BANK OF AYUDHYA

Annual Report 2009

Opening Doors...

to a Full Range of Financial Services

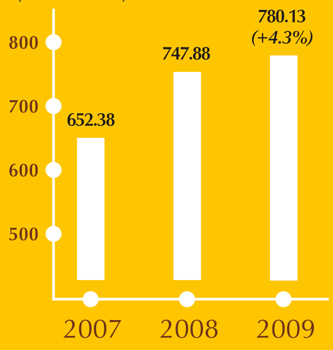
For Everyone

Financial Highlights

(Consolidated)

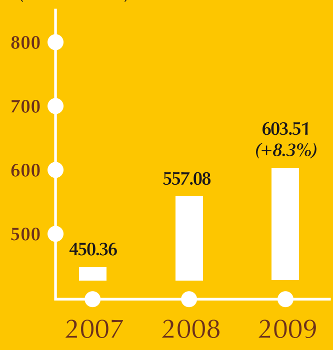
Assets

(Baht Billion)



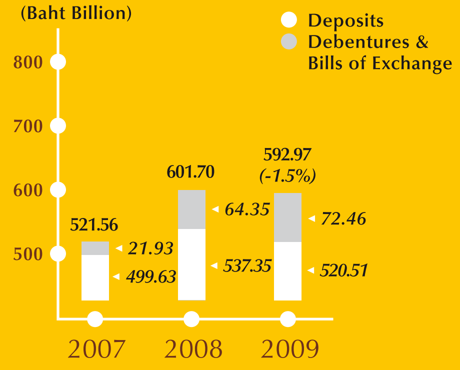
Loans

(Baht Billion)



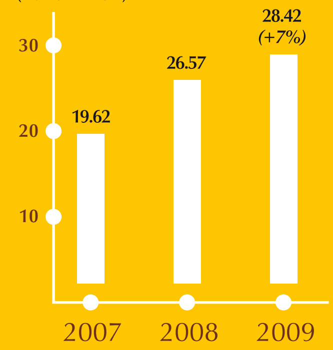
Deposits, Debentures, and B/E

(Baht Billion)



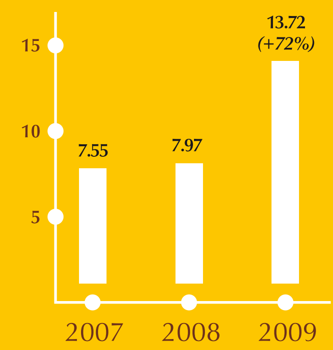
Net Interest and Dividend Income

(Baht Billion)



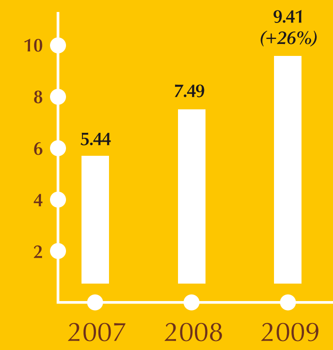
Non-Interest Income

(Baht Billion)



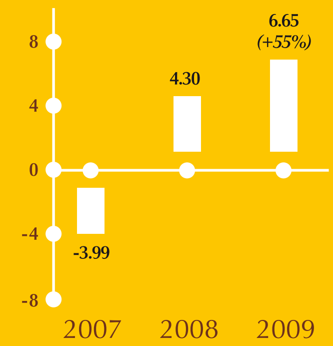
Fees and Service Income

(Baht Billion)



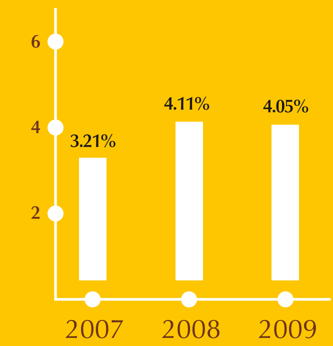
Net Profit (Loss)

(Baht Billion)



