Phun Phin, Surat Thani province.



# Report of the Board of Directors' Responsibility for Financial Reporting

The Board of Directors is responsible for the Bank's financial statements, the consolidated financial statements of the Bank and its subsidiaries and all financial information appearing in the annual report. These financial statements have been prepared in accordance with generally accepted accounting standards. The Bank has chosen appropriate accounting policies applied on a conservative and consistent basis, using the best estimations where necessary, and adequate disclosures have been made in the notes to the financial statements. These financial statements have been audited by independent auditors who have given their unqualified opinions. The financial statements reflect the actual financial standing and operating results of the Bank and its subsidiaries, thus being useful to all shareholders and investors.

The Board of Directors has also adopted and maintained appropriate and effective systems of risk management and internal control so that we can be reasonably assured that accounting records are accurate, complete and adequate to maintain the assets of the Bank and these controls also identify weaknesses requiring preventive measures against fraud or other significant irregularities in the operations of the Bank.

In this regard, the Board of Directors has appointed an Audit Committee, consisting of three (3) independent members, to be responsible for reviewing the quality of financial reporting and internal control mechanisms appropriately and efficiently and reviewing the Bank's performance in accordance with the laws relevant to the business of the Bank including the related party transactions to ensure that the aforementioned transactions are reasonable and optimised to the Bank. The opinion of the Audit Committee with regard to these matters appears in the Report of the Audit Committee.

The Board of Directors is of the opinion that the Bank's internal controls are satisfactory and allow for reasonable confidence in the reliability of the Bank's financial statements, the consolidated financial statements of the Bank and its subsidiaries as of December 31, 2011.



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



**(Mr. Pongpinit Tejagupta)**  
Director

# Report of the Audit Committee

To The shareholders,  
Bank of Ayudhya Public Company Limited

The Audit Committee independently performs its tasks as assigned by the Board of Directors in accordance with the regulations of the Securities and Exchange Commission and notifications of the Stock Exchange of Thailand and the Bank of Thailand.

The Audit Committee comprises 3 independent directors. At present, the Audit Committee comprises:

- |                              |                                 |
|------------------------------|---------------------------------|
| 1. Mr. Surachai Prukbamroong | Chairman of the Audit Committee |
| 2. Mr. Virat Phairatphiboon  | Audit Committee member          |
| 3. Ms. Potjane Tanavarant    | Audit Committee member          |

In this regard, Ms. Puntipa Hannoraseth, Head of Audit, serves as the Secretary to the Audit Committee.

In 2011, the Audit Committee held a total of 13 meetings including a special meeting with the external auditor without participation of the management and reported the results of each meeting to the Board of Directors. The actions of the Audit Committee in these meetings can be summarized as follows:

1. Endorsed the annual audit plan by focusing on the risk-based audit approach as well as the revision of the audit plan to ensure appropriateness. Monitored audit operations until the specified goals are achieved.
2. Considered the Bank's connected transactions or transactions which may involve a conflict of interest to ensure that they are conducted in an arm's-length basis and that the relevant information is transparently disclosed.
3. Reviewed the Bank's quarterly, semi-annual and annual financial statements as well as the consolidated financial statements of the Bank and its subsidiaries by holding meetings with external auditors and executives of the accounting and finance division to consider the financial statements to ensure that financial statements present fairly the financial position in accordance with accounting standards and the Financial Institutions Business Act. Also had special meeting with the external auditor without participation of the management to enquire about independent operations, cooperation provided by the Bank and issues which may cause significant damage or fraud.
4. Considered the 2011 special audit report and reviewed the audit report regarding the Internal Capital Adequacy Assessment Process (ICAAP) as required by the Bank of Thailand.
5. Reviewed and monitored the Bank's internal control system and internal audit activities to consider their adequacy, appropriateness and effectiveness. In this regard, the Audit Committee was aware of the audit results and key issues identified during the course of audit as well as corrective actions undertaken according to the recommendations of internal and external auditors.
6. Reviewed the compliance with relevant rules and regulations including notifications of the Stock Exchange of Thailand and regulations and requirements of the Bank of Thailand by considering compliance supervision results based on reports of the Compliance Review Committee and audit results of the Audit Group.
7. Considered reports of the Risk Management Committee of the Bank in relation to the control, supervision, assessment, monitoring and management of the overall risk of the Bank.
8. Considered, selected and nominated the Bank's external auditor by taking into consideration the qualifications specified by the Bank of Thailand and the Securities and Exchange Commission whereby such auditor does not have any relationships with or interest in the Bank, the management, major shareholders or related parties in a manner that may affect the independent operations and does not hold any positions of the Bank such as director, employee, contractual staff or any positions. Also determined the audit fee as deemed appropriate. In this regard, the shareholders' meeting has granted approval for the matters.
9. Considered and approved the revision of the Charter and the Audit Policy of the Audit Group to ensure currency and appropriateness.
10. Acted as another channel for handling of complaints. This is to ensure that the handling of complaints covers all complaints submitted by all groups of stakeholders. Also acknowledged the results of resolution of the aforesaid complaints.

The Audit Committee is of the opinion that the Bank has made an appropriate and adequate financial report and operated its business in accordance with rules prescribed by the Securities and Exchange Commission, requirements of the Stock Exchange of Thailand and regulations of the Bank of Thailand. The Bank is confident that, with its current internal control system, the financial information is complete, correct and reliable and adequately disclosed.



**(Mr. Surachai Prukbamroong)**  
Chairman of the Audit Committee

# Report of the Nomination and Remuneration Committee

In 2011, the Nomination and Remuneration Committee which was composed of three directors of the Bank, i.e. myself, Mr. Karun Kittisataporn, independent director as Committee Chairman, Mr. Virat Phairatphiboon, independent director and Ms. Nopporn Tirawattanagool, non-executive director as members, held a total of 15 meetings.

The Nomination and Remuneration Committee performed its duties in a prudent manner according to the Charter of the Nomination and Remuneration Committee in relation to policies and criteria for the selection of the Bank's directors, committee members, high-level executives and directors of entities in which the Bank holds at least 50% of the shares as well as policies relating to the determination of remuneration rates and other benefits and the amount of remuneration and other benefits of the Bank's directors, committee members and high-level executives. Among important tasks which were accomplished is the determination of the procedure for the nomination of appropriate persons to the position of directors of companies in the Bank's financial business group. The purpose of the above task is to serve as a guideline for all companies in the Bank's financial business group to ensure their appropriate, correct and aligned practice.

The Nomination and Remuneration Committee placed importance on the consideration and selection of directors and high-level executives, and therefore established additional criteria this year for the selection/ screening of the Bank's directors. For example, candidates for a director position shall possess appropriate professional qualifications and uphold honesty and integrity as well as shall be independent of the group of major shareholders. As regards the consideration of remuneration of directors and high-level executives, the Nomination and Remuneration Committee carefully takes into consideration the appropriate level of remuneration rate that is commensurate with the scope of duties and responsibilities, work performance, operating results and the overall economic condition as well as market competitiveness. The non-executive directors jointly held a meeting in July 2011 in accordance with the guideline established by the Nomination and Remuneration Committee in order to discuss matters of interest. In this regard, the meeting was attended by all non-executive directors.

The Nomination and Remuneration Committee also always attached importance to the human resources management of the Bank and provided comments and recommendations which were beneficial to the human resources management function of the Bank. There was, for example, the recommendation regarding the succession plan and the talent management projects as the Nomination and Remuneration Committee firmly believes that encouraging employees to reach their full potential in order for them to become key drivers of the Bank and to step up as successors to key positions that drive the business is a way to enhance the organization's strength which will, in turn, enable the Bank to achieve excellence and long-term sustainability.



(Karun Kittisataporn)

Chairman of the Nomination and  
Remuneration Committee

# Report of the Independent Certified Public Accountants

To The shareholders and Board of Directors  
Bank of Ayudhya Public Company Limited

We have audited the consolidated statement of financial position of Bank of Ayudhya Public Company Limited and subsidiaries and the Bank's statement of financial position of Bank of Ayudhya Public Company Limited as at December 31, 2011 and 2010 and the related consolidated and Bank's statements of comprehensive income, changes in equity and cash flows for the years then ended. These financial statements are the responsibility of the Bank's management as to their correctness and completeness of the presentation. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the aforementioned consolidated and Bank's financial statements present fairly, in all material respects, the financial position of Bank of Ayudhya Public Company Limited and subsidiaries and of Bank of Ayudhya Public Company Limited as at December 31, 2011 and 2010 and the results of operations and cash flows for the years then ended in conformity with generally accepted accounting principles.

Without qualifying our opinion, as discussed in Note 3 to the financial statements, since January 1, 2011, the Bank, its subsidiaries and associated companies have adopted the new and revised Thai Financial Reporting Standards issued by the Federation of Accounting Professions, which are effective for the financial statements for the accounting periods beginning on or after January 1, 2011 onwards, in the preparation and presentation of these financial statements. The consolidated and the Bank's financial statements for the year ended December 31, 2010, presented herein for comparison, are presented in the new format to conform to the consolidated and the Bank's financial statements for the year ended December 31, 2011.



(Dr. Suphamit Techamontrikul)

Certified Public Accountant (Thailand)  
Registration No. 3356  
Deloitte Touche Tomatsu Jaiyos Audit Co., Ltd.

Bangkok  
February 13, 2012

Financial Position

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENTS OF FINANCIAL POSITION  
AS AT DECEMBER 31, 2011 AND 2010

| Baht : '000                                                            |                                      |                    |                                    |                    |
|------------------------------------------------------------------------|--------------------------------------|--------------------|------------------------------------|--------------------|
|                                                                        | CONSOLIDATED<br>FINANCIAL STATEMENTS |                    | THE BANK'S<br>FINANCIAL STATEMENTS |                    |
|                                                                        | 2011                                 | 2010               | 2011                               | 2010               |
| <b>ASSETS</b>                                                          |                                      |                    |                                    |                    |
| CASH                                                                   | 25,164,847                           | 22,460,979         | 25,140,395                         | 22,447,133         |
| INTERBANK AND MONEY MARKET ITEMS, NET<br>(Note 8.2)                    | 81,817,705                           | 74,526,973         | 80,518,686                         | 72,977,471         |
| CLAIMS ON SECURITY                                                     | 3,845,662                            | 13,346,650         | 3,845,662                          | 13,346,650         |
| DERIVATIVES ASSETS (Note 8.3)                                          | 4,833,556                            | 4,513,532          | 4,833,556                          | 4,513,532          |
| INVESTMENTS, NET (Note 8.4)                                            | 81,203,947                           | 78,359,717         | 80,681,625                         | 77,489,267         |
| INVESTMENTS IN SUBSIDIARIES AND<br>ASSOCIATES, NET (Note 8.5)          | 769,610                              | 728,930            | 33,095,630                         | 36,726,499         |
| LOANS TO CUSTOMERS AND ACCRUED<br>INTEREST RECEIVABLES, NET (Note 8.6) |                                      |                    |                                    |                    |
| Loans to customers                                                     | 751,404,973                          | 674,595,867        | 641,269,203                        | 586,994,011        |
| Accrued interest receivables                                           | 1,858,966                            | 1,723,875          | 1,105,855                          | 776,275            |
| Total loans to customers and accrued<br>interest receivables           | 753,263,939                          | 676,319,742        | 642,375,058                        | 587,770,286        |
| Less Deferred revenue                                                  | (31,898,355)                         | (25,635,619)       | (26,010)                           | (34,210)           |
| Less Allowance for doubtful accounts (Note 8.7)                        | (30,776,291)                         | (33,409,960)       | (19,226,313)                       | (20,154,188)       |
| Less Revaluation allowance for debt<br>restructuring (Note 8.8)        | (502,487)                            | (543,388)          | (26,491)                           | (34,633)           |
| Net loans and accrued interest receivables                             | 690,086,806                          | 616,730,775        | 623,096,244                        | 567,547,255        |
| CUSTOMERS' LIABILITY UNDER ACCEPTANCE                                  | 696,382                              | 752,286            | 696,382                            | 752,286            |
| PROPERTIES FOR SALE, NET (Note 8.9)                                    | 11,737,334                           | 14,726,813         | 5,937,172                          | 7,559,682          |
| PREMISES AND EQUIPMENT, NET (Note 8.10)                                | 17,568,121                           | 17,551,952         | 16,459,672                         | 16,666,916         |
| GOODWILL AND OTHER INTANGIBLE ASSETS, NET<br>(Note 8.11)               | 12,053,632                           | 12,626,731         | 1,647,653                          | 1,368,277          |
| DEFERRED TAX ASSETS (Note 8.12)                                        | 5,630,719                            | 7,585,900          | 2,355,730                          | 3,190,297          |
| OTHER ASSETS, NET (Note 8.13)                                          | 12,389,026                           | 5,922,825          | 8,514,498                          | 4,141,790          |
| <b>TOTAL ASSETS</b>                                                    | <b>947,797,347</b>                   | <b>869,834,063</b> | <b>886,822,905</b>                 | <b>828,727,055</b> |

Notes to the consolidated and the Bank's financial statements form an integral part of these statements

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENTS OF FINANCIAL POSITION (CONTINUED)  
AS AT DECEMBER 31, 2011 AND 2010

| Baht : '000                                          |                                      |                    |                                    |                    |
|------------------------------------------------------|--------------------------------------|--------------------|------------------------------------|--------------------|
|                                                      | CONSOLIDATED<br>FINANCIAL STATEMENTS |                    | THE BANK'S<br>FINANCIAL STATEMENTS |                    |
|                                                      | 2011                                 | 2010               | 2011                               | 2010               |
| <b>LIABILITIES AND EQUITY</b>                        |                                      |                    |                                    |                    |
| DEPOSITS (Note 8.14)                                 | 560,539,821                          | 576,478,804        | 564,178,616                        | 581,241,030        |
| INTERBANK AND MONEY MARKET ITEMS, NET<br>(Note 8.15) | 23,740,707                           | 43,762,352         | 23,646,431                         | 37,787,099         |
| LIABILITY PAYABLE ON DEMAND                          | 1,650,740                            | 1,517,426          | 1,650,740                          | 1,517,426          |
| LIABILITY TO DELIVER SECURITY                        | 3,845,662                            | 13,346,650         | 3,845,662                          | 13,346,650         |
| DERIVATIVES LIABILITIES (Note 8.3)                   | 5,394,125                            | 3,977,871          | 5,397,152                          | 3,977,871          |
| DEBT ISSUED AND BORROWINGS (Note 8.16)               | 208,262,710                          | 99,364,926         | 172,044,802                        | 82,864,926         |
| BANK'S LIABILITY UNDER ACCEPTANCE                    | 696,382                              | 752,286            | 696,382                            | 752,286            |
| PROVISIONS (Note 8.17)                               | 6,896,394                            | 3,689,568          | 5,169,723                          | 2,475,418          |
| DEFERRED TAX LIABILITIES (Note 8.18)                 | 2,275,923                            | 4,039,255          | 1,452,086                          | 2,319,255          |
| OTHER LIABILITIES (Note 8.20)                        | 31,799,288                           | 23,800,877         | 16,189,802                         | 10,557,253         |
| TOTAL LIABILITIES                                    | 845,101,752                          | 770,730,015        | 794,271,396                        | 736,839,214        |
| EQUITY                                               |                                      |                    |                                    |                    |
| SHARE CAPITAL (Note 8.21)                            |                                      |                    |                                    |                    |
| Authorized share capital                             |                                      |                    |                                    |                    |
| 7,089,392,755 ordinary shares of<br>Baht 10 each     | 70,893,928                           | 70,893,928         | 70,893,928                         | 70,893,928         |
| Issued and paid-up share capital                     |                                      |                    |                                    |                    |
| 6,074,143,747 ordinary shares of<br>Baht 10 each     | 60,741,437                           | 60,741,437         | 60,741,437                         | 60,741,437         |
| PREMIUM ON COMMON SHARES                             | 13,802,216                           | 13,802,216         | 13,802,216                         | 13,802,216         |
| OTHER RESERVES                                       | 5,502,959                            | 5,146,733          | 5,506,816                          | 5,150,689          |
| RETAINED EARNINGS                                    |                                      |                    |                                    |                    |
| Appropriated                                         |                                      |                    |                                    |                    |
| Legal reserve                                        | 1,316,500                            | 1,013,500          | 1,316,500                          | 1,013,500          |
| Unappropriated                                       | 21,125,871                           | 18,211,479         | 11,184,540                         | 11,179,999         |
| TOTAL BANK'S EQUITY                                  | 102,488,983                          | 98,915,365         | 92,551,509                         | 91,887,841         |
| NON-CONTROLLING INTEREST                             | 206,612                              | 188,683            | -                                  | -                  |
| TOTAL EQUITY                                         | 102,695,595                          | 99,104,048         | 92,551,509                         | 91,887,841         |
| <b>TOTAL LIABILITIES AND EQUITY</b>                  | <b>947,797,347</b>                   | <b>869,834,063</b> | <b>886,822,905</b>                 | <b>828,727,055</b> |

Notes to the consolidated and the Bank's financial statements form an integral part of these statements

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

  
(Mr. Pongpinit Tejagupta)  
Director

## Comprehensive income

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

Baht : '000

|                                                                             | CONSOLIDATED<br>FINANCIAL STATEMENTS |                  | THE BANK'S<br>FINANCIAL STATEMENTS |                  |
|-----------------------------------------------------------------------------|--------------------------------------|------------------|------------------------------------|------------------|
|                                                                             | 2011                                 | 2010             | 2011                               | 2010             |
| INTEREST INCOME (Note 8.28)                                                 | 56,427,524                           | 47,275,174       | 37,399,255                         | 29,042,815       |
| INTEREST EXPENSES (Note 8.29)                                               | 18,962,792                           | 12,647,144       | 17,977,106                         | 11,959,151       |
| INTEREST INCOME, NET                                                        | 37,464,732                           | 34,628,030       | 19,422,149                         | 17,083,664       |
| FEES AND SERVICE INCOME                                                     | 13,837,950                           | 12,898,138       | 6,374,389                          | 6,231,919        |
| FEES AND SERVICE EXPENSES                                                   | 3,050,715                            | 2,818,628        | 1,334,075                          | 1,558,513        |
| FEES AND SERVICE INCOME, NET (Note 8.30)                                    | 10,787,235                           | 10,079,510       | 5,040,314                          | 4,673,406        |
| GAINS ON TRADINGS AND FOREIGN EXCHANGE<br>TRANSACTIONS, NET (Note 8.31)     | 1,278,253                            | 1,458,946        | 1,225,897                          | 1,424,780        |
| GAINS (LOSSES) ON INVESTMENTS (Note 8.32)                                   | 820,168                              | 250,736          | 1,376,141                          | (267,390)        |
| SHARE OF PROFIT FROM INVESTMENT FOR USING<br>EQUITY METHOD                  | 32,070                               | 144,378          | -                                  | -                |
| DIVIDEND INCOME                                                             | 440,984                              | 393,937          | 3,942,695                          | 4,763,252        |
| BAD DEBTS RECOVERIES                                                        | 2,215,446                            | 1,826,268        | 8,971                              | 13,889           |
| OTHER OPERATING INCOME                                                      | 2,265,423                            | 2,744,843        | 686,272                            | 721,205          |
| TOTAL OPERATING INCOME                                                      | 55,304,311                           | 51,526,648       | 31,702,439                         | 28,412,806       |
| OTHER OPERATING EXPENSES                                                    |                                      |                  |                                    |                  |
| Employee's expenses                                                         | 12,319,064                           | 11,819,881       | 8,226,224                          | 7,906,638        |
| Directors' remuneration                                                     | 32,814                               | 28,173           | 30,427                             | 26,254           |
| Premises and equipment expenses                                             | 4,632,494                            | 4,293,353        | 3,357,146                          | 3,045,840        |
| Taxes and duties                                                            | 1,781,936                            | 1,534,729        | 1,264,900                          | 1,053,289        |
| Others                                                                      | 8,710,412                            | 9,119,517        | 3,807,566                          | 3,854,770        |
| Total other operating expenses                                              | 27,476,720                           | 26,795,653       | 16,686,263                         | 15,886,791       |
| IMPAIRMENT LOSS OF LOANS AND DEBT SECURITIES<br>(Note 8.33)                 | 12,213,516                           | 12,390,937       | 6,408,099                          | 5,564,956        |
| PROFIT FROM OPERATING BEFORE INCOME TAX<br>EXPENSES                         | 15,614,075                           | 12,340,058       | 8,608,077                          | 6,961,059        |
| INCOME TAX EXPENSES (Note 8.34)                                             | 6,310,313                            | 3,523,934        | 2,557,315                          | 918,126          |
| <b>NET PROFIT</b>                                                           | <b>9,303,762</b>                     | <b>8,816,124</b> | <b>6,050,762</b>                   | <b>6,042,933</b> |
| OTHER COMPREHENSIVE INCOME                                                  |                                      |                  |                                    |                  |
| Gains (losses) on remeasuring available-for-sale<br>investment              | (212,752)                            | 404,058          | (212,849)                          | 399,903          |
| Actuarial losses on defined benefit plans                                   | (232,115)                            | -                | (166,483)                          | -                |
| Income (losses) tax relating to components<br>of other comprehensive income | 791,954                              | (116,013)        | 779,086                            | (115,358)        |
| Total other comprehensive income, net                                       | 347,087                              | 288,045          | 399,754                            | 284,545          |
| <b>TOTAL COMPREHENSIVE INCOME</b>                                           | <b>9,650,849</b>                     | <b>9,104,169</b> | <b>6,450,516</b>                   | <b>6,327,478</b> |

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENTS OF COMPREHENSIVE INCOME (CONTINUED)  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

Baht: '000

|                                                     | CONSOLIDATED<br>FINANCIAL STATEMENTS |               | THE BANK'S<br>FINANCIAL STATEMENTS |               |
|-----------------------------------------------------|--------------------------------------|---------------|------------------------------------|---------------|
|                                                     | 2011                                 | 2010          | 2011                               | 2010          |
| NET PROFIT ATTRIBUTABLE                             |                                      |               |                                    |               |
| Owners of the Bank                                  | 9,264,339                            | 8,793,099     | 6,050,762                          | 6,042,933     |
| Non-controlling interest                            | 39,423                               | 23,025        | -                                  | -             |
|                                                     | 9,303,762                            | 8,816,124     | 6,050,762                          | 6,042,933     |
| TOTAL COMPREHENSIVE INCOME<br>ATTRIBUTABLE          |                                      |               |                                    |               |
| Owners of the Bank                                  | 9,611,426                            | 9,080,690     | 6,450,516                          | 6,327,478     |
| Non-controlling interest                            | 39,423                               | 23,479        | -                                  | -             |
|                                                     | 9,650,849                            | 9,104,169     | 6,450,516                          | 6,327,478     |
| <b>EARNINGS PER SHARE OF OWNERS<br/>OF THE BANK</b> |                                      |               |                                    |               |
| BASIC EARNINGS PER SHARE BAHT                       | 1.53                                 | 1.45          | 1.00                               | 0.99          |
| WEIGHTED AVERAGE NUMBER OF<br>COMMON SHARES SHARES  | 6,074,143,747                        | 6,074,143,747 | 6,074,143,747                      | 6,074,143,747 |

Notes to the consolidated and the Bank's financial statements form an integral part of these statements

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

**(Mr. Pongpinit Tejagupta)**  
Director

Changes in equity

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

| CONSOLIDATED FINANCIAL STATEMENTS                    |                          |                         |                                              |                                                                   |                            |                |                     |                          |             |             |
|------------------------------------------------------|--------------------------|-------------------------|----------------------------------------------|-------------------------------------------------------------------|----------------------------|----------------|---------------------|--------------------------|-------------|-------------|
| Owners of the Bank                                   |                          |                         |                                              |                                                                   |                            |                |                     | Non-Controlling Interest | Total       |             |
| Issued and Paid-up Share Capital                     | Premium on Share Capital | Other reserves          |                                              |                                                                   | Retained Earnings          |                | Total Bank's Equity |                          |             |             |
|                                                      |                          | Asset Appraisal Surplus | Revaluation Surplus (Deficit) on Investments | Deferred Tax Relating to Components of Other Comprehensive Income | Appropriated Legal Reserve | Unappropriated |                     |                          |             |             |
| Balance as of January 1, 2010                        | 60,741,437               | 13,802,216              | 7,136,485                                    | 127,946                                                           | (2,187,139)                | 710,500        | 12,082,137          | 92,413,582               | 171,672     | 92,585,254  |
| Change in revaluation surplus                        | -                        | -                       | (311,643)                                    | -                                                                 | 93,493                     | -              | 67,866              | (150,284)                | -           | (150,284)   |
| Dividend payment (Note 8.21.3)                       | -                        | -                       | -                                            | -                                                                 | -                          | (2,428,623)    | (2,428,623)         | (1,815)                  | (2,430,438) |             |
| Increase in legal reserve                            | -                        | -                       | -                                            | -                                                                 | 303,000                    | (303,000)      | -                   | -                        | -           | -           |
| Total comprehensive income                           | -                        | -                       | -                                            | 403,604                                                           | (116,013)                  | -              | 8,793,099           | 9,080,690                | 23,479      | 9,104,169   |
| Change in shareholding in subsidiary company         | -                        | -                       | -                                            | -                                                                 | -                          | -              | -                   | -                        | (4,653)     | (4,653)     |
| Balance as of December 31, 2010                      | 60,741,437               | 13,802,216              | 6,824,842                                    | 531,550                                                           | (2,209,659)                | 1,013,500      | 18,211,479          | 98,915,365               | 188,683     | 99,104,048  |
| Balance as of January 1, 2011 as previously reported | 60,741,437               | 13,802,216              | 6,824,842                                    | 531,550                                                           | (2,209,659)                | 1,013,500      | 18,211,479          | 98,915,365               | 188,683     | 99,104,048  |
| Effects on changes in accounting policy (Note 3.2)   | -                        | -                       | -                                            | -                                                                 | -                          | -              | (1,787,205)         | (1,787,205)              | (4,093)     | (1,791,298) |
| Balance as of January 1, 2011 as adjusted            | 60,741,437               | 13,802,216              | 6,824,842                                    | 531,550                                                           | (2,209,659)                | 1,013,500      | 16,424,274          | 97,128,160               | 184,590     | 97,312,750  |
| Change in revaluation surplus                        | -                        | -                       | (252,589)                                    | -                                                                 | 75,777                     | -              | 176,812             | -                        | -           | -           |
| Dividend Payment (Note 8.21.3)                       | -                        | -                       | -                                            | -                                                                 | -                          | (4,251,901)    | (4,251,901)         | (413)                    | (4,252,314) |             |
| Increase in legal reserve                            | -                        | -                       | -                                            | -                                                                 | 303,000                    | (303,000)      | -                   | -                        | -           | -           |
| Total comprehensive income                           | -                        | -                       | -                                            | (212,752)                                                         | 745,790                    | -              | 9,078,388           | 9,611,426                | 39,423      | 9,650,849   |
| Change in shareholding in subsidiary company         | -                        | -                       | -                                            | -                                                                 | -                          | -              | 1,298               | 1,298                    | (16,988)    | (15,690)    |
| Balance as of December 31, 2011                      | 60,741,437               | 13,802,216              | 6,572,253                                    | 318,798                                                           | (1,388,092)                | 1,316,500      | 21,125,871          | 102,488,983              | 206,612     | 102,695,595 |

Notes to the consolidated and the Bank's financial statements form an integral part of these statements

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENTS OF CHANGES IN EQUITY (CONTINUED)  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

| THE BANK'S FINANCIAL STATEMENTS                      |                                  |                          |                         |                                              |                                                                   |                            |                |             |
|------------------------------------------------------|----------------------------------|--------------------------|-------------------------|----------------------------------------------|-------------------------------------------------------------------|----------------------------|----------------|-------------|
|                                                      | Issued and Paid-up Share Capital | Premium on Share Capital | Other reserves          |                                              |                                                                   | Retained Earnings          |                | Total       |
|                                                      |                                  |                          | Asset Appraisal Surplus | Revaluation Surplus (Deficit) on Investments | Deferred Tax Relating to Components of Other Comprehensive Income | Appropriated Legal Reserve | Unappropriated |             |
| Balance as of January 1, 2010                        | 60,741,437                       | 13,802,216               | 7,136,485               | 135,603                                      | (2,187,794)                                                       | 710,500                    | 7,801,926      | 88,140,373  |
| Change in revaluation surplus                        | -                                | -                        | (311,643)               | -                                            | 93,493                                                            | -                          | 67,866         | (150,284)   |
| Dividend payment (Note 8.21.3)                       | -                                | -                        | -                       | -                                            | -                                                                 | -                          | (2,429,726)    | (2,429,726) |
| Increase in legal reserve                            | -                                | -                        | -                       | -                                            | -                                                                 | 303,000                    | (303,000)      | -           |
| Total comprehensive income                           | -                                | -                        | -                       | 399,903                                      | (115,358)                                                         | -                          | 6,042,933      | 6,327,478   |
| Balance as of December 31, 2010                      | 60,741,437                       | 13,802,216               | 6,824,842               | 535,506                                      | (2,209,659)                                                       | 1,013,500                  | 11,179,999     | 91,887,841  |
| Balance as of January 1, 2011 as previously reported | 60,741,437                       | 13,802,216               | 6,824,842               | 535,506                                      | (2,209,659)                                                       | 1,013,500                  | 11,179,999     | 91,887,841  |
| Effects on changes in accounting policy (Note 3.2)   | -                                | -                        | -                       | -                                            | -                                                                 | -                          | (1,534,947)    | (1,534,947) |
| Balance as of January 1, 2011 as adjusted            | 60,741,437                       | 13,802,216               | 6,824,842               | 535,506                                      | (2,209,659)                                                       | 1,013,500                  | 9,645,052      | 90,352,894  |
| Change in revaluation surplus                        | -                                | -                        | (252,589)               | -                                            | 75,777                                                            | -                          | 176,812        | -           |
| Dividend payment (Note 8.21.3)                       | -                                | -                        | -                       | -                                            | -                                                                 | -                          | (4,251,901)    | (4,251,901) |
| Increase in legal reserve                            | -                                | -                        | -                       | -                                            | -                                                                 | 303,000                    | (303,000)      | -           |
| Total comprehensive income                           | -                                | -                        | -                       | (212,849)                                    | 745,788                                                           | -                          | 5,917,577      | 6,450,516   |
| Balance as of December 31, 2011                      | 60,741,437                       | 13,802,216               | 6,572,253               | 322,657                                      | (1,388,094)                                                       | 1,316,500                  | 11,184,540     | 92,551,509  |

Notes to the consolidated and the Bank's financial statements form an integral part of these statements

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

  
(Mr. Pongpinit Tejagupta)  
Director

# Cash flows

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

Baht : '000

|                                                                                    | CONSOLIDATED<br>FINANCIAL STATEMENTS |              | THE BANK'S<br>FINANCIAL STATEMENTS |              |
|------------------------------------------------------------------------------------|--------------------------------------|--------------|------------------------------------|--------------|
|                                                                                    | 2011                                 | 2010         | 2011                               | 2010         |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                                        |                                      |              |                                    |              |
| Income from operating before income tax expenses                                   | 15,614,075                           | 12,340,057   | 8,608,077                          | 6,961,059    |
| Adjustments to reconcile income to cash received (paid) from operating activities: |                                      |              |                                    |              |
| Depreciation and amortization                                                      | 2,911,417                            | 2,516,796    | 1,596,771                          | 1,398,486    |
| Deferred interest expenses                                                         | 3,479                                | 13,732       | 3,479                              | 13,731       |
| Bad debt and doubtful accounts                                                     | 11,392,085                           | 11,424,807   | 6,291,496                          | 4,567,528    |
| Loss on debt restructuring                                                         | 821,431                              | 966,131      | 116,603                            | 997,429      |
| (Gains) losses on translation in foreign currencies                                | (1,181,685)                          | 1,121,555    | (1,181,685)                        | 1,121,555    |
| Share of profit from investment for using equity method                            | (32,070)                             | (144,378)    | -                                  | -            |
| (Gains) losses on investments                                                      | (820,168)                            | (250,736)    | (1,376,141)                        | 267,390      |
| Excess of net fair value of acquired subsidiaries over purchase cost               | -                                    | (519,444)    | -                                  | -            |
| Increase (decrease) in discount on investments                                     | (106,894)                            | 328,569      | (366,489)                          | (154,463)    |
| Gains on sales of properties for sale                                              | (752,149)                            | (883,034)    | (210,757)                          | (449,507)    |
| (Gains) losses on sales of premises and equipment                                  | (97,591)                             | (82,055)     | 4,491                              | 16,093       |
| Losses on impairment of properties for sale                                        | 739,855                              | 823,752      | 641,104                            | 584,641      |
| Losses on impairment of premises and equipment                                     | -                                    | -            | 5,462                              | -            |
| Losses on impairment of other assets (Reversal)                                    | (56,897)                             | -            | (66,951)                           | -            |
| (Increase) decrease in other reserves                                              | 566,053                              | (379,535)    | 679,441                            | (379,565)    |
| Interest income, net                                                               | (37,464,732)                         | (34,628,030) | (19,422,149)                       | (17,083,664) |
| Interest received                                                                  | 56,190,152                           | 47,696,815   | 36,962,412                         | 29,396,189   |
| Interest paid                                                                      | (19,175,230)                         | (11,714,892) | (16,950,367)                       | (11,070,384) |
| Dividend income                                                                    | (440,984)                            | (393,937)    | (3,942,695)                        | (4,763,252)  |
| Dividend received                                                                  | 435,056                              | 379,469      | 453,852                            | 393,687      |
| Increase (decrease) in other accrued expenses                                      | (187,631)                            | 823,614      | 80,260                             | 112,062      |
| Income tax paid                                                                    | (4,950,313)                          | (4,126,140)  | (1,082,487)                        | (1,219,242)  |
| Income from operations before changes in operating assets and liabilities          | 23,407,259                           | 25,313,116   | 10,843,727                         | 10,709,773   |
| (Increase) decrease in operating assets                                            |                                      |              |                                    |              |
| Interbank and money market items                                                   | (6,821,699)                          | (21,810,348) | (7,391,504)                        | (23,385,556) |
| Derivatives assets                                                                 | (319,580)                            | (1,845,911)  | (319,580)                          | (1,845,911)  |
| Current investments - securities for trading                                       | 3,302,472                            | (2,643,103)  | 3,302,472                          | (2,046,916)  |
| Loans to customers                                                                 | (84,472,041)                         | (64,681,099) | (59,916,966)                       | (34,202,543) |
| Properties for sale                                                                | 3,282,853                            | 3,737,274    | 1,473,242                          | 2,250,465    |
| Other assets                                                                       | (4,863,148)                          | 965,389      | (4,541,807)                        | 1,062,059    |
| Increase (decrease) in operating liabilities                                       |                                      |              |                                    |              |
| Deposits                                                                           | (16,020,363)                         | 56,284,843   | (17,155,453)                       | 56,843,133   |
| Interbank and money market items                                                   | (20,046,032)                         | 8,270,313    | (1,452,455)                        | 4,527,753    |
| Liability payable on demand                                                        | 133,217                              | (234,940)    | 133,217                            | (234,940)    |
| Derivatives liabilities                                                            | 1,415,838                            | 1,517,020    | 1,418,865                          | 1,519,088    |
| Other liabilities                                                                  | 8,949,166                            | 5,365,417    | 4,532,389                          | 516,906      |
| Net cash from operating activities                                                 | (92,052,058)                         | 10,237,971   | (69,073,853)                       | 15,713,311   |

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENTS OF CASH FLOWS (CONTINUED)  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

Baht : '000

|                                                                        | CONSOLIDATED<br>FINANCIAL STATEMENTS |                   | THE BANK'S<br>FINANCIAL STATEMENTS |                   |
|------------------------------------------------------------------------|--------------------------------------|-------------------|------------------------------------|-------------------|
|                                                                        | 2011                                 | 2010              | 2011                               | 2010              |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                            |                                      |                   |                                    |                   |
| Proceeds from sales of investments - securities available-for-sale     | 727,926,731                          | 552,411,988       | 727,808,172                        | 553,430,424       |
| Cash paid for purchases of investments - securities available-for-sale | (734,301,168)                        | (559,935,053)     | (734,384,247)                      | (559,410,814)     |
| Proceeds from repatriation of subsidiaries                             | -                                    | -                 | 5,399,967                          | -                 |
| Dividend income from subsidiaries                                      | -                                    | -                 | 3,502,762                          | 4,370,114         |
| Cash paid for investment in subsidiaries                               | (999,462)                            | -                 | (999,462)                          | -                 |
| Cash paid for purchase of shares in subsidiaries                       | (15,561)                             | (7,130)           | (213,664)                          | (758,428)         |
| Proceeds from sales of premises and equipment                          | 98,872                               | 394,024           | 29,342                             | 86,378            |
| Cash paid for purchases of premises and equipment                      | (1,643,630)                          | (1,088,263)       | (1,050,552)                        | (559,255)         |
| Cash paid for purchases of other assets                                | (584,766)                            | (521,908)         | (493,176)                          | (391,363)         |
| Net cash from investing activities                                     | (9,518,984)                          | (8,746,342)       | (400,858)                          | (3,232,944)       |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                            |                                      |                   |                                    |                   |
| Proceeds from debt issued and borrowing                                | 343,911,569                          | 123,543,900       | 311,481,061                        | 113,343,900       |
| Cash paid for repayment of debts issued and borrowing                  | (235,013,785)                        | (120,737,817)     | (235,013,785)                      | (120,737,816)     |
| Cash paid for liabilities under finance lease agreements               | (143,580)                            | (219,078)         | (143,580)                          | (219,078)         |
| Dividend payment                                                       | (4,251,901)                          | (2,428,623)       | (4,251,901)                        | (2,429,726)       |
| Net cash from financing activities                                     | 104,502,303                          | 158,382           | 72,071,795                         | (10,042,720)      |
| Total                                                                  | 2,931,261                            | 1,650,011         | 2,597,084                          | 2,437,647         |
| Effect of exchange rate change on cash                                 | 96,178                               | (70,995)          | 96,178                             | (70,995)          |
| Net increase in cash and cash equivalents                              | 3,027,439                            | 1,579,016         | 2,693,262                          | 2,366,652         |
| Cash and cash equivalents as at January 1,                             | 23,075,424                           | 21,496,408        | 22,447,133                         | 20,080,481        |
| <b>Cash and cash equivalents as at December 31,</b>                    | <b>26,102,863</b>                    | <b>23,075,424</b> | <b>25,140,395</b>                  | <b>22,447,133</b> |

Notes to the consolidated and the Bank's financial statements form an integral part of these statements



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



(Mr. Pongpinit Tejagupta)  
Director

Notes to the Consolidated and the Bank's Financial Statements |

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

1. General Information

Bank of Ayudhya Public Company Limited ("the Bank") is a public company registered in the Kingdom of Thailand with its head office located at 1222 Rama III Road, Bang Phongphang Subdistrict, Yannawa District, Bangkok. The Bank's main business is commercial banking and the Bank conducts its business through a network of branches throughout Thailand and other countries. As at December 31, 2011 and 2010, the Bank has 17 subsidiaries and 18 subsidiaries, respectively as follows:

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

The subsidiary delisted its ordinary shares and warrants from The Stock Exchange of Thailand ("the SET") when The Board of Governors of the SET approved the delisting of the Company's ordinary shares and warrants on June 12, 2007.

On June 18, 2011, Ayudhya Auto Lease Public Company Limited transferred its entire business to Ayudhya Capital Auto Lease Public Company Limited at net book value of Baht 65 million, having total assets and total liabilities of Baht 144 million and Baht 79 million, respectively on the transfer date. On September 23, 2011, the extraordinary shareholders' meeting of Ayudhya Auto Lease Public Company Limited approved a resolution to liquidate with an effective date on September 30, 2011. Currently, the subsidiary is in the process of liquidation.

- 1.3 Ayudhya Capital Auto Lease Public Company Limited, incorporated in Thailand since November 27, 1995 and located at 87/1, Fl 3, Capital Tower, and 87/2, Fl 30, CRC Tower, All Seasons Place, Wireless Road, Lumpini Subdistrict, Patumwan District, Bangkok. The subsidiary's main business is auto hire purchase, leasing service and refinancing to individual and corporate customers.
- 1.4 Ayudhya Total Solutions Public Company Limited, incorporated in Thailand since May 9, 1994 to carry out the financial and security businesses. On December 7, 2006, the subsidiary was granted a banking license from the Bank of Thailand and it had changed its operation to be banking business since March 6, 2007. The registered office is located at 550 Bank of Ayudhya Building Ploenchit office, F 17, Ploenchit Road, Lumpini Subdistrict, Patumwan District, Bangkok. The subsidiary's main business is hire purchase.

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

On January 18, 2011, the extraordinary shareholders' meeting of Ayudhya Total Solution Public Company Limited No.1/2011, approved the entire business transfer by transferring all assets and liabilities to Ayudha Capital Auto Lease Public Co., Ltd. The subsidiary's management plans to dissolve the Company in 2012.

- 1.5 CFG Services Company Limited, incorporated in Thailand since October 24, 2006, and located at 89/170 Juthamard Building, Fl 4, 5 and 10 Moo 3, Viphavadee Rangsit Road, Talad Bangkhen Subdistrict, Laksi District, Bangkok. The subsidiary's main business is hire purchase loan and secured personal loan for vehicles and motorcycles.
- 1.6 Ayudhya Card Services Company Limited, incorporated in Thailand since December 4, 1997, and located at 550 Bank of Ayudhya Building Ploenchit office, Fl 7, Ploenchit Road, Lumpini Subdistrict, Patumwan District, Bangkok. The subsidiary's main business is credit cards and personal loans.
- 1.7 Ayudhya Capital Services Company Limited, incorporated in Thailand since November 9, 1994 and located at 87/1, Capital Tower, All Seasons Place, Fl 1-6 and 8-11, Wireless Road, Lumpini Subdistrict, Pathumwan District, Bangkok. The subsidiary's main business is credit cards and personal loans.

On March 1, 2011, Ayudhya Capital Services Company Limited ("AYCAP"), has additionally invested in Tesco Card Services Limited ("TCS") by 1%, resulting in total holding at 50%.

- 1.8 General Card Services Limited, incorporated in Thailand since January 24, 1995 and located at 87/1, Capital Tower, All Seasons Place, Fl 1-6 and 8, Wireless Road, Lumpini Subdistrict, Pathumwan District, Bangkok. The subsidiary's main business is credit cards and personal loans.
- 1.9 Krungsriayudhya Card Company Limited, incorporated in Thailand since August 29, 1996 and located at 87/1, Capital Tower, All Seasons Place, Fl 1-6 and 8-11, Wireless Road, Lumpini Subdistrict, Pathumwan District, Bangkok. The subsidiary's main business is credit cards and personal loans.

The subsidiary was owned by Bank of Ayudhya Public Company Limited and Ayudhya Capital Services Company Limited equally, with 49.99% shareholding each. The entity changed its status from being an associated company to a subsidiary as a result of the acquisition by Ayudhya Capital Services Company Limited on November 5, 2009.

On September 29, 2010, the Bank purchased shares of Krungsriayudhya Card Company Limited from Ayudhya Capital Services Company Limited and revised its shareholding structure in Krungsriayudhya Card Company Limited from direct and indirect holding of 99.99% to direct holding of 99.99%.

- 1.10 Siam Realty and Services Company Limited, incorporated in Thailand since June 20, 1988, and located at 1222 Rama III Road, Bang Pongphang Subdistrict, Yannawa District, Bangkok. The subsidiary's main business is car leasing and personnel services.
- 1.11 Total Services Solutions Public Company Limited, incorporated as a public company limited in Thailand since May 19, 1997 and located at 87/1, Capital Tower, and 87/2, CRC Tower, All Seasons Place, Wireless Road, Lumpini Subdistrict, Pathumwan District, Bangkok. The subsidiary's main business is providing collection services.
- 1.12 Krungsri Asset Management Company Limited (formerly Ayudhya Fund Management Company Limited), incorporated in Thailand since December 19, 1996 and located at 898 Ploenchit Tower Building, Fl 11 and Fl 12, Ploenchit Road, Lumpini Subdistrict, Patumwan District, Bangkok. The subsidiary's main business is mutual funds and individual private fund management.

- 1.13 Krungsri Ayudhya AMC Limited (formerly Ayudhya Asset Management Company Limited), incorporated in Thailand since August 18, 2000 and located at 1222 Rama III Road, Bang Pongphang Subdistrict, Yannawa District, Bangkok. The subsidiary's main business is to develop, manage and sell assets transferred from financial institutions.
- On July 21, 2011, Ayudhya Asset Management Company Limited has registered to change the Company name in English from Ayudhya Asset Management Company Limited to Krungsri Ayudhya AMC Limited.

- 1.14 Krungsri Securities Public Company Limited (formerly Ayudhya Securities Public Company Limited), incorporated in Thailand since April 16, 2004, and located at 550 Bank of Ayudhya Building Ploenchit Office, Fl 5, Ploenchit Road, Lumpini Subdistrict, Patumwan District, Bangkok. The subsidiary's main business is securities.

- 1.15 Ayudhya Factoring Company Limited, incorporated in Thailand since February 1, 2007 and located at 550 Bank of Ayudhya Building Ploenchit Office, Fl 3, Ploenchit Road, Lumpini Subdistrict, Patumwan District, Bangkok. The subsidiary's main business is factoring.

- 1.16 Krungsri Life Assurance Broker Limited (Formerly Quality Life Assurance Broker Company Limited), which was previously 24.99% held by Ayudhya Capital Services Company Limited, the Bank's subsidiary, incorporated in Thailand since March 2, 2007 and located at 87/1, Capital Tower, All Seasons Place, Fl 11, Wireless Road, Lumpini Subdistrict, Pathumwan District, Bangkok. The subsidiary's main business is life assurance broker business. Then, on October 21, 2010, Ayudhya Capital Services Company Limited purchased shares of Quality Life Assurance Broker Company Limited and revised it shareholding structure in Quality Life Assurance Broker Company Limited to holding of 99.99%.

- 1.17 Krungsri General Insurance Broker Limited (Formerly Quality General Insurance Broker Company Limited), which was previously 24.99% held by Ayudhya Capital Services Company Limited, the Bank's subsidiary, incorporated in Thailand since March 2, 2007 and located at 87/1, Capital Tower, All Seasons Place, Fl 11, Wireless Road, Lumpini Subdistrict, Pathumwan District, Bangkok. The subsidiary's main business is general insurance broker business. Then, on October 21, 2010, Ayudhya Capital Services Company Limited purchased shares of Quality General Insurance Broker Company Limited and revised its shareholding structure in Quality General Insurance Broker Company Limited to holding of 99.99%.

During 2011, the Bank has one subsidiary which was dissolved as follows:

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

On December 5, 2008, the subsidiary transferred its entire business to Ayudhya Capital Auto Lease Public Company Limited and an extraordinary shareholders' meeting of the subsidiary approved a resolution to liquidate the subsidiary on December 17, 2008, with an effective date on December 26, 2008. The subsidiary was dissolved on December 13, 2011.

2. Basis for Preparation of the Consolidated and the Bank’s Financial Statements

2.1 The consolidated and the Bank’s financial statements have been prepared in accordance with the regulation of the Stock Exchange of Thailand dated January 22, 2001, regarding the Preparation and Filing of Financial Statements and Reports on Financial Status and Results of Operations of Listed Companies, B.E. 2544, where the form of financial statements is based on Thai Accounting Standard No. 1 (Revised 2009) "Presentation of Financial Statements", including the Procedures, Policies and Presentation in accordance with the Bank of Thailand ("BOT") Notification regarding the Preparation and Announcement of Financial Statements of Commercial Banks and Holding Companies of Financial Industry dated December 3, 2010. The financial statements for the year ended December 31, 2010, presented for comparison, have been reclassified accordingly (see Note 8.36).

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

The Bank prepares its statutory financial statements in the Thai language in conformity with Thai accounting standards and Notifications noted above. The accompanying financial statements and disclosures are prepared in accordance with accounting principles and practices generally accepted in Thailand. However, for the convenience of readers, the Bank also prepares its financial statements in English, by translating from the Thai version.

Financial Reporting Standards announced but not effective in 2011

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

TAS

|                       |                                                  |
|-----------------------|--------------------------------------------------|
| TAS 12 (Revised 2009) | Income Taxes                                     |
| TAS 21 (Revised 2009) | The Effects of Changes in Foreign Exchange Rates |

TFRI

|         |                                                                           |
|---------|---------------------------------------------------------------------------|
| TFRI 21 | Income Taxes - Recovery of Revalued Non-Depreciable Assets                |
| TFRI 25 | Income Taxes - Changes in the Tax Status of an Entity or its Shareholders |

The Bank and subsidiaries had early adopted TAS 12 Income Taxes and relevant TFRI 21 and 25 in 2009 and 2010. For TAS 21, the Bank and subsidiaries’ managements are still evaluating the first-year impact on the financial statements.

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

| Business Type                                            |                                    | Percentage of Holdings<br>As at December 31, |       |
|----------------------------------------------------------|------------------------------------|----------------------------------------------|-------|
|                                                          |                                    | 2011                                         | 2010  |
| Subsidiaries                                             |                                    |                                              |       |
| Ayudhya Development Leasing Company Limited              | Leasing and hire purchase          | 99.99                                        | 99.99 |
| Ayudhya Auto Lease Public Company Limited <sup>(1)</sup> | Hire purchase                      | 99.79                                        | 99.79 |
| Ayudhya Capital Lease Company Limited <sup>(2)</sup>     | Hire purchase                      | -                                            | 99.99 |
| Ayudhya Capital Auto Lease Public Company Limited        | Hire purchase and auto leasing     | 99.99                                        | 99.99 |
| Ayudhya Total Solutions Public Company Limited           | Hire purchase                      | 99.81                                        | 99.81 |
| CFG Services Company Limited                             | Hire purchase and motorcycle loans | 99.99                                        | 99.99 |
| Ayudhya Card Services Company Limited                    | Credit cards and personal loans    | 99.99                                        | 99.99 |
| Ayudhya Capital Services Company Limited                 | Credit cards and personal loans    | 99.99                                        | 99.99 |
| General Card Services Limited                            | Credit cards and personal loans    | 99.99                                        | 99.99 |
| Krungsriayudhya Card Company Limited                     | Credit cards and personal loans    | 99.99                                        | 99.99 |
| Siam Realty and Services Company Limited                 | Car leasing and personnel services | 99.99                                        | 99.99 |
| Total Service Solutions Public Company Limited           | Collection services                | 99.99                                        | 99.99 |
| Krungsri Asset Management Company Limited                | Fund management                    | 76.59                                        | 76.59 |
| (Formerly Ayudhya Fund Management Company Limited)       |                                    |                                              |       |
| Krungsri Ayudhya AMC Limited                             | Asset management                   | 99.99                                        | 99.99 |
| (Formerly Ayudhya Asset Management Company Limited)      |                                    |                                              |       |
| Krungsri Securities Public Company Limited               | Securities                         | 88.13                                        | 86.33 |
| (Formerly Ayudhya Securities Public Company Limited)     |                                    |                                              |       |
| Ayudhya Factoring Company Limited                        | Factoring                          | 99.99                                        | 99.99 |
| Krungsri Life Assurance Broker Limited <sup>(3)</sup>    | Life assurance broker              | 99.99                                        | 99.99 |
| (Formerly Quality Life Assurance Broker Limited          |                                    |                                              |       |
| Krungsri General Insurance Broker Limited <sup>(3)</sup> | General insurance broker           | 99.99                                        | 99.99 |
| (Formerly Quality General Insurance Broker Limited)      |                                    |                                              |       |

<sup>(1)</sup> Subsidiary is under the liquidation process  
<sup>(2)</sup> Subsidiary registered the completion of liquidation in 2011  
<sup>(3)</sup> Indirectly holding via Ayudhya Capital Services Company Limited of 99.99%

All material intercompany transactions and balances have been eliminated.

2.3 The consolidated financial statements for the years ended December 31, 2011 and 2010, included financial statements of certain subsidiaries, prepared by subsidiaries’ managements, which have not been audited by the auditors as follows:

|                                                          |    |
|----------------------------------------------------------|----|
| Unit: Million Baht                                       |    |
| Net Profit                                               |    |
| For the year ended December 31, 2011                     |    |
| Ayudhya Auto Lease Public Company Limited <sup>(1)</sup> | 16 |
| For the year ended December 31, 2010                     |    |
| Ayudhya Capital Lease Company Limited <sup>(2)</sup>     | 13 |

<sup>(1)</sup> Subsidiary is under the liquidation process.  
<sup>(2)</sup> Subsidiary registered the completion of liquidation in 2011.

### 3. Adoption of new and Revised Thai Financial Reporting Standards

Since January 1, 2011, the Bank and its subsidiaries have adopted the new and revised Thai Financial Reporting Standards (TFRS) issued by the Federation of Accounting Professions, which are effective for the financial statements for the accounting periods beginning on or after January 1, 2011 onwards, in the preparation of financial statements. Such TFRS have no significant impact on the Bank, its subsidiaries and associates’ financial statements except for the following TFRS:

3.1 TAS 1 (Revised 2009) "Presentation of Financial Statements"

TAS 1 (Revised 2009) "Presentation of Financial Statements" changed requirements about the presentation in the financial statements. Therefore, it affected the reclassifications in the consolidated and the Bank's financial statements for the year ended December 31, 2010, presented for comparison.

3.2 TAS 19 "Employee Benefits"

The accounting policy of the following employment benefits has been adopted in order to comply with TAS 19 (See Note 5.12). The Bank and its subsidiaries elected to recognize past service costs by adjusting the beginning retained earnings as at January 1, 2011, to be in compliance with the transitional provision of such accounting standard and the Bank and its subsidiaries adjusted cumulative benefit from carried forward leave with the beginning retained earnings as at January 1, 2011.

Effects of the adoption of the accounting policy on the financial statements as at January 1, 2011 are as follows:

|                                                                      | Unit : Million Baht                       |                                         |
|----------------------------------------------------------------------|-------------------------------------------|-----------------------------------------|
|                                                                      | CONSOLIDATED<br>FINANCIAL STATEMENTS 2011 | THE BANK'S<br>FINANCIAL STATEMENTS 2011 |
| <b>Retained earnings - Unappropriated</b>                            |                                           |                                         |
| Beginning balance as at January 1 before change in accounting policy | 18,211                                    | 11,180                                  |
| Increase in investment in associates                                 | 1                                         | -                                       |
| Increase in deferred tax assets                                      | 758                                       | 658                                     |
| Decrease in non-controlling interest                                 | 4                                         | -                                       |
| Increase in provision                                                | (2,550)                                   | (2,193)                                 |
| Beginning balance as at January 1 after change in accounting policy  | 16,424                                    | 9,645                                   |
| <b>Investment in associates</b>                                      |                                           |                                         |
| Beginning balance as at January 1 before change in accounting policy | 729                                       | -                                       |
| Increase in investment in associates                                 | 1                                         | -                                       |
| Beginning balance as at January 1 after change in accounting policy  | 730                                       | -                                       |
| <b>Deferred tax assets</b>                                           |                                           |                                         |
| Beginning balance as at January 1 before change in accounting policy | 7,586                                     | 3,190                                   |
| Increase in deferred tax assets                                      | 758                                       | 658                                     |
| Beginning balance as at January 1 after change in accounting policy  | 8,344                                     | 3,848                                   |
| <b>Provision</b>                                                     |                                           |                                         |
| Beginning balance as at January 1 before change in accounting policy | -                                         | -                                       |
| Increase in provision                                                | 2,550                                     | 2,193                                   |
| Beginning balance as at January 1 after change in accounting policy  | 2,550                                     | 2,193                                   |
| <b>Non-controlling interest</b>                                      |                                           |                                         |
| Beginning balance as at January 1 before change in accounting policy | 189                                       | -                                       |
| Decrease in non-controlling interest                                 | (4)                                       | -                                       |
| Beginning balance as at January 1 after change in accounting policy  | 185                                       | -                                       |

3.3 TAS 16 "Property, Plant and Equipment"

The Bank had adopted TAS 16 "Property, Plant and Equipment" for the amortisation of premises revaluation surplus from gradually recognizing in the statement of comprehensive income to recognizing directly to retained earnings. As a result, the Bank's operating income before income tax for the year ended December 31, 2011 decreased by Baht 253 million.

### 4. Changes in Accounting Estimates

Re-measurement of deferred tax assets/liabilities due to the change in corporate income tax rate

On October 11, 2011, the Thai Cabinet approved a reduction of the corporate income tax rate from 30% to 23% of profits for companies or juristic partnerships with a 2012 accounting period ending on or after December 31, 2012, and from 23% to 20% for companies or juristic partnerships with the accounting period beginning on or after January 1, 2013. Subsequently, the Royal Decree No.530 B.E.2554, issued under the Revenue Code regarding the corporate income tax rate reduction effective on December 22, 2011, was announced for the reduction of the corporate income tax rate for only 3 consecutive accounting periods beginning on or after January 1, 2012.

Based on the aforementioned information and the guideline of the Federation of Accounting Professions ("FAP"), the Bank assumes that the related tax law will be amended in order that the corporate income tax rate for the accounting period beginning on or after January 1, 2015 will not be over 20% to comply with the Cabinet's Resolution regarding corporate income tax rate reduction. As a result, the Bank uses the tax rate as approved by the Cabinet in order to re-measure deferred tax assets/ liabilities.

The effects of this change in the corporate tax rate on the consolidated and the Bank's financial statements as at December 31, 2011 are as follows:

|                                                                                    | Unit : Million Baht                  |                                    |
|------------------------------------------------------------------------------------|--------------------------------------|------------------------------------|
|                                                                                    | CONSOLIDATED<br>FINANCIAL STATEMENTS | THE BANK'S<br>FINANCIAL STATEMENTS |
| <b>STATEMENTS OF FINANCIAL POSITION<br/>AS AT DECEMBER 31, 2011</b>                |                                      |                                    |
| Decrease in deferred tax assets                                                    | (2,488)                              | (1,140)                            |
| Decrease in deferred tax liabilities                                               | (1,033)                              | (705)                              |
| Decrease in total equity                                                           | (1,455)                              | (435)                              |
| <b>STATEMENTS OF COMPREHENSIVE INCOME<br/>FOR THE YEAR ENDED DECEMBER 31, 2011</b> |                                      |                                    |
| Increase in share of profit from investment for using equity method                | 33                                   | -                                  |
| Increase in income tax expenses                                                    | 2,085                                | 1,096                              |
| Decrease in net profit                                                             | (2,118)                              | (1,096)                            |
| Increase in income tax relating to components of other comprehensive income        | 655                                  | 663                                |
| Decrease in total comprehensive income                                             | (1,463)                              | (433)                              |

### 5. Significant Accounting Policies

5.1 Cash and cash equivalents

In the Bank's statement of cash flows, cash and cash equivalents consist of cash on hand and cash on collection of the Bank, in accordance with the Bank of Thailand's Notification regarding the Preparation and Announcement of Financial Statements of Commercial Banks and Holding Companies of Financial Industry dated December 3, 2010.

In the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents of the Bank and cash on hand, deposits at banks except for fixed deposits which terms are greater than 3 months and deposits at banks used as collaterals, and investments with maturities of 3 months or less of subsidiaries.

5.2 Investments

The Bank and subsidiaries' investments which consist of debt securities and equity securities are classified as either trading securities, available-for-sale securities, held-to-maturity securities or general investments.

In addition, the Bank complies with the BOT's Notification dated December 3, 2010 regarding the Preparation and Announcement of Financial Statements of Commercial Banks and Holding Companies of Financial Industry, requiring commercial banks to present the investments as investments, net and investments in subsidiaries and associates companies, net.

Investments are initially recognized on the trade date.

Trading securities represent securities acquired with the intent to hold short-term as management acquires those securities with the intent to take advantage of anticipated changes in market values. Trading securities are carried at fair value. Realized gains or losses from the sales of trading securities and unrealized gain or losses on the changes in fair value are recognized as gains (losses) on tradings and foreign exchange transactions in statements of comprehensive income. Interest earned and dividend on trading securities are recognized using the accrual basis of accounting as interest income and other operating income, respectively.

Debt securities which the Bank and subsidiaries have the intent and ability to hold until maturity are classified as held-to-maturity and carried at the amortized cost, net of valuation allowances for impairment, if any. Valuation allowances are established to recognize an unrealized loss in the statement of comprehensive income when impairment is determined by management. In addition, the Bank classifies the rights of the Bank over the non-negotiable promissory notes, which are availed by the Financial Institutions Development Fund (FIDF) issued by the Thai Asset Management Corporation (TAMC) under the Asset Transfer Agreement for transfer of sub-quality assets, as investment in the category of debt securities held-to-maturity.

Debt and equity securities with readily determinable market values that are not classified as either trading securities or held-to-maturity securities are classified as available-for-sale securities. The unrealized gains or losses related to available-for-sale securities are reported as other comprehensive income in equity until permanent decline in value occurred or realized upon the sale or disposition of such securities. Loss on impairment and gain or loss on disposal are recognized in the statements of comprehensive income.

Non-marketable equity securities and marketable equity securities acquired from troubled debt restructuring are classified as general investments and carried at cost, net of valuation allowances for impairment, if any. Valuation allowances are established to recognize an unrealized loss in the statements of comprehensive income when impairment is determined by management.

Foreign sector debt securities include investments in Collateralized Debt Obligations and Structured Deposits which are classified as securities for trading and carried at fair value. Gain or loss on the changes in fair value are recognized as gains (losses) on tradings and foreign exchange transactions.

Premiums and discounts are amortized and accreted into income as adjustments to interest income using the effective interest rate method.

In the consolidated financial statements, investments in associated companies are accounted for by the equity method. In the Bank's financial statements, investments in subsidiaries and associated companies are accounted for by the cost method.

When an investment is assessed as being impaired, the amount of impairment is recognized as expense in the statements of comprehensive income.

Fair value or market value of securities is calculated on the following basis:

1. For Government bonds and state enterprise bonds, the fair values of these securities are estimated by using the BOT's formula, based on The Thai Bond Market Association's Yield Curve at the reporting date.
2. For private sector debt and equity securities which are listed securities and securities in The Thai Bond Market Association, market values are estimated using the bidding prices at The Stock Exchange of Thailand and The Thai Bond Market Association at the reporting date.
3. For private sector debt securities which are non-listed securities, the last closing prices of The Thai Bond Market Association are used to estimate fair value. In the absence of such prices, fair value is estimated by applying the aforementioned risk adjusted yield curve, in accordance with the criteria established by the BOT.
4. For foreign sector debt securities, market values are estimated using the average prices calculated by arrangers at the reporting date.
5. The fair value of unit trusts is estimated based on the net asset value at the reporting date.

Equity securities which are non-listed securities are stated at cost, except in the case where a permanent decline in value is deemed to have occurred with the loss charged to the statements of comprehensive income.

Cost of securities sold during the year is computed by using the weighted average method. Realized gain or loss from sales of debt and equity securities are included in the statements of comprehensive income.

### 5.3 Loans to customers

Overdrafts are stated at the drawn amounts including interest.

Hire purchase receivable and finance lease receivable are carried at contract amount plus prepaid commission expense.

Other loans are stated at the principal amounts.

Unearned discount from notes, unearned interest income and deferred subsidy income are presented in deferred revenue.

### 5.4 Allowance for doubtful accounts

Allowance for doubtful accounts is determined through methods in accordance with the Bank of Thailand's regulations. The Bank and its subsidiaries categorize their loan portfolio into six categories and determine allowance for doubtful accounts subject to different levels of provisioning. Allowance for doubtful accounts for loans classified as normal and special mention are calculated based on the minimum percentage in accordance with the BOT's guidelines by using the value of collateral for calculation of reserve. For loans classified as substandard, doubtful and doubtful of loss, the allowance rate is 100 percent of the difference between the outstanding loan value and present value of expected cash flow from proceeds from disposal of the collateralized assets which excludes collateral in the form of machinery. With the exception of a subsidiary that carries out a leasing business, the reserve calculation is determined by including the value of machinery as collateral. In addition, the Bank and subsidiaries estimate an additional allowance for doubtful debts over the minimum percentage as specified in the BOT's guidelines.

Subsidiaries involved in hire purchase businesses, with qualified portfolios under the BOT regulations, calculate allowance for doubtful accounts by using the collective approach which classifies a group of loans having similar credit risk characteristics based on the historical loss experience of each loan category.

Subsidiaries involved in the securities business provide an allowance for doubtful debts based on a review of the debtor's ability to make repayment, taking into consideration recovery risk and the value of the collateral. Such debt classifications and provisions are made in accordance with the guidelines of the Securities and Exchange Commission regarding "Accounting policies on Securities Companies' Substandard Account Receivable", and consideration of other relevant factors.

Loans to customers are written-off in the year that they are determined to be irrecoverable. Bad debts written-off during the year are recorded as a deduction from the allowance for doubtful accounts. Bad debt and doubtful accounts are shown as expenses in the statements of comprehensive income.

Bad debts recovered are recorded as income in the statements of comprehensive income when received.

### 5.5 Troubled debt restructuring

Losses on troubled debt restructurings resulting from the reduction of principal and accrued interest and other modifications of terms, asset transfers, equity securities transfers, etc. are recognized as expenses in the statements of comprehensive income.

For troubled debt restructurings with a modification of terms, the Bank has applied the BOT's criteria requiring the Bank to choose between the collateral method to estimate a loss amount or the net present value method which represents expected future cash flows by applying the discounted market interest rate on the restructuring date. Losses from such debt restructurings are recognized in the statements of comprehensive income.

The Bank has recalculated the fair value of restructured debts based on the aforementioned discount interest rate as of the date of the monthly financial statements and adjusted the valuation on debt restructured for any change, in accordance with the BOT's criteria. The valuation adjustment on restructured debt shall not cause the book value of restructured debt to exceed the investment value on restructured debt.

Restructured debt with assets or equity securities transferred for debt repayment either in whole or in part are recorded at the fair value, net of estimated selling expenses, not to exceed the investment value on such debt and the right-to-claim interest income.

For investments in receivables subsequently restructured, the Bank has calculated the fair value of restructured debt as of the restructuring date and recognized the difference between book value and fair value in the statements of comprehensive income for the period and classified investments in receivables as loans in accordance with the BOT's criteria.

5.6 Properties for sale

Properties for sale consist of immovable and movable properties which are recorded at the lower of net investment in the loan plus accrued interest (including previously unrecognized contractual interest) or fair value of the property as of the date of foreclosure.

According to the BOT’s guideline Phor.Nor.Sor.(21)Wor.2470/2009 dated December 9, 2009 regarding the guideline for financial institution appraisal of collateral and properties foreclosed from debt repayment, the Bank complied with this guideline by having properties for sale with book value not over Baht 50 million appraised by the Bank’s appraisers and those over Baht 50 million appraised by independent appraisers.

The Bank and subsidiaries provided the allowance for impairment of properties for sale as disclosed in note 7.3.

Losses on impairment of properties for sale are shown as an expense in the statements of comprehensive income.

Gains or losses on the disposal of such properties are realized upon disposition of the underlying asset and are included in other operating income in the statements of comprehensive income.

5.7 Property, premises and equipment

Land is stated at the appraised value. Premises are stated at the appraised value less accumulated depreciation.

Equipment is stated at cost less accumulated depreciation.

Revaluation of assets

Land and premises have been revalued by independent appraisers based on the market value for land and depreciated replacement cost for premises. For the portion of land and premises which have been revalued, the increments above the previous appraisal are recorded in land revaluation surplus and premises revaluation surplus accounts. In case of a revaluation decrease, the decline in value is deducted from such revaluation surplus to the extent that the new value is above original cost and recognized in the statements of comprehensive income for the decrease in value below original cost.

Suite units in condominiums used as branch offices have been revalued by independent appraisers in accordance with the BOT’s guidelines using depreciated replacement cost. The Bank has recorded the increment per appraisal of premises as revaluation surplus. Any revaluation decrease in excess of the original cost is recorded by deducting from the revaluation surplus.

During the Bank’s uses of the revaluation assets, the revaluation surplus will be gradually transferred directly to retain earnings equal to the difference between the depreciation calculated from book value of the revalued assets and the depreciation calculated from the original cost of such assets. All balance of outstanding revaluation surplus will be transferred to retained earnings when the Bank writes off such assets from the financial statements.

Leased assets

Leases under which the Bank and its subsidiaries assume substantially all the risk and rewards of ownership are classified as finance leases. Equipment acquired by way of finance leases is capitalized at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the statements of comprehensive income.

Depreciation

Depreciation of premises and equipment (included revaluation) is calculated by the straight-line method, based on the estimated useful lives of the assets as follows:

|           |         |       |
|-----------|---------|-------|
| Premises  | 20 - 50 | years |
| Equipment | 3 - 5   | years |

5.8 Goodwill in a business combination

Goodwill in a business combination represents the excess of the cost of acquisition over the Bank’s interest in the fair value of the identifiable net assets acquired as at the date of acquisition.

Negative goodwill arising on business acquisition represents the excess the acquirer’s interest in the fair value of the identifiable net asset acquired over the cost of acquisition.

Other costs directly attributable to the business combination are recorded as acquisition costs.

In the consolidated financial statements, the Bank recognizes goodwill in a business combination as an asset recorded as of the acquisition date. Negative goodwill is recognized as income in the statements of comprehensive income.

Goodwill is stated at cost less allowance for impairment (if any).

5.9 Intangible assets

Intangible assets with indefinite useful lives are stated at cost less allowance for impairment (if any). Intangible assets with finite useful lives are stated at cost less accumulated amortization and allowance for impairment.

Amortization

Software amortization is calculated by the straight-line method over the expected future economic benefit period between 5 - 10 years.

Amortization of other intangible assets received from business combinations such as information of customer relationship, dealer relationship and distribution network, are calculated by the projected cash flow over the expected future economic benefit period between 8 - 20 years.

Amortization incurred is recognized as other operating expense in the statements of comprehensive income.

5.10 Recognition of income

Interest income from loan to customers and other income are recognized on an accrual basis.

Interest income from investment in debt securities and investment in loans are recognized by the effective interest rate method.

The Bank and its subsidiaries are required by the BOT to stop accruing interest income for debtors more than three months past due and reverse this accrued interest income from interest income. Thereafter, interest income from these debtors shall be recognized on a cash basis.

The asset management subsidiary recognizes interest income from investment in receivable and loans by using the market interest rate plus a risk premium that represent the discounted rate in calculating present value of future cash flows expected to be collected from receivables, except for certain receivables being doubtful of collection where the subsidiary recognizes interest income from such investments in receivable and loans on a cash basis.

The hire purchase business subsidiaries recognize income for new finance leases and hire purchase contracts since January 1, 2008, by the effective interest rate method whereas, for contracts originated before January 1, 2008, income is recognized on the sum-of-the-digits method, except for some subsidiaries where income has been recognized by the effective interest rate method from its inception.

5.11 Recognition of expenses

Expenses, included interest expense are recognized on an accrual basis.

5.12 Employee benefits

The Bank and subsidiaries have 3 types of employee benefits as follows:

5.12.1 Provident funds

The Bank established the provident fund under the Provident Fund Act (B.E. 2530). The fund is managed by a financial institution which is an authorized fund manager. The Bank and employees will contribute at the following rates:

Every employee is required to make contribution at the rate of not less than 3% of salary but not more than the Bank’s contribution.

The Bank will contribute as follows:

| Service periods                 | Contribute rate (%) |
|---------------------------------|---------------------|
| Less than 5 years               | 5                   |
| 5 years but less than 10 years  | 6                   |
| 10 years but less than 20 years | 8                   |
| Over 20 years                   | 10                  |

The contributions to the provident fund made by the Bank are recorded as expenses in the statements of comprehensive income.

## 5.12.2 Post-employment benefit obligations

### - Pension plan

The employees who were hired prior to January 1, 1998 and have completed at least 10 continuous service years are eligible to receive a pension payment when they leave the bank. On January 1, 1998, the Bank established the provident fund for its employees to replace the pension plan. After the establishment of the provident fund, the amount due to a departing employee shall first be disbursed from the provident fund. If the estimated contributions made by the Bank and interest thereon are less than the pension receivable under the pension plan, the Bank will pay such difference by disbursing from the pension fund.

### - Legal severance payment plan

All employees will receive severance payment upon retirement in accordance with the Labor Protection Act.

The obligations of these plans are considered as unfunded defined benefit obligations and are separately measured by an actuary using the projected unit credit cost method to determine the present value of cash flows of employee benefit to be paid in the future. Under this method, the obligation is based on an actuarial calculation including the employee's expected salary, business turnover rate, salary increase rate, mortality rate, discount rate, years of services and other factors.

The expenses for the defined benefit plan are recognized as personnel expenses in the statement of comprehensive income.

Actuarial gains (losses) are recognized in other comprehensive income.

The Bank and its subsidiaries elected to recognize past service costs by adjusting the retained earnings as at January 1, 2011, to be in compliance with the transitional provision of accounting standard.

## 5.12.3 Benefit from carried forward leave

The benefit from cumulative carried forward leave is recognized as a liability in the statement of financial position and personnel expenses in the statement of comprehensive income when the employees render the service. The Bank and its subsidiaries adjusted cumulative benefit with the retained earnings as at January 1, 2011.

## 5.13 Contributions to the Deposit Protection Agency

Contributions to the Deposit Protection Agency are recognized on an accrual basis as expenses in the statements of comprehensive income.

## 5.14 Taxation

Income tax expenses (income) represent the sum of the tax currently payable and deferred tax.

### 5.14.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statements of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Bank's liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the reporting date.

### 5.14.2 Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit (tax base). Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for temporary differences to the extent that it is probable that taxable profits will be available against which those temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at the reporting date. Deferred tax asset shall be reduced to the extent that utilized taxable profits are decreased. Any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available to allow total or part of the asset to be recovered. The Bank and subsidiaries do not recognize deferred tax assets and liabilities for the goodwill.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the end of the reporting period.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off the recognized amounts and the Bank and subsidiaries intend to settle on a net basis or to realize the asset and settle the liability simultaneously and when they relate to income taxes levied by the same taxation authority.

Income tax expenses or income related to profit or loss are presented in the statement of comprehensive income. For current income taxes and deferred taxes related to items recognized directly in other comprehensive income in equity in the same or different period, they will be recognized directly in other comprehensive income.

## 5.15 Earnings per share

Basic earnings per share are calculated by dividing net income by the number of weighted-average ordinary shares outstanding during the year.

## 5.16 Foreign currency transactions

Transactions during the year denominated in foreign currencies are translated into Baht at the rates of exchange on the transaction dates. Monetary assets and liabilities at the reporting date denominated in foreign currencies are translated into Baht at the exchange rates announced by the Bank of Thailand on that date.

All foreign exchange gains or losses are recognized as income or expenses in gains (losses) on tradings and foreign exchange transactions, net in the statements of comprehensive income.

## 5.17 Translation of the financial statements of the foreign branches

The financial statements of foreign branches are translated into Baht using the reference exchange rates established by the BOT at the reporting date for the translation of foreign monetary items, the historical exchange rates for the translation of foreign non-monetary items and the average exchange rates for the translation of transactions in the statements of comprehensive income. Differences in exchange rates from the translation of the financial statements of foreign branches are recognized as gain or losses on foreign exchange in the statements of comprehensive income.

## 5.18 Derivatives

The Bank and its subsidiaries have recognized derivatives transactions as follows:

1. Derivatives for trading are recorded at fair value and profit or loss from the price appraisal is recognized as income or expense in the statements of comprehensive income.
2. Derivatives for hedging of transactions are recognized on the accrual basis with the income or expense recognized based on the accrual basis in line with the underlying transactions.

### Hybrid Instruments

Hybrid instruments are recorded following the Bank of Thailand's notifications No. Sor Nor Sor. 09/2551 dated August 3, 2008 and Sor Nor Sor. 2/2554 dated May 31, 2011 for Structured Products and Collateralized Debt Obligation Instruments which mandate that the Bank should early adopt International Accounting Standard No.39 (IAS 39) to record an embedded derivative separately from the host contract and carry the embedded derivative at fair value, if and only if:

1. The economic characteristics and risks of the host contract and the embedded derivative are not closely related;
2. A separate instrument with the same terms as the embedded derivative would meet the definition of a derivative and;
3. The hybrid instruments are not recognized at fair value through the statements of comprehensive income.

The hybrid instrument shall be recorded by including the embedded derivative if not in compliance with the aforementioned condition. However, in case the reliable fair value of an embedded derivative is not determined, the hybrid instrument will be recorded as a financial instrument by adjusting its fair value through the statement of comprehensive income.

# 6. Risk Management

## 6.1 Information of risk of the Bank

The Bank is a party to financial instruments both on-statement of financial position and off-statement of financial position in the normal course of business to meet the financing needs of its customers for investment purposes and to reduce its own exposure to fluctuations in foreign exchange rates and interest rates. For off-statement of financial position financial instruments, they include commitments to extend credit, standby letters of credit, financial guarantees, interest rate swap and forward foreign exchange contracts. Those instruments involve, to varying degrees, elements of credit, interest rate and foreign exchange risk in excess of the amount recognized in the financial statements. The contract or notional amounts of those instruments reflect the extent of the Bank's involvement in particular classes of financial instruments.

The new derivative products require an approval from the Board of Directors. Limit breach reporting, operating processes and risk control are included under the Derivatives Product Program.

### Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Bank. The Bank has adopted the policy of dealing with counterparties and obtaining sufficient collateral or other security where appropriate, as a mean of mitigating the risk of financial losses from defaults.

In the case of recognized financial assets, the carrying amount of the assets recorded in the statement of financial position, net of a portion of allowance for doubtful accounts (see Note 8.7), represents the Bank's maximum exposure to credit risk.

The Bank considers that there is no significant concentration of credit risk due to a large number of customers and counterparties in different industries.

Credit risk also arises from the possibility that the counterparty to off-statement of financial position financial instruments will not adhere to the terms of the contract with the Bank when settlement becomes due.

The Bank's exposure to credit loss in the event of non-performance by the other party to the off-statement of financial position financial instrument for commitments to extend credit, standby letters of credit, and financial guarantees written is represented by the contractual notional amount of those instruments. The Bank uses the same credit policies in making commitments and conditional obligations as it does for on-financial statement financial instruments. For interest rate swap and forward foreign exchange contracts, the contract or notional amounts do not represent exposure to credit loss. The Bank controls the credit risk of its financial instruments through prudent credit approvals, limits and strict monitoring procedures.

### Interest rate risk

Interest rate risk refers to the risk arising from change in interest rates that have an adverse effect on the net interest earnings and shareholders' equity. Interest rate risk arises from the structure and characteristics of the Bank's assets, liabilities and contingencies and from mismatch in repricing rates of its assets, liabilities and contingencies.

Interest rate risk management is under the Assets and Liabilities Committee supervision (ALCO) who sets guidelines for managing assets and liabilities, together with monitoring and controlling interest rate risk to ensure that it is at an appropriate level and in line with the policy as approved by the Board of Directors.

The Bank employs various tools and approaches for its interest rate risk management. Net interest income simulation is applied to assess the impact on banking book position and Value-at-Risk tool is used for the trading book position to predict the Bank's maximum loss.

### Foreign exchange rate risk

Foreign exchange risk refers to the loss affecting income and/or shareholders' equity from exchange rate fluctuations that affect foreign currency transactions and foreign currency assets and liabilities.

The Bank has a policy to cap its net foreign currency position. Most foreign currency transactions are mainly from services provided to the Bank's customers. In addition, The Bank enters into forward foreign exchange contracts as part of its risk management strategy of the foreign exchange risk arising from the Bank underlying assets and liabilities and hedges that risk from customers' transactions. The utilization of forward foreign exchange contracts for these purposes is governed by policies and guidelines approved by the Board of Directors and controlling procedures set by the relevant departments and Committees.

The Board of Directors is in charge of setting the limits for each specific currency under an acceptable risk level while the ALCO ensures that the limits remain within the specified amount. The Bank monitors the risk level under the specified limits using the Value-at-Risk Method as the tool to manage the exchange rate risk and prepares a daily report for the Bank's top officers in related Groups.

### Equity price risk

Price risk refers to the loss affecting income and/or shareholders' equity from a movement in equity price.

The Bank assesses the potential of securities issuer companies and has a policy to buy/sell equity securities mainly for medium-term and long-term investments. In managing equity position risk which is held, according to initial intention, as long-term, the Bank monitors and reports the equity price risk and ensure that the level of capital fund is appropriate and sufficient to absorb losses arising from positions.

The Board of Directors sets the total limit at an acceptable risk level and revises it annually. The Bank monitors the level of risk under the specified risk limits using the Value-at-Risk Method to manage the equity price risk and prepares a daily report for the Bank's top officers in related Groups.

### Liquidity risk

Liquidity risk means risk resulting from failure to pay its debts and obligations when due because of its inability to convert assets into cash, or its failure to procure enough fund, or, if it can, that the fund comes with an exceptionally high cost that may affect incomes and capital fund now and in the future.

The Bank maintains excess liquidity cushion at a level commensurated with the economic situation. The Bank seeks to ensure that there is adequate cash for its business and its subsidiaries' business operations. Liquidity management utilizes qualitative and quantitative approaches to ensure appropriate risk diversification. The structure and behavior of customers' deposits/withdrawals and competitive situation are considered in order to ensure efficient alignment with the cash flow demand for each time period and at an appropriate cost level.

The Bank uses tools to manage liquidity risk such as the liquidity gap analysis including behavioural adjustment, and liquidity ratio analysis. This task is done in addition to the requirement to maintain liquid assets according to the Bank of Thailand's requirements.

In addition, the Bank establishes liquidity cushion and adjusts the strategies to deal with the Deposit Insurance Act in order to buttress liquidity management tools and customer savings alternatives by the continuous issuance of bills of exchange and debentures within the limits approved by the Bank's Board of Directors.