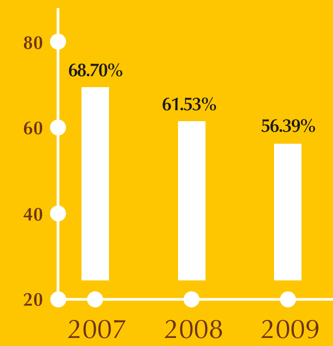
Net Interest Margin (NIM)

Percent (%)

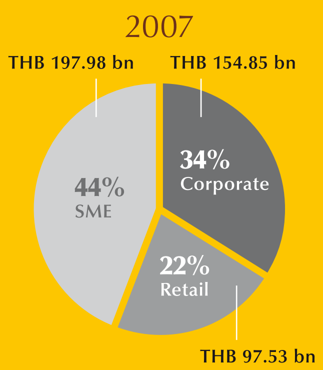


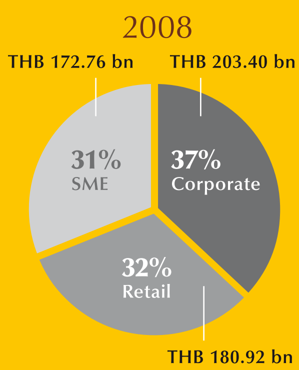
Cost to Income Ratio

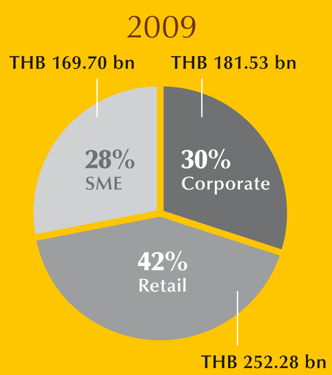
Percent (%)



Breakdown of Loan Portfolio







		Consolidated Financial Statements					Separate Financial Statements				
		2009	2008 "Restated"	2007	2006	2005	**2009**	2008 "Restated"	2007	2006	2005
Balance Sheet Information (Million Baht)											
Assets		**780,132**	747,885	652,376	666,342	647,817	**760,625**	744,718	650,623	664,558	636,936
Loans		**603,508**	557,077	450,356	460,288	453,774	**563,934**	540,443	444,962	459,267	443,551
Allowance for doubtful accounts		**38,600**	32,308	35,219	28,812	20,965	**24,585**	23,725	29,509	22,821	18,266
Net NPLs		**32,370**	32,954	43,627	39,747	50,721	**21,378**	21,838	30,095	25,463	29,396
Gross NPLs		**52,080**	55,137	70,633	63,187	63,900	**34,210**	38,226	53,678	43,595	41,736
Liabilities		**687,547**	661,570	574,309	619,196	607,443	**672,485**	658,674	570,618	616,506	597,552
Deposits		**520,515**	537,354	499,627	563,496	559,890	**524,686**	540,747	500,406	563,673	553,532
Shareholders' equity		**92,585**	86,314	78,067	47,146	40,374	**88,140**	86,044	80,006	48,051	39,384
Operating Performance (Million Baht)											
Interest and dividend income		**39,457**	41,163	35,064	35,726	24,622	**31,037**	33,948	34,278	34,676	23,756
Interest expenses		**11,040**	14,595	15,442	16,678	7,949	**10,934**	13,770	15,324	16,474	7,700
Net interest and dividend income		**28,417**	26,568	19,622	19,048	16,673	**20,102**	20,178	18,954	18,202	16,056
Bad debt and doubtful accounts		**10,216**	7,790	12,365	11,361	6,060	**5,730**	4,700	11,500	6,339	4,100
Non-interest income		**13,724**	7,968	7,547	9,154	8,263	**5,630**	4,218	5,387	4,188	5,508
Non-interest expenses		**23,764**	21,248	18,664	15,267	12,752	**17,274**	16,697	16,351	13,358	11,439
Net profit (loss)		**6,659**	4,299	(3,992)	1,666	6,017	**2,544**	2,287	(3,518)	2,684	6,017
Financial Ratios											
Return on average assets	(%)	**0.87**	0.61	(0.61)	0.25	0.98	**0.34**	0.33	(0.53)	0.41	1.00
Return on average equity	(%)	**7.44**	5.23	(6.38)	3.81	16.37	**2.92**	2.75	(5.49)	6.14	16.67
Net profit (loss) per share	(Baht)	**1.10**	0.73	(0.76)	0.58	2.10	**0.42**	0.39	(0.67)	0.93	2.10
Cost / Income ratio	(%)	**56.39**	61.53	68.70	54.13	51.14	**67.13**	68.44	67.17	59.66	53.05
Capital to risk assets ratio 1/	(%)	**16.31**	17.41	19.80	11.59	10.49	**14.15***	14.58*	20.35	11.67	11.01
Tier 1 capital to risk assets ratio 1/	(%)	**13.08**	13.92	15.12	7.47	6.30	**11.55***	11.99*	15.66	7.52	6.62
Book value per share	(Baht)	**15.24**	14.21	13.55	13.85	14.06	**14.51**	14.17	13.89	14.12	13.72
Loans to deposit ratio	(%)	**115.94**	103.67	90.14	81.68	81.05	**107.48**	99.94	88.92	81.48	80.13
Loans to deposit plus debentures and bills of exchange ratio	(%)	**101.78**	92.58	86.35	81.27	n.a.	**95.18**	89.31	85.23	81.06	n.a.
Net NPLs / loan 2/	(%)	**5.18**	5.45	10.20	9.02	11.35	**3.61**	3.68	7.07	5.73	6.72
Gross NPLs / loan 3/	(%)	**8.08**	8.80	15.53	13.63	13.89	**5.65**	6.26	11.95	9.43	9.28
Total allowance to loans	(%)	**6.40**	5.80	7.82	6.26	4.62	**4.36**	4.39	6.63	4.97	4.12
Total allowance to NPLs	(%)	**74.12**	58.69	49.92	45.65	32.91	**71.88**	62.20	55.05	52.42	43.92