## 6.2 Assets and liabilities classified by maturity of interest repricing

The Bank and its subsidiaries have summarized financial assets and liabilities classified by maturity of interest repricing periods as at December 31, 2011 and 2010, as follows :

Unit : Million Baht

|                              | CONSOLIDATED FINANCIAL STATEMENTS 2011 |                                     |                                   |                            |                             |                             | Total   |
|------------------------------|----------------------------------------|-------------------------------------|-----------------------------------|----------------------------|-----------------------------|-----------------------------|---------|
|                              | 0 - 3<br>Months                        | Greater<br>than<br>3 - 12<br>Months | Greater<br>than<br>1 - 5<br>Years | Greater<br>than<br>5 Years | Non-<br>Performing<br>Loans | Non-<br>Interest<br>Bearing |         |
| <b>Financial assets</b>      |                                        |                                     |                                   |                            |                             |                             |         |
| Interbank and money market   |                                        |                                     |                                   |                            |                             |                             |         |
| items, net                   | 71,366                                 | -                                   | -                                 | -                          | -                           | 10,452                      | 81,818  |
| Investments, net             | 15,975                                 | 31,963                              | 23,770                            | 2,154                      | -                           | 7,342                       | 81,204  |
| Loans to customers           | 442,472                                | 69,310                              | 126,436                           | 6,614                      | 29,536                      | 77,037                      | 751,405 |
| <b>Financial liabilities</b> |                                        |                                     |                                   |                            |                             |                             |         |
| Deposits                     | 370,958                                | 147,880                             | 21,385                            | -                          | -                           | 20,317                      | 560,540 |
| Interbank and money market   |                                        |                                     |                                   |                            |                             |                             |         |
| Items, net                   | 14,861                                 | 5,934                               | 1,122                             | 13                         | -                           | 1,811                       | 23,741  |
| Debt issued and borrowings   | 106,116                                | 53,743                              | 28,356                            | 20,044                     | -                           | 4                           | 208,263 |

Unit : Million Baht

| CONSOLIDATED FINANCIAL STATEMENTS 2010 |                 |                                     |                                   |                            |                             |                             |         |
|----------------------------------------|-----------------|-------------------------------------|-----------------------------------|----------------------------|-----------------------------|-----------------------------|---------|
|                                        | 0 - 3<br>Months | Greater<br>than<br>3 - 12<br>Months | Greater<br>than<br>1 - 5<br>Years | Greater<br>than<br>5 Years | Non-<br>Performing<br>Loans | Non-<br>Interest<br>Bearing | Total   |
| <b>Financial assets</b>                |                 |                                     |                                   |                            |                             |                             |         |
| Interbank and money market items, net  | 62,392          | -                                   | -                                 | -                          | -                           | 12,135                      | 74,527  |
| Investments, net                       | 12,109          | 19,006                              | 41,831                            | 1,158                      | -                           | 4,256                       | 78,360  |
| Loans to customers                     | 413,331         | 84,482                              | 69,865                            | 3,706                      | 38,149                      | 65,063                      | 674,596 |
| <b>Financial liabilities</b>           |                 |                                     |                                   |                            |                             |                             |         |
| Deposits                               | 362,794         | 140,467                             | 55,042                            | -                          | -                           | 18,176                      | 576,479 |
| Interbank and money market Items, net  | 37,775          | 2,464                               | 1,108                             | 67                         | -                           | 2,348                       | 43,762  |
| Debt issued and borrowings             | 23,175          | 26,950                              | 29,219                            | 20,011                     | -                           | 10                          | 99,365  |

Unit : Million Baht

| THE BANK'S FINANCIAL STATEMENTS 2011  |                 |                                     |                                   |                            |                             |                             |         |
|---------------------------------------|-----------------|-------------------------------------|-----------------------------------|----------------------------|-----------------------------|-----------------------------|---------|
|                                       | 0 - 3<br>Months | Greater<br>than<br>3 - 12<br>Months | Greater<br>than<br>1 - 5<br>Years | Greater<br>than<br>5 Years | Non-<br>Performing<br>Loans | Non-<br>Interest<br>Bearing | Total   |
| <b>Financial assets</b>               |                 |                                     |                                   |                            |                             |                             |         |
| Interbank and money market items, net | 71,005          | -                                   | -                                 | -                          | -                           | 9,514                       | 80,519  |
| Investments, net                      | 15,122          | 32,354                              | 23,730                            | 2,152                      | -                           | 7,324                       | 80,682  |
| Loans to customers                    | 470,205         | 56,751                              | 90,771                            | 4,611                      | 18,931                      | -                           | 641,269 |
| <b>Financial liabilities</b>          |                 |                                     |                                   |                            |                             |                             |         |
| Deposits                              | 374,596         | 147,881                             | 21,385                            | -                          | -                           | 20,317                      | 564,179 |
| Interbank and money market Items, net | 13,893          | 6,099                               | 1,820                             | 13                         | -                           | 1,821                       | 23,646  |
| Debt issued and borrowings            | 94,726          | 45,473                              | 11,798                            | 20,044                     | -                           | 4                           | 172,045 |

Unit : Million Baht

| THE BANK'S FINANCIAL STATEMENTS 2010  |                 |                                     |                                   |                            |                             |                             |         |
|---------------------------------------|-----------------|-------------------------------------|-----------------------------------|----------------------------|-----------------------------|-----------------------------|---------|
|                                       | 0 - 3<br>Months | Greater<br>than<br>3 - 12<br>Months | Greater<br>than<br>1 - 5<br>Years | Greater<br>than<br>5 Years | Non-<br>Performing<br>Loans | Non-<br>Interest<br>Bearing | Total   |
| <b>Financial assets</b>               |                 |                                     |                                   |                            |                             |                             |         |
| Interbank and money market items, net | 61,456          | -                                   | -                                 | -                          | -                           | 11,521                      | 72,977  |
| Investments, net                      | 9,069           | 18,694                              | 41,578                            | 1,131                      | -                           | 7,017                       | 77,489  |
| Loans to customers                    | 433,131         | 71,704                              | 56,688                            | 2,296                      | 23,175                      | -                           | 586,994 |
| <b>Financial liabilities</b>          |                 |                                     |                                   |                            |                             |                             |         |
| Deposits                              | 366,238         | 140,467                             | 55,042                            | -                          | -                           | 19,494                      | 581,241 |
| Interbank and money market Items, net | 32,843          | 605                                 | 1,901                             | 67                         | -                           | 2,371                       | 37,787  |
| Debt issued and borrowings            | 25,975          | 26,950                              | 9,919                             | 20,011                     | -                           | 10                          | 82,865  |

## 6.3 Interest bearing financial instruments

The following table presents the Bank's average outstanding balances and interest amounts of interest bearing financial instruments for the years ended December 31, 2011 and 2010, are as follows:

Unit : Million Baht

| CONSOLIDATED FINANCIAL STATEMENTS             |                                   |                    |                      |                                   |                    |                      |
|-----------------------------------------------|-----------------------------------|--------------------|----------------------|-----------------------------------|--------------------|----------------------|
|                                               | 2011                              |                    |                      | 2010                              |                    |                      |
|                                               | Average<br>Balance<br>(12 months) | Interest<br>Amount | Average<br>Rate<br>% | Average<br>Balance<br>(12 months) | Interest<br>Amount | Average<br>Rate<br>% |
| <b>Interest bearing financial assets</b>      |                                   |                    |                      |                                   |                    |                      |
| Interbank and money market items              | 98,445                            | 3,095              | 3.1                  | 71,395                            | 1,145              | 1.6                  |
| Investments                                   | 64,094                            | 2,025              | 3.1                  | 62,280                            | 1,690              | 2.7                  |
| Loans to customers                            | 638,434                           | 51,307             | 8.0                  | 606,724                           | 44,440             | 7.3                  |
| Total                                         | 800,973                           | 56,427             |                      | 740,399                           | 47,275             |                      |
| <b>Interest bearing financial liabilities</b> |                                   |                    |                      |                                   |                    |                      |
| Deposits                                      | 555,708                           | 11,192             | 2.0                  | 536,449                           | 7,790              | 1.5                  |
| Interbank and money market items              | 29,193                            | 1,631              | 5.6                  | 13,300                            | 718                | 5.4                  |
| Debt issued and borrowings                    | 164,310                           | 6,140              | 3.7                  | 115,275                           | 4,139              | 3.6                  |
| Total                                         | 749,211                           | 18,963             |                      | 665,024                           | 12,647             |                      |

Unit : Million Baht

| THE BANK'S FINANCIAL STATEMENTS               |                                   |                    |                      |                                   |                    |                      |
|-----------------------------------------------|-----------------------------------|--------------------|----------------------|-----------------------------------|--------------------|----------------------|
|                                               | 2011                              |                    |                      | 2010                              |                    |                      |
|                                               | Average<br>Balance<br>(12 months) | Interest<br>Amount | Average<br>Rate<br>% | Average<br>Balance<br>(12 months) | Interest<br>Amount | Average<br>Rate<br>% |
| <b>Interest bearing financial assets</b>      |                                   |                    |                      |                                   |                    |                      |
| Interbank and money market items              | 97,127                            | 3,089              | 3.2                  | 71,300                            | 1,130              | 1.6                  |
| Investments                                   | 62,596                            | 2,004              | 3.2                  | 61,463                            | 1,647              | 2.7                  |
| Loans to customers                            | 606,048                           | 32,306             | 5.3                  | 564,281                           | 26,266             | 4.7                  |
| Total                                         | 765,771                           | 37,399             |                      | 697,044                           | 29,043             |                      |
| <b>Interest bearing financial liabilities</b> |                                   |                    |                      |                                   |                    |                      |
| Deposits                                      | 557,601                           | 11,235             | 2.0                  | 541,211                           | 7,739              | 1.4                  |
| Interbank and money market items              | 44,591                            | 1,508              | 3.4                  | 42,957                            | 650                | 1.5                  |
| Debt issued and borrowings                    | 144,360                           | 5,234              | 3.6                  | 88,605                            | 3,570              | 4.0                  |
| Total                                         | 746,552                           | 17,977             |                      | 672,773                           | 11,959             |                      |

#### 6.4 Maturities of financial assets and liabilities

The following table presents the Bank and its subsidiaries' maturities of financial assets and liabilities as at December 31, 2011 and 2010, are as follows:

Unit : Million Baht

| CONSOLIDATED FINANCIAL STATEMENTS 2011 |         |              |                            |                          |                      |                      |             |         |
|----------------------------------------|---------|--------------|----------------------------|--------------------------|----------------------|----------------------|-------------|---------|
|                                        | Call    | 0 - 3 Months | Greater than 3 - 12 Months | Greater than 1 - 5 Years | Greater than 5 Years | Non-Performing Loans | No Maturity | Total   |
| <b>Financial assets</b>                |         |              |                            |                          |                      |                      |             |         |
| Interbank and money                    |         |              |                            |                          |                      |                      |             |         |
| market items, net                      | 10,610  | 70,685       | 200                        | 120                      | -                    | -                    | 203         | 81,818  |
| Investments, net                       | 300     | 2,224        | 24,827                     | 44,345                   | 2,166                | -                    | 7,342       | 81,204  |
| Loans to customers                     | 6,401   | 165,074      | 142,986                    | 246,941                  | 160,467              | 29,536               | -           | 751,405 |
| <b>Financial liabilities</b>           |         |              |                            |                          |                      |                      |             |         |
| Deposits                               | 237,660 | 153,616      | 147,855                    | 21,409                   | -                    | -                    | -           | 560,540 |
| Interbank and money                    |         |              |                            |                          |                      |                      |             |         |
| market items, net                      | 3,720   | 11,942       | 6,248                      | 1,818                    | 13                   | -                    | -           | 23,741  |
| Debt issued and borrowings             | -       | 106,116      | 53,744                     | 28,359                   | 20,044               | -                    | -           | 208,263 |

Unit : Million Baht

| CONSOLIDATED FINANCIAL STATEMENTS 2010 |         |              |                            |                          |                      |                      |             |         |
|----------------------------------------|---------|--------------|----------------------------|--------------------------|----------------------|----------------------|-------------|---------|
|                                        | Call    | 0 - 3 Months | Greater than 3 - 12 Months | Greater than 1 - 5 Years | Greater than 5 Years | Non-Performing Loans | No Maturity | Total   |
| <b>Financial assets</b>                |         |              |                            |                          |                      |                      |             |         |
| Interbank and money                    |         |              |                            |                          |                      |                      |             |         |
| market items, net                      | 12,856  | 61,137       | 201                        | 119                      | -                    | -                    | 214         | 74,527  |
| Investments, net                       | -       | 8,287        | 21,103                     | 43,541                   | 1,174                | -                    | 4,255       | 78,360  |
| Loans to customers                     | 17,356  | 153,128      | 150,810                    | 180,774                  | 134,379              | 38,149               | -           | 674,596 |
| <b>Financial liabilities</b>           |         |              |                            |                          |                      |                      |             |         |
| Deposits                               | 237,593 | 143,367      | 140,462                    | 55,057                   | -                    | -                    | -           | 576,479 |
| Interbank and money                    |         |              |                            |                          |                      |                      |             |         |
| market items, net                      | 4,625   | 34,897       | 2,115                      | 2,058                    | 67                   | -                    | -           | 43,762  |
| Debt issued and borrowings             | -       | 23,175       | 26,951                     | 29,228                   | 20,011               | -                    | -           | 99,365  |

Unit : Million Baht

| THE BANK'S FINANCIAL STATEMENTS 2011 |         |              |                            |                          |                      |                      |             |         |
|--------------------------------------|---------|--------------|----------------------------|--------------------------|----------------------|----------------------|-------------|---------|
|                                      | Call    | 0 - 3 Months | Greater than 3 - 12 Months | Greater than 1 - 5 Years | Greater than 5 Years | Non-Performing Loans | No Maturity | Total   |
| <b>Financial assets</b>              |         |              |                            |                          |                      |                      |             |         |
| Interbank and money                  |         |              |                            |                          |                      |                      |             |         |
| market items, net                    | 9,311   | 70,685       | 200                        | 120                      | -                    | -                    | 203         | 80,519  |
| Investments, net                     | -       | 2,171        | 24,718                     | 44,305                   | 2,164                | -                    | 7,324       | 80,682  |
| Loans to customers                   | 35,858  | 149,582      | 101,344                    | 179,814                  | 155,740              | 18,931               | -           | 641,269 |
| <b>Financial liabilities</b>         |         |              |                            |                          |                      |                      |             |         |
| Deposits                             | 241,294 | 153,620      | 147,856                    | 21,409                   | -                    | -                    | -           | 564,179 |
| Interbank and money                  |         |              |                            |                          |                      |                      |             |         |
| market items, net                    | 4,469   | 11,245       | 6,099                      | 1,820                    | 13                   | -                    | -           | 23,646  |
| Debt issued and borrowings           | -       | 94,726       | 45,474                     | 11,801                   | 20,044               | -                    | -           | 172,045 |

Unit : Million Baht

| THE BANK'S FINANCIAL STATEMENTS 2010 |         |              |                            |                          |                      |                      |             |         |
|--------------------------------------|---------|--------------|----------------------------|--------------------------|----------------------|----------------------|-------------|---------|
|                                      | Call    | 0 - 3 Months | Greater than 3 - 12 Months | Greater than 1 - 5 Years | Greater than 5 Years | Non-Performing Loans | No Maturity | Total   |
| <b>Financial assets</b>              |         |              |                            |                          |                      |                      |             |         |
| Interbank and money                  |         |              |                            |                          |                      |                      |             |         |
| market items, net                    | 11,307  | 61,136       | 201                        | 119                      | -                    | -                    | 214         | 72,977  |
| Investments, net                     | -       | 5,247        | 20,791                     | 43,288                   | 1,146                | -                    | 7,017       | 77,489  |
| Loans to customers                   | 16,092  | 150,837      | 115,702                    | 148,302                  | 132,886              | 23,175               | -           | 586,994 |
| <b>Financial liabilities</b>         |         |              |                            |                          |                      |                      |             |         |
| Deposits                             | 242,348 | 143,371      | 140,462                    | 55,060                   | -                    | -                    | -           | 581,241 |
| Interbank and money                  |         |              |                            |                          |                      |                      |             |         |
| market items, net                    | 5,387   | 29,227       | 1,205                      | 1,901                    | 67                   | -                    | -           | 37,787  |
| Debt issued and borrowings           | -       | 25,975       | 26,951                     | 9,928                    | 20,011               | -                    | -           | 82,865  |

## 6.5 Estimated fair value of financial instruments

The fair value of financial instruments has been estimated by using available market information and appropriate valuation methodologies for each type of financial instrument. A summary of carrying amounts and fair values of financial instruments as at December 31, 2011 and 2010, is as follows:

Unit : Million Baht

| CONSOLIDATED FINANCIAL STATEMENTS                        |                 |                |                 |                |
|----------------------------------------------------------|-----------------|----------------|-----------------|----------------|
|                                                          | 2011            |                | 2010            |                |
|                                                          | Carrying Amount | Fair Value     | Carrying Amount | Fair Value     |
| <b>Financial assets :</b>                                |                 |                |                 |                |
| Cash                                                     | 25,165          | 25,165         | 22,461          | 22,461         |
| Interbank and money market items, net                    | 81,818          | 81,818         | 74,527          | 74,527         |
| Derivatives assets                                       | 4,834           | 4,871          | 4,514           | 4,902          |
| Investments, net                                         | 81,204          | 81,505         | 78,360          | 78,924         |
| Loans to customers and accrued interest receivables, net | 690,087         | 690,087        | 616,731         | 616,731        |
| <b>Total</b>                                             | <b>883,108</b>  | <b>883,446</b> | <b>796,593</b>  | <b>797,545</b> |
| <b>Financial liabilities:</b>                            |                 |                |                 |                |
| Deposits                                                 | 560,540         | 556,430        | 576,479         | 573,547        |
| Interbank and money market items, net                    | 23,741          | 23,741         | 43,762          | 43,762         |
| Liability payable on demand                              | 1,651           | 1,651          | 1,517           | 1,517          |
| Derivatives liabilities                                  | 5,394           | 5,531          | 3,978           | 4,347          |
| Debt issued and borrowings                               | 208,263         | 201,628        | 99,365          | 99,617         |
| <b>Total</b>                                             | <b>799,589</b>  | <b>788,981</b> | <b>725,101</b>  | <b>722,790</b> |

Unit : Million Baht

| THE BANK'S FINANCIAL STATEMENTS                          |                 |                |                 |                |
|----------------------------------------------------------|-----------------|----------------|-----------------|----------------|
|                                                          | 2011            |                | 2010            |                |
|                                                          | Carrying Amount | Fair Value     | Carrying Amount | Fair Value     |
| <b>Financial assets :</b>                                |                 |                |                 |                |
| Cash                                                     | 25,140          | 25,140         | 22,447          | 22,447         |
| Interbank and money market items, net                    | 80,519          | 80,519         | 72,977          | 72,977         |
| Derivatives assets                                       | 4,834           | 4,871          | 4,514           | 4,902          |
| Investments, net                                         | 80,682          | 80,983         | 77,489          | 78,037         |
| Loans to customers and accrued interest receivables, net | 623,096         | 623,096        | 567,547         | 567,547        |
| <b>Total</b>                                             | <b>814,271</b>  | <b>814,609</b> | <b>744,974</b>  | <b>745,910</b> |
| <b>Financial liabilities:</b>                            |                 |                |                 |                |
| Deposits                                                 | 564,179         | 560,068        | 581,241         | 578,309        |
| Interbank and money market items, net                    | 23,646          | 23,646         | 37,787          | 37,787         |
| Liability payable on demand                              | 1,651           | 1,651          | 1,517           | 1,517          |
| Derivatives liabilities                                  | 5,397           | 5,534          | 3,978           | 4,347          |
| Debt issued and borrowings                               | 172,045         | 166,096        | 82,865          | 82,974         |
| <b>Total</b>                                             | <b>766,918</b>  | <b>756,995</b> | <b>707,388</b>  | <b>704,934</b> |

The following methods and assumptions are used in estimating fair value of financial instruments as disclosed here in:

Cash and interbank and money market items (assets)

The carrying amounts of cash and interbank and money market items (assets) presented in the statement of financial position approximate fair value.

Investments, net

The determination of fair value for investments, net, is as disclosed in note 5.2 to the financial statements except for non-listed equity securities which are presented at net book value and listed equity securities acquired from troubled debt restructurings and having an obligation to hold such securities according to debt restructuring agreements which are presented at cost.

Loans to customers and accrued interest receivables, net

Loans to customers and accrued interest receivables include variable interest rate loans, fixed rate loans with relatively short maturities and non-performing loans. Most loans carry a floating interest rate. The fair value approximates the outstanding balance of loans to customers and accrued interest receivables less allowance for doubtful accounts.

Deposits

The carrying amount of deposits presented in the statement of financial position approximates fair value, except for deposits with a term of more than 90 days where the fair value is calculated based on discounted cash flows.

Interbank and money market items (Liabilities)

The carrying amount of interbank and money market items (liabilities) presented in the statement of financial position approximates fair value.

Liabilities payable on demand

The carrying amount of liabilities payable on demand presented in the statement of financial position approximates fair value.

Debt issued and borrowings

The carrying amount of debt issued and borrowings presented in the statement of financial position approximates fair value, except for subordinated and senior securities floating rate notes which fair values are based on the actual market price.

Derivative assets and liabilities

Derivative assets and liabilities mainly comprise forward foreign exchange contracts which derive their value from underlying interest rates and foreign exchange rates. The fair values of derivatives are determined using quoted market prices and exchange rate for instruments with similar characteristics and maturities. The Bank estimates the fair value by applying the mark to market model policy (Validated Rate for Revaluation) in accordance with the criteria established by the Bank and accounting standards.

## 6.6 Capital funds

The Bank is subject to various capital and regulatory requirements administered by the Bank of Thailand. Under these capital adequacy guidelines and the regulatory framework for prompt corrective action, the Bank must satisfy specific capital guidelines that involve quantitative measures of its assets, liabilities and certain contingencies as calculated in accordance with regulatory accounting practices. In addition, the Bank's capital amounts and classification are also subject to qualitative judgment by the Bank of Thailand in regard to components, risk weightings, and other factors. As at December 31, 2011 and 2010, the Bank's management met all capital adequacy requirements. However, these capital and regulatory requirements are subject to change, as considered necessary by the Bank of Thailand.

The Bank maintains its capital funds in accordance with the criteria, methodologies and conditions prescribed by the Bank of Thailand. As at December 31, 2011 and 2010, the Bank's total capital funds can be categorized as follows:

| Unit : Million Baht              |         |         |
|----------------------------------|---------|---------|
|                                  | 2011    | 2010    |
| Tier 1 capital                   |         |         |
| Issued and paid-up share capital | 60,741  | 60,741  |
| Premium on share capital         | 13,802  | 13,802  |
| Statutory reserve                | 1,014   | 711     |
| Unappropriated retained earnings | 7,642   | 7,837   |
| Less Deferred tax assets         | (2,356) | (3,190) |
| Total Tier 1 capital             | 80,843  | 79,901  |
| Tier 2 capital                   | 30,279  | 29,776  |
| Total capital fund               | 111,122 | 109,677 |

| Percentage                                               |       |       |
|----------------------------------------------------------|-------|-------|
|                                                          | 2011  | 2010  |
| Total capital / Total risk assets (minimum 8.50%)        | 16.29 | 15.84 |
| Total tier 1 capital / Total risk assets (minimum 4.25%) | 11.85 | 11.54 |

Disclosure of capital maintenance information under the Notification of the Bank of Thailand Re : Public Disclosure of Capital Maintenance for Commercial Bank:

|                        |                         |
|------------------------|-------------------------|
| Location of disclosure | <b>www.krungsri.com</b> |
| Date of disclosure     | within April 2012       |
| Information as of      | December 31, 2011       |

## 7. Estimates and Assumptions

Preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions in certain circumstances, affecting reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. The significant areas requiring management to make judgments and estimates that affect reported amounts and disclosures are as follows:

### 7.1 Fair value

The management has to use judgment in reporting the estimated fair value of the investment in Collateralized Debt Obligations and Structured Deposits. The estimation was determined by using the price calculated by the arranger.

For a business acquisition, the Bank's management estimates the fair value of assets, liabilities and other contingent liabilities of the acquiree's identifiable assets and liabilities at the acquisition date and any adjustments of the initial provision are finalized within 12 months after the acquisition date.

### 7.2 Allowance for doubtful accounts

The Bank and subsidiaries estimate the minimum allowance for doubtful accounts in accordance with the BOT's and the Office of the Securities and Exchange Commission's guidelines. In addition, the Bank and subsidiaries estimate an additional allowance which the management has considered based on the uncollectible loss from past experience, current economic conditions and the ability to repay loans and accrued interest receivable. The Bank and subsidiaries consider the value of collateral where the source of repayment comes from the sales of the collateral.

A significant factor in the determination of the allowance for doubtful accounts is the value of collateral. Collateral pledged as support for loans typically consists of land, buildings, and buildings under construction. Value of such collateral is based on independent and/or internally performed appraisals.

### 7.3 Allowance for properties for sale

The Bank and subsidiaries estimate the allowance for impairment of properties for sale when there is a decline in net realizable value. For consideration in net realizable value, the Bank and its subsidiaries consider the appraised value together with other factors which can effect the realizable value such as related selling expenses, holding costs and discounted future expenses.

### 7.4 Goodwill

Goodwill is tested for impairment using a fair value method of discounted cash flows on a semi-annual basis.

### 7.5 Impairment of assets

The carrying amounts of the Bank and subsidiaries' assets are reviewed at each financial statement date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated by using discounted cash flows.

### 7.6 Provisions

Provisions are recognized as liabilities in the statement of financial position when it is probable that an obligation has been incurred as a result of a past event, it is possible that an outflow of economic benefits will be required to settle the obligation and the amount of the obligation can be reasonably estimated.

### 7.7 Loss from the impaired assets transferred to the Thai Asset Management Corporation (TAMC)

The probable loss arising from the impaired assets transferred to the Thai Asset Management Corporation (TAMC) is estimated from expected loss based on actual experience to date.

### 7.8 Provision for contingent liabilities

The Bank provides a provision for contingent liabilities with high credit risk such as loan guarantees, avals, etc, at the same rate as that provided for those debtors on the statement of financial position.

## 8. Additional Information

### 8.1 Additional information of cash flows

8.1.1 Non-cash transactions related to other comprehensive income for the years ended December 31, are as follows:

| Unit : Million Baht                                                                       |                                      |       |                                    |       |
|-------------------------------------------------------------------------------------------|--------------------------------------|-------|------------------------------------|-------|
|                                                                                           | CONSOLIDATED<br>FINANCIAL STATEMENTS |       | THE BANK'S<br>FINANCIAL STATEMENTS |       |
|                                                                                           | 2011                                 | 2010  | 2011                               | 2010  |
| Increase (decrease) in revaluation surplus on investments                                 | (213)                                | 403   | (213)                              | 400   |
| Accumulated depreciation of premises appraisal deducted from premises revaluation surplus | (253)                                | (312) | (253)                              | (312) |
| Properties for sale acquired from debt repayment                                          | 184                                  | 89    | 184                                | 89    |
| Premises and equipment transferred to be properties for sale                              | -                                    | 42    | -                                  | 42    |

8.1.2 Non-cash transactions of premises and equipment for the years ended December 31, are as follows:

| Unit : Million Baht                                          |                                      |         |                                    |       |
|--------------------------------------------------------------|--------------------------------------|---------|------------------------------------|-------|
|                                                              | CONSOLIDATED<br>FINANCIAL STATEMENTS |         | THE BANK'S<br>FINANCIAL STATEMENTS |       |
|                                                              | 2011                                 | 2010    | 2011                               | 2010  |
| Premises and equipment payable at the beginning of the years | 1,163                                | 105     | 1,163                              | 105   |
| Purchases of premises and equipment                          | 1,736                                | 2,147   | 1,191                              | 1,617 |
| Less Cash payment                                            | (1,644)                              | (1,089) | (1,051)                            | (559) |
| Premises and equipment payable at the end of the years       | 1,255                                | 1,163   | 1,303                              | 1,163 |

8.1.3 Non-cash transactions of computer software for the years ended December 31, are as follows:

Unit : Million Baht

|                                | CONSOLIDATED<br>FINANCIAL STATEMENTS |       | THE BANK'S<br>FINANCIAL STATEMENTS |       |
|--------------------------------|--------------------------------------|-------|------------------------------------|-------|
|                                | 2011                                 | 2010  | 2011                               | 2010  |
| Computer software payable      |                                      |       |                                    |       |
| at the beginning of the years  | 5                                    | 14    | 5                                  | 14    |
| Purchases of computer software | 609                                  | 494   | 512                                | 382   |
| <u>Less</u> Cash payment       | (584)                                | (503) | (487)                              | (391) |
| Computer software payable      |                                      |       |                                    |       |
| at the end of the years        | 30                                   | 5     | 30                                 | 5     |

8.1.4 On October 21, 2010, Ayudhya Capital Services Company Limited (AYCAP), the Bank's subsidiary, had acquired additional shares in Krungsir Life Assurance Broker Limited (Formerly Quality Life Assurance Broker Limited) and Krungsri General Insurance Broker Limited (Formerly Quality General Insurance Broker Limited), for a total purchase price in the share sale agreement amounting to Baht 3 million. Upon completion of this transaction, AYCAPP now holds 99.99% each in QLAB and QGIB.

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

Unit : Million Baht

|                                                                                               | Book Value | Fair Value |
|-----------------------------------------------------------------------------------------------|------------|------------|
| <b>Assets</b>                                                                                 |            |            |
| Cash and cash equivalents                                                                     | 248        | 248        |
| Intangible assets                                                                             | -          | 68         |
| Others                                                                                        | 6          | 6          |
|                                                                                               | 254        | 322        |
| <b>Liabilities</b>                                                                            |            |            |
| Due to related companies                                                                      | 168        | 168        |
| Others                                                                                        | 50         | 70         |
|                                                                                               | 218        | 238        |
| Net assets                                                                                    | 36         | 84         |
| Excess of net fair value of acquired subsidiary<br>held by the Bank before the purchased date |            | (81)       |
| Net cash payment                                                                              |            | 3          |

8.1.5 Realized and unrealized gains (losses) on foreign exchange

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

8.2 Interbank and money market items, net (Assets)

Interbank and money market items, net as at December 31, 2011 and 2010, are as follows:

Unit : Million Baht

|                                                                | CONSOLIDATED FINANCIAL STATEMENTS |        |        |         |        |        |
|----------------------------------------------------------------|-----------------------------------|--------|--------|---------|--------|--------|
|                                                                | 2011                              |        |        | 2010    |        |        |
|                                                                | At Call                           | Time   | Total  | At Call | Time   | Total  |
| <b>Domestic items</b>                                          |                                   |        |        |         |        |        |
| Bank of Thailand and Financial<br>Institution Development Fund | 6,047                             | 60,500 | 66,547 | 9,293   | 55,800 | 65,093 |
| Commercial banks                                               | 1,488                             | 5,617  | 7,105  | 1,563   | 2,151  | 3,714  |
| Other financial institutions                                   | 2,784                             | 4,786  | 7,570  | 47      | 2,887  | 2,934  |
| Total                                                          | 10,319                            | 70,903 | 81,222 | 10,903  | 60,838 | 71,741 |
| <u>Add</u> Accrued interest receivables                        | -                                 | 86     | 86     | -       | 35     | 35     |
| <u>Less</u> Allowance for doubtful accounts                    | -                                 | (86)   | (86)   | -       | (35)   | (35)   |
| Total domestic items                                           | 10,319                            | 70,903 | 81,222 | 10,903  | 60,838 | 71,741 |
| <b>Foreign items</b>                                           |                                   |        |        |         |        |        |
| US Dollar                                                      | 164                               | 92     | 256    | 1,001   | 530    | 1,531  |
| Yen                                                            | -                                 | -      | -      | 212     | -      | 212    |
| Euro                                                           | -                                 | -      | -      | 240     | -      | 240    |
| Other currencies                                               | 162                               | 178    | 340    | 546     | 257    | 803    |
| Total                                                          | 326                               | 270    | 596    | 1,999   | 787    | 2,786  |
| <u>Add</u> Accrued interest receivables                        | -                                 | -      | -      | -       | -      | -      |
| Total foreign items                                            | 326                               | 270    | 596    | 1,999   | 787    | 2,786  |
| Total domestic and foreign items                               | 10,645                            | 71,173 | 81,818 | 12,902  | 61,625 | 74,527 |

Unit : Million Baht

|                                                                | THE BANK'S FINANCIAL STATEMENTS |        |        |         |        |        |
|----------------------------------------------------------------|---------------------------------|--------|--------|---------|--------|--------|
|                                                                | 2011                            |        |        | 2010    |        |        |
|                                                                | At Call                         | Time   | Total  | At Call | Time   | Total  |
| <b>Domestic items</b>                                          |                                 |        |        |         |        |        |
| Bank of Thailand and Financial<br>Institution Development Fund | 6,047                           | 60,500 | 66,547 | 9,293   | 55,800 | 65,093 |
| Commercial banks                                               | 189                             | 5,617  | 5,806  | 102     | 2,150  | 2,252  |
| Other financial institutions                                   | 2,784                           | 4,786  | 7,570  | 47      | 2,887  | 2,934  |
| Total                                                          | 9,020                           | 70,903 | 79,923 | 9,442   | 60,837 | 70,279 |
| <u>Add</u> Accrued interest receivables                        | -                               | 86     | 86     | -       | 35     | 35     |
| <u>Less</u> Allowance for doubtful accounts                    | -                               | (86)   | (86)   | -       | (35)   | (35)   |
| Total domestic items                                           | 9,020                           | 70,903 | 79,923 | 9,442   | 60,837 | 70,279 |
| <b>Foreign items</b>                                           |                                 |        |        |         |        |        |
| US Dollar                                                      | 164                             | 92     | 256    | 913     | 530    | 1,443  |
| Yen                                                            | -                               | -      | -      | 212     | -      | 212    |
| Euro                                                           | -                               | -      | -      | 240     | -      | 240    |
| Other currencies                                               | 162                             | 178    | 340    | 546     | 257    | 803    |
| Total                                                          | 326                             | 270    | 596    | 1,911   | 787    | 2,698  |
| <u>Add</u> Accrued interest receivables                        | -                               | -      | -      | -       | -      | -      |
| Total foreign items                                            | 326                             | 270    | 596    | 1,911   | 787    | 2,698  |
| Total domestic and foreign items                               | 9,346                           | 71,173 | 80,519 | 11,353  | 61,624 | 72,977 |

### 8.3 Derivatives

8.3.1 Fair value and the notional amount classification by type of risk as at December 31, 2011 and 2010, are as follows:

Unit : Million Baht

| Risk type     | CONSOLIDATED FINANCIAL STATEMENTS |             |          |            |             |          |
|---------------|-----------------------------------|-------------|----------|------------|-------------|----------|
|               | 2011                              |             |          | 2010       |             |          |
|               | Fair value                        |             | Notional | Fair value |             | Notional |
|               | Asset                             | Liabilities | Amount   | Asset      | Liabilities | Amount   |
| Exchange rate | 4,437                             | 5,025       | 315,060  | 2,502      | 1,991       | 278,944  |
| Interest rate | 397                               | 369         | 86,573   | 2,012      | 1,987       | 18,442   |
| Total         | 4,834                             | 5,394       | 401,633  | 4,514      | 3,978       | 297,386  |

Unit : Million Baht

| Risk type     | THE BANK'S FINANCIAL STATEMENTS |             |          |            |             |          |
|---------------|---------------------------------|-------------|----------|------------|-------------|----------|
|               | 2011                            |             |          | 2010       |             |          |
|               | Fair value                      |             | Notional | Fair value |             | Notional |
|               | Asset                           | Liabilities | Amount   | Asset      | Liabilities | Amount   |
| Exchange rate | 4,437                           | 5,028       | 315,178  | 2,502      | 1,991       | 278,944  |
| Interest rate | 397                             | 369         | 86,573   | 2,012      | 1,987       | 18,442   |
| Total         | 4,834                           | 5,397       | 401,751  | 4,514      | 3,978       | 297,386  |

Such fair value included fair value of derivatives for trading and translation of foreign currency from derivatives for hedging.

8.3.2 Proportion of derivatives transactions by type of counterparty on the basis of notional amount as at December 31, 2011 and 2010, are as follows:

Unit : Million Baht

| Counterparty              | CONSOLIDATED FINANCIAL STATEMENTS |                | THE BANK'S FINANCIAL STATEMENTS |                |
|---------------------------|-----------------------------------|----------------|---------------------------------|----------------|
|                           | 2011                              | 2010           | 2011                            | 2010           |
|                           | Proportion (%)                    | Proportion (%) | Proportion (%)                  | Proportion (%) |
| Financial institution     | 78.93                             | 83.96          | 78.91                           | 83.96          |
| Subsidiary and associates | -                                 | -              | 0.03                            | -              |
| Third party               | 21.07                             | 16.04          | 21.06                           | 16.04          |
| Total                     | 100.00                            | 100.00         | 100.00                          | 100.00         |

### 8.4 Investments, net

Investments, net as at December 31, 2011 and 2010 consisted of the following:

Unit : Million Baht

|                                            | CONSOLIDATED FINANCIAL STATEMENTS |                     |                      |               |                            |                     |                      |               |
|--------------------------------------------|-----------------------------------|---------------------|----------------------|---------------|----------------------------|---------------------|----------------------|---------------|
|                                            | 2011                              |                     |                      |               | 2010                       |                     |                      |               |
|                                            | Cost/<br>Amortized<br>Cost        | Unrealized<br>Gains | Unrealized<br>Losses | Fair<br>Value | Cost/<br>Amortized<br>Cost | Unrealized<br>Gains | Unrealized<br>Losses | Fair<br>Value |
| <b>Securities for Trading</b>              |                                   |                     |                      |               |                            |                     |                      |               |
| Government and state enterprise securities | 196                               | 1                   | -                    | 197           | 3,089                      | 3                   | (20)                 | 3,072         |
| Private sector's debt securities           | 56                                | -                   | -                    | 56            | 476                        | -                   | -                    | 476           |
| Domestic marketable equity                 | -                                 | -                   | -                    | -             | 8                          | -                   | -                    | 8             |
|                                            | 252                               | 1                   | -                    | 253           | 3,573                      | 3                   | (20)                 | 3,556         |
| Add (less) Revaluation allowance           | 1                                 |                     |                      | -             | (17)                       |                     |                      | -             |
| Total                                      | 253                               |                     |                      | 253           | 3,556                      |                     |                      | 3,556         |
| <b>Securities Available-for-Sale</b>       |                                   |                     |                      |               |                            |                     |                      |               |
| Government and state enterprise securities | 54,240                            | 61                  | (105)                | 54,196        | 52,213                     | 143                 | (133)                | 52,223        |
| Private sector's debt securities           | 13,134                            | 89                  | (31)                 | 13,192        | 10,138                     | 78                  | (35)                 | 10,181        |
| Domestic marketable equity                 | 6,042                             | 434                 | (128)                | 6,348         | 3,427                      | 496                 | (13)                 | 3,910         |
| Others                                     | 301                               | -                   | -                    | 301           | 31                         | -                   | -                    | 31            |
|                                            | 73,717                            | 584                 | (264)                | 74,037        | 65,809                     | 717                 | (181)                | 66,345        |
| Add Revaluation allowance                  | 320                               |                     |                      | -             | 536                        |                     |                      | -             |
| Less Allowance for impairment              | (373)                             |                     |                      | (373)         | (459)                      |                     |                      | (459)         |
| Total                                      | 73,664                            |                     |                      | 73,664        | 65,886                     |                     |                      | 65,886        |
| <b>Securities Held-to-Maturity</b>         |                                   |                     |                      |               |                            |                     |                      |               |
| Government and state enterprise securities | 1,033                             |                     |                      |               | 3,943                      |                     |                      |               |
| Private sector's debt securities           | 50                                |                     |                      |               | 50                         |                     |                      |               |
| Investment in accounts receivable          | 5,232                             |                     |                      |               | 1,775                      |                     |                      |               |
|                                            | 6,315                             |                     |                      |               | 5,768                      |                     |                      |               |
| Less Allowance for impairment              | (50)                              |                     |                      |               | (474)                      |                     |                      |               |
| Total                                      | 6,265                             |                     |                      |               | 5,294                      |                     |                      |               |
| <b>Securities for General Investments</b>  |                                   |                     |                      |               |                            |                     |                      |               |
| Domestic non-marketable equity securities  | 1,192                             |                     |                      |               | 3,887                      |                     |                      |               |
| Foreign non-marketable equity securities   | 28                                |                     |                      |               | 27                         |                     |                      |               |
|                                            | 1,220                             |                     |                      |               | 3,914                      |                     |                      |               |
| Less Allowance for impairment              | (198)                             |                     |                      |               | (290)                      |                     |                      |               |
| Total                                      | 1,022                             |                     |                      |               | 3,624                      |                     |                      |               |
| <b>Total Investments, net</b>              | <b>81,204</b>                     |                     |                      |               | <b>78,360</b>              |                     |                      |               |

Unit : Million Baht

**THE BANK'S FINANCIAL STATEMENTS**

|                                               | 2011                       |                     |                      |               | 2010                       |                     |                      |               |
|-----------------------------------------------|----------------------------|---------------------|----------------------|---------------|----------------------------|---------------------|----------------------|---------------|
|                                               | Cost/<br>Amortized<br>Cost | Unrealized<br>Gains | Unrealized<br>Losses | Fair<br>Value | Cost/<br>Amortized<br>Cost | Unrealized<br>Gains | Unrealized<br>Losses | Fair<br>Value |
| <b>Securities for Trading</b>                 |                            |                     |                      |               |                            |                     |                      |               |
| Government and state<br>enterprise securities | 196                        | 1                   | -                    | 197           | 3,089                      | 3                   | (20)                 | 3,072         |
| Private sector's debt securities              | 56                         | -                   | -                    | 56            | 476                        | -                   | -                    | 476           |
| Domestic marketable equity                    | -                          | -                   | -                    | -             | 8                          | -                   | -                    | 8             |
|                                               | 252                        | 1                   | -                    | 253           | 3,573                      | 3                   | (20)                 | 3,556         |
| <u>Add (less) Revaluation allowance</u>       | <u>1</u>                   |                     |                      | <u>-</u>      | <u>(17)</u>                |                     |                      | <u>-</u>      |
| Total                                         | 253                        |                     |                      | 253           | 3,556                      |                     |                      | 3,556         |
| <b>Securities Available-for-Sale</b>          |                            |                     |                      |               |                            |                     |                      |               |
| Government and state<br>enterprise securities | 54,240                     | 61                  | (105)                | 54,196        | 52,213                     | 143                 | (133)                | 52,223        |
| Private sector's debt securities              | 12,787                     | 89                  | (31)                 | 12,845        | 9,791                      | 78                  | (35)                 | 9,834         |
| Domestic marketable equity<br>Securities      | 6,037                      | 434                 | (125)                | 6,346         | 3,422                      | 496                 | (9)                  | 3,909         |
|                                               | 73,064                     | 584                 | (261)                | 73,387        | 65,426                     | 717                 | (177)                | 65,966        |
| <u>Add Revaluation allowance</u>              | <u>323</u>                 |                     |                      | <u>-</u>      | <u>540</u>                 |                     |                      | <u>-</u>      |
| <u>Less Allowance for impairment</u>          | <u>(26)</u>                |                     |                      | <u>(26)</u>   | <u>(81)</u>                |                     |                      | <u>(81)</u>   |
| Total                                         | 73,361                     |                     |                      | 73,361        | 65,885                     |                     |                      | 65,885        |
| <b>Securities Held-to-Maturity</b>            |                            |                     |                      |               |                            |                     |                      |               |
| Government and state<br>enterprise securities | 1,033                      |                     |                      |               | 3,825                      |                     |                      |               |
| Private sector's debt securities              | 50                         |                     |                      |               | 50                         |                     |                      |               |
| Investment in accounts<br>receivable          | 5,031                      |                     |                      |               | 1,043                      |                     |                      |               |
|                                               | 6,114                      |                     |                      |               | 4,918                      |                     |                      |               |
| <u>Less Allowance for impairment</u>          | <u>(50)</u>                |                     |                      |               | <u>(474)</u>               |                     |                      |               |
| Total                                         | 6,064                      |                     |                      |               | 4,444                      |                     |                      |               |
| <b>Securities for General Investments</b>     |                            |                     |                      |               |                            |                     |                      |               |
| Domestic non-marketable<br>equity securities  | 1,158                      |                     |                      |               | 3,852                      |                     |                      |               |
| Foreign non-marketable<br>equity securities   | 28                         |                     |                      |               | 26                         |                     |                      |               |
|                                               | 1,186                      |                     |                      |               | 3,878                      |                     |                      |               |
| <u>Less Allowance for impairment</u>          | <u>(182)</u>               |                     |                      |               | <u>(274)</u>               |                     |                      |               |
| Total                                         | 1,004                      |                     |                      |               | 3,604                      |                     |                      |               |
| <b>Total Investments, net</b>                 | <b>80,682</b>              |                     |                      |               | <b>77,489</b>              |                     |                      |               |

As at December 31, 2011 and 2010, the investments classified as held-to-maturity debt securities (government and state enterprise securities) included the 10 year-term non-negotiable promissory notes availed by the Financial Institution Development Fund in the consolidated financial statements and the Bank's financial statements of Baht 1,033 million and Baht 3,274 million, respectively, issued by the Thai Asset Management Corporation (TAMC) for assets transferred to TAMC. During the years 2011 and 2010, TAMC redeemed promissory notes of the Bank of Baht 2,241 million and Baht 544 million, respectively.