1/ Consolidated numbers represent Bank and Ayudhya Asset Management Company only (BASEL I)
2/ Represents percentage of net NPLs divided by loans including money market loans less NPLs reserves
3/ Represents percentage of gross NPLs divided by loans including money market loans
* The method of capital fund calculation from BASEL II

Contents

Everyone has a dream, a goal and a vision for success.

At Bank of Ayudhya, we take great pride in opening the doors to fulfil the financial needs of our customers. In Consumer Banking, we provide ways for individual customers to realize their dreams. For the entrepreneurs among us, the KRUNGSRI SME Banking meets their needs in establishing and building businesses. And for our corporate customers, we are committed to finding solutions to successfully grow their businesses. It's all part of our dedication.

As a leading universal bank in Thailand, Bank of Ayudhya is committed to providing best products and services, fulfilling your dreams and success.

Consumer Banking

Opening doors to your dreams

We are proud to support our individual customers' needs and to help them realize their dreams by opening doors to a full range of consumer financial services.

SME Banking

Opening doors for entrepreneurial spirits

Entrepreneurs are the backbone of every thriving society. We are delighted to play an integral role in opening doors and opportunities for Small and Medium-sized Enterprises.

Corporate Banking

Opening doors to business success

Providing financial advice, innovative solutions and steadfast support as our corporate clients grow from strength to strength — this is how we open doors to new horizons of business success.

Message from the Chairman and the President and Chief Executive Officer

In 2009, economies across the globe continued to experience the negative impact of the economic and financial turmoil that erupted in 2008. The crisis that originated in the US, the world's largest single-economy accounting for almost 25% of global GDP, continued to spread, driving a further decline in global economic performance. This has resulted in an unprecedented level of regulatory and fiscal scrutiny and intervention that has profoundly altered the landscape for the world's financial sector.

While Asia's economies faired positively compared with other parts of the globe, the impact of the crisis was also felt across the region, including in Thailand, where GDP contracted 2.3% in 2009. The export sector, which has been a key contributor to Thailand's growth in recent years, declined by 13.9% as key trading partners bared the brunt of the economic slowdown. Thailand's tourism sector, another key economic driver was also affected, with foreign visitor numbers dropping by 3.4% as a result of the recession and continuing domestic political unrest.

Throughout the crisis, however, the Thai banking sector remained resilient and the country's underlying economic fundamentals, strong. Over a decade on, this can in large part be attributed to the valuable lessons learned from the 1997-1998 Asian financial crisis, to which Thailand responded by taking a number of key steps to address weaknesses in the financial sector and substantially tighten financial regulations. In line with these changes Thai banks also undertook additional measures to embed enhanced policies, practices and procedures to strengthen their business operations and reduce risk. This has positioned the sector well in weathering the current storm.

Though the Thai economy and banking sector proved to be relatively resilient compared to most countries around the globe, there's no doubt that doing business in the prevailing 2009 economic environment was incredibly tough. Some of the challenges included:

1). Maintaining and/or growing loans outstanding in an environment of sharply contracting credit demand.
2). Maintaining asset quality and enforcing prudent lending practices and risk discipline while supporting customers (retail and institutional) through the global financial turmoil and domestic political instability.
3). Managing interest income negatively affected by both shrinking loan portfolios and the sharp and deep reduction in interest rates in the first quarter of the year.
4). Managing all business activities tightly under increasingly strict regulatory compliance and prioritizing good governance principle.

Despite the challenging environment, however, Bank of Ayudhya's efforts to reinforce its foundations and diversify its portfolio, coupled with its ability to adapt and adopt appropriate strategies in evolving business conditions, enabled it to deliver its 2009 commitments.

Among its accomplishments the Bank maximized business opportunities presented by the economic downturn to execute on its inorganic growth strategy, successfully completing the acquisition of four consumer finance businesses:

- AIG Retail Bank (AIGRB),
- AIG Credit Card Co. Ltd. (AIGCC),
- CFG Services Co. Ltd.,
- The consumer finance businesses of GE Money Thailand, the largest consumer finance company in Thailand.

These acquisitions resulted in the Bank significantly expanding its higher yielding consumer loan portfolio from 32% to 42% of the total loan book. At the same time, its 2009 total loan portfolio expanded by 46.43 billion baht, or 8%, despite the 2.3% contraction in GDP.

The Bank's 2009 operating performance also improved significantly from the previous year, with 6.65 billion baht in net profit, representing a 55% increase from 2008. Major drivers were a 7% increase in net interest and dividend income and a 72% increase in non-interest income while non-interest expenses grew by only 12%. At the same time, the Bank, delivered an overall improvement in consolidated asset quality by reducing NPLs by 3.06 billion baht during the year while provision to NPLs ratio increased from 59% to 74%. These achievements reflect the bank's better profitability and stronger balance sheet.

In addition to ongoing efforts to enhance product development and service delivery, the Bank's improved performance was also supported by continued investment in process and technology improvements, training and talent development and adherence to the highest standards of corporate governance.

In 2009, these efforts were recognized by the industry with the Bank receiving a number of awards. They included:

- Best Local Trade Bank in Thailand 2009: EUROMONEY Trade Finance Magazine (for the third consecutive year).
- Club 500 EMEA-APAC Grand Master and Service Excellence 2009 : Western Union.
- Best Product Innovation Award 2009: Thai-Netherlands Chamber of Commerce and the Belgium-Luxembourg/ Thai Chamber of Commerce for a bancassurance product jointly developed by the Bank and Ayudhya Insurance Pcl.
- Deal of the Year-Thailand 2009: Asiamoney for the acquisition of AIGRB and AIGCC.
- Asia Pacific's Best Investor Relations Services 2009: The Investor Audit Services of the Asian Banker, based on a regional survey ranking quality of information disclosure to investors, transparency, and corporate governance.