For the years ended December 31, 2011 and 2010, revaluation surplus (deficit) on investments presented in the equity consists of the following:

Unit : Million Baht

|                                     | CONSOLIDATED<br>FINANCIAL STATEMENTS |      | THE BANK'S<br>FINANCIAL STATEMENTS |      |
|-------------------------------------|--------------------------------------|------|------------------------------------|------|
|                                     | 2011                                 | 2010 | 2011                               | 2010 |
| Beginning balance                   | 532                                  | 128  | 536                                | 136  |
| Increase (decrease) during the year | (213)                                | 404  | (213)                              | 400  |
| Ending balance                      | 319                                  | 532  | 323                                | 536  |

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

Unit : Million Baht

|               | CONSOLIDATED AND THE BANK'S<br>FINANCIAL STATEMENTS |      |
|---------------|-----------------------------------------------------|------|
|               | 2011                                                | 2010 |
| Manufacturing | 21                                                  | 21   |
| Total         | 21                                                  | 21   |

In the consolidated and the Bank's financial statements as at December 31, 2011 and 2010, the Bank and its subsidiary had investments in available-for-sale securities and general investments of 2 companies subject to be delisted from the SET, with cost of Baht 13 million and market price of Baht 0.

**8.5 Investments in subsidiaries and associates, net**

The Bank's investments in companies in which the Bank holds more than 20% of the paid-up capital, with the percentage of beneficial ownership and amount of investments as at December 31, 2011 and 2010, are as follows:

Unit : Million Baht

| CONSOLIDATED FINANCIAL STATEMENTS 2011                   |                                    |                                  |                                |                |                      |                                  |          |
|----------------------------------------------------------|------------------------------------|----------------------------------|--------------------------------|----------------|----------------------|----------------------------------|----------|
| Company Name                                             | Business Type                      | Securities<br>Investment<br>Type | Registered<br>Share<br>Capital | Ownership<br>% | Investment<br>(Cost) | Investment<br>(Equity<br>Method) | Dividend |
| <b>Associates</b>                                        |                                    |                                  |                                |                |                      |                                  |          |
| Tesco Card Services<br>Limited <sup>(1)</sup>            | Credit cards and<br>personal loans | Common stock                     | 780                            | 50.00          | 390                  | 726                              | -        |
| Tesco Life Assurance<br>Broker Limited <sup>(2)</sup>    | Life assurance<br>broker           | Common stock                     | 2                              | 50.00          | -                    | 12                               | -        |
| Tesco General Insurance<br>Broker Limited <sup>(2)</sup> | General insurance<br>broker        | Common stock                     | 77                             | 50.00          | -                    | 32                               | -        |
| Metro Designee<br>Company Limited <sup>(3)</sup>         | Special purpose<br>vehicle         | Common stock                     | -                              | 21.90          | -                    | -                                | -        |
| <b>Investments in<br/>associates, net</b>                |                                    |                                  |                                |                | 390                  | 770                              | -        |

Unit : Million Baht

## CONSOLIDATED FINANCIAL STATEMENTS 2010

| Company Name                                          | Business Type                   | Securities<br>Investment<br>Type | Registered<br>Share<br>Capital | Ownership<br>% | Investment<br>(Cost) | Investment<br>(Equity<br>Method) | Dividend |
|-------------------------------------------------------|---------------------------------|----------------------------------|--------------------------------|----------------|----------------------|----------------------------------|----------|
| <b>Associates</b>                                     |                                 |                                  |                                |                |                      |                                  |          |
| Tesco Card Services Limited <sup>(1)</sup>            | Credit cards and personal loans | Common stock                     | 780                            | 49.00          | 382                  | 681                              | -        |
| Tesco Life Assurance Broker Limited <sup>(2)</sup>    | Life assurance broker           | Common stock                     | 2                              | 49.00          | -                    | 10                               | -        |
| Tesco General Insurance Broker Limited <sup>(2)</sup> | General insurance broker        | Common stock                     | 77                             | 49.00          | -                    | 38                               | -        |
| Metro Designee Company Limited <sup>(3)</sup>         | Special purpose vehicle         | Common stock                     | -                              | 21.90          | -                    | -                                | -        |
| <b>Investments in associates, net</b>                 |                                 |                                  |                                |                | 382                  | 729                              | -        |

<sup>(1)</sup> Indirect holding via Ayudhya Capital Services Company Limited<sup>(2)</sup> Indirect holding via Tesco Card Services Limited<sup>(3)</sup> The company which was established for the transfer of the throughout rights as per the concession agreement between MRT and BMCL in case of BMCL breaches agreement with MRT or BMCL breaches the loan agreement with the creditor group.

Unit : Million Baht

## THE BANK'S FINANCIAL STATEMENTS 2011

| Company Name                                             | Business Type                      | Securities<br>Investment<br>Type | Registered<br>Share<br>Capital | Ownership<br>% | Investment<br>(Cost) | Dividend |
|----------------------------------------------------------|------------------------------------|----------------------------------|--------------------------------|----------------|----------------------|----------|
| <b>Subsidiaries</b>                                      |                                    |                                  |                                |                |                      |          |
| Ayudhya Development Leasing Company Limited              | Leasing and hire- purchase         | Common stock                     | 705                            | 99.99          | 929                  | 35       |
| Ayudhya Auto Lease Public Company Limited <sup>(1)</sup> | Hire purchase                      | Common stock                     | 713                            | 99.79          | 813                  | -        |
|                                                          |                                    | Preferred stock                  |                                |                | 197                  | -        |
| Ayudhya Capital Auto Lease Public Company Limited        | Hire purchase and auto leasing     | Common stock                     | 1,045                          | 99.99          | 16,281               | 601      |
| Ayudhya Total Solutions Public Company Limited           | Hire purchase                      | Common stock                     | 299                            | 99.81          | 634                  | 215      |
| CFG Services Company Limited                             | Hire purchase and motorcycle loans | Common stock                     | 514                            | 99.99          | 26                   | -        |
|                                                          |                                    | Preferred stock                  |                                |                | 1                    | -        |
| Ayudhya Card Services Company Limited                    | Credit cards and personal loans    | Common stock                     | 180                            | 99.99          | 4                    | 180      |
| Ayudhya Capital Services Company Limited                 | Credit cards and personal loans    | Common stock                     | 125                            | 99.99          | 6,141                | 2,400    |
| General Card Services Limited                            | Credit cards and personal loans    | Common stock                     | 758                            | 99.99          | 881                  | -        |
| Krungsriayudhya Card Company Limited                     | Credit cards and personal loans    | Common stock                     | 1,100                          | 99.99          | 1,304                | -        |
| Siam Realty and Services Company Limited                 | Car leasing and personnel services | Common stock                     | 100                            | 99.99          | 100                  | -        |
| Total Services Solutions Public Company Limited          | Collection services                | Common stock                     | 331                            | 99.99          | 1,614                | 72       |

Unit : Million Baht

## THE BANK'S FINANCIAL STATEMENTS 2011

| Company Name                                                                                    | Business Type           | Securities<br>Investment<br>Type | Registered<br>Share<br>Capital | Ownership<br>% | Investment<br>(Cost) | Dividend |
|-------------------------------------------------------------------------------------------------|-------------------------|----------------------------------|--------------------------------|----------------|----------------------|----------|
| <b>Subsidiaries (Continued)</b>                                                                 |                         |                                  |                                |                |                      |          |
| Krungsri Asset Management Company Limited (Formerly Ayudhya Fund Management Company Limited)    | Fund management         | Common stock                     | 350                            | 76.59          | 204                  | -        |
| Krungsri Ayudhya AMC Limited (Formerly Ayudhya Asset Management Company Limited)                | Asset management        | Common stock                     | 6,000                          | 99.99          | 6,000                | -        |
| Krungsri Securities Public Company Limited (Formerly Ayudhya Securities Public Company Limited) | Securities              | Common stock                     | 600                            | 88.13          | 651                  | -        |
| Ayudhya Factoring Company Limited                                                               | Factoring               | Common stock                     | 300                            | 99.99          | 300                  | -        |
| <b>Associated Company</b><br>Metro Designee Company Limited <sup>(2)</sup>                      | Special purpose vehicle | Common stock                     | -                              | 21.90          | -                    | -        |
| <b>Investments in subsidiaries and associated company</b>                                       |                         |                                  |                                |                | 36,080               | 3,503    |
| <u>Less</u> Allowance for impairment                                                            |                         |                                  |                                |                | (2,984)              | -        |
| <b>Investments in subsidiaries and associated company, net</b>                                  |                         |                                  |                                |                | 33,096               | 3,503    |

<sup>(1)</sup> Subsidiary is under the liquidation process.<sup>(2)</sup> The company which was established for the transfer of the throughout rights as per the concession agreement between MRT and BMCL in case of BMCL breaches agreement with MRT or BMCL breaches the loan agreement with the creditor group.

| THE BANK'S FINANCIAL STATEMENTS 2010                                                            |                                    |                            |                          |             |                   |          |
|-------------------------------------------------------------------------------------------------|------------------------------------|----------------------------|--------------------------|-------------|-------------------|----------|
| Company Name                                                                                    | Business Type                      | Securities Investment Type | Registered Share Capital | Ownership % | Investment (Cost) | Dividend |
| <b>Subsidiaries</b>                                                                             |                                    |                            |                          |             |                   |          |
| Ayudhya Development Leasing Company Limited                                                     | Leasing and hire- purchase         | Common stock               | 705                      | 99.99       | 929               | 70       |
| Ayudhya Auto Lease Public Company Limited <sup>(1)</sup>                                        | Hire purchase                      | Common stock               | 2,850                    | 99.79       | 2,236             | -        |
|                                                                                                 |                                    | Preferred stock            |                          |             | 500               | -        |
| Ayudhya Capital Lease Company Limited <sup>(1)</sup>                                            | Hire purchase                      | Common stock               | 3,000                    | 99.99       | 3,000             | -        |
| Ayudhya Capital Auto Lease Public Company Limited                                               | Hire purchase and auto leasing     | Common stock               | 1,045                    | 99.99       | 16,281            | 1,523    |
| Ayudhya Total Solutions Public Company Limited                                                  | Hire purchase                      | Common stock               | 1,197                    | 99.81       | 1,530             | 334      |
| CFG Services Company Limited                                                                    | Hire purchase and motorcycle loans | Common stock               | 514                      | 99.99       | 26                | -        |
|                                                                                                 |                                    | Preferred stock            |                          |             | 1                 | -        |
| Ayudhya Card Services Company Limited                                                           | Credit cards and personal loans    | Common stock               | 180                      | 99.99       | 4                 | -        |
| Ayudhya Capital Services Company Limited                                                        | Credit cards and personal loans    | Common stock               | 125                      | 99.99       | 5,968             | 1,553    |
| General Card Services Limited                                                                   | Credit cards and personal loans    | Common stock               | 758                      | 99.99       | 817               | 30       |
| Krungsriayudhya Card Company Limited                                                            | Credit cards and personal loans    | Common stock               | 1,100                    | 99.99       | 1,304             | 630      |
| Siam Realty and Services Company Limited                                                        | Car leasing and personnel services | Common stock               | 100                      | 99.99       | 100               | 60       |
| Total Services Solutions Public Company Limited                                                 | Collection services                | Common stock               | 1,326                    | 99.99       | 1,631             | 170      |
|                                                                                                 |                                    | Preferred stock            |                          |             | 215               | -        |
| Krungsri Asset Management Company Limited (Formerly Ayudhya Fund Management Company Limited)    | Fund management                    | Common stock               | 350                      | 76.59       | 204               | -        |
| Krungsri Ayudhya AMC Limited (Formerly Ayudhya Asset Management Company Limited)                | Asset management                   | Common stock               | 6,000                    | 99.99       | 6,000             | -        |
| Krungsri Securities Public Company Limited (Formerly Ayudhya Securities Public Company Limited) | Securities                         | Common stock               | 600                      | 86.33       | 637               | -        |
| Ayudhya Factoring Company Limited                                                               | Factoring                          | Common stock               | 100                      | 99.99       | 100               | -        |
| <b>Associated Company</b>                                                                       |                                    |                            |                          |             |                   |          |
| Metro Designee Company Limited <sup>(2)</sup>                                                   | Special purpose vehicle            | Common stock               | -                        | 21.90       | -                 | -        |
| <b>Investments in subsidiaries and associated company</b>                                       |                                    |                            |                          |             | 41,483            | 4,370    |
| <u>Less</u> Allowance for impairment                                                            |                                    |                            |                          |             | (4,757)           | -        |
| <b>Investments in subsidiaries and associated company , net</b>                                 |                                    |                            |                          |             | 36,726            | 4,370    |

<sup>(1)</sup> Subsidiary is under the liquidation process.

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

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

KRUNGSRI AYUDHYA AMC LIMITED  
(FORMERLY AYUDHYA ASSET MANAGEMENT COMPANY LIMITED)  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2011 AND 2010

| Unit : Million Baht                                                                |          |          |
|------------------------------------------------------------------------------------|----------|----------|
|                                                                                    | 2011     | 2010     |
| <b>Cash flows from operating activities</b>                                        |          |          |
| Income before income tax                                                           | 467      | 569      |
| Adjustments to reconcile income to cash provided by (used in) operating activities |          |          |
| Bad debt and doubtful accounts                                                     | 298      | (585)    |
| Loss on impairment of properties for sale                                          | 36       | 173      |
| Gain on sales of properties for sale                                               | (248)    | (286)    |
| Depreciation and amortization                                                      | 2        | 2        |
| Increase in provision for post-employment benefits obligation                      | 3        | -        |
| Interest income, net                                                               | 23       | (96)     |
| Dividend income                                                                    | (1)      | (1)      |
| Dividend received                                                                  | 1        | 1        |
| Proceeds from interest income                                                      | 304      | 401      |
| Cash paid for interest expenses                                                    | (328)    | (305)    |
| Cash paid for income tax                                                           | (20)     | (20)     |
| Income from operations before changes in operating assets and liabilities          | 537      | (147)    |
| (Increase) decrease in operating assets                                            |          |          |
| Investment in receivables                                                          | 2,816    | 2,801    |
| Loans and receivables                                                              | (2)      | (21)     |
| Properties for sale                                                                | 1,562    | 1,300    |
| Other assets                                                                       | 308      | 1        |
| Increase (decrease) in operating liabilities                                       |          |          |
| Other liabilities                                                                  | (14)     | (30)     |
| Net cash from operating activities                                                 | 5,207    | 3,904    |
| <b>Cash flows from investing activities</b>                                        |          |          |
| Cash paid for purchase of equipment                                                | (1)      | (1)      |
| Net cash used in investing activities                                              | (1)      | (1)      |
| <b>Cash flows from financing activities</b>                                        |          |          |
| Proceeds from bill of exchange issued                                              | 44,750   | 36,045   |
| Cash paid for repayment of bill of exchange                                        | (49,875) | (39,972) |
| Net cash from financing activities                                                 | (5,125)  | (3,927)  |
| Net increase in cash and cash equivalents                                          | 81       | (24)     |
| Cash and cash equivalents as at January 1,                                         | 12       | 36       |
| Cash and cash equivalents as at December 31,                                       | 93       | 12       |

8.6 Loans to customers and accrued interest receivables, net

Unit : Million Baht

Loans to customers and accrued interest receivables, net as at December 31, 2011 and 2010, are as follows:

1. Classified by products

|                                                                                   | CONSOLIDATED<br>FINANCIAL STATEMENTS |          | THE BANK'S<br>FINANCIAL STATEMENTS |          |
|-----------------------------------------------------------------------------------|--------------------------------------|----------|------------------------------------|----------|
|                                                                                   | 2011                                 | 2010     | 2011                               | 2010     |
|                                                                                   |                                      |          |                                    |          |
| Overdrafts                                                                        | 44,489                               | 45,036   | 43,119                             | 42,338   |
| Loan against contract                                                             | 319,653                              | 271,354  | 452,170                            | 381,266  |
| Trade bill                                                                        | 145,998                              | 163,815  | 145,606                            | 162,894  |
| Hire purchase receivable                                                          | 180,691                              | 146,484  | -                                  | -        |
| Lease contract receivable                                                         | 22,441                               | 15,555   | -                                  | -        |
| Credit card receivable                                                            | 28,683                               | 29,918   | -                                  | -        |
| Others                                                                            | 7,892                                | 1,169    | 374                                | 496      |
| Total                                                                             | 749,847                              | 673,331  | 641,269                            | 586,994  |
| Add Deferred brokerage fee                                                        | 1,558                                | 1,265    | -                                  | -        |
| Total                                                                             | 751,405                              | 674,596  | 641,269                            | 586,994  |
| Less Deferred revenue                                                             | (31,898)                             | (25,636) | (26)                               | (34)     |
| Loans to customers after deferred<br>revenue, net                                 | 719,507                              | 648,960  | 641,243                            | 586,960  |
| Add Accrued interest receivables                                                  | 1,859                                | 1,724    | 1,106                              | 776      |
| Loans to customers and accrued interest<br>receivable after deferred revenue, net | 721,366                              | 650,684  | 642,349                            | 587,736  |
| Less Allowance for doubtful accounts                                              |                                      |          |                                    |          |
| 1) BOT requirement :                                                              |                                      |          |                                    |          |
| Individual approach                                                               | (14,445)                             | (18,379) | (13,124)                           | (14,762) |
| Collective approach                                                               | (3,864)                              | (2,365)  | -                                  | -        |
| 2) Surplus reserve                                                                | (12,467)                             | (12,666) | (6,102)                            | (5,392)  |
| Less Revaluation allowance for debt<br>restructuring                              | (503)                                | (543)    | (27)                               | (35)     |
| Total loans to customers, net                                                     | 690,087                              | 616,731  | 623,096                            | 567,547  |

2. Classified by currency and residence of debtors

|                  | CONSOLIDATED FINANCIAL STATEMENTS |         |         |          |         |         |
|------------------|-----------------------------------|---------|---------|----------|---------|---------|
|                  | 2011                              |         |         | 2010     |         |         |
|                  | Domestic                          | Foreign | Total   | Domestic | Foreign | Total   |
| Baht             | 689,013                           | 811     | 689,824 | 634,384  | 1,014   | 635,398 |
| US Dollar        | 15,574                            | 2,634   | 18,208  | 11,711   | 1,392   | 13,103  |
| Other currencies | 11,475                            | -       | 11,475  | 308      | 151     | 459     |
| Total            | 716,062                           | 3,445   | 719,507 | 646,403  | 2,557   | 648,960 |

THE BANK'S FINANCIAL STATEMENTS

|                  | 2011     |         |         | 2010     |         |         |
|------------------|----------|---------|---------|----------|---------|---------|
|                  | Domestic | Foreign | Total   | Domestic | Foreign | Total   |
| Baht             | 621,476  | 811     | 622,287 | 572,384  | 1,014   | 573,398 |
| US Dollar        | 15,574   | 2,634   | 18,208  | 11,711   | 1,392   | 13,103  |
| Other currencies | 748      | -       | 748     | 308      | 151     | 459     |
| Total            | 637,798  | 3,445   | 641,243 | 584,403  | 2,557   | 586,960 |

3. Classified by business type and classification

Unit : Million Baht

|                               | CONSOLIDATED FINANCIAL STATEMENTS 2011 |                    |             |          |                     |         |
|-------------------------------|----------------------------------------|--------------------|-------------|----------|---------------------|---------|
|                               | Normal                                 | Special<br>Mention | Substandard | Doubtful | Doubtful<br>of Loss | Total   |
| Agriculture and mining        | 6,452                                  | 263                | 59          | 157      | 465                 | 7,396   |
| Manufacturing and trading     | 171,845                                | 7,031              | 1,210       | 1,360    | 7,396               | 188,842 |
| Real estate and construction  | 40,535                                 | 2,132              | 1,139       | 358      | 2,558               | 46,722  |
| Public utilities and services | 95,230                                 | 7,091              | 1,082       | 3,289    | 1,517               | 108,209 |
| Housing loans                 | 88,500                                 | 1,794              | 880         | 949      | 1,920               | 94,043  |
| Others                        | 256,216                                | 12,998             | 2,890       | 1,419    | 772                 | 274,295 |
| Total                         | 658,778                                | 31,309             | 7,260       | 7,532    | 14,628              | 719,507 |

Unit : Million Baht

|                               | CONSOLIDATED FINANCIAL STATEMENTS 2010 |                    |             |          |                     |         |
|-------------------------------|----------------------------------------|--------------------|-------------|----------|---------------------|---------|
|                               | Normal                                 | Special<br>Mention | Substandard | Doubtful | Doubtful<br>of Loss | Total   |
| Agriculture and mining        | 5,660                                  | 150                | 252         | 56       | 1,070               | 7,188   |
| Manufacturing and trading     | 159,593                                | 6,198              | 3,950       | 1,435    | 10,884              | 182,060 |
| Real estate and construction  | 42,384                                 | 960                | 692         | 1,132    | 4,779               | 49,947  |
| Public utilities and services | 92,289                                 | 6,082              | 2,187       | 708      | 2,509               | 103,775 |
| Housing loans                 | 80,416                                 | 1,828              | 643         | 719      | 2,826               | 86,432  |
| Others                        | 204,867                                | 10,377             | 2,585       | 993      | 736                 | 219,558 |
| Total                         | 585,209                                | 25,595             | 10,309      | 5,043    | 22,804              | 648,960 |

Unit : Million Baht

## THE BANK'S FINANCIAL STATEMENTS 2011

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

Unit : Million Baht

## THE BANK'S FINANCIAL STATEMENTS 2010

|                               | Normal  | Special<br>Mention | Substandard | Doubtful | Doubtful<br>of Loss | Total   |
|-------------------------------|---------|--------------------|-------------|----------|---------------------|---------|
| Agriculture and mining        | 5,660   | 139                | 175         | 56       | 329                 | 6,359   |
| Manufacturing and trading     | 156,362 | 5,962              | 3,942       | 1,435    | 5,635               | 173,336 |
| Real estate and construction  | 41,267  | 936                | 659         | 1,056    | 2,797               | 46,715  |
| Public utilities and services | 91,717  | 6,079              | 2,187       | 708      | 1,181               | 101,872 |
| Housing loans                 | 77,264  | 1,415              | 594         | 698      | 1,107               | 81,078  |
| Others                        | 176,698 | 286                | 169         | 168      | 279                 | 177,600 |
| Total                         | 548,968 | 14,817             | 7,726       | 4,121    | 11,328              | 586,960 |

## 4. Classified by type of classification

Unit : Million Baht

## CONSOLIDATED FINANCIAL STATEMENTS 2011

|                                        | Loans to<br>Customers and<br>Accrued Interest<br>Receivables | Outstanding<br>Balance Use<br>for Calculation<br>Allowance | % Use for<br>Calculation<br>Allowance <sup>(3)</sup> | Allowance<br>for Doubtful<br>Accounts |
|----------------------------------------|--------------------------------------------------------------|------------------------------------------------------------|------------------------------------------------------|---------------------------------------|
| 1. Minimum allowance per BOT guideline |                                                              |                                                            |                                                      |                                       |
| Normal                                 | 658,940                                                      | 363,443                                                    | 1                                                    | 5,031                                 |
| Special mention                        | 31,444                                                       | 13,855                                                     | 2, 11                                                | 2,603                                 |
| Substandard                            | 7,260                                                        | 3,998                                                      | 100, 49                                              | 2,923                                 |
| Doubtful                               | 7,532                                                        | 3,542                                                      | 100, 50                                              | 3,089                                 |
| Doubtful of loss                       | 14,800                                                       | 4,563                                                      | 100                                                  | 4,663                                 |
| Total                                  | 719,976                                                      | 389,401                                                    |                                                      | 18,309                                |
| Add Deferred brokerage fee             | 1,558                                                        | -                                                          |                                                      |                                       |
| Less Deferred revenue                  | (168)                                                        | -                                                          |                                                      |                                       |
| Total                                  | 721,366                                                      | 389,401                                                    |                                                      |                                       |
| 2. Surplus Reserve                     |                                                              |                                                            |                                                      | 12,467 <sup>(1)</sup>                 |
| Total                                  |                                                              |                                                            |                                                      | 30,776 <sup>(2)</sup>                 |

Unit : Million Baht

## CONSOLIDATED FINANCIAL STATEMENTS 2010

|                                        | Loans to<br>Customers and<br>Accrued Interest<br>Receivables | Outstanding<br>Balance Use<br>for Calculation<br>Allowance | % Use for<br>Calculation<br>Allowance <sup>(3)</sup> | Allowance<br>for Doubtful<br>Accounts |
|----------------------------------------|--------------------------------------------------------------|------------------------------------------------------------|------------------------------------------------------|---------------------------------------|
| 1. Minimum allowance per BOT guideline |                                                              |                                                            |                                                      |                                       |
| Normal                                 | 586,356                                                      | 309,481                                                    | 1                                                    | 5,257                                 |
| Special mention                        | 24,864                                                       | 10,544                                                     | 2, 9                                                 | 1,170                                 |
| Substandard                            | 10,104                                                       | 6,086                                                      | 100, 42                                              | 5,564                                 |
| Doubtful                               | 4,897                                                        | 1,629                                                      | 100, 41                                              | 1,268                                 |
| Doubtful of loss                       | 23,269                                                       | 7,484                                                      | 100                                                  | 7,485                                 |
| Total                                  | 649,490                                                      | 335,224                                                    |                                                      | 20,744                                |
| Add Deferred brokerage fee             | 1,265                                                        | -                                                          |                                                      |                                       |
| Less Deferred revenue                  | (71)                                                         | -                                                          |                                                      |                                       |
| Total                                  | 650,684                                                      | 335,224                                                    |                                                      |                                       |
| 2. Surplus Reserve                     |                                                              |                                                            |                                                      | 12,666 <sup>(1)</sup>                 |
| Total                                  |                                                              |                                                            |                                                      | 33,410 <sup>(2)</sup>                 |

<sup>(1)</sup> Including allowance for doubtful accounts of loans granted to subsidiaries as at December 31, 2011 and 2010, at the rate of 1% of Baht 164,433 million and Baht 146,696 million equal to Baht 1,644 million and Baht 1,467 million, respectively, which are not eliminated but treated as surplus reserve in the consolidated financial statements.

<sup>(2)</sup> Excluding revaluation allowance for debt restructuring as at December 31, 2011 and 2010, of Baht 503 million and Baht 543 million, respectively, and excluding allowance for doubtful accounts for interbank and money market items as at December 31, 2011 and 2010, of Baht 87 million and Baht 35 million, respectively, but including allowance for doubtful accounts on a collective approach for hire purchase loans as at December 31, 2011 and 2010 of Baht 5,285 million and Baht 4,680 million, respectively.

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

Unit : Million Baht

## THE BANK'S FINANCIAL STATEMENTS 2011

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

Unit : Million Baht

| THE BANK'S FINANCIAL STATEMENTS 2010   |                                                     |                                                   |                                 |                                 |
|----------------------------------------|-----------------------------------------------------|---------------------------------------------------|---------------------------------|---------------------------------|
|                                        | Loans to Customers and Accrued Interest Receivables | Outstanding Balance Use for Calculation Allowance | % Use for Calculation Allowance | Allowance for Doubtful Accounts |
| 1. Minimum allowance per BOT guideline |                                                     |                                                   |                                 |                                 |
| Normal                                 | 549,614                                             | 285,795                                           | 1                               | 4,994                           |
| Special mention                        | 14,947                                              | 696                                               | 2                               | 528                             |
| Substandard                            | 7,726                                               | 3,946                                             | 100                             | 3,946                           |
| Doubtful                               | 4,121                                               | 962                                               | 100                             | 962                             |
| Doubtful of loss                       | 11,328                                              | 4,332                                             | 100                             | 4,332                           |
| Total                                  | 587,736                                             | 295,731                                           |                                 | 14,762                          |
| 2. Surplus Reserve                     |                                                     |                                                   |                                 | 5,392 <sup>(1)</sup>            |
| Total                                  |                                                     |                                                   |                                 | 20,154 <sup>(2)</sup>           |

<sup>(1)</sup> Including allowance for doubtful accounts of loan granted to subsidiaries as at December 31, 2011 and 2010, at the rate of 1% of Baht 164,433 million and Baht 146,696 million, equal to Baht 1,644 million and Baht 1,467 million, respectively.

<sup>(2)</sup> Excluding revaluation allowance for debt restructuring as at December 31, 2011 and 2010, of Baht 27 million and Baht 35 million, respectively and excluding allowance for doubtful accounts for interbank and money market items as at December 31, 2011 and 2010, of Baht 87 million and Baht 35 million, respectively.

For the year ended December 31, 2011, the Bank entered into an agreement to sell non-performing loan (NPLs) to subsidiary totalling Baht 655 million with a book value of Baht 4,058 million and a net book value of Baht 655 million. The sale amount has been received.

In the consolidated financial statements, for the year ended December 31, 2011, the Bank and a subsidiary entered into an agreement to sell non-performing loan (NPLs) to third parties totalling Baht 5,313 million with a book value of Baht 8,849 million and a net book value of Baht 5,189 million. The sale amount has been received.

In the Bank's financial statements, for the year ended December 31, 2011, the Bank entered into an agreement to sell non-performing loan (NPLs) to third parties totalling Baht 2,956 million with a book value of Baht 5,106 million and a net book value of Baht 2,956 million. The sale amount has been received.

As at December 31, 2011 and 2010, the Bank and Krungsri Ayudhaya AMC Limited (formerly Ayudhya Asset Management Company Limited) ("AMC") had non-performing loans which included interbank and money market items as follows:

Unit : Million Baht

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

Unit : Million Baht

|                                | 2010     |        |                  |
|--------------------------------|----------|--------|------------------|
|                                | The Bank | AMC    | The Bank and AMC |
| Non-performing loans           | 23,175   | 10,795 | 33,970           |
| Percentage of total loans      | 3.63     | 100.00 | 5.24             |
| Non-performing loans, net      | 13,935   | 8,167  | 22,102           |
| Percentage of total loans, net | 2.22     | 100.00 | 3.47             |

As at December 31, 2011 and 2010, the Bank and its subsidiaries' non-performing loans are Baht 29,536 million and Baht 38,149 million, respectively.

## 5. Troubled debt restructuring

For the years ended December 31, 2011 and 2010, the Bank and its subsidiaries had restructured the following debts:

Unit : Million Baht

| Form of Restructuring               | CONSOLIDATED FINANCIAL STATEMENTS |                                     |                         |            |                   |                                     |                         |            |
|-------------------------------------|-----------------------------------|-------------------------------------|-------------------------|------------|-------------------|-------------------------------------|-------------------------|------------|
|                                     | 2011                              |                                     |                         |            | 2010              |                                     |                         |            |
|                                     | Number of Debtors                 | Amount of Debt Before Restructuring | Type of Assets Acquired | Fair Value | Number of Debtors | Amount of Debt Before Restructuring | Type of Assets Acquired | Fair Value |
| Transfer of assets                  | 2                                 | 126                                 | Land and building       | 126        | 1                 | 27                                  | Land and building       | 26         |
| Modification of terms               | 125,181                           | 5,659                               |                         | -          | 186,604           | 6,267                               |                         | -          |
| Reduction of principal and interest | 79,408                            | 2,406                               |                         | -          | 104,507           | 5,120                               |                         | -          |
| Various forms of restructuring      | 247                               | 1,441                               | Land and building       | 24         | 283               | 1,681                               | Land and building       | 202        |
| Total                               | 204,838                           | 9,632                               |                         | 150        | 291,395           | 13,095                              |                         | 228        |

Unit : Million Baht

| Form of<br>Restructuring               | THE BANK'S FINANCIAL STATEMENTS |                                              |                               |               |                         |                                              |                               |               |
|----------------------------------------|---------------------------------|----------------------------------------------|-------------------------------|---------------|-------------------------|----------------------------------------------|-------------------------------|---------------|
|                                        | 2011                            |                                              |                               |               | 2010                    |                                              |                               |               |
|                                        | Number<br>of<br>Debtors         | Amount<br>of Debt<br>Before<br>Restructuring | Type of<br>Assets<br>Acquired | Fair<br>Value | Number<br>of<br>Debtors | Amount<br>of Debt<br>Before<br>Restructuring | Type of<br>Assets<br>Acquired | Fair<br>Value |
| Transfer of assets                     | 2                               | 126                                          | Land and<br>building          | 126           | 1                       | 27                                           | Land and<br>building          | 26            |
| Modification of terms                  | 883                             | 4,336                                        |                               | -             | 1,519                   | 4,381                                        |                               | -             |
| Reduction of principal<br>and interest | 644                             | 1,924                                        |                               | -             | 1,217                   | 4,451                                        |                               | -             |
| Various forms of<br>restructuring      | 246                             | 1,436                                        | Land and<br>building          | 6             | 279                     | 1,554                                        | Land and<br>building          | 72            |
| Total                                  | 1,775                           | 7,822                                        |                               | 132           | 3,016                   | 10,413                                       |                               | 98            |

For the years ended December 31, 2011 and 2010, the Bank and its subsidiaries calculated the net realizable value for the trouble debt restructured by the modification of terms using the present value of future cash flows under the restructured loan agreement, discounted by the market rate, together with the fair value of collateral as follows:

Unit : Million Baht

| Method                             | CONSOLIDATED FINANCIAL STATEMENTS |         |                         |                        |                            |         |                         |                        |
|------------------------------------|-----------------------------------|---------|-------------------------|------------------------|----------------------------|---------|-------------------------|------------------------|
|                                    | 2011                              |         |                         |                        | 2010                       |         |                         |                        |
|                                    | Average<br>Aging<br>(Year)        | Number  | Amount of Debt          |                        | Average<br>Aging<br>(Year) | Number  | Amount of Debt          |                        |
|                                    |                                   |         | Before<br>Restructuring | After<br>Restructuring |                            |         | Before<br>Restructuring | After<br>Restructuring |
| Present value of future cash flows | 0.50                              | 124,053 | 1,158                   | 484                    | 0.50                       | 184,750 | 2,385                   | 1,386                  |
| Fair value of collateral           | 5.24                              | 1,128   | 4,501                   | 4,037                  | 5.56                       | 1,854   | 3,882                   | 2,995                  |

Unit : Million Baht

| Method                             | THE BANK'S FINANCIAL STATEMENTS |        |                      |                     |                      |        |                      |                     |
|------------------------------------|---------------------------------|--------|----------------------|---------------------|----------------------|--------|----------------------|---------------------|
|                                    | 2011                            |        |                      |                     | 2010                 |        |                      |                     |
|                                    | Average Aging (Year)            | Number | Amount of Debt       |                     | Average Aging (Year) | Number | Amount of Debt       |                     |
|                                    |                                 |        | Before Restructuring | After Restructuring |                      |        | Before Restructuring | After Restructuring |
| Present value of future cash flows | 5.10                            | 28     | 486                  | 484                 | 10.07                | 49     | 1,386                | 1,386               |
| Fair value of collateral           | 6.86                            | 855    | 3,850                | 3,850               | 6.97                 | 1,470  | 2,995                | 2,995               |

For the years ended December 31, 2011 and 2010, the Bank and its subsidiaries recognized losses on debt restructured and interest received from debt restructured in the statements of comprehensive income as follows:

Unit : Million Baht

|                                          | CONSOLIDATED FINANCIAL STATEMENTS |       | THE BANK'S FINANCIAL STATEMENTS |       |
|------------------------------------------|-----------------------------------|-------|---------------------------------|-------|
|                                          | 2011                              | 2010  | 2011                            | 2010  |
| Losses on debt restructured              | 821                               | 966   | 117                             | 997   |
| Interest received from debt restructured | 1,054                             | 1,467 | 865                             | 1,317 |

As at December 31, 2011 and 2010, the Bank and its subsidiaries recorded balances of total debt restructured and debt restructured during the years in the statements of financial position as follows:

Unit : Million Baht

|                                                | CONSOLIDATED FINANCIAL STATEMENTS |        | THE BANK'S FINANCIAL STATEMENTS |        |
|------------------------------------------------|-----------------------------------|--------|---------------------------------|--------|
|                                                | 2011                              | 2010   | 2011                            | 2010   |
| Balances of total debt restructured            | 20,242                            | 35,220 | 18,240                          | 32,143 |
| Balances of debt restructured during the years | 9,633                             | 13,095 | 7,822                           | 10,413 |

#### 6. Lease receivables (Included hire purchase receivables and finance lease)

Unit : Million Baht

|                                              | CONSOLIDATED FINANCIAL STATEMENTS 2011 |                |              |          |
|----------------------------------------------|----------------------------------------|----------------|--------------|----------|
|                                              | Amount due per agreements              |                |              |          |
|                                              | Within 1 Year                          | Over 1-5 Years | Over 5 Years | Total    |
| Minimum lease payments                       | 65,116                                 | 128,881        | 9,135        | 203,132  |
| <u>Less</u> Unearned interest income         |                                        |                |              | (31,769) |
| Present value of the minimum lease payments  |                                        |                |              | 171,363  |
| <u>Add</u> Direct cost at the inception, net |                                        |                |              | 1,390    |
| <u>Less</u> Allowance for doubtful accounts  |                                        |                |              | (6,115)  |
| Total lease receivables, net                 |                                        |                |              | 166,638  |

Unit : Million Baht

|                                              | CONSOLIDATED FINANCIAL STATEMENTS 2010 |                |              |          |
|----------------------------------------------|----------------------------------------|----------------|--------------|----------|
|                                              | Amount due per agreements              |                |              |          |
|                                              | Within 1 Year                          | Over 1-5 Years | Over 5 Years | Total    |
| Minimum lease payments                       | 53,556                                 | 105,286        | 3,197        | 162,039  |
| <u>Less</u> Unearned interest income         |                                        |                |              | (25,526) |
| Present value of the minimum lease payments  |                                        |                |              | 136,513  |
| <u>Add</u> Direct cost at the inception, net |                                        |                |              | 1,194    |
| <u>Less</u> Allowance for doubtful accounts  |                                        |                |              | (5,736)  |
| Total lease receivables, net                 |                                        |                |              | 131,971  |

#### 8.7 Allowance for doubtful accounts

Allowance for doubtful accounts as at December 31, 2011 and 2010, are as follows:

Unit : Million Baht

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

Unit : Million Baht

|                            | CONSOLIDATED FINANCIAL STATEMENTS 2010 |                 |             |          |                  |                 |         |
|----------------------------|----------------------------------------|-----------------|-------------|----------|------------------|-----------------|---------|
|                            | Normal                                 | Special Mention | Substandard | Doubtful | Doubtful of Loss | Surplus Reserve | Total   |
| Beginning balance          | 5,376                                  | 1,663           | 3,369       | 3,442    | 12,897           | 11,524          | 38,271  |
| Doubtful accounts          | (115)                                  | (492)           | 2,372       | (586)    | 3,508            | 3,845           | 8,532   |
| Bad debts written off      | -                                      | -               | (118)       | (173)    | (3,393)          | (2,702)         | (6,386) |
| Bad debts written off from |                                        |                 |             |          |                  |                 |         |
| sales of NPLs              | (4)                                    | (1)             | (59)        | (1,415)  | (5,527)          | -               | (7,006) |
| Other                      | -                                      | -               | -           | -        | -                | (1)             | (1)     |
| Ending balance             | 5,257                                  | 1,170           | 5,564       | 1,268    | 7,485            | 12,666          | 33,410  |

As at December 31, 2011 and 2010, the consolidated financial statements included the allowance for doubtful account of hire purchase loans applying a collective approach basis in the amounts of Baht 5,285 million and Baht 4,680 million, respectively.

Unit : Million Baht

## THE BANK'S FINANCIAL STATEMENTS 2011

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

Unit : Million Baht

## THE BANK'S FINANCIAL STATEMENTS 2010

|                            | Normal | Special<br>Mention | Substandard | Doubtful | Doubtful<br>of Loss | Surplus<br>Reserve | Total   |
|----------------------------|--------|--------------------|-------------|----------|---------------------|--------------------|---------|
| Beginning balance          | 5,004  | 727                | 880         | 2,796    | 9,156               | 5,693              | 24,256  |
| Doubtful accounts          | (6)    | (199)              | 3,210       | (246)    | 2,077               | (300)              | 4,536   |
| Bad debts written off      | -      | -                  | (85)        | (173)    | (1,374)             | -                  | (1,632) |
| Bad debts written off from |        |                    |             |          |                     |                    |         |
| sales of NPLs              | (4)    | -                  | (59)        | (1,415)  | (5,527)             | -                  | (7,005) |
| Other                      | -      | -                  | -           | -        | -                   | (1)                | (1)     |
| Ending balance             | 4,994  | 528                | 3,946       | 962      | 4,332               | 5,392              | 20,154  |

As at December 31, 2011 and 2010, the Bank estimated the minimum total allowance\* under the BOT Guidelines of Baht 18,899 million and Baht 21,322 million, respectively for the consolidated financial statements and Baht 13,238 million and Baht 14,832 million, respectively for the Bank's financial statements.

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

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

Unit : Million Baht

|                                   | 2011   | 2010   |
|-----------------------------------|--------|--------|
| Consolidated financial statements | 31,366 | 33,989 |
| The Bank and Krungsri Ayudhya AMC |        |        |
| Limited (formerly Ayudhya Asset   |        |        |
| Management Company Limited        | 21,514 | 24,668 |
| The Bank's financial statements   | 19,340 | 20,224 |

As at December 31, 2011 and 2010, the Bank and its subsidiaries had loans to customers and accrued interest receivables to companies which have certain problems in financial position and result of operations as defined in the Guideline of the SET dated July 8, 1998 regarding the Quality of Assets and Transactions with Related Parties and the allowance for doubtful accounts for such loans as follows:

Unit : Million Baht

## CONSOLIDATED AND THE BANK'S FINANCIAL STATEMENTS 2011

|                                         | Number | Outstanding<br>Balance | Collateral | Allowance<br>for Doubtful<br>Accounts |
|-----------------------------------------|--------|------------------------|------------|---------------------------------------|
| Companies subject to be delisted by SET | 3      | 70                     | 53         | 20                                    |
| Total                                   | 3      | 70                     | 53         | 20                                    |

Unit : Million Baht

## CONSOLIDATED AND THE BANK'S FINANCIAL STATEMENTS 2010

|                                         | Number | Outstanding<br>Balance | Collateral | Allowance<br>for Doubtful<br>Accounts |
|-----------------------------------------|--------|------------------------|------------|---------------------------------------|
| Companies subject to be delisted by SET | 3      | 233                    | 162        | 35                                    |
| Total                                   | 3      | 233                    | 162        | 35                                    |

## 8.8 Revaluation allowance for debt restructuring

Revaluation allowance for debt restructuring as at December 31, 2011 and 2010, are as follows:

Unit : Million Baht

## CONSOLIDATED FINANCIAL STATEMENTS

|                          | 2011  | 2010    |
|--------------------------|-------|---------|
| Beginning balance        | 543   | 329     |
| Increase during the year | 821   | 1,505   |
| Amount written off       | (861) | (1,291) |
| Ending balance           | 503   | 543     |

Unit : Million Baht

## THE BANK'S FINANCIAL STATEMENTS

|                          | 2011  | 2010    |
|--------------------------|-------|---------|
| Beginning balance        | 35    | 329     |
| Increase during the year | 117   | 997     |
| Amount written off       | (125) | (1,291) |
| Ending balance           | 27    | 35      |

## 8.9 Properties for sale, net

Properties for sale, net as at December 31, 2011 and 2010, are as follows:

Unit : Million Baht

## CONSOLIDATED FINANCIAL STATEMENTS

| Type of Properties For Sale            | Balance as at<br>January 1,<br>2011 | Acquisition | Disposition | Balance as at<br>December 31,<br>2011 |
|----------------------------------------|-------------------------------------|-------------|-------------|---------------------------------------|
| 1. Assets acquired from debt repayment |                                     |             |             |                                       |
| 1.1 Immovable                          | 16,739                              | 714         | (3,645)     | 13,808                                |
| 1.2 Movable                            | 316                                 | 2,821       | (2,764)     | 373                                   |
| Total                                  | 17,055                              | 3,535       | (6,409)     | 14,181                                |
| 2. Others                              | 90                                  | -           | (5)         | 85                                    |
| Total properties for sale              | 17,145                              | 3,535       | (6,414)     | 14,266                                |
| Less Provision for impairment          | (2,418)                             | (1,102)     | 991         | (2,529)                               |
| Total properties for sale              | 14,727                              | 2,433       | (5,423)     | 11,737                                |

Unit : Million Baht

| Type of Properties For Sale            | CONSOLIDATED FINANCIAL STATEMENTS   |             |             |                                       |
|----------------------------------------|-------------------------------------|-------------|-------------|---------------------------------------|
|                                        | Balance as at<br>January 1,<br>2010 | Acquisition | Disposition | Balance as at<br>December 31,<br>2010 |
| 1. Assets acquired from debt repayment |                                     |             |             |                                       |
| 1.1 Immovable                          | 19,774                              | 1,080       | (4,115)     | 16,739                                |
| 1.2 Movable                            | 327                                 | 3,091       | (3,102)     | 316                                   |
| Total                                  | 20,101                              | 4,171       | (7,217)     | 17,055                                |
| 2. Others                              | 110                                 | 42          | (62)        | 90                                    |
| Total properties for sale              | 20,211                              | 4,213       | (7,279)     | 17,145                                |
| Less Provision for impairment          | (2,194)                             | (1,358)     | 1,134       | (2,418)                               |
| Total properties for sale              | 18,017                              | 2,855       | (6,145)     | 14,727                                |

Unit : Million Baht

| Type of Properties For Sale            | THE BANK'S FINANCIAL STATEMENTS     |             |             |                                       |
|----------------------------------------|-------------------------------------|-------------|-------------|---------------------------------------|
|                                        | Balance as at<br>January 1,<br>2011 | Acquisition | Disposition | Balance as at<br>December 31,<br>2011 |
| 1. Assets acquired from debt repayment |                                     |             |             |                                       |
| 1.1 Immovable                          | 9,327                               | 539         | (1,855)     | 8,011                                 |
| 1.2 Movable                            | 13                                  | -           | (1)         | 12                                    |
| Total                                  | 9,340                               | 539         | (1,856)     | 8,023                                 |
| 2. Others                              | 84                                  | -           | (5)         | 79                                    |
| Total properties for sale              | 9,424                               | 539         | (1,861)     | 8,102                                 |
| Less Provision for impairment          | (1,864)                             | (641)       | 340         | (2,165)                               |
| Total properties for sale              | 7,560                               | (102)       | (1,521)     | 5,937                                 |

Unit : Million Baht

| Type of Properties For Sale            | THE BANK'S FINANCIAL STATEMENTS     |             |             |                                       |
|----------------------------------------|-------------------------------------|-------------|-------------|---------------------------------------|
|                                        | Balance as at<br>January 1,<br>2010 | Acquisition | Disposition | Balance as at<br>December 31,<br>2010 |
| 1. Assets acquired from debt repayment |                                     |             |             |                                       |
| 1.1 Immovable                          | 11,122                              | 309         | (2,104)     | 9,327                                 |
| 1.2 Movable                            | 13                                  | -           | -           | 13                                    |
| Total                                  | 11,135                              | 309         | (2,104)     | 9,340                                 |
| 2. Others                              | 104                                 | 42          | (62)        | 84                                    |
| Total properties for sale              | 11,239                              | 351         | (2,166)     | 9,424                                 |
| Less Provision for impairment          | (1,682)                             | (611)       | 429         | (1,864)                               |
| Total properties for sale              | 9,557                               | (260)       | (1,737)     | 7,560                                 |

For the years ended December 31, 2011 and 2010, the appraisal value of properties for sale acquired from repossession or auction, are appraised by the internal appraiser of Baht 4,590 million and Baht 4,562 million, respectively, and are appraised by the independent appraiser of Baht 3,475 million and Baht 6,497 million, respectively.

## 8.10 Premises and equipment, net

Premises and equipment, net as at December 31, 2011 and 2010, are as follows:

Unit : Million Baht

|                                  | CONSOLIDATED FINANCIAL STATEMENTS   |          |          |        |                                       |
|----------------------------------|-------------------------------------|----------|----------|--------|---------------------------------------|
|                                  | Balance as at<br>January 1,<br>2011 | Increase | Decrease | Others | Balance as at<br>December 31,<br>2011 |
| Land                             |                                     |          |          |        |                                       |
| Cost                             | 3,777                               | -        | (2)      | -      | 3,775                                 |
| Appraisal increase (Year 2009)   | 3,765                               | -        | (6)      | -      | 3,759                                 |
| Appraisal decrease (Year 2009)   | (190)                               | -        | -        | -      | (190)                                 |
| Premises                         |                                     |          |          |        |                                       |
| Cost                             | 6,065                               | 43       | (2)      | 226    | 6,332                                 |
| Appraisal increase (Year 2009)   | 6,109                               | -        | (4)      | -      | 6,105                                 |
| Appraisal decrease (Year 2009)   | (70)                                | -        | -        | -      | (70)                                  |
| Equipment                        | 12,190                              | 1,206    | (537)    | 1      | 12,860                                |
| Leasehold improvement            | 1,584                               | 152      | (79)     | 64     | 1,721                                 |
| Total                            | 33,230                              | 1,401    | (630)    | 291    | 34,292                                |
| Less Accumulated depreciation    |                                     |          |          |        |                                       |
| Premises                         |                                     |          |          |        |                                       |
| - Cost                           | (2,661)                             | (217)    | 1        | -      | (2,877)                               |
| - Appraisal increase (Year 2009) | (3,049)                             | (244)    | -        | 2      | (3,291)                               |
| Equipment                        | (9,087)                             | (1,087)  | 517      | -      | (9,657)                               |
| Leasehold improvement            | (1,247)                             | (120)    | 64       | (2)    | (1,305)                               |
| Total                            | (16,044)                            | (1,668)  | 582      | -      | (17,130)                              |
| Construction in progress         | 366                                 | 335      | (4)      | (291)  | 406                                   |
| Premises and equipment, net      | 17,552                              |          |          |        | 17,568                                |

Unit : Million Baht

|                                  | CONSOLIDATED FINANCIAL STATEMENTS   |          |          |        |                                       |
|----------------------------------|-------------------------------------|----------|----------|--------|---------------------------------------|
|                                  | Balance as at<br>January 1,<br>2010 | Increase | Decrease | Others | Balance as at<br>December 31,<br>2010 |
| Land                             |                                     |          |          |        |                                       |
| Cost                             | 3,791                               | 33       | (44)     | (3)    | 3,777                                 |
| Appraisal increase (Year 2009)   | 3,824                               | -        | (59)     | -      | 3,765                                 |
| Appraisal decrease (Year 2009)   | (193)                               | -        | 3        | -      | (190)                                 |
| Premises                         |                                     |          |          |        |                                       |
| Cost                             | 6,033                               | 50       | (28)     | 10     | 6,065                                 |
| Appraisal increase (Year 2009)   | 6,122                               | -        | (13)     | -      | 6,109                                 |
| Appraisal decrease (Year 2009)   | (70)                                | -        | -        | -      | (70)                                  |
| Equipment                        | 10,913                              | 1,776    | (536)    | 37     | 12,190                                |
| Leasehold improvement            | 1,511                               | 75       | (23)     | 21     | 1,584                                 |
| Total                            | 31,931                              | 1,934    | (700)    | 65     | 33,230                                |
| Less Accumulated depreciation    |                                     |          |          |        |                                       |
| Premises                         |                                     |          |          |        |                                       |
| - Cost                           | (2,489)                             | (177)    | 5        | -      | (2,661)                               |
| - Appraisal increase (Year 2009) | (2,794)                             | (259)    | 4        | -      | (3,049)                               |
| Equipment                        | (8,368)                             | (1,226)  | 507      | -      | (9,087)                               |
| Leasehold improvement            | (1,155)                             | (101)    | 9        | -      | (1,247)                               |
| Total                            | (14,806)                            | (1,763)  | 525      | -      | (16,044)                              |
| Construction in progress         | 245                                 | 213      | (27)     | (65)   | 366                                   |
| Premises and equipment, net      | 17,370                              |          |          |        | 17,552                                |

Unit : Million Baht

|                            | 2011  | 2010  |
|----------------------------|-------|-------|
| Depreciation for the years | 1,668 | 1,763 |

As at December 31, 2011 and 2010, the Bank and its subsidiaries had premises and equipment which were fully depreciated but still in use, with the original costs amounting to Baht 8,474 million and Baht 7,074 million, respectively

Unit : Million Baht

| THE BANK'S FINANCIAL STATEMENTS  |                                     |          |          |        |                                       |
|----------------------------------|-------------------------------------|----------|----------|--------|---------------------------------------|
|                                  | Balance as at<br>January 1,<br>2011 | Increase | Decrease | Others | Balance as at<br>December 31,<br>2011 |
| Land                             |                                     |          |          |        |                                       |
| Cost                             | 3,770                               | -        | (3)      | -      | 3,767                                 |
| Appraisal increase (Year 2009)   | 3,765                               | -        | (6)      | -      | 3,759                                 |
| Appraisal decrease (Year 2009)   | (190)                               | -        | -        | -      | (190)                                 |
| Premises                         |                                     |          |          |        |                                       |
| Cost                             | 6,031                               | 43       | (2)      | 226    | 6,298                                 |
| Appraisal increase (Year 2009)   | 6,109                               | -        | (4)      | -      | 6,105                                 |
| Appraisal decrease (Year 2009)   | (70)                                | -        | -        | -      | (70)                                  |
| Equipment                        | 9,357                               | 788      | (207)    | (1)    | 9,937                                 |
| Leasehold improvement            | 661                                 | 25       | (32)     | 64     | 718                                   |
| Total                            | 29,433                              | 856      | (254)    | 289    | 30,324                                |
| Less Accumulated depreciation    |                                     |          |          |        |                                       |
| Premises                         |                                     |          |          |        |                                       |
| - Cost                           | (2,638)                             | (216)    | 1        | -      | (2,853)                               |
| - Appraisal increase (Year 2009) | (3,049)                             | (243)    | -        | 2      | (3,290)                               |
| Equipment                        | (7,018)                             | (840)    | 193      | -      | (7,665)                               |
| Leasehold improvement            | (426)                               | (65)     | 30       | (2)    | (463)                                 |
| Total                            | (13,131)                            | (1,364)  | 224      | -      | (14,271)                              |
| Construction in progress         | 365                                 | 335      | (4)      | (289)  | 407                                   |
| Premises and equipment, net      | 16,667                              |          |          |        | 16,460                                |

Unit : Million Baht

| THE BANK'S FINANCIAL STATEMENTS  |                                     |          |          |        |                                       |
|----------------------------------|-------------------------------------|----------|----------|--------|---------------------------------------|
|                                  | Balance as at<br>January 1,<br>2010 | Increase | Decrease | Others | Balance as at<br>December 31,<br>2010 |
| Land                             |                                     |          |          |        |                                       |
| Cost                             | 3,779                               | 32       | (39)     | (2)    | 3,770                                 |
| Appraisal increase (Year 2009)   | 3,824                               | -        | (59)     | -      | 3,765                                 |
| Appraisal decrease (Year 2009)   | (193)                               | -        | 3        | -      | (190)                                 |
| Premises                         |                                     |          |          |        |                                       |
| Cost                             | 6,000                               | 50       | (28)     | 9      | 6,031                                 |
| Appraisal increase (Year 2009)   | 6,122                               | -        | (13)     | -      | 6,109                                 |
| Appraisal decrease (Year 2009)   | (70)                                | -        | -        | -      | (70)                                  |
| Equipment                        | 8,159                               | 1,314    | (153)    | 37     | 9,357                                 |
| Leasehold improvement            | 625                                 | 22       | (7)      | 21     | 661                                   |
| Total                            | 28,246                              | 1,418    | (296)    | 65     | 29,433                                |
| Less Accumulated depreciation    |                                     |          |          |        |                                       |
| Premises                         |                                     |          |          |        |                                       |
| - Cost                           | (2,467)                             | (176)    | 5        | -      | (2,638)                               |
| - Appraisal increase (Year 2009) | (2,794)                             | (259)    | 4        | -      | (3,049)                               |
| Equipment                        | (6,246)                             | (921)    | 149      | -      | (7,018)                               |
| Leasehold improvement            | (387)                               | (46)     | 7        | -      | (426)                                 |
| Total                            | (11,894)                            | (1,402)  | 165      | -      | (13,131)                              |
| Construction in progress         | 245                                 | 200      | (15)     | (65)   | 365                                   |
| Premises and equipment, net      | 16,597                              |          |          |        | 16,667                                |

Unit : Million Baht

|                            | 2011  | 2010  |
|----------------------------|-------|-------|
| Depreciation for the years | 1,364 | 1,402 |

As at December 31, 2011 and 2010, the Bank had premises and equipment which were fully depreciated but still in use, with the original costs amounting to Baht 6,564 million and Baht 4,978 million, respectively.

## 8.11 Goodwill and other intangible assets, net

Goodwill and other intangible assets, net as at December 31, 2011 and 2010, are as follows:

Unit : Million Baht

| CONSOLIDATED FINANCIAL STATEMENTS                |                                     |          |          |        |                                       |
|--------------------------------------------------|-------------------------------------|----------|----------|--------|---------------------------------------|
|                                                  | Balance as at<br>January 1,<br>2011 | Increase | Decrease | Others | Balance as at<br>December 31,<br>2011 |
| <b>Cost</b>                                      |                                     |          |          |        |                                       |
| Goodwill                                         | 7,521                               | -        | (97)     | 97     | 7,521                                 |
| Software                                         | 3,333                               | 609      | (8)      | 4      | 3,938                                 |
| Other intangible assets                          | 4,310                               | 131      | -        | 53     | 4,494                                 |
| Total                                            | 15,164                              | 740      | (105)    | 154    | 15,953                                |
| <b>Accumulated amortization</b>                  |                                     |          |          |        |                                       |
| Software                                         | (1,874)                             | (304)    | (2)      | 45     | (2,135)                               |
| Other intangible assets                          | (663)                               | (918)    | 14       | (197)  | (1,764)                               |
| Total                                            | (2,537)                             | (1,222)  | 12       | (152)  | (3,899)                               |
| <b>Goodwill and other intangible assets, net</b> | 12,627                              |          |          |        | 12,054                                |

Unit : Million Baht

| CONSOLIDATED FINANCIAL STATEMENTS                |                                     |                                                       |          |          |         |                                       |
|--------------------------------------------------|-------------------------------------|-------------------------------------------------------|----------|----------|---------|---------------------------------------|
|                                                  | Balance as at<br>January 1,<br>2010 | Balance of<br>Subsidiary<br>as at<br>Purchase<br>Date | Increase | Decrease | Others  | Balance as at<br>December 31,<br>2010 |
| <b>Cost</b>                                      |                                     |                                                       |          |          |         |                                       |
| Goodwill                                         | 9,896                               | -                                                     | -        | (29)     | (2,346) | 7,521                                 |
| Software                                         | 2,824                               | 3                                                     | 494      | (6)      | 18      | 3,333                                 |
| Other intangible assets                          | 1,508                               | -                                                     | -        | -        | 2,802   | 4,310                                 |
| Total                                            | 14,228                              | 3                                                     | 494      | (35)     | 474     | 15,164                                |
| <b>Accumulated amortization</b>                  |                                     |                                                       |          |          |         |                                       |
| Software                                         | (1,560)                             | (1)                                                   | (312)    | 4        | (5)     | (1,874)                               |
| Other intangible assets                          | (60)                                | -                                                     | (605)    | -        | 2       | (663)                                 |
| Total                                            | (1,620)                             | (1)                                                   | (917)    | 4        | (3)     | (2,537)                               |
| <b>Goodwill and other intangible assets, net</b> | 12,608                              |                                                       |          |          |         | 12,627                                |

Unit : Million Baht

|                            | 2011  | 2010 |
|----------------------------|-------|------|
| Amortization for the years | 1,222 | 917  |

As at December 31, 2011 and 2010, the Bank and its subsidiaries had intangible assets which were fully amortised but still in use, with the original costs amounting to Baht 986 million and Baht 913 million, respectively.

Unit : Million Baht

| THE BANK'S FINANCIAL STATEMENTS                  |                                     |          |          |        |                                       |
|--------------------------------------------------|-------------------------------------|----------|----------|--------|---------------------------------------|
|                                                  | Balance as at<br>January 1,<br>2011 | Increase | Decrease | Others | Balance as at<br>December 31,<br>2011 |
| <b>Cost</b>                                      |                                     |          |          |        |                                       |
| Software                                         | 2,796                               | 512      | -        | -      | 3,308                                 |
| Other intangible assets                          | 7                                   | 6        | -        | -      | 13                                    |
| Total                                            | 2,803                               | 518      | -        | -      | 3,321                                 |
| <b>Accumulated amortization</b>                  |                                     |          |          |        |                                       |
| Software                                         | (1,430)                             | (237)    | -        | -      | (1,667)                               |
| Other intangible assets                          | (5)                                 | (1)      | -        | -      | (6)                                   |
| Total                                            | (1,435)                             | (238)    | -        | -      | (1,673)                               |
| <b>Goodwill and other intangible assets, net</b> | 1,368                               |          |          |        | 1,648                                 |

Unit : Million Baht

| THE BANK'S FINANCIAL STATEMENTS                  |                                     |          |          |        |                                       |
|--------------------------------------------------|-------------------------------------|----------|----------|--------|---------------------------------------|
|                                                  | Balance as at<br>January 1,<br>2010 | Increase | Decrease | Others | Balance as at<br>December 31,<br>2010 |
| <b>Cost</b>                                      |                                     |          |          |        |                                       |
| Software                                         | 2,363                               | 382      | -        | 51     | 2,796                                 |
| Other intangible assets                          | 7                                   | -        | -        | -      | 7                                     |
| Total                                            | 2,370                               | 382      | -        | 51     | 2,803                                 |
| <b>Accumulated amortization</b>                  |                                     |          |          |        |                                       |
| Software                                         | (1,224)                             | (206)    | -        | -      | (1,430)                               |
| Other intangible assets                          | (5)                                 | -        | -        | -      | (5)                                   |
| Total                                            | (1,229)                             | (206)    | -        | -      | (1,435)                               |
| <b>Goodwill and other intangible assets, net</b> | 1,141                               |          |          |        | 1,368                                 |

Unit : Million Baht

|                            | 2011 | 2010 |
|----------------------------|------|------|
| Amortization for the years | 238  | 206  |

As at December 31, 2011 and 2010, the Bank had intangible assets which were fully amortised but still in use, with the original costs amounting to Baht 791 million and Baht 652 million, respectively.

## 8.12 Deferred tax assets

Deferred tax assets as at December 31, 2011 and 2010, are as follows:

Unit : Million Baht

|                     | CONSOLIDATED<br>FINANCIAL STATEMENTS |       | THE BANK'S<br>FINANCIAL STATEMENTS |       |
|---------------------|--------------------------------------|-------|------------------------------------|-------|
|                     | 2011                                 | 2010  | 2011                               | 2010  |
| Deferred tax assets | 5,631                                | 7,586 | 2,356                              | 3,190 |

Movements in deferred tax assets during the years were as follows:

Unit : Million Baht

| CONSOLIDATED FINANCIAL STATEMENTS                    |                                     |                                                      |                                                                 |                                       |
|------------------------------------------------------|-------------------------------------|------------------------------------------------------|-----------------------------------------------------------------|---------------------------------------|
|                                                      | Balance as at<br>January 1,<br>2011 | Items as<br>recognized<br>into<br>Profit and<br>Loss | Items as<br>recognized<br>into Other<br>Comprehensive<br>Income | Balance as at<br>December 31,<br>2011 |
| Temporary differences                                |                                     |                                                      |                                                                 |                                       |
| Impairment of assets                                 | 1,670                               | (906)                                                | -                                                               | 764                                   |
| Allowance for doubtful debt                          | 3,489                               | (736)                                                | -                                                               | 2,753                                 |
| Unrealized loss on investment                        | 607                                 | (192)                                                | -                                                               | 415                                   |
| Others                                               | 1,820                               | (748)                                                | -                                                               | 1,072                                 |
| Total before adoption of TAS 19 "Employee Benefits"  | 7,586                               | (2,582)                                              | -                                                               | 5,004                                 |
| Effect of the adoption of TAS 19 "Employee Benefits" | 758                                 | (177)                                                | 46                                                              | 627                                   |
| Total after adoption of TAS 19 "Employee Benefits"   | 8,344                               | (2,759)                                              | 46                                                              | 5,631                                 |

Unit : Million Baht

| CONSOLIDATED FINANCIAL STATEMENTS |                                     |                                                  |                                                      |                                                                 |                                       |
|-----------------------------------|-------------------------------------|--------------------------------------------------|------------------------------------------------------|-----------------------------------------------------------------|---------------------------------------|
|                                   | Balance as at<br>January 1,<br>2010 | Items<br>arising from<br>business<br>combination | Items as<br>recognized<br>into<br>Profit and<br>Loss | Items as<br>recognized<br>into Other<br>Comprehensive<br>Income | Balance as at<br>December 31,<br>2010 |
| Temporary differences             |                                     |                                                  |                                                      |                                                                 |                                       |
| Impairment of assets              | 1,967                               | -                                                | (297)                                                | -                                                               | 1,670                                 |
| Allowance for doubtful debt       | 3,325                               | -                                                | 164                                                  | -                                                               | 3,489                                 |
| Unrealized loss on investment     | 428                                 | -                                                | 179                                                  | -                                                               | 607                                   |
| Other                             | 1,368                               | (33)                                             | 485                                                  | -                                                               | 1,820                                 |
| Total                             | 7,088                               | (33)                                             | 531                                                  | -                                                               | 7,586                                 |

Unit : Million Baht

| THE BANK'S FINANCIAL STATEMENTS                      |                                     |                                                      |                                                                 |                                       |
|------------------------------------------------------|-------------------------------------|------------------------------------------------------|-----------------------------------------------------------------|---------------------------------------|
|                                                      | Balance as at<br>January 1,<br>2011 | Items as<br>recognized<br>into<br>Profit and<br>Loss | Items as<br>recognized<br>into Other<br>Comprehensive<br>Income | Balance as at<br>December 31,<br>2011 |
| Temporary differences                                |                                     |                                                      |                                                                 |                                       |
| Impairment of assets                                 | 1,456                               | (852)                                                | -                                                               | 604                                   |
| Unrealized loss on investment                        | 599                                 | (185)                                                | -                                                               | 414                                   |
| Other                                                | 1,135                               | (328)                                                | -                                                               | 807                                   |
| Total before adoption of TAS 19 "Employee Benefits"  | 3,190                               | (1,365)                                              | -                                                               | 1,825                                 |
| Effect of the adoption of TAS 19 "Employee Benefits" | 658                                 | (160)                                                | 33                                                              | 531                                   |
| Total after adoption of TAS 19 "Employee Benefits"   | 3,848                               | (1,525)                                              | 33                                                              | 2,356                                 |

Unit : Million Baht

| THE BANK'S FINANCIAL STATEMENTS |                                     |                                                      |                                                                 |                                       |
|---------------------------------|-------------------------------------|------------------------------------------------------|-----------------------------------------------------------------|---------------------------------------|
|                                 | Balance as at<br>January 1,<br>2010 | Items as<br>recognized<br>into<br>Profit and<br>Loss | Items as<br>recognized<br>into Other<br>Comprehensive<br>Income | Balance as at<br>December 31,<br>2010 |
| Temporary differences           |                                     |                                                      |                                                                 |                                       |
| Impairment of assets            | 1,687                               | (231)                                                | -                                                               | 1,456                                 |
| Unrealized loss on investment   | 420                                 | 179                                                  | -                                                               | 599                                   |
| Other                           | 685                                 | 450                                                  | -                                                               | 1,135                                 |
| Total                           | 2,792                               | 398                                                  | -                                                               | 3,190                                 |

For the year 2011, the Bank and its subsidiaries have decreased deferred tax assets with respect to reduction of the income tax rate in accordance with the Royal Decree No.530 B.E.2554 (See Note 4).

The deferred tax assets which have not been recognized in the statements of financial position as at December 31, 2011 and 2010, are as follows:

Unit : Million Baht

|                      | CONSOLIDATED<br>FINANCIAL STATEMENTS |       | THE BANK'S<br>FINANCIAL STATEMENTS |      |
|----------------------|--------------------------------------|-------|------------------------------------|------|
|                      | 2011                                 | 2010  | 2011                               | 2010 |
| Unused tax losses    | -                                    | 913   | -                                  | -    |
| Impairment of assets | -                                    | 149   | -                                  | -    |
| Total                | -                                    | 1,062 | -                                  | -    |

As at December 31, 2010, deferred tax assets of Ayudhya Capital Lease Company Limited, liquidating subsidiary, has not been recognized in the consolidated financial statements because this subsidiary's deferred tax assets cannot be utilized for future economic benefit. The subsidiary registered the completion of liquidation on December 13, 2011.

### 8.13 Other assets, net

Other assets, net as at December 31, 2011 and 2010, are as follows:

Unit : Million Baht

|                   | CONSOLIDATED<br>FINANCIAL STATEMENTS |       | THE BANK'S<br>FINANCIAL STATEMENTS |       |
|-------------------|--------------------------------------|-------|------------------------------------|-------|
|                   | 2011                                 | 2010  | 2011                               | 2010  |
| Accrued income    | 1,196                                | 885   | 324                                | 267   |
| Prepayment        | 377                                  | 373   | 113                                | 111   |
| Other receivables | 9,480                                | 3,599 | 7,327                              | 2,765 |
| Others            | 1,336                                | 1,066 | 750                                | 999   |
| Total             | 12,389                               | 5,923 | 8,514                              | 4,142 |

### 8.14 Deposits

Deposits as at December 31, 2011 and 2010, are as follows:

1. Classified by product

Unit : Million Baht

|                      | CONSOLIDATED<br>FINANCIAL STATEMENTS |         | THE BANK'S<br>FINANCIAL STATEMENTS |         |
|----------------------|--------------------------------------|---------|------------------------------------|---------|
|                      | 2011                                 | 2010    | 2011                               | 2010    |
| Current deposit      | 19,265                               | 18,129  | 20,317                             | 19,494  |
| Savings deposit      | 218,395                              | 219,464 | 220,976                            | 222,854 |
| Time deposit         |                                      |         |                                    |         |
| - Less than 6 months | 66,436                               | 95,395  | 66,440                             | 95,399  |
| - 6 months to 1 year | 158,624                              | 106,666 | 158,625                            | 106,665 |
| - over 1 year        | 97,820                               | 136,825 | 97,820                             | 136,829 |
| Total                | 560,540                              | 576,479 | 564,178                            | 581,241 |

2. Classified by currency and residence of depositors

Unit : Million Baht

|                  | CONSOLIDATED FINANCIAL STATEMENTS |         |         |          |         |         |
|------------------|-----------------------------------|---------|---------|----------|---------|---------|
|                  | 2011                              |         |         | 2010     |         |         |
|                  | Domestic                          | Foreign | Total   | Domestic | Foreign | Total   |
| Baht             | 557,137                           | 339     | 557,476 | 573,109  | 444     | 573,553 |
| US Dollar        | 1,766                             | 208     | 1,974   | 1,033    | 838     | 1,871   |
| Other currencies | 1,045                             | 45      | 1,090   | 421      | 634     | 1,055   |
| Total            | 559,948                           | 592     | 560,540 | 574,563  | 1,916   | 576,479 |

Unit : Million Baht

|                  | THE BANK'S FINANCIAL STATEMENTS |         |         |          |         |         |
|------------------|---------------------------------|---------|---------|----------|---------|---------|
|                  | 2011                            |         |         | 2010     |         |         |
|                  | Domestic                        | Foreign | Total   | Domestic | Foreign | Total   |
| Baht             | 560,775                         | 339     | 561,114 | 577,871  | 444     | 578,315 |
| US Dollar        | 1,766                           | 208     | 1,974   | 1,033    | 838     | 1,871   |
| Other currencies | 1,045                           | 45      | 1,090   | 421      | 634     | 1,055   |
| Total            | 563,586                         | 592     | 564,178 | 579,325  | 1,916   | 581,241 |

8.15 Interbank and money market items, net (Liability)

Interbank and money market items, net (liability) as at December 31, 2011 and 2010, are as follows:

| CONSOLIDATED FINANCIAL STATEMENTS             |         |        |        |         |        |        |
|-----------------------------------------------|---------|--------|--------|---------|--------|--------|
|                                               | 2011    |        |        | 2010    |        |        |
|                                               | At Call | Time   | Total  | At Call | Time   | Total  |
| <b>Domestic items</b>                         |         |        |        |         |        |        |
| Bank of Thailand and<br>Financial Institution |         |        |        |         |        |        |
| Development Fund                              | -       | 700    | 700    | -       | 262    | 262    |
| Commercial banks                              | 214     | 7,036  | 7,250  | 1,259   | 33,576 | 34,835 |
| Specialized financial institutions            | 98      | 760    | 858    | 48      | 637    | 685    |
| Other financial institutions                  | 3,074   | 11,525 | 14,599 | 3,183   | 4,661  | 7,844  |
| Total domestic items                          | 3,386   | 20,021 | 23,407 | 4,490   | 39,136 | 43,626 |
| <b>Foreign items</b>                          |         |        |        |         |        |        |
| US Dollar                                     | 334     | -      | 334    | 71      | -      | 71     |
| Other currencies                              | -       | -      | -      | 65      | -      | 65     |
| Total foreign items                           | 334     | -      | 334    | 136     | -      | 136    |
| Total domestic and foreign items              | 3,720   | 20,021 | 23,741 | 4,626   | 39,136 | 43,762 |

| THE BANK'S FINANCIAL STATEMENTS               |         |        |        |         |        |        |
|-----------------------------------------------|---------|--------|--------|---------|--------|--------|
|                                               | 2011    |        |        | 2010    |        |        |
|                                               | At Call | Time   | Total  | At Call | Time   | Total  |
| <b>Domestic items</b>                         |         |        |        |         |        |        |
| Bank of Thailand and<br>Financial Institution |         |        |        |         |        |        |
| Development Fund                              | -       | 700    | 700    | -       | 262    | 262    |
| Commercial banks                              | 963     | 6,192  | 7,155  | 2,020   | 26,840 | 28,860 |
| Specialized financial institutions            | 98      | 760    | 858    | 48      | 637    | 685    |
| Other financial institutions                  | 3,074   | 11,525 | 14,599 | 3,183   | 4,661  | 7,844  |
| Total domestic items                          | 4,135   | 19,177 | 23,312 | 5,251   | 32,400 | 37,651 |
| <b>Foreign items</b>                          |         |        |        |         |        |        |
| US Dollar                                     | 334     | -      | 334    | 71      | -      | 71     |
| Other currencies                              | -       | -      | -      | 65      | -      | 65     |
| Total foreign items                           | 334     | -      | 334    | 136     | -      | 136    |
| Total domestic and foreign items              | 4,469   | 19,177 | 23,646 | 5,387   | 32,400 | 37,787 |

On August 11, 2006 and September 5, 2006, the Bank acquired Baht 600 million of borrowings under promissory notes with embedded derivatives (Structured Borrowings). The maturities were on August 11, 2011 and September 5, 2011 and the interest was payable semi-annually to be determined by reference interest rates in the future. The Bank had already made the repayment in full.

As of December 31, 2010, such borrowings were carried at fair value derived from a counterparty or a calculation agent. The Bank had tested the fair value calculation by using a well-known technique of valuation appraisal with no significant difference noted. The change in fair value of borrowings was recognized as a mark-to-market loss in the statements of comprehensive income for Baht 37 million, which equaled the mark-to-market gain on the hedging instruments.

8.16 Debt issued and borrowings

Debt issued and borrowings as at December 31, 2011 and 2010, are as follows:

| CONSOLIDATED FINANCIAL STATEMENTS |          |                   |          |          |         |         |          |         |        |
|-----------------------------------|----------|-------------------|----------|----------|---------|---------|----------|---------|--------|
|                                   | Currency | Interest rate (%) | Maturity | 2011     |         |         | 2010     |         |        |
|                                   |          |                   |          | Domestic | Foreign | Total   | Domestic | Foreign | Total  |
| Subordinated                      |          |                   |          |          |         |         |          |         |        |
| Debtenture                        | THB      | 4.35              | 2020     | 20,000   | -       | 20,000  | 20,000   | -       | 20,000 |
| Senior securities                 | THB      | 3.33 - 4.40       | 2015     | 26,300   | -       | 26,300  | 51,382   | -       | 51,382 |
| Bill of exchange                  | THB      | 1.70 - 4.50       | 2014     | 155,785  | -       | 155,785 | 27,800   | -       | 27,800 |
| Other borrowings                  | THB      | 0 - 3.45          | 2017     | 6,178    | -       | 6,178   | 183      | -       | 183    |
|                                   |          |                   |          | 208,263  | -       | 208,263 | 99,365   | -       | 99,365 |

| THE BANK'S FINANCIAL STATEMENTS |          |                   |          |          |         |         |          |         |        |
|---------------------------------|----------|-------------------|----------|----------|---------|---------|----------|---------|--------|
|                                 | Currency | Interest rate (%) | Maturity | 2011     |         |         | 2010     |         |        |
|                                 |          |                   |          | Domestic | Foreign | Total   | Domestic | Foreign | Total  |
| Subordinated                    |          |                   |          |          |         |         |          |         |        |
| Debtenture                      | THB      | 4.35              | 2020     | 20,000   | -       | 20,000  | 20,000   | -       | 20,000 |
| Senior securities               | THB      | 4.25              | 2012     | 4,000    | -       | 4,000   | 32,082   | -       | 32,082 |
| Bill of exchange                | THB      | 1.70 - 4.50       | 2014     | 141,867  | -       | 141,867 | 30,600   | -       | 30,600 |
| Other borrowings                | THB      | 0 - 3.45          | 2017     | 6,178    | -       | 6,178   | 183      | -       | 183    |
|                                 |          |                   |          | 172,045  | -       | 172,045 | 82,865   | -       | 82,865 |

Additional information on debts issued and borrowings is as follows:

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

8.17 Provisions

Provisions for the years ended December 31, 2011 and 2010, are as follows:

| CONSOLIDATED FINANCIAL STATEMENTS                                                               |                               |                     |                                 |                                                 |                     |                                 |
|-------------------------------------------------------------------------------------------------|-------------------------------|---------------------|---------------------------------|-------------------------------------------------|---------------------|---------------------------------|
|                                                                                                 | Balance as at January 1, 2010 | Increase (Decrease) | Balance as at December 31, 2010 | Adjustment due to change in accounting policies | Increase (Decrease) | Balance as at December 31, 2011 |
| Provision for post-employment benefits obligation                                               | 916                           | (901)               | 15                              | 2,333                                           | 444                 | 2,792                           |
| Provision for loss on impairment of assets transferred to the Thai Asset Management Corporation | 1,461                         | 596                 | 2,057                           | -                                               | 49                  | 2,106                           |
| Provision for customer loyalty program                                                          | 904                           | 252                 | 1,156                           | -                                               | 88                  | 1,244                           |
| Others                                                                                          | 345                           | 117                 | 462                             | -                                               | 292                 | 754                             |
| Total                                                                                           | 3,626                         | 64                  | 3,690                           | 2,333                                           | 873                 | 6,896                           |

Unit : Million Baht

**THE BANK'S FINANCIAL STATEMENTS**

|                                                                                                       | Balance as at<br>January 1,<br>2010 | Increase<br>(Decrease) | Balance as at<br>December 31,<br>2010 | Adjustment<br>due to change<br>in accounting<br>policies | Increase<br>(Decrease) | Balance as at<br>December 31,<br>2011 |
|-------------------------------------------------------------------------------------------------------|-------------------------------------|------------------------|---------------------------------------|----------------------------------------------------------|------------------------|---------------------------------------|
| Provision for post-employment<br>benefits obligation                                                  | 916                                 | (912)                  | 4                                     | 2,021                                                    | 333                    | 2,358                                 |
| Provision for loss on impairment of<br>assets transferred to the Thai Asset<br>Management Corporation | 1,400                               | 596                    | 1,996                                 | -                                                        | 74                     | 2,070                                 |
| Provision for customer loyalty<br>program                                                             | 4                                   | 3                      | 7                                     | -                                                        | 14                     | 21                                    |
| Others                                                                                                | 344                                 | 125                    | 469                                   | -                                                        | 252                    | 721                                   |
| <b>Total</b>                                                                                          | <b>2,664</b>                        | <b>(188)</b>           | <b>2,476</b>                          | <b>2,021</b>                                             | <b>673</b>             | <b>5,170</b>                          |

**Post-employment benefits obligation**

The Bank and its subsidiaries operate post-employment benefits plans under the Thai Labor Protection Act, which are considered as unfunded defined benefit plans. These plans are recognized as provision in the statement of financial position.

Movements in the present value of the defined benefits obligation for the years ended December 31, 2011 are as follows:

Unit : Million Baht

|                                                        | <b>CONSOLIDATED<br/>FINANCIAL STATEMENTS<br/>2011</b> | <b>THE BANK'S<br/>FINANCIAL STATEMENTS<br/>2011</b> |
|--------------------------------------------------------|-------------------------------------------------------|-----------------------------------------------------|
| Opening defined benefits obligation                    | 15                                                    | 4                                                   |
| Add Adjustment due to change in<br>accounting policies | 2,333                                                 | 2,021                                               |
| Opening defined benefit obligation –<br>as adjusted    | 2,348                                                 | 2,025                                               |
| Current service cost                                   | 190                                                   | 145                                                 |
| Interest cost                                          | 95                                                    | 82                                                  |
| Actuarial losses                                       | 232                                                   | 166                                                 |
| Benefit paid                                           | (73)                                                  | (60)                                                |
| <b>Closing defined benefit obligation</b>              | <b>2,792</b>                                          | <b>2,358</b>                                        |

For the year ended December 31, 2011, the actuarial loss is recognized in the consolidated and the Bank's statements of comprehensive income in the amount of Baht 232 million and Baht 166 million, respectively. Such actuarial loss mainly resulted from the change in discount rate of the financial assumption from the first time adoption.