The Bank is honored to have been recognized by its industry peers and continues to strive for excellence to best serve its customers and to deliver greater value to its shareholders.

Although the pace of global recovery in 2010 is certain to remain fragile, the Bank is well placed to continue to perform in these conditions. Having built and maintained a diverse business model, solid operating fundamentals, strong capital base, improving asset quality and underlying margin and profit improvement coupled with adherence to good corporate governance, the bank is set to take full advantage of the economic recovery and to deliver continued growth.

On behalf of Bank of Ayudhya Pcl., we would like to express heartfelt gratitude to our customers and shareholders for their unwavering support. Our sincere appreciation also goes to management and staff for their continued dedication in building a solid foundation that is critical to our ultimate goal of sustainable growth and reinforcing our position as a leading banking and financial services institution in Thailand.

Mr. Veraphan Teepsuwan
Chairman

Mr. Mark John Arnold
President and Chief Executive Officer


1


2


3

Board of Directors

(As of January 5, 2010)

1
Mr. Veraphan Teepsuwan
Chairman

2
Mr. Tan Kong Khoon
Director
President and Chief Executive Officer
(Until December 31, 2009)

3
Mr. Mark John Arnold
Director
President and Chief Executive Officer
(Effective January 5, 2010)

4
Mr. Surachai Prukbamroong
Independent Director
Chairman of the Audit Committee

5
Mr. Karun Kittisataporn
Independent Director
Chairman of the Nomination and Remuneration Committee

6
Mr. Virat Phairatphiboon
Independent Director
Audit Committee Member
Nomination and Remuneration Committee Member

7
Mr. Yongyuth Withyawongsaruchi
Independent Director
Audit Committee Member

8
Mr. Pornsanong Tuchinda
Director
Nomination and Remuneration Committee Member

9
Mr. Pongpinit Tejagupta
Director

10
Mrs. Janice Rae Van Ekeren
Director

11
Mr. Chet Raktakanishta
Director
(Passed away January 31, 2010)

Senior Management

(As of January 5, 2010)

1
Mr. Tan Kong Khoon
President and Chief Executive Officer
(Until December 31, 2009)

2
Mr. Mark John Arnold
President & Chief Executive Officer
(Effective January 5, 2010)

3
Mrs. Janice Rae Van Ekeren
Chief Financial Officer
Acting Head of Treasury

4
Mr. Virojn Srethapramotaya
Head of Corporate Banking
(Until December 31, 2009)

5
Mr. Poomchai Wacharapong
Head of SME Banking

6
Mr. Roy Agustinus Gunara
Head of Consumer Banking

7
Mr. Piriyah Wisedjinda
Head of Distribution

8
Mr. Chandrashekar Subramanian Krishoolndmangalam
Chief Risk Officer

9
Mrs. Wanna Thamsirisup
Head of Operations

10
Miss Phawana Niemloy
General Counsel

11
Mr. Sudargo Harsono
Chief Marketing Officer

12
Miss Nopporn Tirawattanagool
Head of Human Resources

13
Dr. Yaowalak Poolthong
Head of Corporate Communications and Investor Relations

14
Mrs. Voranuch Dejakaisaya
Head of Information Technology

15
Mr. Somrit Srithongdee
Head of Special Project – Human Resources
(Retired December 31, 2009)

16
Miss Puntipa Hannorraseth
Head of Audit

17
Mr. Charly Madan
Head of Corporate Banking
(Effective January 5, 2010)


9


10


11


12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Board of Directors

- Audit Committee
  - Audit Group
- Nomination and Remuneration Committee
- Risk Management Committee

President and Chief Executive Officer

- Executive Committee

Business Units
- Corporate Banking Group
- SME Banking Group
- Consumer Banking Group
- Distribution Group
- Treasury Group