Amounts recognized in the statements of comprehensive income in respect of the defined benefit plans for the years ended December 31, 2011 are as follows:

Unit : Million Baht

|                        | <b>CONSOLIDATED<br/>FINANCIAL STATEMENTS<br/>2011</b> | <b>THE BANK'S<br/>FINANCIAL STATEMENTS<br/>2011</b> |
|------------------------|-------------------------------------------------------|-----------------------------------------------------|
| Current service cost   | 190                                                   | 145                                                 |
| Interest on obligation | 95                                                    | 82                                                  |
|                        | <b>285</b>                                            | <b>227</b>                                          |

The principal actuarial assumptions used to calculate the obligation under the defined benefit plans as at December 31, 2011 are as follows:

Unit : Million Baht

**CONSOLIDATED AND THE BANK'S  
FINANCIAL STATEMENTS**

|                                  |          |
|----------------------------------|----------|
| Financial assumptions            |          |
| Discount rate                    | 3.8%     |
| Expected rate of salary increase | 6.0%     |
| Turnover rate                    | 11.2%    |
| Retirement age                   | 60 years |

For the first-time adoption of TAS 19 "Employee Benefits", the Bank and its subsidiaries elected to recognize past service costs by adjusting the retained earnings as at January 1, 2011.

**Transfer of sub-quality assets to Thai Asset Management Corporation**

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

The Bank, its subsidiary and TAMC agreed to allocate any profits or losses from managing the sub-quality assets at the end of the fifth and the tenth year starting from July 1, 2001. In addition, pursuant to the TAMC Decree, in case when profits are realized, the first portion of the profits, not exceeding 20% of the transfer price of the sub-quality assets transferred to TAMC, will be allocated equally between TAMC and the Bank/subsidiary. The second portion of the profits will be allocated in full to the Bank/subsidiary. The two portions of the profits combined together shall not exceed the difference between the book value and the transfer price of the sub-quality assets transferred to TAMC. The residual amount of the profits after allocation of the second portion will be given to TAMC. In case when losses are realized, this will be shared between TAMC and the Bank/subsidiary. The Bank and subsidiary will absorb the first portion of the losses, not exceeding 20% of the transfer price of the sub-quality assets transferred to TAMC. For the second portion of losses which is the residual amount of the first portion, an amount not exceeding 20% of the transfer price of the sub-quality assets transferred to TAMC will be shared equally between the Bank and its subsidiary. The residual amount of the losses after allocation of the second portion will be absorbed by TAMC. The calculation of such profits and losses by TAMC is based on the fully repaid assets or the process of assets transfer has been completed in case of transfer of assets for repayment purposes.

As at December 31, 2011 and 2010, the provisions for possible losses were set up in the amounts of Baht 2,106 million and Baht 2,057 million, respectively, for the consolidated financial statements and Baht 2,071 million and Baht 1,996 million, respectively, for the Bank's financial statements.

TAMC has liquidated since June 9, 2011 and currently the Bank and its subsidiaries are in the process of filing the application to settle the obligation with the Liquidation Committee of TAMC, according to the Royal Decree on the Liquidation of Thai Asset Management Corporation.

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

8.18 Deferred tax liabilities

Deferred tax liabilities as at December 31, 2011 and 2010, are as follows:

|                          | CONSOLIDATED<br>FINANCIAL STATEMENTS |       | THE BANK'S<br>FINANCIAL STATEMENTS |       |
|--------------------------|--------------------------------------|-------|------------------------------------|-------|
|                          | 2011                                 | 2010  | 2011                               | 2010  |
| Deferred tax liabilities | 2,276                                | 4,039 | 1,452                              | 2,319 |

Movements of deferred tax liabilities during the years are as follows:

|                         | CONSOLIDATED FINANCIAL STATEMENTS   |                                                      |                                                                 |                                       |
|-------------------------|-------------------------------------|------------------------------------------------------|-----------------------------------------------------------------|---------------------------------------|
|                         | Balance as at<br>January 1,<br>2011 | Items as<br>recognized<br>into<br>Profit and<br>Loss | Items as<br>recognized<br>into Other<br>Comprehensive<br>Income | Balance as at<br>December 31,<br>2011 |
| Temporary differences   |                                     |                                                      |                                                                 |                                       |
| Asset appraisal surplus | 2,048                               | (73)                                                 | (652)                                                           | 1,323                                 |
| Other                   | 1,991                               | (944)                                                | (94)                                                            | 953                                   |
| Total                   | 4,039                               | (1,017)                                              | (746)                                                           | 2,276                                 |

|                         | CONSOLIDATED FINANCIAL STATEMENTS |                                                  |                                                      |                                                                |                                    |
|-------------------------|-----------------------------------|--------------------------------------------------|------------------------------------------------------|----------------------------------------------------------------|------------------------------------|
|                         | Balance at<br>January 1,<br>2010  | Items<br>arising from<br>business<br>combination | Items as<br>recognized<br>into<br>Profit and<br>Loss | Items as<br>recognized<br>into Other<br>omprehensive<br>Income | Balance at<br>December 31,<br>2010 |
| Temporary differences   |                                   |                                                  |                                                      |                                                                |                                    |
| Asset appraisal surplus | 2,141                             | -                                                | -                                                    | (93)                                                           | 2,048                              |
| Other                   | 581                               | 1,408                                            | (114)                                                | 116                                                            | 1,991                              |
| Total                   | 2,722                             | 1,408                                            | (114)                                                | 23                                                             | 4,039                              |

|                         | THE BANK'S FINANCIAL STATEMENTS     |                                                      |                                                                 |                                       |
|-------------------------|-------------------------------------|------------------------------------------------------|-----------------------------------------------------------------|---------------------------------------|
|                         | Balance as at<br>January 1,<br>2011 | Items as<br>recognized<br>into<br>Profit and<br>Loss | Items as<br>recognized<br>into Other<br>Comprehensive<br>Income | Balance as at<br>December 31,<br>2011 |
| Temporary differences   |                                     |                                                      |                                                                 |                                       |
| Asset appraisal surplus | 2,047                               | (73)                                                 | (652)                                                           | 1,322                                 |
| Other                   | 272                                 | (48)                                                 | (94)                                                            | 130                                   |
| Total                   | 2,319                               | (121)                                                | (746)                                                           | 1,452                                 |

Unit : Million Baht

|                         | THE BANK'S FINANCIAL STATEMENTS     |                                                      |                                                                 |                                       |
|-------------------------|-------------------------------------|------------------------------------------------------|-----------------------------------------------------------------|---------------------------------------|
|                         | Balance as at<br>January 1,<br>2010 | Items as<br>recognized<br>into<br>Profit and<br>Loss | Items as<br>recognized<br>into Other<br>Comprehensive<br>Income | Balance as at<br>December 31,<br>2010 |
| Temporary differences   |                                     |                                                      |                                                                 |                                       |
| Asset appraisal surplus | 2,141                               | -                                                    | (94)                                                            | 2,047                                 |
| Other                   | 203                                 | (46)                                                 | 115                                                             | 272                                   |
| Total                   | 2,344                               | (46)                                                 | 21                                                              | 2,319                                 |

For the year 2011, the Bank and subsidiaries have decreased deferred tax liabilities with respect to reduction of the income tax rate in accordance with the Royal Decree No.530 B.E.2554 (See Note 4).

8.19 Finance lease liabilities

Finance lease liabilities as at December 31, 2010, were as follows:

|                        | CONSOLIDATED AND THE BANK'S FINANCIAL STATEMENTS<br>2010 |          |         |
|------------------------|----------------------------------------------------------|----------|---------|
|                        | Principal                                                | Interest | Payment |
| Within one year        | 137                                                      | 3        | 140     |
| One year to five years | -                                                        | -        | -       |
| Total                  | 137                                                      | 3        | 140     |

8.20 Other liabilities

Other liabilities as at December 31, 2011 and 2010, are as follows:

|                  | CONSOLIDATED<br>FINANCIAL STATEMENTS |        | THE BANK'S<br>FINANCIAL STATEMENTS |        |
|------------------|--------------------------------------|--------|------------------------------------|--------|
|                  | 2011                                 | 2010   | 2011                               | 2010   |
| Accrued expenses | 8,047                                | 7,032  | 5,753                              | 4,613  |
| Tax payable      | 3,692                                | 3,389  | 1,177                              | 998    |
| Deposit          | 6,675                                | 4,501  | 73                                 | 137    |
| Other payable    | 6,994                                | 967    | 6,731                              | 621    |
| Others           | 6,391                                | 7,912  | 2,456                              | 4,188  |
| Total            | 31,799                               | 23,801 | 16,190                             | 10,557 |

8.21 Share capital

8.21.1 Capital management

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

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

8.21.2 Legal reserve

Pursuant to the Public Limited Companies Act, the Bank must allocate to a reserve fund from the annual net profit, not less than five percent of the annual net profit deducted by the total accumulated loss brought forward (if any) until the reserve fund reaches an amount not less than ten percent of the registered capital. The reserve fund is not available for dividend distribution.

8.21.3 Dividend payment

At the General Shareholders’ meeting held on April 8, 2010, the shareholders approved a resolution authorizing a dividend payment for the second half year ended December 31, 2009 to the shareholders of 6,074,143,747 ordinary shares at Baht 0.18 per share which totaled Baht 1,093 million, with payment made on May 4, 2010.

The Board of Directors’ Meeting No. 8/2010 dated August 25, 2010, had approved a resolution authorizing a dividend payment for the first half year ended June 30, 2010 to the shareholders of 6,074,143,747 ordinary shares at Baht 0.22 per share which totaled Baht 1,336 million, with payment made on September 23, 2010.

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

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

8.22 Assets with obligations and restrictions

As at December 31, 2011 and 2010, government and state enterprise securities with book value of Baht 6,313 million and Baht 14,676 million, respectively, are used as collateral for other commitments with government departments and state enterprises.

8.23 Contingencies

Contingencies as at December 31, 2011 and 2010, are as follows:

|                                        | Unit : Million Baht               |         |                                |         |
|----------------------------------------|-----------------------------------|---------|--------------------------------|---------|
|                                        | CONSOLIDATED FINANCIAL STATEMENTS |         | THE BANK’S FINANCIA STATEMENTS |         |
|                                        | 2011                              | 2010    | 2011                           | 2010    |
| Avals to bills                         | 1,585                             | 3,671   | 1,585                          | 3,671   |
| Guarantees of loans                    | 180                               | 258     | 180                            | 258     |
| Liability under unmatured import bills | 1,465                             | 1,202   | 1,465                          | 1,202   |
| Letters of credit                      | 8,293                             | 8,126   | 8,293                          | 8,310   |
| Other contingencies                    |                                   |         |                                |         |
| - Unused overdraft limit               | 53,734                            | 50,596  | 53,884                         | 50,766  |
| - Other guarantees                     | 36,063                            | 35,874  | 36,063                         | 36,514  |
| - Others                               | 366,824                           | 300,695 | 366,942                        | 300,849 |
| Total                                  | 468,144                           | 400,422 | 468,412                        | 401,570 |

As at December 31, 2011 and 2010, the Bank has commitments for information technology in the amounts of Baht 35 million and Baht 532 million, respectively.

8.24 Related party transactions

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

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

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

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

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

Related party transactions are as follows:

- Loans to, deposits, borrowing and contingencies with certain officers from the levels or 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 companies in which the directors and/or shareholders of the Bank having significant voting right either direct and indirect as at December 31, 2011 and 2010, are as follows:

| Company Name                                                          | CONSOLIDATED FINANCIAL STATEMENTS |          |            |               |       |          |            |               |
|-----------------------------------------------------------------------|-----------------------------------|----------|------------|---------------|-------|----------|------------|---------------|
|                                                                       | 2011                              |          |            |               | 2010  |          |            |               |
|                                                                       | Loans                             | Deposits | Borrowings | Contingencies | Loans | Deposits | Borrowings | Contingencies |
| <b>Associates</b>                                                     |                                   |          |            |               |       |          |            |               |
| Tesco Card Services Limited                                           | 7,595                             | 267      | -          | -             | 6,570 | 313      | -          | -             |
| Tesco Life Assurance Broker Company Limited                           | -                                 | 18       | -          | -             | -     | 10       | -          | -             |
| Tesco General Insurance Broker Company Limited                        | -                                 | 186      | -          | -             | -     | 147      | -          | -             |
| Less Allowance for doubtful accounts                                  | (76)                              | -        | -          | -             | (67)  | -        | -          | -             |
| Total                                                                 | 7,519                             | 471      | -          | -             | 6,503 | 470      | -          | -             |
| <b>Related companies having joint major shareholders or directors</b> |                                   |          |            |               |       |          |            |               |
| Less Allowance for doubtful accounts                                  | (6)                               | -        | -          | -             | (3)   | -        | -          | -             |
| Total                                                                 | 613                               | 9,032    | 353        | 169           | 252   | 13,402   | -          | 1,722         |
| <b>Individual and related parties</b>                                 |                                   |          |            |               |       |          |            |               |
| Total                                                                 | 8,310                             | 9,787    | 480        | 169           | 6,863 | 14,189   | -          | 1,722         |

Unit : Million Baht

|                                                                                                               | THE BANK'S FINANCIAL STATEMENTS |          |            |               |         |          |            |               |
|---------------------------------------------------------------------------------------------------------------|---------------------------------|----------|------------|---------------|---------|----------|------------|---------------|
|                                                                                                               | 2011                            |          |            |               | 2010    |          |            |               |
|                                                                                                               | Loans                           | Deposits | Borrowings | Contingencies | Loans   | Deposits | Borrowings | Contingencies |
| <b>Subsidiaries</b>                                                                                           |                                 |          |            |               |         |          |            |               |
| Ayudhya Development Leasing Company Limited                                                                   | 9,154                           | 50       | -          | 642           | 4,242   | 20       | -          | 20            |
| Ayudhya Auto Lease Public Company Limited                                                                     | -                               | 695      | -          | -             | 170     | 324      | 1,900      | -             |
| Ayudhya Capital Lease Company Limited                                                                         | -                               | -        | -          | -             | -       | 1,758    | -          | -             |
| Ayudhya Capital Auto Lease Public Company Limited                                                             | 94,019                          | 345      | -          | -             | 78,647  | 284      | -          | -             |
| Ayudhya Total Solutions Public Company Limited                                                                | -                               | 151      | 751        | -             | 800     | 83       | -          | -             |
| CFG Services Company Limited                                                                                  | 3,750                           | 218      | -          | -             | 2,720   | 176      | -          | -             |
| Ayudhya Card Services Company Limited                                                                         | 4,100                           | 216      | -          | -             | 4,500   | 232      | -          | -             |
| Ayudhya Capital Services Company Limited                                                                      | 18,100                          | 471      | -          | 3             | 16,072  | 559      | -          | -             |
| General Card Services Limited                                                                                 | 11,190                          | 161      | -          | -             | 11,169  | 182      | -          | -             |
| Krungsriayudhya Card Company Limited                                                                          | 14,748                          | 342      | -          | 1             | 14,246  | 640      | -          | -             |
| Siam Realty and Services Company Limited                                                                      | 335                             | 40       | -          | -             | 295     | 57       | -          | -             |
| Total Services Solutions Public Company Limited                                                               | -                               | 351      | 200        | -             | -       | 370      | 900        | -             |
| Krungsri Ayudhya Fund Management Company Limited (Formerly Ayudhya Fund Management Company Limited)           | -                               | 78       | 300        | 634           | -       | 258      | 100        | 603           |
| Krungsri Ayudhya AMC Limited (Formerly Ayudhya Asset Management Company Limited)                              | 5,967                           | 83       | -          | 38            | 11,092  | 12       | -          | 38            |
| Krungsri Securities Public Company Limited (Formerly Ayudhya Securities Public Company Limited)               | -                               | 82       | 600        | -             | -       | 178      | -          | -             |
| Ayudhya Factoring Company Limited                                                                             | 3,070                           | 235      | -          | -             | 2,743   | 269      | -          | -             |
| Krungsri Life Assurance Broker Company Limited (Formerly Quality Life Assurance Broker Company Limited)       | -                               | 90       | -          | -             | -       | 44       | -          | -             |
| Krungsri General Insurance Broker Company Limited (Formerly Quality General Insurance Broker Company Limited) | -                               | 179      | -          | -             | -       | 119      | -          | -             |
| Total                                                                                                         | 164,433                         | 3,787    | 1,851      | 1,318         | 146,696 | 5,565    | 2,900      | 980           |
| <u>Less</u> Allowance for doubtful accounts                                                                   | (1,644)                         | -        | -          | -             | (1,467) | -        | -          | -             |
| Total                                                                                                         | 162,789                         | 3,787    | 1,851      | 1,318         | 145,229 | 5,565    | 2,900      | 980           |
| <b>Associates</b>                                                                                             |                                 |          |            |               |         |          |            |               |
| Tesco Card Services Limited                                                                                   | 7,595                           | 267      | -          | -             | 6,570   | 313      | -          | -             |
| Tesco Life Assurance Broker Company Limited                                                                   | -                               | 18       | -          | -             | -       | 10       | -          | -             |
| Tesco General Insurance Broker Company Limited                                                                | -                               | 186      | -          | -             | -       | 147      | -          | -             |
| <u>Less</u> Allowance for doubtful accounts                                                                   | (76)                            | -        | -          | -             | (67)    | -        | -          | -             |
| Total                                                                                                         | 7,519                           | 471      | -          | -             | 6,503   | 470      | -          | -             |
| <b>Related companies having joint major shareholders or directors</b>                                         |                                 |          |            |               |         |          |            |               |
| <b>major shareholders or directors</b>                                                                        | 619                             | 9,032    | 353        | 169           | 255     | 13,402   | -          | 1,722         |
| <u>Less</u> Allowance for doubtful accounts                                                                   | (6)                             | -        | -          | -             | (3)     | -        | -          | -             |
| Total                                                                                                         | 613                             | 9,032    | 353        | 169           | 252     | 13,402   | -          | 1,722         |
| <b>Individual and related parties</b>                                                                         |                                 |          |            |               |         |          |            |               |
| Total                                                                                                         | 171,061                         | 13,574   | 2,331      | 1,487         | 152,092 | 19,753   | 2,900      | 2,702         |

As at December 31, 2011 and 2010, the Bank charges interest rates to the officer or related parties at 1.00% - 7.63% p.a. and 1.00% - 12.50%, respectively.

As at December 31, 2011 and 2010, the allowance for doubtful accounts of loans granted to subsidiaries of Baht 1,644 million and Baht 1,467 million, respectively, are not eliminated but treated as surplus reserve in the consolidated financial statements.

As at December 31, 2011 and 2010, the Bank granted loans to Krungsri Ayudhya AMC Company Limited (formerly Ayudhya Asset Management Company Limited) as short-term promissory notes of Baht 5,967 million and Baht 11,092 million at the interest rates of 4.01% - 4.05% and 2.55% - 2.85% per annum, respectively.

8.24.2 The Bank has investments in subsidiaries and associates as disclosed in note 8.5 and has investments in related companies as follows:

| Unit : Million Baht                                                          |                          |               |                 |                 |                 |                 |    |
|------------------------------------------------------------------------------|--------------------------|---------------|-----------------|-----------------|-----------------|-----------------|----|
| CONSOLIDATED AND THE BANK'S FINANCIAL STATEMENTS                             |                          |               |                 |                 |                 |                 |    |
| 2011                                                                         |                          |               |                 | 2010            |                 |                 |    |
| Business Type                                                                | Registered Share Capital | Ownership (%) | Investment Cost | Dividend Amount | Investment Cost | Dividend Amount |    |
| <b>Related companies</b>                                                     |                          |               |                 |                 |                 |                 |    |
| Ayudhya Insurance Public Company Limited                                     | Insurance                | 250           | 10.92           | 419             | 33              | 419             | 27 |
| <u>Less</u> Allowance for impairment                                         |                          |               |                 | (7)             | -               | (7)             | -  |
| <b>Investment in related companies, net</b>                                  |                          |               |                 | 412             | 33              | 412             | 27 |
| <b>Related companies from Troubled Debt Restructuring</b>                    |                          |               |                 |                 |                 |                 |    |
| Wongpaitoon Public Company Limited                                           | Manu-<br>facturing       | 8,683         | 37.30           | -               | -               | 93              | -  |
| <u>Less</u> Allowance for impairment                                         |                          |               |                 | -               | -               | (93)            | -  |
| <b>Investment in related companies from troubled debt restructuring, net</b> |                          |               |                 | -               | -               | -               | -  |

8.24.3 Income and expenses between the Bank and its subsidiaries, associates and related companies for the years ended December 31, 2011 and 2010, are as follows:

| Unit : Million Baht                                                   |                     |                   |                       |                 |                     |                   |                       |
|-----------------------------------------------------------------------|---------------------|-------------------|-----------------------|-----------------|---------------------|-------------------|-----------------------|
| CONSOLIDATED FINANCIAL STATEMENTS                                     |                     |                   |                       |                 |                     |                   |                       |
| 2011                                                                  |                     |                   |                       | 2010            |                     |                   |                       |
| Income                                                                |                     | Expenses          |                       | Income          |                     | Expenses          |                       |
| Interest income                                                       | Non-interest income | Interest expenses | Non-interest expenses | Interest income | Non-interest income | Interest expenses | Non-interest expenses |
| <b>Associates</b>                                                     |                     |                   |                       |                 |                     |                   |                       |
| Tesco Card Services Limited                                           | 269                 | 7                 | 3                     | -               | 185                 | -                 | -                     |
| Tesco General Insurance Broker Company Limited                        | -                   | 4                 | 2                     | -               | -                   | -                 | -                     |
| Total                                                                 | 269                 | 11                | 5                     | -               | 185                 | -                 | -                     |
| <b>Related companies having joint major shareholders or directors</b> |                     |                   |                       |                 |                     |                   |                       |
|                                                                       | 21                  | 46                | 221                   | 300             | 21                  | 88                | 114                   |
| Total                                                                 | 21                  | 46                | 221                   | 300             | 21                  | 88                | 114                   |
| <b>Individual and related parties</b>                                 |                     |                   |                       |                 |                     |                   |                       |
|                                                                       | 6                   | -                 | 6                     | -               | 3                   | -                 | 2                     |
| Total                                                                 | 296                 | 57                | 232                   | 300             | 209                 | 88                | 116                   |

Unit : Million Baht

## THE BANK'S FINANCIAL STATEMENTS

|                                                                                                     | 2011            |                     |                   |                       | 2010            |                     |                   |                       |
|-----------------------------------------------------------------------------------------------------|-----------------|---------------------|-------------------|-----------------------|-----------------|---------------------|-------------------|-----------------------|
|                                                                                                     | Income          |                     | Expenses          |                       | Income          |                     | Expenses          |                       |
|                                                                                                     | Interest income | Non-interest income | Interest expenses | Non-interest expenses | Interest income | Non-interest income | Interest expenses | Non-interest expenses |
| <b>Subsidiaries</b>                                                                                 |                 |                     |                   |                       |                 |                     |                   |                       |
| Ayudhya Development Leasing Company Limited                                                         | 252             | 4                   | -                 | -                     | 136             | 4                   | -                 | -                     |
| Ayudhya Auto Lease Public Company Limited                                                           | 1               | 1                   | 18                | -                     | 24              | 2                   | 31                | -                     |
| Ayudhya Capital Lease Company Limited                                                               | -               | -                   | 21                | -                     | -               | -                   | 13                | -                     |
| Ayudhya Capital Auto Lease Public Company Limited                                                   | 3,454           | 49                  | 3                 | 1                     | 2,843           | 4                   | 1                 | 5                     |
| Ayudhya Total Solutions Public Company Limited                                                      | 2               | 5                   | 21                | -                     | 59              | 7                   | -                 | -                     |
| CFG Services Company Limited                                                                        | 140             | 15                  | 1                 | -                     | 67              | 11                  | -                 | -                     |
| Ayudhya Card Services Company Limited                                                               | 131             | 82                  | -                 | -                     | 104             | 67                  | -                 | -                     |
| Ayudhya Capital Services Company Limited                                                            | 608             | 100                 | 4                 | 20                    | 423             | 7                   | -                 | 37                    |
| General Card Services Limited                                                                       | 396             | 7                   | 4                 | -                     | 284             | -                   | -                 | -                     |
| Krungsriayudhya Card Company Limited                                                                | 490             | 44                  | 4                 | -                     | 389             | 112                 | 1                 | 1                     |
| Siam Realty and Services Company Limited                                                            | 13              | 1                   | -                 | 439                   | 5               | 1                   | -                 | 461                   |
| K.S.Law Office Company Limited                                                                      | -               | -                   | -                 | -                     | -               | -                   | -                 | 7                     |
| Total Services Solutions Public Company Limited                                                     | -               | 3                   | 25                | 42                    | -               | -                   | 10                | 52                    |
| Krungsri Ayudhya Fund Management Company Limited (Formerly Ayudhya Fund Management Company Limited) | -               | 86                  | 7                 | 10                    | -               | 64                  | -                 | 3                     |
| Krungsri Ayudhya AMC Limited (Formerly Ayudhya Asset Management Company Limited)                    | 327             | 15                  | -                 | -                     | 304             | 7                   | -                 | 2                     |
| Krungsri Securities Public Company Limited (Formerly Ayudhya Securities Public Company Limited)     | -               | 16                  | 16                | 5                     | -               | 8                   | 6                 | 5                     |
| Ayudhya Factoring Company Limited                                                                   | 109             | 3                   | 1                 | -                     | 34              | 3                   | -                 | -                     |
| <b>Total</b>                                                                                        | <b>5,923</b>    | <b>431</b>          | <b>125</b>        | <b>517</b>            | <b>4,672</b>    | <b>297</b>          | <b>62</b>         | <b>573</b>            |
| <b>Associates</b>                                                                                   |                 |                     |                   |                       |                 |                     |                   |                       |
| Tesco Card Services Limited                                                                         | 269             | 7                   | 3                 | -                     | 185             | -                   | -                 | -                     |
| Tesco General Insurance Broker Company Limited                                                      | -               | 4                   | 2                 | -                     | -               | -                   | -                 | -                     |
| <b>Total</b>                                                                                        | <b>269</b>      | <b>11</b>           | <b>5</b>          | <b>-</b>              | <b>185</b>      | <b>-</b>            | <b>-</b>          | <b>-</b>              |
| <b>Related companies having joint major shareholders or directors</b>                               |                 |                     |                   |                       |                 |                     |                   |                       |
|                                                                                                     | 21              | 46                  | 221               | 300                   | 21              | 88                  | 114               | 461                   |
| <b>Total</b>                                                                                        | <b>21</b>       | <b>46</b>           | <b>221</b>        | <b>300</b>            | <b>21</b>       | <b>88</b>           | <b>114</b>        | <b>461</b>            |
| <b>Individual and related parties</b>                                                               |                 |                     |                   |                       |                 |                     |                   |                       |
|                                                                                                     | 6               | -                   | 6                 | -                     | 3               | -                   | 2                 | -                     |
| <b>Total</b>                                                                                        | <b>6,219</b>    | <b>488</b>          | <b>357</b>        | <b>817</b>            | <b>4,881</b>    | <b>385</b>          | <b>178</b>        | <b>1,034</b>          |

8.24.4 For the years ended December 31, 2011 and 2010, related party transactions among subsidiaries and associates include collection services and other services of Baht 990 million and Baht 1,041 million and office and vehicle rental and facilities service of Baht 22 million and Baht 27 million, respectively.

8.24.5 For the years ended December 31, 2011 and 2010, subsidiaries have related party transactions from the licenses relevant to technology and software for Baht 50 million and Baht 106 million, respectively.

8.24.6 For the years ended December 31, 2011 and 2010, related party transactions among subsidiaries from other services were Baht 1,035 million and Baht 591 million, respectively.

8.24.7 The Extraordinary Board of Directors' Meeting of the Bank on July 20, 2009 approved the Bank to accept the entire business transfer of Ayudhya Card Services Company Limited (formerly AIG Card (Thailand) Company Limited), operating credit card and personal loan and the Bank held 100% of total shares sold. The transaction was approved by the Extraordinary Shareholders' Meeting No. 2/2009 on August 27, 2009. However, this transaction has not been executed.

8.24.8 On May 15, 2010, two subsidiaries entered into an agreement to sell and buy hire purchase receivable portfolios, in the amount of Baht 735 million, having the net book value at the date of transfer of Baht 722 million. The amount has been paid.

8.24.9 As at September 29, 2010, the Bank purchased shares of Krungsriayudhya Card Company Limited from Ayudhya Capital Services Company Limited changing its shareholding structure in Krungsriayudhya Card Company Limited from direct and indirect holding of 99.99% to direct holding of 99.99%.

8.24.10 As at October 21, 2010, Ayudhya Capital Services Company Limited ("AYCAP"), the Bank's subsidiary, has additionally invested in Krungsri Life Assurance Broker Limited (formerly Quality Life Assurance Broker Limited) ("KLAB") and Krungsri General Insurance Broker Limited (formerly Quality General Insurance Broker Limited) ("KGIB"). AYCAPP now holds 99.99% each in KLAB and KGIB.

8.24.11 As at March 1, 2011, Ayudhya Capital Services Company Limited ("AYCAP"), the Bank's subsidiary, has additionally invested in Tesco Card Services Limited ("TCS") by 1%, resulting in total holding at 50%.

8.24.12 On June 18, 2011, Ayudhya Auto Lease Public Company Limited transferred its entire business to Ayudhya Capital Auto Lease Public Company Limited at net book value of Baht 65 million, having total asset and total liabilities of Baht 144 million and Baht 79 million, respectively at the transfer date.

## 8.25 Management compensation

The Bank has no special benefits given to the directors and executive officers beyond the general benefits made as usual, i.e. remuneration, transportation, salary and bonus (if any).

The Bank did not sell, give or lease any properties to the directors, executive officers, or their related parties. The Bank has not purchased or leased any assets from those persons included contingency benefits from employment agreements compensation and other benefits from those persons.

For the years ended December 31, 2011 and 2010, compensations paid to key management personnel under TAS 24 (Revised 2009) "Related Party Disclosures" are as follows.

Unit : Million Baht

|                              | CONSOLIDATED FINANCIAL STATEMENTS |            | THE BANK'S FINANCIAL STATEMENTS |            |
|------------------------------|-----------------------------------|------------|---------------------------------|------------|
|                              | 2011                              | 2010       | 2011                            | 2010       |
| Short-term employee benefits | 926                               | 916        | 596                             | 643        |
| Post-employment benefits*    | 22                                | -          | 11                              | -          |
| <b>Total</b>                 | <b>948</b>                        | <b>916</b> | <b>607</b>                      | <b>643</b> |

\* Accounting policy of post-employment benefit has first-time adopted on January 1, 2011.

8.26 Long-term leases

The Bank and its subsidiaries have entered into land and/or buildings and equipments lease agreements for branch offices and operation. The Bank and its subsidiaries are committed to pay future rental as at December 31, 2011 and 2010, which are summarized as follows:

| Unit : Million Baht                |                |                                   |      |                                 |       |
|------------------------------------|----------------|-----------------------------------|------|---------------------------------|-------|
| TYPE OF LEASE                      | PERIOD         | CONSOLIDATED FINANCIAL STATEMENTS |      | THE BANK'S FINANCIAL STATEMENTS |       |
|                                    |                | 2011                              | 2010 | 2011                            | 2010  |
| Land and/or premises and equipment | Within 1 year  | 446                               | 361  | 451                             | 343   |
|                                    | Over 1-5 years | 625                               | 394  | 666                             | 690   |
|                                    | Over 5 years   | 96                                | 111  | 96                              | 112   |
|                                    |                | 1,167                             | 866  | 1,213                           | 1,145 |

8.27 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 December 31, 2011 and 2010, are as follows:

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

| Unit : Million Baht                                     |                                        |         |             |         |
|---------------------------------------------------------|----------------------------------------|---------|-------------|---------|
|                                                         | CONSOLIDATED FINANCIAL STATEMENTS 2010 |         |             |         |
|                                                         | Domestic                               | Foreign | Elimination | Total   |
| Total assets                                            | 868,759                                | 3,429   | (2,354)     | 869,834 |
| Interbank and money market items, net (Assets)          | 73,591                                 | 936     | -           | 74,527  |
| Investments, net                                        | 78,051                                 | 309     | -           | 78,360  |
| Loans to customers and accrued interest receivable, net | 614,201                                | 2,530   | -           | 616,731 |
| Deposits                                                | 576,032                                | 447     | -           | 576,479 |
| Interbank and money market items, net (Liabilities)     | 43,762                                 | -       | -           | 43,762  |
| Debt issued and borrowings                              | 99,365                                 | -       | -           | 99,365  |

Unit : Million Baht

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

| Unit : Million Baht                                     |                                      |         |             |         |
|---------------------------------------------------------|--------------------------------------|---------|-------------|---------|
|                                                         | THE BANK'S FINANCIAL STATEMENTS 2010 |         |             |         |
|                                                         | Domestic                             | Foreign | Elimination | Total   |
| Total assets                                            | 827,652                              | 3,429   | (2,354)     | 828,727 |
| Interbank and money market items, net (Assets)          | 72,041                               | 936     | -           | 72,977  |
| Investments, net                                        | 77,180                               | 309     | -           | 77,489  |
| Loans to customers and accrued interest receivable, net | 565,017                              | 2,530   | -           | 567,547 |
| Deposits                                                | 580,794                              | 447     | -           | 581,241 |
| Interbank and money market items, net (Liabilities)     | 37,787                               | -       | -           | 37,787  |
| Debt issued and borrowings                              | 82,865                               | -       | -           | 82,865  |

(2.) Results of operations classified by business

Results of operations classified by domestic and foreign business for the years ended December 31, 2011 and 2010, are as follows:

| Unit : Million Baht                     |                                        |         |             |        |
|-----------------------------------------|----------------------------------------|---------|-------------|--------|
|                                         | CONSOLIDATED FINANCIAL STATEMENTS 2011 |         |             |        |
|                                         | Domestic                               | Foreign | Elimination | Total  |
| Interest income                         | 56,290                                 | 138     | -           | 56,428 |
| Interest expenses                       | 18,961                                 | 2       | -           | 18,963 |
| Net interest income                     | 37,329                                 | 136     | -           | 37,465 |
| Fees and service income, net            | 10,771                                 | 16      | -           | 10,787 |
| Other operating income                  | 9,497                                  | (68)    | (2,377)     | 7,052  |
| Other operating expenses                | 41,930                                 | 137     | (2,377)     | 39,690 |
| Profit (loss) from operating before tax | 15,667                                 | (53)    | -           | 15,614 |

Unit : Million Baht

| CONSOLIDATED FINANCIAL STATEMENTS 2010 |          |         |             |        |
|----------------------------------------|----------|---------|-------------|--------|
|                                        | Domestic | Foreign | Elimination | Total  |
| Interest income                        | 47,143   | 132     | -           | 47,275 |
| Interest expenses                      | 12,645   | 2       | -           | 12,647 |
| Net interest income                    | 34,498   | 130     | -           | 34,628 |
| Fees and service income, net           | 10,062   | 18      | -           | 10,080 |
| Other operating income                 | 8,264    | 614     | (2,059)     | 6,819  |
| Other operating expenses               | 41,125   | 121     | (2,059)     | 39,187 |
| Profit from operating before tax       | 11,699   | 641     | -           | 12,340 |

Unit : Million Baht

| THE BANK'S FINANCIAL STATEMENTS 2011    |          |         |             |        |
|-----------------------------------------|----------|---------|-------------|--------|
|                                         | Domestic | Foreign | Elimination | Total  |
| Interest income                         | 37,261   | 138     | -           | 37,399 |
| Interest expenses                       | 17,975   | 2       | -           | 17,977 |
| Net interest income                     | 19,286   | 136     | -           | 19,422 |
| Fees and service income, net            | 5,024    | 16      | -           | 5,040  |
| Other operating income                  | 9,685    | (68)    | (2,377)     | 7,240  |
| Other operating expenses                | 25,334   | 137     | (2,377)     | 23,094 |
| Profit (loss) from operating before tax | 8,661    | (53)    | -           | 8,608  |

Unit : Million Baht

| THE BANK'S FINANCIAL STATEMENTS 2010 |          |         |             |        |
|--------------------------------------|----------|---------|-------------|--------|
|                                      | Domestic | Foreign | Elimination | Total  |
| Interest income                      | 28,911   | 132     | -           | 29,043 |
| Interest expenses                    | 11,957   | 2       | -           | 11,959 |
| Net interest income                  | 16,954   | 130     | -           | 17,084 |
| Fees and service income, net         | 4,655    | 18      | -           | 4,673  |
| Other operating income               | 8,101    | 614     | (2,059)     | 6,656  |
| Other operating expenses             | 23,390   | 121     | (2,059)     | 21,452 |
| Profit from operating before tax     | 6,320    | 641     | -           | 6,961  |

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.

## 8.28 Interest income

Interest income for the years ended December 31, 2011 and 2010, are as follows:

Unit : Million Baht

|                                     | CONSOLIDATED FINANCIAL STATEMENTS |        | THE BANK'S FINANCIAL STATEMENTS |        |
|-------------------------------------|-----------------------------------|--------|---------------------------------|--------|
|                                     | 2011                              | 2010   | 2011                            | 2010   |
| Interbank and money market items    | 3,095                             | 1,145  | 3,089                           | 1,130  |
| Investment and trading transactions | 79                                | 90     | 77                              | 89     |
| Investment in debt securities       | 1,946                             | 1,600  | 1,927                           | 1,558  |
| Loans to customers                  | 36,355                            | 31,391 | 32,306                          | 26,266 |
| Hire purchase and financial lease   | 14,952                            | 13,049 | -                               | -      |
| Total interest income               | 56,427                            | 47,275 | 37,399                          | 29,043 |

## 8.29 Interest expenses

Interest expenses for the years ended December 31, 2011 and 2010, are as follows:

Unit : Million Baht

|                                            | CONSOLIDATED FINANCIAL STATEMENTS |        | THE BANK'S FINANCIAL STATEMENTS |        |
|--------------------------------------------|-----------------------------------|--------|---------------------------------|--------|
|                                            | 2011                              | 2010   | 2011                            | 2010   |
| Deposits                                   | 8,956                             | 5,630  | 9,005                           | 5,584  |
| Interbank and money market items           | 1,631                             | 718    | 1,508                           | 650    |
| Contributions to Deposit Protection Agency | 2,229                             | 2,155  | 2,229                           | 2,155  |
| Debt issued and borrowing                  |                                   |        |                                 |        |
| - Subordinated debenture                   | 919                               | 973    | 919                             | 973    |
| - Other                                    | 5,221                             | 3,166  | 4,315                           | 2,597  |
| Other                                      | 7                                 | 5      | 1                               | -      |
| Total interest expenses                    | 18,963                            | 12,647 | 17,977                          | 11,959 |

## 8.30 Fees and service income, net

Fees and service income, net for the years ended December 31, 2011 and 2010, are as follows:

Unit : Million Baht

|                                    | CONSOLIDATED FINANCIAL STATEMENTS |        | THE BANK'S FINANCIAL STATEMENTS |       |
|------------------------------------|-----------------------------------|--------|---------------------------------|-------|
|                                    | 2011                              | 2010   | 2011                            | 2010  |
| Fees and service income            |                                   |        |                                 |       |
| - Acceptances, aval and guarantees | 601                               | 637    | 603                             | 637   |
| - Other                            | 13,237                            | 12,261 | 5,771                           | 5,595 |
| Total fees and service income      | 13,838                            | 12,898 | 6,374                           | 6,232 |
| Fees and service expenses          | 3,051                             | 2,819  | 1,334                           | 1,559 |
| Total fees and service income, net | 10,787                            | 10,079 | 5,040                           | 4,673 |

### 8.31 Gains (losses) from trading and foreign exchange transactions, net

Gains (losses) from trading and foreign exchange transactions, net for the years ended December 31, 2011 and 2010, are as follows:

Unit : Million Baht

|                                                               | CONSOLIDATED<br>FINANCIAL STATEMENTS |       | THE BANK'S<br>FINANCIAL STATEMENTS |       |
|---------------------------------------------------------------|--------------------------------------|-------|------------------------------------|-------|
|                                                               | 2011                                 | 2010  | 2011                               | 2010  |
| Gains (losses) from trading and foreign exchange transactions |                                      |       |                                    |       |
| - Foreign currency and derivative of currency                 | 1,254                                | 750   | 1,243                              | 740   |
| - Derivative of interest rates                                | (1)                                  | (11)  | (1)                                | (11)  |
| - Debt securities                                             | (3)                                  | 663   | (3)                                | 663   |
| - Equity securities                                           | 28                                   | 57    | (13)                               | 33    |
| Total                                                         | 1,278                                | 1,459 | 1,226                              | 1,425 |

### 8.32 Gains (losses) on investments

Gains (losses) on investments for the years ended December 31, 2011 and 2010, are as follows:

Unit : Million Baht

|                                          | CONSOLIDATED<br>FINANCIAL STATEMENTS |      | THE BANK'S<br>FINANCIAL STATEMENTS |       |
|------------------------------------------|--------------------------------------|------|------------------------------------|-------|
|                                          | 2011                                 | 2010 | 2011                               | 2010  |
| Gains (losses) on sales of investments   |                                      |      |                                    |       |
| - Available-for-sale                     | 348                                  | 260  | 348                                | 302   |
| - General investments                    | 472                                  | 1    | 472                                | 1     |
| - Subsidiaries and associates            | -                                    | (10) | 33                                 | -     |
|                                          | 820                                  | 251  | 853                                | 303   |
| Loss on impairment                       |                                      |      |                                    |       |
| - Subsidiaries and associates (Reversal) | -                                    | -    | 523                                | (570) |
| Total                                    | 820                                  | 251  | 1,376                              | (267) |

### 8.33 Impairment loss of loans and debt securities

Impairment loss of loans and debt securities for the years ended December 31, 2011 and 2010, are as follows:

Unit : Million Baht

|                                     | CONSOLIDATED<br>FINANCIAL STATEMENTS |        | THE BANK'S<br>FINANCIAL STATEMENTS |       |
|-------------------------------------|--------------------------------------|--------|------------------------------------|-------|
|                                     | 2011                                 | 2010   | 2011                               | 2010  |
| Interbank and money market items    | 52                                   | 27     | 52                                 | 27    |
| Loans to customers                  | 11,341                               | 11,398 | 6,239                              | 4,541 |
| Loss on troubled debt restructuring | 821                                  | 966    | 117                                | 997   |
| Total                               | 12,214                               | 12,391 | 6,408                              | 5,565 |

### 8.34 Income tax

Income tax for the years ended December 31, 2011 and 2010, are as follows:

Unit : Million Baht

|                                                | CONSOLIDATED<br>FINANCIAL STATEMENTS |       | THE BANK'S<br>FINANCIAL STATEMENTS |       |
|------------------------------------------------|--------------------------------------|-------|------------------------------------|-------|
|                                                | 2011                                 | 2010  | 2011                               | 2010  |
| Current tax for the period                     | 4,610                                | 4,372 | 1,153                              | 1,363 |
| Deferred tax before effect of reduced tax rate | (385)                                | (848) | 308                                | (445) |
| Deferred tax from effect of reduced tax rate   | 2,085                                | -     | 1,096                              | -     |
| Total income tax expense                       | 6,310                                | 3,524 | 2,557                              | 918   |

Reconciliation of effective tax rate

|                                                                           | CONSOLIDATED<br>FINANCIAL STATEMENTS |              |                           |              | THE BANK'S<br>FINANCIAL STATEMENTS |              |                           |              |
|---------------------------------------------------------------------------|--------------------------------------|--------------|---------------------------|--------------|------------------------------------|--------------|---------------------------|--------------|
|                                                                           | 2011<br>(in million Baht)            | Rate (%)     | 2010<br>(in million Baht) | Rate (%)     | 2011<br>(in million Baht)          | Rate (%)     | 2010<br>(in million Baht) | Rate (%)     |
| Profit before tax                                                         | 15,614                               |              | 12,340                    |              | 8,608                              |              | 6,961                     |              |
| Income tax at the domestic tax rate                                       | 4,684                                | 30.00        | 3,702                     | 30.00        | 2,582                              | 30.00        | 2,088                     | 30.00        |
| Add Tax effect of income and expense that are not exempt for tax purposes | 1,023                                | 6.55         | 1,833                     | 14.86        | 137                                | 1.59         | 296                       | 4.25         |
| Less Tax effect of income and expense that are exempt for tax purposes    | (1,482)                              | (9.49)       | (2,011)                   | (16.30)      | (1,258)                            | (14.61)      | (1,466)                   | (21.06)      |
| Add Deferred tax from effect of reduced tax rate                          | 2,085                                | 13.35        | -                         | -            | 1,096                              | 12.73        | -                         | -            |
| <b>Income tax as statements of comprehensive income</b>                   | <b>6,310</b>                         | <b>40.41</b> | <b>3,524</b>              | <b>28.56</b> | <b>2,557</b>                       | <b>29.71</b> | <b>918</b>                | <b>13.19</b> |

According to the Royal Decree No.475 B.E.2551 issued under the Revenue Code regarding the corporate income tax rate reduction effective on August 7, 2008, the corporate income tax for listed companies in the Stock Exchange of Thailand was reduced from 30% to 25% for net profit portion not exceeding Baht 300 million. This remained in effect for three consecutive accounting periods beginning on or after January 1, 2008.

According to the Royal Decree No.530 B.E.2554 issued under the Revenue Code regarding the corporate income tax rate reduction effective on December 22, 2011, the corporate income tax was reduced from 30% to 23% for an accounting period beginning on or after January 1, 2012 and 20% for two consecutive accounting periods beginning on or after January 1, 2013 (See Note 4).

Therefore, the Bank used tax rates of 25% and 30% for the corporate income tax calculation for the year ended December 31, 2010 to conform to such tax rate change and used tax rate of 30% for the corporate income tax calculation for the year ended December 31, 2011.

The subsidiaries have used a tax rate of 30% for calculation of the income tax for the years ended December 31, 2011 and 2010.

The Bank and subsidiaries used a tax rate of 30% for calculation of deferred tax for the year ended December 31, 2010 and both 20% and 23% for calculation of deferred tax for the year ended December 31, 2011.

8.35 Income tax related to other comprehensive income

Income tax related to other comprehensive income for the years ended December 31, 2011 and 2010, are as follows:

Unit : Million Baht

|                                                             | CONSOLIDATED FINANCIAL STATEMENTS |                       |                      |                   |                       |                      |
|-------------------------------------------------------------|-----------------------------------|-----------------------|----------------------|-------------------|-----------------------|----------------------|
|                                                             | 2011                              |                       |                      | 2010              |                       |                      |
|                                                             | Amount before tax                 | Tax income (expenses) | Net amount After tax | Amount before tax | Tax income (expenses) | Net amount After tax |
| Gains (losses) on remeasuring available-for-sale investment | (213)                             | 94                    | (119)                | 404               | (116)                 | 288                  |
| Actuarial gains (losses) on defined benefit plans           | (232)                             | 46                    | (186)                | -                 | -                     | -                    |
| Effect of reduced tax rate relating to assets revaluation   | -                                 | 652                   | 652                  | -                 | -                     | -                    |
| Other comprehensive income                                  | (445)                             | 792                   | 347                  | 404               | (116)                 | 288                  |

Unit : Million Baht

|                                                             | THE BANK'S FINANCIAL STATEMENTS |                       |                      |                   |                       |                      |
|-------------------------------------------------------------|---------------------------------|-----------------------|----------------------|-------------------|-----------------------|----------------------|
|                                                             | 2011                            |                       |                      | 2010              |                       |                      |
|                                                             | Amount before tax               | Tax income (expenses) | Net amount After tax | Amount before tax | Tax income (expenses) | Net amount After tax |
| Gains (losses) on remeasuring available-for-sale investment | (213)                           | 94                    | (119)                | 400               | (115)                 | 285                  |
| Actuarial gains (losses) on defined benefit plans           | (166)                           | 33                    | (133)                | -                 | -                     | -                    |
| Effect of reduced tax rate relating to assets revaluation   | -                               | 652                   | 652                  | -                 | -                     | -                    |
| Other comprehensive income                                  | (379)                           | 779                   | 400                  | 400               | (115)                 | 285                  |

8.36 Reclassifications

TAS 1 (Revised 2009) "Presentation of Financial Statements" changed requirements in the presentation of the financial statements. The reclassifications in the consolidated and the Bank's financial statements for the years ended December 31, 2010, presented for comparison are as follows:

Unit : Million Baht

|                                                                        | CONSOLIDATED FINANCIAL STATEMENTS |                         | THE BANK'S FINANCIAL STATEMENTS |                         |
|------------------------------------------------------------------------|-----------------------------------|-------------------------|---------------------------------|-------------------------|
|                                                                        | Previous classifications          | Current classifications | Previous classifications        | Current classifications |
| STATEMENTS OF FINANCIAL POSITION AS AT DECEMBER 31, 2010               |                                   |                         |                                 |                         |
| Assets                                                                 |                                   |                         |                                 |                         |
| Derivatives assets                                                     | -                                 | 4,514                   | -                               | 4,514                   |
| Loans to customers                                                     | 648,960                           | 674,596                 | 586,960                         | 586,994                 |
| Deferred revenue                                                       | -                                 | (25,636)                | -                               | (34)                    |
| Other assets, net                                                      | 10,436                            | 5,923                   | 8,656                           | 4,142                   |
| Liabilities                                                            |                                   |                         |                                 |                         |
| Interbank and money market items, net                                  | 43,788                            | 43,762                  | 37,813                          | 37,787                  |
| Derivatives liabilities                                                | -                                 | 3,978                   | -                               | 3,978                   |
| Provisions                                                             | 407                               | 3,690                   | 407                             | 2,475                   |
| Other liabilities                                                      | 31,035                            | 23,801                  | 16,578                          | 10,557                  |
| STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED DECEMBER 31, 2010 |                                   |                         |                                 |                         |
| Interest income                                                        | 48,726                            | 47,275                  | 34,057                          | 29,043                  |
| Interest expenses                                                      | 10,492                            | 12,647                  | 9,804                           | 11,959                  |
| Fees and service income                                                | 13,005                            | 12,898                  | 6,339                           | 6,232                   |
| Fees and service expenses                                              | 4,165                             | 2,818                   | 1,788                           | 1,558                   |
| Other operating income                                                 | 6,332                             | 6,819                   | 1,796                           | 6,656                   |
| Other operating expenses                                               | 28,675                            | 26,795                  | 18,074                          | 15,887                  |

8.37 Flood impact

Since October 2011 to the end of the year, 63 of the 77 provinces in Thailand experienced significant flooding. The banking industry, including the Bank and its subsidiaries, have offered debt relief programs to assist their customers including principal payment grace periods, tenor extensions, interest waivers, installment reductions, select fee waivers and restructure loans. These initiatives have also been supported by the Bank of Thailand. As a result of debt relief plans and employee hardship assistance, net profit after tax of the consolidated and the Bank's statements of comprehensive income for the year ended December 31, 2011 decreased by Baht 952 million and Baht 730 million respectively. In addition, the future impact to the financial statements is expected to be insignificant.

8.38 Event after the reporting period

The Board of Directors Meeting of the Bank No. 1/2012 held on January 25, 2012 approved the Bank and /or its subsidiaries' acquisition of the retail banking business in Thailand from the Hongkong and Shanghai Banking Corporation Limited (HSBC) Bangkok Branch, operating credit card, personal loan and mortgage businesses and raising deposits and bills of exchange funding, under a foreign bank branch license and the Bank of Thailand's supervision, for an estimated consideration of Baht 3,557 million plus any net asset value of the business to be transferred on the closing date. The net asset value is defined as the assumed assets minus the assumed liabilities.

As of December 31, 2011, HSBC's retail banking business has total assets of Baht 13,427 million and total liabilities of Baht 17,452 million. On the transaction closing date, if total assets are less than total liabilities, HSBC will contribute cash to make the assumed assets on the transaction date equal to the assumed liabilities. This would lead to assumed assets of Baht 17,452 million as at December 31, 2011.

8.39 Approval of financial statements

These financial statements have been approved for issue by the Bank's authorized directors and the Audit Committee on February 13, 2012.

1. Audit fees\*

The Bank and its subsidiaries paid audit fees as the following:

- To the Bank and its subsidiaries’ auditors, 24,332,400 Baht,
- To auditing firms, individuals or businesses whom the Bank’s auditors employed, 1,092,477 Baht.

2. Non-audit fees

The Bank and its subsidiaries paid non-audit fees for services consisting of preparation of special reporting as required by Bank of Thailand, special audit etc., to:

The Bank and its subsidiaries’ auditors

- In the past year, sum of 3,924,860 Baht, and in the future, an additional sum of 4,857,907 Baht will be paid for services previously agreed upon but not yet fully provided.

Auditing firms, individuals, or businesses whom the Bank’s auditors employed

- In the past year, sum of-None-Baht, and in the future, an additional sum of 175,416 Baht will be paid for services agreed upon in the previous year but not yet fully provided.

\* Audit fees do not include other actual expenses, such as transportation and per diem payments.

Company Information

|                       |                                                              |
|-----------------------|--------------------------------------------------------------|
| Name of company:      | Bank of Ayudhya Public Company Limited                       |
| Registration number:  | 0107536001079                                                |
| Business type:        | Commercial bank                                              |
| Head office address:  | 1222 Rama III Road, Bang Phongphang, Yan Nawa, Bangkok 10120 |
| Telephone:            | 0-2296-2000                                                  |
| Facsimile:            | 0-2683-1304                                                  |
| Krungsri Call center: | 1572                                                         |
| Website:              | <a href="http://www.krungsri.com">www.krungsri.com</a>       |

Nature of Business

The Bank engages in businesses as defined by the Commercial Banking Act, the Securities Act, the Securities and Exchange Commission’s regulations, the Stock Exchange of Thailand, and related notices. The Bank’s services are classified into three core categories:

1. Deposit services – The Bank accepts deposits from ordinary persons and business organizations which are divided into four types:
  - Current account
  - Savings account
  - Time deposit
  - Foreign currency deposit
2. Loan services – The Bank provides different loan services as follows:
  - Overdrafts (O/D)
  - Loans including promissory notes and term loans to business customers
  - Housing loans and personal loans to retail customer
  - Loans in a foreign currency
  - Trade finance credit
  - Other loans services such as aval/acceptance, letter of guarantee/Bank guarantee, letter of credit and financial status certification issue, etc.
3. Other services
  - Banking service through e-channels
  - Domestic money transfer services
  - International money transfer services
  - International trade electronic banking services: "Krungsri Trade Link"
  - Automatic account debit and credit (Auto payment), life insurance and non-life insurance brokerage services
  - Investment banking services
  - Securities business services
  - Cash management services
  - Foreign currency purchase/sale in advance and financial tools for risk management, exchange rates and interest rates
  - Trade finance services
  - Government bonds, treasury bills and state enterprise bonds

# The Bank’s securities

## (a) Ordinary shares

|                            |                                                                                                            |
|----------------------------|------------------------------------------------------------------------------------------------------------|
| Registered capital         | As of December 31, 2011: Baht 70,893,927,550.00.<br>Number of shares: 7,089,392,755 Par value: Baht 10.00. |
| Issued and Paid-up capital | As of December 31, 2011: Baht 60,741,437,470.00.<br>Number of shares: 6,074,143,747 Par value: Baht 10.00. |

## (b) Debt Instruments or Convertible Securities

| (Unit : Million Baht)                                                                                                                                                            |                                                        |                                                           |                                                                                                                                                                                                           |                                                     |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|-----------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|
| Type of Debentures                                                                                                                                                               | Interest Rates (p.a.)                                  | Maturity Date                                             | Conditions                                                                                                                                                                                                | Unredeemed Amount and Value as of December 31, 2011 |
| <b>Long – Term Bonds (Non – Collaterals)</b>                                                                                                                                     |                                                        |                                                           |                                                                                                                                                                                                           |                                                     |
| 1. Subordinated Debenture No. 1/2010 : BAY206A<br>Amount : 20,000.00<br>Issue date : June 23, 2010<br>Debenture Rating (Fitch / TRIS) : A+ / A+<br>Agent : TMB Bank PCL          | 1–3 yrs : 4.35%<br>4–6 yrs : 4.75%<br>7–10 yrs : 5.50% | June 23, 2020<br>(10 years)                               | The Bank has the right to call option on 5th year maturity counting from the issue date or from the date of interest payment after the 5th year maturity, with a prior approval from the Bank of Thailand | 20,000.00                                           |
| 2. Debenture No.1/2008 Series 3 : BAY123A<br>Amount : 4,000.00<br>Issue date : March 18, 2008<br>Debenture Rating (Fitch / TRIS) : AA- / -<br>Agent : Krung Thep Thana-thorn PCL | 4.25%                                                  | March 18, 2012<br>(4 years)                               | -                                                                                                                                                                                                         | 4,000.00                                            |
| <b>Other Debt Instruments (Non – Collaterals)</b>                                                                                                                                |                                                        |                                                           |                                                                                                                                                                                                           |                                                     |
| 1. Bill of Exchange (Retail) (issued in 2011)<br>Amount : 217.00<br>Issue date : 4 Jan –14 Feb 2011<br>Debenture Rating (Fitch / TRIS) : None<br>Agent : None                    | 1.45% - 2.15%                                          | Depending on the date of purchase<br>(3 – 18 months)      | - Non-negotiable Bearer B/E<br>- Early Redemption is not allowed                                                                                                                                          | 758.10                                              |
| 2. Bill of Exchange (Corporate) ) (issued in 2011)<br>Amount : 327,955.50<br>Issue date : 4 Jan – 30 Dec 2011<br>Debenture Rating (Fitch / TRIS) : None<br>Agent : None          | 1.77% - 4.00%                                          | Depending on the date of purchase<br>(3 days – 36 months) | - Non-negotiable Bearer B/E<br>- Early Redemption is not allowed                                                                                                                                          | 8,881.00                                            |
| 3. Bill of Exchange (Institution) (issued in 2011)<br>Amount : 185,427.20<br>Issue date : 4 Jan – 30 Dec 2011<br>Debenture Rating (Fitch / TRIS) : None<br>Agent : None          | 1.85% - 4.00%                                          | Depending on the date of purchase<br>(7 days – 36 months) | - Non-negotiable Bearer B/E<br>- Early Redemption is not allowed                                                                                                                                          | 34,039.00                                           |

Remark: 1. TSD is the Registrar for the Bank’s ordinary share  
2. Treasury and Capital Market Operations Department is the Registrar for BAY123A, BAY206A and Bill of Exchange

## Debentures redeemed during 2011:

| Type of Debentures                           | Amount (Million Baht) | Issue date       | Maturity date    |
|----------------------------------------------|-----------------------|------------------|------------------|
| <b>Long – Term Bonds (Non – Collaterals)</b> |                       |                  |                  |
| 1. Debenture No.1/2007 Series 2 : BAY110A    | 5,788.20              | October 26,2007  | October 26,2011  |
| 2. Debenture No.1/2008 Series 2 : BAY113A    | 5,500.00              | March 18, 2008   | March 18, 2011   |
| 3. Debenture No.2/2008 Series 2 : BAY116A    | 5,049.00              | June 5, 2008     | June 5, 2011     |
| 4. Debenture No.3/2008 : BAY11DA             | 11,745.00             | December 2, 2008 | December 2, 2011 |

## (c) Binding Obligations for Future Share Issuance

The Bank is authorized to issue three billion new ordinary shares with 10.00 Baht par value following the resolution of the Annual General Meeting No.92 dated April 27, 2004 as follows:

- Allocation of two billion new ordinary shares to offer to specific investors or institutional investors or in private placement in accordance with related announcements of the Securities and Exchange Commission. In this connection, the Extraordinary General Meeting No.1/2006 dated September 20, 2006 authorized the Bank to offer 2,000 million newly issued ordinary shares to GE Capital International Holdings Corporation (GECIH).
- Allocation of one billion newly issued ordinary shares for a rights offering. Existing shareholders may reserve the right to buy shares in excess of their existing rights. As at December 31, 2011, the Bank had not made any allocation in this regard.

# Dividend Payout Policy

## 1. Our Dividend Payout Policy

The Bank shall pay dividends to the shareholders at a rate note less than 30% of consolidated net profit.

The dividend payment shall be in compliance with Article 41 of the Bank’s Articles of Association that states "Dividends shall not be paid from sources other than profits. The company shall allocate as reserves a portion of its net annual profit not less than the proportion specified by the Laws. The profits remaining thereafter may be allocated as reserves of various kinds, as the Board of Directors may deem proper, and after approval by the shareholders’ at the AGM."

The Bank may from time to time pay shareholders interim dividends if the Board of Directors considers it appropriate given the Bank’s consolidated profitability levels. The payment of interim dividends shall be reported to the shareholders at the next general meeting of shareholders.

Dividends shall be paid within the period prescribed by the Law, beginning from the date that the dividend resolution is passed by the general meeting of the shareholders or by the Board of Directors. A written notice shall also be sent to shareholders and dividend payment announcements shall be published in a newspaper.

## 2. Our Subsidiaries’ Dividend Payout Policy

All dividend payments by the Bank’s subsidiaries must be approved by a resolution of the shareholders at a general shareholder meeting and must be in compliance with relevant rules and regulations.

The subsidiaries may from time to time pay shareholders interim dividends if their Board of Directors considers it appropriate given profitability levels.

In each case, the company must allocate not less than one-twentieth of its net profits as reserves until the total amount allocated is equal to or more than one-tenth of the company’s capital.

Referral Parties

Name, office, telephone, facsimile of referral parties

Registrar

Ordinary shares:

Thailand Securities Depository Co., Ltd.  
62 The Stock Exchange of Thailand Building,  
Rachadapisek Road, Klongtoey, Bangkok 10110  
Tel : 0-2229-2800 Fax : 0-2359-1259

Long-term debenture No. 1/2008 (1 tranche):  
Subordinated debenture No. 1/2010:

Bank of Ayudhya PCL  
1222 Rama III Road, Bang Phongphang,  
Yan Nawa, Bangkok 10120  
Tel : 0-2296-5689-90 and 0-2296-5695-6  
Fax : 0-2683-1582, 1293 and 1398

Agent

Long-term debenture No. 1/2008 (1 tranche):

Bangkok First Investment & Trust PCL  
25 Bangkok Insurance Building, 23rd Floor,  
South Sathon Road, Thung Mahamek  
Sathon, Bangkok 10120  
Tel : 0-2677-4300 ext. 370 Fax : 0-2677-4303

Subordinated debenture No. 1/2010:

TMB Bank PCL  
393 Silom Road, Soi 7,  
Silom, Bangrak, Bangkok 10500  
Tel : 0-2230-6320, 0-2230-5706  
Fax : 0-2266-9779

Auditors:

Dr. Supamitr Techamontrikul  
Mr. Permsak Wongpatcharapakorn  
Mr. Niti Jungnitnirundr  
Mr. Chawala Tienprasertkit

Certified Public Accountant Registered No. 3356  
Certified Public Accountant Registered No. 3427  
Certified Public Accountant Registered No. 3809  
Certified Public Accountant Registered No. 4301

Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd.  
183 Rajanakarn Building, 25th floor, South Sathon Road, Yan Nawa, Sathon, Bangkok 10120  
Tel : 0-2676-5700 Fax : 0-2676-5757

Legal Advisors:

Mr. Pricha Prasert  
Mr. Chotechuong Thapvongse  
Mr. Kanok Indrambarya

1222 Bank of Ayudhya PCL  
Rama III Road, Bang Phongphang, Yan Nawa, Bangkok 10120  
Tel : 0-2296-3872 and 3882 Fax : 0-2683-1436

Group of Companies

- Subsidiaries and Associated Companies

**Krungsri Auto**  
**Ayudhya Capital Auto Lease PCL.**

87/1 Capital Tower, Floor 3 and 87/2 C R C Tower, Floor  
30 All Seasons Place, Wireless Road, Lumpini, Pathumwan,  
Bangkok 10330  
Telephone : 0-2627-6010, 0-2740-7400  
Facsimile : 0-2627-8211

**Krungsri Leasing**  
**Ayudhya Development Leasing Co., Ltd.**

65/182-185 Chamnan-Phenjati Business Center,  
Floor 22 Rama IX Road, Huay kwang, Bangkok 10320  
Telephone : 0-2643-1980 Facsimile : 0-2643-1059-60

**Krungsri Securities**  
**Krungsri Securities PCL.**

Bank of Ayudhya Building, Ploenchit Office, Floor 5  
550 Ploenchit Road, Pathumwan, Bangkok 10330  
Telephone : 0-2659-7000 Facsimile : 0-2646-1111

**Krungsri Asset Management**  
**Krungsri Asset Management Co., Ltd.**

898 Ploenchit Tower Floor 1 Zone A, Floor 2 Zone A and  
Floor 12 Ploenchit Road, Pathumwan, Bangkok 10330  
Telephone : 0-2657-5757 Facsimile : 0-2657-5777

**Krungsri Microfinance**  
**CFG Services Co., Ltd.**

Juthamard Building, Floor 4, 5, 10  
89/170 Moo 3, Vibhavadi Rangsit Road,  
Talad Bangkhen, Laksi, Bangkok 10210  
Telephone : 0-2792-1888 Facsimile : 0-2792-1949

**Krungsri Services**  
**Siam Realty and Services Co., Ltd.**

Bank of Ayudhya Plc. Head Office (Tower C Floor 5A)  
1222 Rama III Road, Bang Phongphang, Yan Nawa,  
Bangkok 10120  
Telephone : 0-2296-3435, 0-2296-2364  
Facsimile : 0-2296-2369

**Total Services Solutions PCL.**

87/1 Capital Tower All Seasons Place, Wireless Road,  
Lumpini, Pathumwan, Bangkok 10330  
Telephone : 0-2714-5199 Facsimile : 0-2627-8554

**Metro Designee Co., Ltd.**

189 Rama IX Road, Huaykwang, Bangkok 10320

**Krungsri Factoring**  
**Ayudhya Factoring Co., Ltd.**

Bank of Ayudhya Building, Ploenchit Office, Floor 3  
550 Ploenchit Road, Pathumwan, Bangkok 10330  
Telephone : 0-2208-2888 Facsimile : 0-2208-2858

**Krungsri Consumer**  
**Ayudhya Card Services Co., Ltd.**

Bank of Ayudhya Building, Ploenchit Office, Floor 7  
550 Ploenchit Road, Pathumwan, Bangkok 10330  
Telephone : 0-2697-8822 Facsimile : 0-2697-8800

**Ayudhya Capital Services Co., Ltd.**

87/1 Capital Tower, Floor 1-6, 8-11, All Seasons Place,  
Wireless Road, Lumpini, Pathumwan, Bangkok 10330  
Telephone : 0-2627-8000

**General Card Services Limited**

87/1 Capital Tower, Floor 1-6, 8, All Seasons Place,  
Wireless Road, Lumpini, Pathumwan, Bangkok 10330  
Telephone : 0-2627-8111 Facsimile : 0-2627-8381

**Krungsriayudhya Card Co., Ltd.**

87/1 Capital Tower, Floor 1-6, 8-11, All Seasons Place  
Wireless Road, Lumpini, Bangkok 10330  
Telephone : 0-2646-3000 Facsimile : 0-2646-3001

**Ayudhya Total Solutions PCL.**

Bank of Ayudhya Building, Ploenchit Office, Floor 7  
550 Ploenchit Road, Pathumwan, Bangkok 10330  
Telephone : 0-2627-6010 Facsimile : 0-2627-8211

**Krungsri Life Assurance Broker Limited**

87/1 Capital Tower, All Seasons Place,  
Wireless Road, Lumpini, Pathumwan, Bangkok 10330  
Telephone : 0-2627-8029 Facsimile : 0-2627-4117

**Krungsri General Insurance Broker Limited**

87/1 Capital Tower, All Seasons Place, Floor 11  
Wireless Road, Lumpini, Pathumwan, Bangkok 10330  
Telephone : 0-2627-8029 Facsimile : 0-2627-4117

**Tesco Card Services Limited**

87/1 Capital Tower, Floor 1-6, All Seasons Place,  
Wireless Road, Lumpini, Pathumwan, Bangkok 10330  
Telephone : 0-2627-4130 Facsimile : 0-2627-4774

**Tesco Life Assurance Broker Limited**

87/1 Capital Tower, Floor 10, All Seasons Place,  
Wireless Road, Lumpini, Pathumwan, Bangkok 10330  
Telephone : 0-2627-4472 Facsimile : 0-2627-4409

**Tesco General Insurance Broker Limited**

87/1 Capital Tower, Floor 10, All Seasons Place,  
Wireless Road, Lumpini, Pathumwan, Bangkok 10330  
Telephone : 0-2627-6090 Facsimile : 0-2627-4409

**Krungsri AMC**  
**Krungsri Ayudhya AMC Ltd.**

Bank of Ayudhya Plc. Head Office, Floor 11  
1222 Rama III Road, Bang Phongphang, Yan Nawa,  
Bangkok 10120  
Telephone : 0-2296-4949 Facsimile : 0-2683-1220

• The Companies under Dissolution and Liquidation Process

Ayudhya Auto Lease PCL.

Bank of Ayudhya Building, Ploenchit Office, Floor 6  
550 Ploenchit Road, Pathumwan, Bangkok 10330

Siam Bangkok Port Limited

51/1 Moo 3 Poochao Samingphrai Road, Bang Ya Phraek  
Phra Pradaeng, Samutprakan 10130

• Companies that the Bank Hold Shares of 10% but Less Than 20% of Its Paid-up Capital

Sri Ayudhya Capital PCL.

898 Ploenchit Tower, Floor 7, Ploenchit Road, Lumpini,  
Pathumwan, Bangkok 10330  
Telephone : 0-2263-0335 Facsimile : 0-2263-0589

P.P. Parawood Co., Ltd.

111/1 Moo 1 Tambonbanchang, Phanatnikom,  
Chonburi 20140  
Telephone : (038) 464-268-80 Facsimile : (038) 464-261-2

Asian Trade and Leasing Co., Ltd.

Golden Land Building, Floor 5  
153/3 Soi Mahadlekluang 1, Rachadumri Road, Lumpini,  
Pathumwan, Bangkok 10330  
Telephone : 0-2652-1199 Facsimile : 0-2652-1577-8

• Companies With Shares Acquired Through Debt Restructuring

Lenso Phonecard Co., Ltd.

292 Srinakarin Road, Huamark, Bangkapi, Bangkok 10240  
Telephone : 0-2351-8116 Facsimile : 0-2351-8009

UMC Metals Limited

32/37 Sino-Thai Tower, Floor 15, Sukhumvit 21 Road  
North Klongteoy, Wattana, Bangkok 10110  
Telephone : 0-2259-2942-5 Facsimile : 0-2259-2946

Bank of Ayudhya Public Company Limited

As at December 31, 2011

Head Office

1222 Rama III Road, Bang Phongphang, Yan Nawa, Bangkok 10120  
Telephone : 0-2296-2000 Krungsri Call Center : 1572  
Fascimile : 0-2683-1304 Website : **www.krungsri.com**

Branch and Financial Services Centers

|                                             |     |
|---------------------------------------------|-----|
| <b>Number of branches in Thailand</b>       | 584 |
| Greater Bangkok and vicinity                | 267 |
| Upcountry                                   | 317 |
| <b>Number of overseas branches Thailand</b> | 4   |
| Foreign Currency Exchange Booths            | 66  |
| Exclusive Banking Zones                     | 19  |
| Krungsri Business Centers                   | 55  |

| No. | Branch                      | Telephone                  |
|-----|-----------------------------|----------------------------|
| 1   | Rama III Office             | 0 2296 2000                |
| 2   | Ploenchit Office Branch     | 0 2208 2080<br>0 2253 8601 |
| 3   | Rajwongse Branch            | 0 2224 5510<br>0 2224 5626 |
| 4   | Phahurad Branch             | 0 2221 1604<br>0 2221 7740 |
| 5   | Pratunam Branch             | 0 2251 3277<br>0 2253 8963 |
| 6   | Vorachak Branch             | 0 2221 7678<br>0 2223 7118 |
| 7   | Bangrak Branch Office       | 0 2237 7177<br>0 2237 7148 |
| 8   | Bangkrabue Branch           | 0 2243 3256<br>0 2243 3262 |
| 9   | Pakklong-Talad Branch       | 0 2223 0530<br>0 2222 9637 |
| 10  | Wongwien 22 Karakada Branch | 0 2222 7585<br>0 2223 0760 |
| 11  | Banglampoo Branch           | 0 2282 8253-4              |
| 12  | Klongteoi Branch            | 0 2249 8012-4              |
| 13  | Sapan-Kwai Branch           | 0 2272 2993-4              |
| 14  | Ekamai Branch               | 0 2714 0082-5              |
| 15  | Wongwien-Yai Branch         | 0 2437 0173-4              |
| 16  | Bangkhae Branch             | 0 2454 2947-50             |
| 17  | Chol Buri Branch            | 0 3827 7740-2              |
| 18  | Suphan Buri Branch          | 0 3552 3961-3              |
| 19  | Nakorn Rajsima Branch       | 0 4425 1340-2              |
| 20  | Banphai Branch              | 0 4327 2108<br>0 4327 2681 |

| No. | Branch                        | Telephone                  |
|-----|-------------------------------|----------------------------|
| 21  | Udorndhani Branch             | 0 4222 1523<br>0 4224 4738 |
| 22  | Ubolrajdhani Branch           | 0 4524 4885<br>0 4525 4065 |
| 23  | Chaiyaphoom Branch            | 0 4482 1339-41             |
| 24  | Lampang Branch                | 0 5432 3269-72             |
| 25  | Chiengmai Branch              | 0 5325 1811-2              |
| 26  | Petchaboon Branch             | 0 5672 2572-3              |
| 27  | Chantaburi Branch             | 0 3934 6385-8              |
| 28  | Haadyai Branch                | 0 7423 9065-6              |
| 29  | Tungsong Branch               | 0 7541 2684-5              |
| 30  | Trang Branch                  | 0 7522 2416-7              |
| 31  | Pattani Branch                | 0 7333 2772-3              |
| 32  | Naradhiwaas Branch            | 0 7351 1202-3              |
| 33  | Pakchong Branch               | 0 4431 3908-9              |
| 34  | Petchburi New Ext. Rd. Branch | 0 2308 0041-5              |
| 35  | Bangkapi Branch               | 0 2377 1724<br>0 2377 5352 |
| 36  | Sao-Chingcha Branch           | 0 2222 5206<br>0 2224 8805 |
| 37  | Phra-Pradaeng Branch          | 0 2463 5230<br>0 2463 1012 |
| 38  | Dao-Khanong Branch            | 0 2476 0036<br>0 2476 5369 |
| 39  | Suan-Phlu Branch              | 0 2287 3011-3              |
| 40  | Khon-Kaen Branch              | 0 4322 0856-7              |
| 41  | Pranburi Branch               | 0 3254 4105-6              |
| 42  | Nong-Phai Branch              | 0 5678 1411-5              |
| 43  | Ratchathevi Branch            | 0 2653 6720-2              |

| No. | Branch                        | Telephone                    |
|-----|-------------------------------|------------------------------|
| 44  | Future Mart Rama III Branch   | 0 2292 0673-4<br>0 2289 1141 |
| 45  | Samyaek Branch Office         | 0 2221 1520-9                |
| 46  | Bang-Khen Branch              | 0 2561 3017-8                |
| 47  | Trad Branch                   | 0 3952 1151-3                |
| 48  | Hin-Kong Branch               | 0 3637 9013-4                |
| 49  | Phrabudhabath Branch          | 0 3626 8022-4                |
| 50  | Klongsarn Branch              | 0 2437 1377<br>0 2437 2646   |
| 51  | Din-Daeng Branch              | 0 2642 8838-40               |
| 52  | Klong Prapa Branch            | 0 2270 0829<br>0 2271 3171   |
| 53  | Chakraphat Phong Branch       | 0 2280 1757-8                |
| 54  | Muaklek Branch                | 0 3634 1076-7                |
| 55  | Wang Noi Branch               | 0 3527 1882-3                |
| 56  | Tiwanon (Khaerai) Branch      | 0 2588 3986<br>0 2588 4638   |
| 57  | Songphinong Branch            | 0 3553 1491-2                |
| 58  | Ayudhya Branch                | 0 3524 5718-20               |
| 59  | Phitsanulok Branch            | 0 5522 1721-3                |
| 60  | Chachoengsao Branch           | 0 3851 4272-3                |
| 61  | Rangsit Branch                | 0 2958 0245-9                |
| 62  | Samrong Branch                | 0 2384 3623-4                |
| 63  | Thanon Nang Linchi Branch     | 0 2678 3016-8                |
| 64  | Taphan-Hin Branch             | 0 5662 2313-4                |
| 65  | Phunphin Branch               | 0 7731 1523<br>0 7731 1967   |
| 66  | Donmuang (New Bridge) Branch  | 0 2972 5644-7                |
| 67  | Uttaradit Branch              | 0 5541 1357<br>0 5541 1457   |
| 68  | Ocean Chumphon Branch         | 0 7751 1491<br>0 7751 1493   |
| 69  | Sri Chiangmai Branch          | 0 4245 1336-8                |
| 70  | Siyaek Wisutkasat Branch      | 0 2282 4688-9                |
| 71  | Siyaek Sapan Krungdhon Branch | 0 2424 0125<br>0 2424 5023   |
| 72  | Yala Branch                   | 0 7321 1688-9                |
| 73  | Hua-Hin Branch                | 0 3251 1120<br>0 3251 1442   |
| 74  | Tha Muang Branch              | 0 3461 1412-3                |
| 75  | Praisaneeklang Branch         | 0 2233 4372-3                |
| 76  | U Thong Branch                | 0 3552 3022-3                |
| 77  | Det-Udom Branch               | 0 4536 1001-2                |
| 78  | Ban Pong Branch               | 0 3220 1949-50               |
| 79  | Phibun Mangsahan Branch       | 0 4544 1400-1                |
| 80  | Chainat Branch                | 0 5641 2696-9                |
| 81  | Phon Thong Branch             | 0 4357 1035-7                |
| 82  | Krathumbaen Branch            | 0 3447 2580-1                |

| No. | Branch                      | Telephone                  |
|-----|-----------------------------|----------------------------|
| 83  | Bang Pakong Branch          | 0 3853 1250-1              |
| 84  | Si Racha Branch             | 0 3832 5605-6              |
| 85  | Ban Bung Branch             | 0 3844 4019-20             |
| 86  | Chum Phae Branch            | 0 4331 1309-10             |
| 87  | Phan Branch                 | 0 5372 1251-2              |
| 88  | Sam Phran Branch            | 0 3432 2796-9              |
| 89  | Luk Kae Branch              | 0 3456 6423-4              |
| 90  | Takhli Branch               | 0 5626 1249<br>0 5626 1530 |
| 91  | Rajavat Branch              | 0 2241 3978<br>0 2241 4143 |
| 92  | Suan Mali Branch            | 0 2223 5413<br>0 2223 7305 |
| 93  | Tha Rua Branch              | 0 3534 1969-70             |
| 94  | Songkhla Branch             | 0 7432 1077-9              |
| 95  | Charu Muang Branch          | 0 2214 2352-3              |
| 96  | Tak Branch                  | 0 5551 3511-3              |
| 97  | Samut Prakan Branch         | 0 2387 1814-5              |
| 98  | Maha Sarakham Branch        | 0 4372 2227-8              |
| 99  | Roi Ed Branch               | 0 4351 1615-6              |
| 100 | Sala Daeng Branch           | 0 2237 7143-4              |
| 101 | Sing Buri Branch            | 0 3652 0697-8              |
| 102 | Kalasin Branch              | 0 4381 1556-7              |
| 103 | Union Mall Lat Phrao Branch | 0 2511 3149<br>0 2511 1698 |
| 104 | Talat Phlu Branch           | 0 2466 9766<br>0 2466 9672 |
| 105 | Nakhon Nayok Branch         | 0 3731 2644-5              |
| 106 | Siyaek Asok Branch          | 0 2261 8119-21             |
| 107 | Chiang Rai Branch           | 0 5374 4641-3              |
| 108 | Lop Buri Branch             | 0 3641 1599-600            |
| 109 | Tha Din Daeng Branch        | 0 2437 2509<br>0 2437 3359 |
| 110 | Samray Branch               | 0 2438 6811-2              |
| 111 | Tao Pun Branch              | 0 2585 4217<br>0 2585 6799 |
| 112 | Bangkok Noi Branch          | 0 2424 0599-600            |
| 113 | Sukhumwit 35 Branch         | 0 2259 0020-3              |
| 114 | Yaowarat Branch             | 0 2223 5336-7              |
| 115 | Phrae Branch                | 0 5451 1595-6              |
| 116 | Ratchaburi Branch           | 0 3232 5650-2              |
| 117 | Siyaek Suapa Branch         | 0 2223 5334-5              |
| 118 | Samut Sakhon Branch         | 0 3441 1986-7              |
| 119 | Nakhon Sawan Branch         | 0 5622 8017-8              |
| 120 | Siam Square Branch          | 0 2255 1116-7              |
| 121 | Phetchaburi Branch          | 0 3242 8611-2              |
| 122 | Surawong Branch             | 0 2631 4050-9              |

| No. | Branch                             | Telephone                  |
|-----|------------------------------------|----------------------------|
| 123 | Surat Thani Branch                 | 0 7728 3116-9              |
| 124 | Bang Su Branch                     | 0 2587 0635-6              |
| 125 | Sam Yod Branch                     | 0 2223 7855-7              |
| 126 | Buri Ram Branch                    | 0 4461 4128-30             |
| 127 | Uruphong Branch                    | 0 2215 7000-1              |
| 128 | Saphanluang Branch                 | 0 2215 4593-4              |
| 129 | Surin Branch                       | 0 4451 5061-2              |
| 130 | Thanon Chan Branch                 | 0 2287 4384-8              |
| 131 | Phanat Nikhom Branch               | 0 3846 1378-9              |
| 132 | Sikhiu Branch                      | 0 4441 2465-6              |
| 133 | Klaeng Branch                      | 0 3867 4427-8              |
| 134 | Pak Kret Branch                    | 0 2960 7961-2              |
| 135 | Nam Phong Branch                   | 0 4343 1341-2              |
| 136 | Phuket Branch                      | 0 7621 1110<br>0 7621 1592 |
| 137 | Pratu Chang Phuak Branch           | 0 5321 1700-1              |
| 138 | Nakhon Si Thammarat Branch         | 0 7534 2789<br>0 7534 6125 |
| 139 | Tha Phra Branch                    | 0 2457 0067<br>0 2457 0534 |
| 140 | Huamark Branch                     | 0 2314 6746-7              |
| 141 | Thanon Mittraphap Branch           | 0 4425 6866<br>0 4425 6900 |
| 142 | Chakkrawat Branch                  | 0 2222 1677<br>0 2222 1848 |
| 143 | Sanam Poa Branch                   | 0 2615 0198-9              |
| 144 | Nonthaburi Branch                  | 0 2967 2000-1              |
| 145 | Nakhon Pathom Branch               | 0 3425 1155-7              |
| 146 | Saraburi Branch                    | 0 3622 2277-9              |
| 147 | Rayong Branch                      | 0 3861 6072-3              |
| 148 | Ratchadaphisek (Huaikhwang) Branch | 0 2275 666-10              |
| 149 | Kanchanaburi Branch                | 0 3451 5058-9              |
| 150 | Saphan Phrachao Taksin Branch      | 0 2437 0230<br>0 2438 7726 |
| 151 | Sutthisan Branch                   | 0 2270 0164-5              |
| 152 | Saphan Pra Pinklao Branch          | 0 2433 0085-8              |
| 153 | Si Saket Branch                    | 0 4561 2293-4              |
| 154 | Arun-Amarin Branch                 | 0 2412 6186-8              |
| 155 | Thanon Phet Kasemhat Yai Branch    | 0 7423 0557-8              |
| 156 | Phutthaisong Branch                | 0 4468 9114-5              |
| 157 | Bang Pla Ma Branch                 | 0 3558 7623-4              |
| 158 | Ranong Branch                      | 0 7781 1777<br>0 7782 1205 |
| 159 | Phu Wiang Branch                   | 0 4329 1290-2              |
| 160 | Non Sung Branch                    | 0 4437 9111-3              |
| 161 | Wiang Sa Branch                    | 0 7736 1958-60             |