Support Units
- Corporate Marketing Group
- Corporate Communications and Investor Relations Group
- Operations Group
- Information Technology Group
- Finance Group
- Risk Management Group
- Human Resources Group
- Legal and Compliance Group

Operating Environment

Thai Economy 2009 and Outlook 2010

The Thai economy in 2009 deteriorated as a result of both the global economic crisis and domestic political conflicts

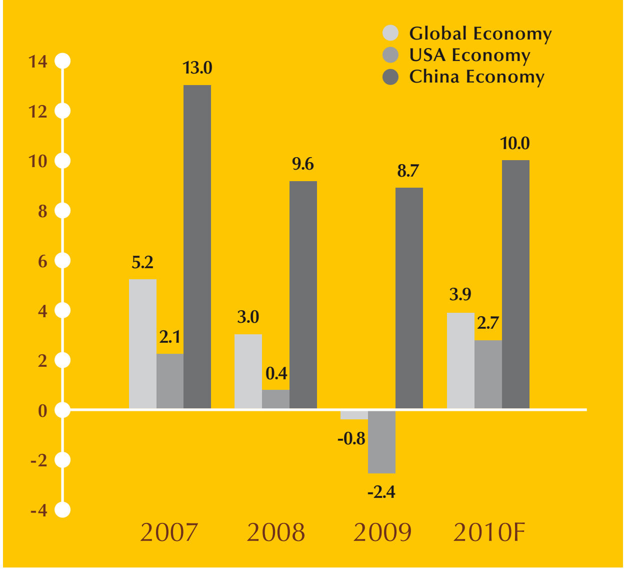
The Thai economy in 2009 entered a recession for the first time since the economic crisis of 1997–1998, contracting 2.3%. The global economic and financial crisis resulted in a substantial deterioration of Thai export earnings while domestic political conflicts led to downgrades of Thai credit ratings by leading agencies. Negative factors both inside and outside Thailand eroded public confidence resulting in a sluggish consumption and investment spending in the private sector. Commercial bank loans outstanding shrank for the first time in 8 years. In addition, the spread of a new influenza virus in the middle of the year exacerbated the situation for the tourism industry which had already suffered badly from the global economic slump and domestic political turmoil.

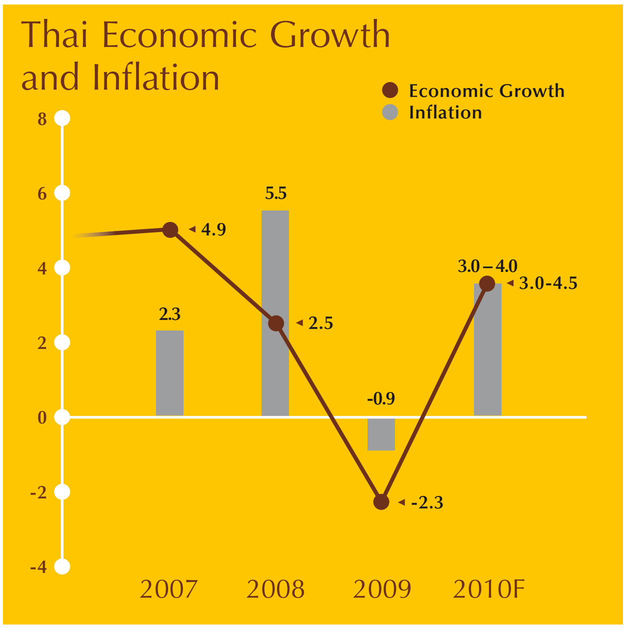
During Q1 of 2009, the Thai economy contracted by 7.1% following a 4.2% contraction in Q4 of 2008. The recession was due mainly to the global downturn and political turmoil that had worsened since the end of the previous year. The production sector trimmed output and de-stocked existing inventories in line with the shrinking demand from both domestic and foreign markets. During Q2 and Q3 of 2009, the global economy showed signs of improvement after the governments of many countries launched stimulation measures involving heavy public spending and relaxed monetary policy whereby interest rates were cut to record low levels. The production sector worldwide responded by increasing production and re-stocking inventories. At the same time, an injection of Government spending flowing into the economic system from April 2009 helped protect the Thai economy from a more significant drop. The Thai economy thus can be said to have passed the nadir of Q2 of 2009.