| No. | Branch                                   | Telephone                  |
|-----|------------------------------------------|----------------------------|
| 162 | Samut Songkhram Branch                   | 0 3471 3039-40             |
| 163 | Yasothon Branch                          | 0 4571 2954-6              |
| 164 | Sukhothai Branch                         | 0 5561 2671-2              |
| 165 | Thanon Phatthanakan Branch               | 0 2318 3289<br>0 2314 7700 |
| 166 | Lat Phrao 102 Branch                     | 0 2539 4508-11             |
| 167 | Kamphaeng Phet Branch                    | 0 5571 3013-4              |
| 168 | Sakon Nakhon Branch                      | 0 4271 3001-2              |
| 169 | Nan Branch                               | 0 5477 2584-6              |
| 170 | Thanon Maliwan Branch                    | 0 4323 7952<br>0 4324 2566 |
| 171 | Pattaya Branch                           | 0 3842 6907-8              |
| 172 | Na Klang Branch                          | 0 4235 9023-4              |
| 173 | Phanom Phrai Branch                      | 0 4359 1141-2              |
| 174 | Siyaek Khao Rai Ya Branch                | 0 3933 5398-9              |
| 175 | Bang Sai Branch                          | 0 3537 1444-5              |
| 176 | Rat Burana Branch                        | 0 2464 1445-6              |
| 177 | Wanon-Niwat Branch                       | 0 4279 1165-6              |
| 178 | Huai Kra Bok Branch                      | 0 3220 1949-50             |
| 179 | Bang-O Branch                            | 0 2424 0948<br>0 2435 2257 |
| 180 | Ban Tak Branch                           | 0 5559 1249-50             |
| 181 | Sukhumwit 101/1 (Piyarom Place)          | 0 2730 5549-51             |
| 182 | Khao Yoi Branch                          | 0 3249 9057-8              |
| 183 | Khai Bang Rachan Branch                  | 0 3659 7050-2              |
| 184 | Srinakarind-On Nuj Branch                | 0 2321 1584<br>0 2321 8838 |
| 185 | Chaeng Watthana 14 Branch                | 0 2574 6174-6              |
| 186 | Thanon Phraram Thi 4 (Klongteoi) Branch  | 0 2260 9506-10             |
| 187 | Bo Phloi Branch                          | 0 3458 1055-6              |
| 188 | Ban Rong Po Branch                       | 0 3824 1031-4              |
| 189 | Thung Yai Branch                         | 0 7548 9004-5              |
| 190 | Central Wongsawang Branch                | 02 913 9708-11             |
| 191 | Prachin Buri Branch                      | 0 3721 3217-8              |
| 192 | Nong Khai Branch                         | 0 4242 0743-4              |
| 193 | Muang Samsip Branch                      | 0 4548 9004-5              |
| 194 | Sukhumwit 23 Branch                      | 0 2229 4433<br>0 2229 4435 |
| 195 | Phatthalung Branch                       | 0 7461 1365-6              |
| 196 | Ratchadaphisek (Thaphra-Taksin) Branch   | 0 2477 9692-4              |
| 197 | Ko Samui Branch                          | 0 7742 0176-9              |
| 198 | Kanchanadit Branch                       | 0 7737 9028-30             |
| 199 | Patong Branch                            | 0 7634 0809-10             |
| 200 | Thanon Chayangkun Ubonratchathani Branch | 0 4524 4594-5              |

| No. | Branch                                    | Telephone                  |
|-----|-------------------------------------------|----------------------------|
| 201 | Tha Rua Phra Thaen Branch                 | 0 3456 2005-6              |
| 202 | Kamphaeng Saen Branch                     | 0 3435 1705-6              |
| 203 | Sigaek Wang Hin Branch                    | 0 2570 5584-7              |
| 204 | Nongbua Udonthani Branch                  | 0 4224 3434                |
| 205 | Thap Put Branch                           | 0 7644 2228-30             |
| 206 | Bangbon Branch                            | 0 2416 8366<br>0 2416 8367 |
| 207 | Phayao Branch                             | 0 5448 1863-4              |
| 208 | Thanon Chang Khlan Chiang Mai Branch      | 0 5327 0431-4              |
| 209 | Nong Prathip Chiang Mai Branch            | 0 5324 0240-3              |
| 210 | Lom Sak Branch                            | 0 5670 2009-11             |
| 211 | Bang Mun Nak Branch                       | 0 5663 1844-7              |
| 212 | Thanon Srinakrind-Thepharak Branch        | 0 2385 0975-9              |
| 213 | Thanon Si Phuwanat Hat Yai Branch         | 0 7422 1003-5              |
| 214 | Uthai Thani Branch                        | 0 5651 2561-4              |
| 215 | Map Ta Phut Branch                        | 0 3860 8891-4              |
| 216 | Pathum Thani Branch                       | 0 2581 3908-10             |
| 217 | Sattahip Branch                           | 0 3843 7781-3              |
| 218 | Pure Place Ramkhamhang 110 Branch         | 0 2373 4740-2              |
| 219 | Wong Wien Sa Kaeo Lop Buri Branch         | 0 3642 2601-2              |
| 220 | Thanon Sawanwithi Nakhon Sawan Branch     | 0 5622 7866-7              |
| 221 | Sungai Kolok Branch                       | 0 7361 5741-3              |
| 222 | Min Buri Branch                           | 0 2517 9897-9              |
| 223 | Lat Bua Luang Branch                      | 0 3537 9350-2              |
| 224 | Thanon Tiwanon (Khlong Bang Talat) Branch | 0 2580 6611<br>0 2580 6622 |
| 225 | Krabi Branch                              | 0 7562 1258-61             |
| 226 | Prachuap Khiri Khan Branch                | 0 3261 1980-1              |
| 227 | Tha Yang Branch                           | 0 3246 1826-7              |
| 228 | Thanon Sukhumwit Cholburi Branch          | 0 3827 4520-1              |
| 229 | Mae Hong Son Branch                       | 0 5361 1868-9              |
| 230 | Phangnga Branch                           | 0 7641 1989<br>0 7641 2444 |
| 231 | Bang Mot Branch                           | 0 2428 4389-90             |
| 232 | Loei Branch                               | 0 4281 2619-20             |
| 233 | Rojana Industrial Park Branch             | 0 3533 0515<br>0 3533 0525 |
| 234 | Thanon Rat Burana (Bangpakok) Branch      | 0 2428 4534-7              |
| 235 | Thanon Charoen Nakhon Soi 4 Branch        | 0 2439 1104<br>0 2439 6448 |
| 236 | Fortune Town Branch                       | 0 2248 3380-3              |
| 237 | Ao Udom Branch                            | 0 3835 2466-9              |

| No. | Branch                                            | Telephone                  |
|-----|---------------------------------------------------|----------------------------|
| 238 | Soi Thong Lo Branch                               | 0 2392 2838-9              |
| 239 | Lumpini Branch                                    | 0 2285 6696-9              |
| 240 | Photharam Branch                                  | 0 3235 4317-8              |
| 241 | Navanakorn Branch                                 | 0 2529 2076-8              |
| 242 | Sam Liam Din Daeng Branch                         | 0 2642 4020-1              |
| 243 | Kachet Branch                                     | 0 3864 8295-6              |
| 244 | Nong Don Branch                                   | 0 3639 7225-8              |
| 245 | Thanon Ramkhamhaeng 19 Branch                     | 0 2718 9302-3              |
| 246 | Bang Bua Thong Branch                             | 0 2571 3530-4              |
| 247 | Lat Krabang Branch                                | 0 2326 8815-8              |
| 248 | Thanon Sukhaphiban 1 Branch                       | 0 2375 5801-2              |
| 249 | Bang Yai Branch                                   | 0 2594 0608-9              |
| 250 | Satun Branch                                      | 0 7472 2500-2              |
| 251 | On Nuj 23 Branch                                  | 0 2332 2737<br>0 2332 2837 |
| 252 | Phichit Branch                                    | 0 5661 2510-4              |
| 253 | Cha-Am Branch                                     | 0 3247 2047-51             |
| 254 | Nakhon Phanom Branch                              | 0 4251 3082-5              |
| 255 | Thanon Ram Indra Km.8 Branch                      | 0 2509 5880-3              |
| 256 | Phanom Sarakham Branch                            | 0 3855 1840-3              |
| 257 | Thanon Surasak1 Siracha Branch                    | 0 3832 4272-6              |
| 258 | Thanon Rot Fai Ratchaburi Branch                  | 0 3232 5650-2              |
| 259 | Pracha Niwet 1 Branch                             | 0 2954 3880-2              |
| 260 | Sa Kaeo Branch                                    | 0 3724 1810-3              |
| 261 | Makhamtia Branch                                  | 0 7728 8750-3              |
| 262 | Talat Si Mum Muang Branch                         | 0 2536 8154-6              |
| 263 | Thanon Ratchadaphisek (Olympia Thai Tower) Branch | 0 2513 8731-5              |
| 264 | Ploenchit Tower Branch                            | 0 2263 0667-9              |
| 265 | Nakhon Chaisi Branch                              | 0 3433 3640-4              |
| 266 | Hang Dong Branch                                  | 0 5344 1986-7              |
| 267 | Thanon Phet Kasem 33 (Future Park Plaza) Branch   | 0 2454 8700-7              |
| 268 | Thanon Boonyawat Lampang Branch                   | 0 5422 8184-6              |
| 269 | Thanon Rangsit-Nakhon Nayok (Khlong 2) Branch     | 0 2966 0916-8              |
| 270 | Ang Thong Branch                                  | 0 3562 5150-1              |
| 271 | Mukdahan Branch                                   | 0 4261 3035-6              |
| 272 | Thanon Sukhaphiban 2 Branch                       | 0 2374 1935-8              |
| 273 | Thanon Poon Phol Phuket Branch                    | 0 7622 1284-6              |
| 274 | Sena Branch                                       | 0 3520 2009<br>0 3520 2280 |
| 275 | Thanon Bang Na-Trat (Central City) Branch         | 0 2361 0625-6              |
| 276 | Thanon Phet Kasem 55 Branch                       | 0 2454 6969<br>0 2454 9966 |

| No. | Branch                                        | Telephone                    |
|-----|-----------------------------------------------|------------------------------|
| 277 | Thanon Thiam Ruam Mit Branch                  | 0 2274 4008-10               |
| 278 | Mae Sot Branch                                | 0 5553 3781-3                |
| 279 | Ha Yaek Phokhun Mengrai Branch                | 0 5371 1292<br>0 5371 1793   |
| 280 | Thanon Chom Thong Branch                      | 0 2468 5740<br>0 2468 8096   |
| 281 | Soi Charan Sanitwong 13 Branch                | 0 2864 0977-9                |
| 282 | Thanon Srinakarind-Krung Thep Kritha Branch   | 0 2375 1249<br>0 2375 3917   |
| 283 | Nongkhaem Branch                              | 0 2444 2958-9                |
| 284 | Chumphon Branch                               | 0 7750 5032<br>0 7750 5069   |
| 285 | Paradise Park Branch                          | 0 2746 0194-9                |
| 286 | Thanon Ngamwongwan Branch                     | 0 2951 8403-4                |
| 287 | Thanon Srinakarind-Sukhumwit Branch           | 0 2389 1443<br>0 2389 1465   |
| 288 | Lang Suan Branch                              | 0 7758 2513-5                |
| 289 | Saphan Pra Nangklaow Branch                   | 0 2527 0241-4                |
| 290 | Thanon Haisoke Roi Et Branch                  | 0 4351 1830<br>0 4351 3307   |
| 291 | Lamphun Branch                                | 0 5351 0246-50               |
| 292 | Thanon Huai Kaeo Chiang Mai Branch            | 0 5321 9804-6                |
| 293 | Thanon Sukhumwit 71 Branch                    | 0 2390 1936<br>0 2381 2171   |
| 294 | Lam Narai Branch                              | 0 3646 1994-5                |
| 295 | Thanon Ram Indra Km.2 Branch                  | 0 2971 6678-82               |
| 296 | Saphan Chom Klao Phetchaburi Branch           | 0 3241 3185-7                |
| 297 | Thanon Wat Kingkaeo Branch                    | 0 2316 9495-6                |
| 298 | Thanon Sathu Pradit Branch                    | 0 2295 1104-5                |
| 299 | Thanon Chaeng Watthana (Software Park) Branch | 0 2962 3104-8                |
| 300 | Thanon Pracha Uthit Branch                    | 0 2427 1041<br>0 2427 1415   |
| 301 | Mae Sai Branch                                | 0 5364 0769-71               |
| 302 | Thanon Song Prapha Branch                     | 0 2566 4291-3                |
| 303 | Thanon Bang Na Trat (Nation Tower) Branch     | 0 2751 4036-9                |
| 304 | Thanon Pattaya Tai Branch                     | 0 3842 5524-5                |
| 305 | Major Rangsit Branch                          | 0 2567 5042-4<br>0 2567 5046 |
| 306 | Om Noi Branch                                 | 0 2431 0131-6                |
| 307 | Thanon Sueksa Charoen Phetchaboon             | 0 5672 2247-8                |
| 308 | Tha Phra Khon Kaen Branch                     | 0 4326 1661-5                |
| 309 | Thanon Rama li Branch                         | 0 2451 4094-8                |
| 310 | Bang Pa-In Branch                             | 0 3522 1071-4                |
| 311 | Phran Nok Branch                              | 0 2411 4543<br>0 2418 2515   |

| No. | Branch                                       | Telephone                  |
|-----|----------------------------------------------|----------------------------|
| 312 | Thanon Bang Khun Thian Branch                | 0 2416 3481-2              |
| 313 | Naresuan University Branch                   | 0 5526 1125-6              |
| 314 | Thanon Mahidol (Sigaek Nong Hoi) Branch      | 0 5380 1700-3              |
| 315 | Thanon Vibhavadirangsit (Suntowers) Branch   | 0 2617 6486-90             |
| 316 | Kaeng Khoi Branch                            | 0 3624 5320-3              |
| 317 | Nong Khae Branch                             | 0 3632 6400-3              |
| 318 | Sukhumwit 103 (Udom Suk) Branch              | 0 2383 8793-7              |
| 319 | Phra Prathon Branch                          | 0 3424 2826-7              |
| 320 | Bang Saphan Branch                           | 0 3254 8404-7              |
| 321 | Rama IX-Srinakarind Branch                   | 0 2300 1642<br>0 2300 1645 |
| 322 | Kabin Buri Branch                            | 0 3720 3015-9              |
| 323 | Thanon Thep Krasattri Phuket Branch          | 0 7623 6337-8              |
| 324 | Thanon Mittraphap-Yaer Pakthongchai Branch   | 0 4427 7324-5              |
| 325 | San Kamphaens Branch                         | 0 5339 2592-6              |
| 326 | Thanon Sukhumwit 63 Branch                   | 0 2711 4600-6              |
| 327 | Bang Pu Branch                               | 0 2324 3581-5              |
| 328 | Warin Chamrap Branch                         | 0 4526 9470-4              |
| 329 | Nong Bua Lam Phu Branch                      | 0 4231 2536-40             |
| 330 | Thanon Kanchanawanit Songkhla Branch         | 0 7432 5806-10             |
| 331 | Mae Rim Branch                               | 0 5329 9916-9              |
| 332 | Thanon Sukhumwit Trad Branch                 | 0 3952 0969<br>0 3952 0994 |
| 333 | Thanon Phraeksa Samutprakan Branch           | 0 2387 0081-2              |
| 334 | Hua Thale Nakhon Ratchasima Branch           | 0 4426 6042-6              |
| 335 | Amnat Charoen Branch                         | 0 4551 1731-4              |
| 336 | Thanon Wat Kingkaeo (Racha Tewa) Branch      | 0 2312 4795-7              |
| 337 | Kasetsart University Branch                  | 0 2561 366-1               |
| 338 | Phon Sawan Branch                            | 0 4259 5119<br>0 4259 5091 |
| 339 | Pratunam Phra-In Branch                      | 0 3521 9851-4              |
| 340 | Bang Bo Branch                               | 0 2708 5393<br>0 2708 5419 |
| 341 | Don Phut Branch                              | 0 3638 5112-4              |
| 342 | Thanon Ram Indra-Vacharaphol Branch          | 0 2509 4993<br>0 2509 5095 |
| 343 | Khuan Don Branch                             | 0 7473 5271-5              |
| 344 | Thanon Charoen Nakhon Soi 35 Branch          | 0 2439 1104<br>0 2439 6448 |
| 345 | Si Banphot Branch                            | 0 7468 9164-7              |
| 346 | Thanon Boromarajajonani (Taling Chan) Branch | 0 2880 9908-9              |
| 347 | Thanon Thepharak Branch                      | 0 2385 0975-9              |

| No. | Branch                                                  | Telephone                  |
|-----|---------------------------------------------------------|----------------------------|
| 348 | Thanon Suksawat 53 Branch                               | 0 2463 2510<br>0 2463 2920 |
| 349 | Thanon Phatthanakan Khukhwang                           | 0 7531 7841-5              |
| 350 | Thanon Mittraphap Khonkaen                              | 0 4332 5411-5              |
| 351 | Thanon Chotana Chiangmai Branch                         | 0 5340 9420-4              |
| 352 | Thanon Phraphanvasa Suphanburi Branch                   | 0 3552 5128-32             |
| 353 | Thanon Boromarajajonani (Pinklao) Branch                | 0 2433 1468<br>0 2433 4985 |
| 354 | Thanon Phahonyothin 26 (Elephant Tower) Branch          | 0 2937 4983-92             |
| 355 | Thanon Sathon Nua (A.I.-Center) Branch                  | 0 2637 7276-85             |
| 356 | Thanon Akatosarot Phitsanulok Branch                    | 0 5522 5173-7              |
| 357 | Chokchai 4 Branch                                       | 0 2530 1696<br>0 2530 3790 |
| 358 | Thanon Pracharat Sai 1 Branch                           | 0 2585 2610<br>0 2586 8897 |
| 359 | Nang Rong Branch                                        | 0 4462 4318-22             |
| 360 | On Nuj 69 Branch                                        | 0 2726 0475-8              |
| 361 | Thanon Ratchadaphisek (Central Rama Iii) Branch         | 0 2673 6309-14             |
| 362 | Betong Branch                                           | 0 7324 5861-4              |
| 363 | Thanon Phahon Yothin Saraburi Branch                    | 0 3631 8401-4              |
| 364 | Fang Branch                                             | 0 5338 2813-7              |
| 365 | Noenteng Cholburi Branch                                | 0 3826 1101-3              |
| 366 | Thanon Kanchanawanit Hat Yai Branch                     | 0 7421 7111-3              |
| 367 | Siyaek Sanambin Chiangmai                               | 0 5328 0525-7              |
| 368 | Ong Kharak Branch                                       | 0 3732 2268-9              |
| 369 | Thanon Rat Banchop Samut Sakhon Branch                  | 0 3442 8126-7              |
| 370 | Thanon Phosi Udonthani Branch                           | 0 4224 9736-7              |
| 371 | Thanon Lamlukka (Khlong 2) Branch                       | 0 2523 3933-5              |
| 372 | Assumption University (Thanon Bangna-Trad Km.26) Branch | 0 2707 0350-4              |
| 373 | Nakhon Ratchasima Rajabhat University Branch            | 0 4424 8405-6              |
| 374 | Suan Dusit Rajabhat University Branch                   | 0 2241 8325-7              |
| 375 | Sakon Naknon Rajabhat University Branch                 | 0 4271 4303<br>0 4271 6887 |
| 376 | Chiangrai Rajabhat University Branch                    | 0 5377 6038<br>0 5377 6066 |
| 377 | Chaweng Beach Branch                                    | 0 7741 3736-8              |
| 378 | Central Lat Phrao Branch                                | 0 2541 1176-7              |
| 379 | Assumption University (Hua Mark) Branch                 | 0 2300 4452-4              |

| No. | Branch                                                 | Telephone                    |
|-----|--------------------------------------------------------|------------------------------|
| 380 | Buri Ram Rajabhat University Branch                    | 0 4460 1519<br>0 4461 4159   |
| 381 | Mae Fah Luang University Branch                        | 0 5378 7121<br>0 5378 7185   |
| 382 | Mae Nam Branch                                         | 0 7742 7787-9                |
| 383 | Ao Nang Krabi Branch                                   | 0 7569 5429-31               |
| 384 | Irpc Rayong Branch                                     | 0 3862 3939-41               |
| 385 | Star Plaza Rayong Branch                               | 0 3862 3842-4                |
| 386 | Central Rama li Branch                                 | 0 2872 1478-80               |
| 387 | Khao Lak Phang-Nga Branch                              | 0 7648 5425-7                |
| 388 | Khonkaen University Branch                             | 0 4320 2260<br>0 4334 2388   |
| 389 | Lampang Rajabhat University Branch                     | 0 5431 7950-2                |
| 390 | Chulalongkorn 42 Branch                                | 0 2219 1624-6                |
| 391 | Ubon Ratchathani Rajabhat University Branch            | 0 4525 5416<br>0 4525 5537   |
| 392 | Nikhom Phatthana Rayong Branch                         | 0 3863 7585-6<br>0 3889 7504 |
| 393 | Eastern Seaboard Industrial Estate Branch              | 0 3865 6256-7<br>0 3895 4704 |
| 394 | Big C Udon Thani Branch                                | 0 4221 2733-4<br>0 4220 4920 |
| 395 | Lamai Beach Branch                                     | 0 7741 9017-8<br>0 7723 0821 |
| 396 | Kasetsart University (Sakon Nakhon) Branch             | 0 4275 4228-30               |
| 397 | Tesco Lotus Amata Nakorn Chonburi Branch               | 0 3845 7462-5                |
| 398 | Ha Yaek Chalong Phuket Branch                          | 0 7638 4034-6                |
| 399 | The Mall Bang Kapi Branch                              | 0 2374 6177-8<br>0 2374 6294 |
| 400 | The Mall Bang Khae Branch                              | 0 2455 3930-1<br>0 2455 3921 |
| 401 | Queen Surikit National Convention Center Branch        | 0 2229 5592-4                |
| 402 | 304 Industrial Park Prachin Buri Branch                | 0 3727 4300-1<br>0 3720 8314 |
| 403 | Rajamangala University Of Technology Thanyaburi Branch | 0 2577 4504-5<br>0 2927 4744 |
| 404 | Bitec Bang Na Branch                                   | 0 2398 9834-5<br>0 2398 9837 |
| 405 | Impact Muang Thong Thani Branch                        | 0 2504 5162-4                |
| 406 | Kamala Beach Phuket Branch                             | 0 7627 8113-4                |
| 407 | Thanon Sai Asia Nakhonsawan Branch                     | 0 5622 8188-90               |
| 408 | Hi-Tech Industrial Estate Branch                       | 0 3531 4337-9                |
| 409 | Social Security Office Branch                          | 0 2526 9610-2                |
| 410 | Wellgrow Industrail Estate Branch                      | 0 3851 7820-1                |

| No. | Branch                                     | Telephone                    |
|-----|--------------------------------------------|------------------------------|
| 411 | Thanon Phet Kasem Hua Hin Branch           | 0 3251 3927<br>0 3251 3932   |
| 412 | The Mall Ngam Wong Wan Branch              | 0 2550 0630-1<br>0 2550 0905 |
| 413 | Tesco Lotus Pattaya (North) Branch         | 0 3842 3399<br>0 3842 3044   |
| 414 | Central Festival Phuket Branch             | 0 7636 7005-7                |
| 415 | Thanon Ratchawithi Nakhon Pathom Branch    | 0 3427 5020-1                |
| 416 | Fashion Island Branch                      | 0 2947 5140-2                |
| 417 | Thanon Bang Khun Thian - Chai Thale Branch | 0 2894 6537-9                |
| 418 | Phi Phi Island Branch                      | 0 7561 8109<br>0 7561 8033   |
| 419 | Kasemrad Prachachuen Hospital Branch       | 0 2587 4240-1<br>0 2587 5707 |
| 420 | Soi Noen Plub Wan Pattaya Branch           | 0 3840 2272-3                |
| 421 | Tesco Lotus Phuket Branch                  | 0 7621 2619<br>0 7621 2656   |
| 422 | J-Avenue Thong Lo Branch                   | 0 2185 3113-4                |
| 423 | Choeng Thale Phuket Branch                 | 0 7632 5062<br>0 7632 5139   |
| 424 | Thanon Chaloem Phra Kiat Phuket Branch     | 0 7637 6001-2                |
| 425 | Beach Road (Chaweng) Branch                | 0 7741 3464                  |
| 426 | Talat Thanommit Vacharaphol Branch         | 0 2347 0292-5                |
| 427 | Thanon Kijmanee Samut Sakhon Branch        | 0 3442 5122                  |
| 428 | Si Yaek Pak Ruam Branch                    | 0 3833 7245-6                |
| 429 | Ko Chang Branch                            | 0 3955 1431-3                |
| 430 | Empire Tower Branch                        | 0 2670 1648-50               |
| 431 | Grand Canal Branch                         | 0 2575 2163-4                |
| 432 | Kasemrad Rattanatibeth Hospital Branch     | 0 2594 0937-9                |
| 433 | Talat Wongsakorn Branch                    | 0 2563 5341-2<br>0 2563 5350 |
| 434 | Thanon Chomsin Hua Hin Branch              | 0 3251 5370-1<br>0 3251 5406 |
| 435 | Bangkok Samui Hospital Branch              | 0 7741 4033<br>0 7741 4058-9 |
| 436 | Tops Charoen Krung Branch                  | 0 2291 1602<br>0 2291 1782   |
| 437 | Laem Chabang Branch                        | 0 3849 3542-3<br>0 3849 3556 |
| 438 | Talat Min Buri Branch                      | 0 2517 1022-3<br>0 2517 1025 |
| 439 | Thai Summit Tower Branch                   | 0 2251 3114-6                |
| 440 | Central Pinklao Branch                     | 0 2433 4830-1<br>0 2433 4836 |
| 441 | Thanon Kheha Romklao Branch                | 0 2557 1033-5                |
| 442 | Bang Sao Thong Branch                      | 0 2313 4547-9                |

| No. | Branch                                                   | Telephone                    |
|-----|----------------------------------------------------------|------------------------------|
| 443 | Ptt Thanon Phatthanakan Branch                           | 0 2322 1278-80               |
| 444 | Thanon Ratchaphruek Branch                               | 0 2423 0181-3                |
| 445 | Thanon Nanai Patong Branch                               | 0 7634 5161<br>0 7634 5163-4 |
| 446 | Choeng Mon Beach Branch                                  | 0 7748 4223                  |
| 447 | Talaad Thai Branch                                       | 0 2529 1121<br>0 2529 1960   |
| 448 | Tesco Lotus Bowin Branch                                 | 0 3811 7120-3                |
| 449 | Zuellig House Branch                                     | 0 2233 5134-6                |
| 450 | Thanon Sukhumwit Pattaya Branch                          | 0 3842 4376<br>0 3842 4722-3 |
| 451 | Khlong Khru Samut Sakhon Branch                          | 0 3442 8916-7<br>0 3442 8930 |
| 452 | Thanon Mueangmai Bangphli 2 Branch                       | 0 2315 1112-4                |
| 453 | King Mongkut's Institute of Technology Ladkrabang Branch | 0 2326 4715-7                |
| 454 | Kabinburi Industrial Zone Branch                         | 0 3745 5334<br>0 3745 5502-3 |
| 455 | Central World Branch                                     | 0 2264 5078-82               |
| 456 | Q.House Convent Branch                                   | 0 2234 5475-7                |
| 457 | Nava Nakorn Industrial Promotion Zone Branch             | 0 2529 1295<br>0 2529 3266   |
| 458 | Northern Region Industrial Estate (Lamphun) Branch       | 0 5358 2112-4                |
| 459 | Saha Group Industrial Park Siracha Branch                | 0 3848 2325<br>0 3848 2334   |
| 460 | Home Pro Ratchaphruek Branch                             | 0 2423 3645-8                |
| 461 | Home Pro Bang Na Branch                                  | 0 2325 1167-9                |
| 462 | Eastern Seaboard Industrial Estate 2 Branch              | 0 3865 6446-8                |
| 463 | Tops Rama Iii Branch                                     | 0 2213 0796-7<br>0 2213 0713 |
| 464 | Ptt Kui Buri Branch                                      | 0 3268 2700<br>0 3268 1087   |
| 465 | Home Pro Chaeng Watthana Branch                          | 0 2584 1411<br>0 2584 1432   |
| 466 | Century Plaza Branch                                     | 0 2245 9517-9                |
| 467 | Central Rattanathibet Branch                             | 0 2525 4546-8                |
| 468 | Gemopolis Industrial Estate Branch                       | 0 2727 0420-1                |
| 469 | Central Airport Chiang Mai Branch                        | 0 5328 1660-2                |
| 470 | Siam Paragon Branch                                      | 0 2129 4560-5                |
| 471 | Ptt Thanon Kanchanaphisek Branch                         | 0 2455 9316-7                |
| 472 | Ptt Thanon Ratchaphruek Branch                           | 0 2432 2223-5                |
| 473 | Ko Pha-Ngan Branch                                       | 0 7737 7276<br>0 7737 7672   |
| 474 | Bophut Branch                                            | 0 7742 7540-2                |
| 475 | Bang Phun Branch                                         | 0 2581 8545-7                |

| No. | Branch                                                                      | Telephone                     |
|-----|-----------------------------------------------------------------------------|-------------------------------|
| 476 | Ptt Thanon Phutthamonthon Sai 4 Branch                                      | 0 2429 2051<br>0 2429 2104    |
| 477 | Q. House Lumpini Branch                                                     | 0 2343 8791-3                 |
| 478 | Ptt Thanon Chalong Krung Branch                                             | 0 2360 5213-5                 |
| 479 | Bangkok Pattaya Hospital Branch                                             | 0 3842 2514<br>0 3842 2526    |
| 480 | Pinthong Industrial Estate Branch                                           | 0 3834 8184-6                 |
| 481 | Rajamangala University of Technology Krungthep Branch                       | 0 2286 0324<br>0 2286 0341    |
| 482 | Ptt Thanon Rangsit-Nakhon Nayok (Khlong 7) Branch                           | 0 2577 4636<br>0 2577 4637-8  |
| 483 | Thanon Patak (Karon) Branch                                                 | 0 7639 8249-51                |
| 484 | Ptt Thanon Lat Phakhao Branch                                               | 0 2570 2169<br>0 2570 2172    |
| 485 | Soi Boonsampan Pattaya Branch                                               | 0 3840 6683<br>0 3840 6684    |
| 486 | Soi Buakhao Pattaya Branch                                                  | 0 3841 5873-5                 |
| 487 | Ptt Thanon Kaset-Nawamin Branch                                             | 0 2553 2031-3                 |
| 488 | Soi Naklua 16 Pattaya Branch                                                | 0 3841 6617-9                 |
| 489 | Don Hualo (Amata Nahon Chon Buri) Branch                                    | 0 3845 3049-51                |
| 490 | Ko Pho Chon Buri Branch                                                     | 0 3820 9787-9                 |
| 491 | Ptt Thanon Ekkachai Branch                                                  | 0 3441 8190-2                 |
| 492 | Ptt Thanon Suranarai Nakhon Ratchasima Branch                               | 0 4425 7061-3                 |
| 493 | Ptt Thanon Thepharak Branch                                                 | 0 2385 5986-8                 |
| 494 | Thanon Chaloe Phra Kiat (Pattaya Sai 3) Branch                              | 0 3841 3485-7                 |
| 495 | Ptt Warin Chamrap Branch                                                    | 0 4532 3770<br>0 4532 3772    |
| 496 | Thanon Ban Kok Khon Kaen Branch                                             | 0 4327 0455-7                 |
| 497 | Silpakorn University (Sanam Chandra Palace Campus) Branch                   | 0 3427 1133<br>0 3427 1484    |
| 498 | Thanon Phrayasatcha Chon Buri Branch                                        | 0 3827 2319-20<br>0 3827 2400 |
| 499 | Operations Center, Thai Airways International Public Company Limited Branch | 0 2134 1795-7                 |
| 500 | Ban Sai Yuan (Rawai) Branch                                                 | 0 7638 8804-6                 |
| 501 | Ptt Thanon Tiwanon Branch                                                   | 0 2584 5501-3                 |
| 502 | Homepro Khon Kaen Branch                                                    | 0 4327 1624-6                 |
| 503 | Homepro Udon Thani Branch                                                   | 0 4224 6000<br>0 4224 6733-4  |
| 504 | Ban Pho Chachoengsao Branch                                                 | 0 3813 0134-6                 |
| 505 | Nongkae Hua Hin Branch                                                      | 0 3251 6546-8                 |
| 506 | Pai Branch                                                                  | 0 5369 9062<br>0 5369 9097    |

| No. | Branch                                              | Telephone                                   |
|-----|-----------------------------------------------------|---------------------------------------------|
| 507 | Thanon Klangmueang Khon Kaen Branch                 | 0 4322 2588<br>0 4322 2799                  |
| 508 | Esplanade Ratchada Branch                           | 0 2660 9120-22                              |
| 509 | Petchkasem Avenue Branch                            | 0 2809 2961-2<br>0 2809 2403                |
| 510 | J.J. Mall Branch                                    | 0 2265 9544-6                               |
| 511 | Ptt Rimkok Chiang Rai Branch                        | 0 5371 8383<br>0 5371 8830                  |
| 512 | Phatthananikhom Soi 12 (Lopburi) Branch             | 0 3643 6066<br>0 3643 6114                  |
| 513 | Ptt Thanon Thepprasit Pattaya Branch                | 0 3890 6623-5                               |
| 514 | All Seasons Place Branch                            | 0 2250 1240-1<br>0 2250 1244                |
| 515 | Huachiew Chalermprakiet Universiry Branch           | 0 2312 6625<br>0 2312 6719                  |
| 516 | Imperial World Samrong Branch                       | 0 2380 6214-6                               |
| 517 | Robinson Sriracha Branch                            | 0 3832 2067<br>0 3832 2107                  |
| 518 | Talat Save One Nakhon Ratchasima Branch             | 0 4422 2131<br>0 4422 2141                  |
| 519 | Thanon Phutthamonthon Sai 5 Branch                  | 0 2420 7715<br>0 2420 7720                  |
| 520 | Jungceylon Phuket Branch                            | 0 7636 6029-31                              |
| 521 | The Avenue Chaengwatthana Branch                    | 0 2573 8106-8                               |
| 522 | The Avenue Pattaya Branch                           | 0 3805 2003-5                               |
| 523 | Thanon Phrabarami Phuket Branch                     | 0 7632 2179-81                              |
| 524 | Thanon Thepharak Km.22.5 (Yes Bangphli) Branch      | 0 2315 2984-6                               |
| 525 | Pa Khlok Phuket Branch                              | 0 7637 9851-3                               |
| 526 | Thanon Chao Fa (East) Phuket Branch                 | 0 7652 5071-3                               |
| 527 | Sam Kong Phuket Branch                              | 0 7652 3200-2                               |
| 528 | Tesco Lotus Salaya Branch                           | 0 2482 2100-1<br>0 2379 8910<br>0 2379 8914 |
| 529 | Ptt Thanon Seri Thai Branch                         | 0 3833 3255-7                               |
| 530 | Soi Khao Ta Lo Patta Branch                         | 0 2513 1290<br>0 2513 1298-9                |
| 531 | Ptt Thanon Vibhavadirangsit 32 Branch               | 0 2191 9864-66                              |
| 532 | Ptt Ratchaphruek - Rattanathibet Branch             | 0 2538 3772<br>0 2538 3511                  |
| 533 | Ptt Thanon Pradit Manutham Branch                   | 0 3838 5353-5                               |
| 534 | Bangsaen Branch                                     | 0 7748 4451-3                               |
| 535 | Thanon Thaveeratphakdee (Chaweng) Branch            | 0 3574 7152-4                               |
| 536 | Big C Ayutthaya Branch                              | 0 2311 5012<br>0 2311 5014                  |
| 537 | Ptt Bang Na Express Way (In Bound) Branch           | 0 3849 1270-2                               |
| 538 | Laem Chabang Industrial Estate (Free Zone 2) Branch |                                             |

| No. | Branch                                                   | Telephone                    |
|-----|----------------------------------------------------------|------------------------------|
| 539 | The Government Complex Commemorating (Building B) Branch | 0 2143 9636-8                |
| 540 | Central Chaeng Watthana Branch                           | 0 2193 8081-3                |
| 541 | Esplanade Ratchada 2 Branch                              | 0 2660 9217-9                |
| 542 | Central Festival Pattaya Beach Branch                    | 0 3804 3250-2                |
| 543 | Harbor Mall Laem Chabang Branch                          | 0 3849 3673-5                |
| 544 | Central Chon Buri Branch                                 | 0 2582 2668-9<br>0 2582 3015 |
| 545 | Nichada Thani Branch                                     | 0 4531 6804-5<br>0 4531 6015 |
| 546 | Talat Nongbua Ubonratchathani Branch                     | 0 4434 2828-30               |
| 547 | Talat Suranakhon Nakhonratchasima Branch                 | 0 7791 0133-5                |
| 548 | Thanon Kanchanavithi Suratthani Branch                   | 0 2533 4590-2                |
| 549 | Thanon Vibhavadirangsit (Don Mueang) Branch              | 0 3860 4771-3                |
| 550 | Ban Chang Branch                                         | 0 2375 5553<br>0 2375 5196   |
| 551 | Lat Phrao 101 Branch                                     | 0 2447 9050-1                |
| 552 | Ptt Thanon Kanchanaphisek 2 Branch                       | 0 2334 3334-6                |
| 553 | Soi Mangkorn Samut Prakan Branch                         | 0 4328 8100-2                |
| 554 | Central Khonkaen Branch                                  | 0 2381 4710-2                |
| 555 | Thonglor (Somerset Sukhumvit ) Branch                    | 0 2537 0130-1<br>0 2537 0156 |
| 556 | Energy Complex Branch                                    | 0 3805 9572-4                |
| 557 | Jomtien Beach (Kongdongtan) Branch                       | 0 7422 3861-3                |
| 558 | Odean Fashion Mall Hatyai Branch                         | 0 7541 1666<br>0 7541 1900   |
| 559 | Sahathai Plaza Thungsong Branch                          | 0 2312 0370-2                |
| 560 | Thanon Bangna-Trat (Bangna Tower) Branch                 |                              |

| No. | Branch                                  | Telephone                    |
|-----|-----------------------------------------|------------------------------|
| 561 | K Village Sukhumvit 26 Branch           | 0 2661 5016<br>0 2661 5024   |
| 562 | The Mall Nakhonratchasima Branch        | 0 4439 3457-9                |
| 563 | Thanon Eakkachai Phojae Branch          | 0 3445 1636-8                |
| 564 | Tesco Lotus Kamthieng Chieng Mai Branch | 0 5322 2873-5                |
| 565 | Bo Bae Branch                           | 0 2282 0524-5<br>0 2282 0538 |
| 566 | Tesco Lotus Aranyaprathet Branch        | 0 3754 1718-20               |
| 567 | Robinson Trang Branch                   | 0 7582 0301-3                |
| 568 | Chamchuri Square Branch                 | 0 2160 5240-2                |
| 569 | Thanon Rojana (Ayudhya) Branch          | 0 7765 9917-8<br>0 7765 9927 |
| 570 | Tesco Lotus Chumphon Branch             | 0 2138 5711-3                |
| 571 | Seacon Square Branch                    | 0 5317 9712-4                |
| 572 | Central Plaza Chiangrai Branch          | 0 7421 4570-2                |
| 573 | Big C Hatyai Branch                     | 0 2235 3950-2                |
| 574 | Silom Branch                            | 0 7484 1144-6                |
| 575 | Pa Payom Phatthalung Branch             | 0 7562 4580-2                |
| 576 | Thanon Maharat Krabi Branch             | 0 7425 5098<br>0 7425 5754-5 |
| 577 | Tesco Lotus Hatyai-Nai Branch           | 0 7631 1522-4                |
| 578 | Tesco Lotus Thalang Phuket Branch       | 0 2255 1763-5                |
| 579 | Sukhumvit 15 Branch                     | 0 5533 8662                  |
| 580 | Central Plaza Phitsanulok Branch        | 0 2160 2912-4                |
| 581 | Central Plaza Grand Rama 9 Branch       | 0 3943 6467-9                |
| 582 | Big C Chantaburi Branch                 | 0 9629 6189-91               |
| 583 | Wang Wist Trang Branch                  | 0 2515 0980-2                |
| 584 | The Crystal Branch                      |                              |

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