In the last quarter of 2009, the Thai economy returned positive growth of 5.8% after four consecutive quarters of contraction as the economies of major trading partners started to recover, coupled with last year's low base effect, making possible an expansion of Thai exports. Government spending also helped stimulate consumption and investment to some extent. Signs of economic recovery became apparent towards year-end with major economic indicators such as growth in the production sector, increasing production capacity utilization up to 70% from just 55% in the beginning of the year. The number of foreign visitors posted double-digit growth. Confidence indices of consumers and the business sector improved significantly while the private consumption index rebounded close to the pre-crisis level.

In spite of a severe impact arising from the depressed global market and plunging confidence, Thai economic fundamentals remain healthy, with unemployment remaining at low levels around 1.5%. Inflation contracted to 0.9%, but did not cause deflation because most changes were derived from the decline in average oil prices from the 2008 level, while the Government stimulation measures kept prices of

Global Economic Growth





goods and services lower than usual. Furthermore, Thailand's external position remained strong as the current account balance gained a surplus of 20.3 billion US$ and international reserves reached a record high of 138.4 billion US$. **Signs of economic recovery towards year-end combined with sound economic fundamentals should drive Thai economic recovery in 2010.**

2010... Growth prospects amidst fluctuations and uncertainties

The Thai economy can be said to be moving on a path of recovery albeit with high uncertainty arising from external and internal factors. External factors include a mixed recovery pattern in different parts of the world and a resulting uneven policy implementation in countries and regions. This is different from 2009 when the economy worldwide was facing a downturn and most countries exercised a concerted effort to correct this by applying expansionary fiscal policy and relaxing monetary policy. Uneven international recovery and divergent policy responses could affect the Thai economic and financial situation in 2010 through export performance, investment activities, and the tourism industry as well as international capital flows and the value of the baht. Regarding internal factors, political conflicts and regulatory risks such as the case of Mab Ta Phut could play a crucial role in the determining growth in domestic aggregate demand and changes in investment climate.

In spite of the momentum arising from better-than-expected recovery towards the end of last year, and a favorable year-on-year comparison, the high internal and external uncertainties lead to a moderate forecast for **the Thai economy in 2010 which is likely to expand by 3.0–4.5%, driven by the recovery of global economy led by the US, Asia, and in particular, China.** Thai export growth is expected to turn positive to around 15.0–19.5% in 2010 after shrinking 13.9% in 2009. **The acceleration of free trade** (for example the start of 0% duty under AFTA in 2010) should boost trade creation, encourage investment from overseas, and eventually pave the way for further economic integration among countries within the region. **Government economic stimulation measures** especially under the Thai Khem Khaeng (TKK) project worth a total 450 billion baht in 2010 are expected to encourage growth of private investment and business. **As for private consumption, the momentum from the end of 2009 still exists.** Exports and the production sector should expand, encouraging employment, while rising agricultural prices, increasing minimum wages, and recovering confidence should drive private consumption spending in 2010 to grow by about 2.8–4.3%. Furthermore, **the tourism sector is expected to recover,** supported by higher confidence and stronger purchasing power from both domestic and foreign sources. At the same time, **a more active financial sector should nurture the economic activities** through the expansion of loans from financial institutions, supporting overall economic recovery.

The Thai economy in 2010 might not show strong growth as **the path of recovery is still hampered by the post-crisis environment, under which the global economy is likely to expand at a relatively low rate as compared with the past several years.** This is mainly a result of high unemployment, excessive and redundant production capacity around the globe, and deterioration of wealth. The financial sector in general remains cautious on loan underwriting. All of these factors might deter strong growth in consumption, investment, and international trade. **Authorities in most countries have also gradually cut back stimulation measures** which could eventually reduce the momentum of recovery. Asia, in particular, started measures to prevent overheated economies at the beginning of 2010. In China, reserve requirements at commercial banks were lifted twice together with an upward adjustment of interest rates on short-term bonds and a halt or postponement of certain loan extensions. At the same time, US authorities started raising the discount rate and gradually reduced channels for injection of liquidity into the financial system. Towards the end of 2009, policy interest rates in Australia had already been adjusted upwards.

Furthermore, **various forms of trade barriers** like a currency war which might happen when a trade competitor devalues its currency or deters currency appreciation (such as in Vietnam and China) may affect the relative competitiveness of Thai exports while the domestic investment climate might be weakened from the case of Mab Ta Phut because of a delay or difficulty in the legal and regulatory process related to Article 67 of Thai Constitution regarding investment projects that might incur severe health and environmental impact upon communities. Finally, **domestic political uncertainties** are expected to affect economic confidence from time to time.

Commercial Bank Business in 2009 and Outlook for 2010

2009 was a year in which the Thai commercial banking system faced significant difficulties in the operation of its business as the global economy continued its recession, resulting in Thai economic contraction. In spite of a slight direct impact of the global economic and financial crisis, the Thai commercial banking system was inevitably affected given its close association with the general global economy. Bank business operations were indirectly affected through the contraction of international trade, consumption, and investment spending, as well as fluctuations in the financial market. However, the economic crisis in 1997 forced Thai financial institutions to restructure their operations and to continually seek to avert risks. The monetary authorities have also enacted stricter supervisory rules over the commercial banking system aimed at enhancing robustness and maintaining stability to international standards. Risk management has been successively developed and widely applied, which has helped further improve the operating strengths of financial entities in general. As a consequence, although the broad Thai economy suffered a contraction of 2.3%, the overall commercial banking system remained healthy and maintained satisfactory operations as evidenced by continued profitability while non-performing loans (NPLs) as a proportion of total loans decreased. The capital adequacy ratios of Thai banks were also far above the minimum legal requirements.

In 2009, the commercial banking system reported **a net profit** from operations of 92 billion baht, or a decrease of 6.6% from the previous year due mainly to a reduction in net interest and dividend income. Consequently, the ratio of net interest and dividend income over average assets (Net Interest Margin: NIM) slid slightly to 2.9% from 3.2% in 2008 while the rate of return on average assets (Return on Asset: ROA) declined a little to 0.9% from 1.0% in the previous year. A slight decline in profitability during a global crisis shows that Thai commercial banks are well prepared to cope with a fluctuating external economic environment. Continued profitability enabled a further rise in the capital adequacy or BIS ratio to 16.1% from 14.2% a year earlier, with an increase in tier-1 ratio to 12.6% from 11.4%. This implies that the commercial banking system is strong and ready to absorb loan demand that should bounce back in 2010.

Loans outstanding at the end of 2009 amounted to 6.6 trillion baht representing a decrease of 120 billion baht from the end of 2008 or a contraction of 1.8% against a growth of 11.4% a year earlier. This was due to sluggish loan demand from businesses especially those related to the exports and investment sector. In addition, commercial banks exercised stricter rules on loan underwriting for the purpose of maintaining sound asset quality. Furthermore, private enterprises preferred to raise funds through issuance of debt securities instead of borrowing from commercial banks. Loans extended to the business sector (comprising 72.9% of total loans) shrank 5.0% compared with a growth of 10.5% in the prior year as a result of the decreasing proportion of loans granted to large scale business enterprises. Personal consumption loans (comprising 27.1% of total loans) expanded by 8.0%, a slowdown from 14.0% in the previous year.

On the **deposits** side, the total amount held by the commercial banking system stood at 7.0 trillion baht, a decrease of 33 billion baht or 0.5% from the end of 2008 against a rise of 8.6% in 2008. Bank deposits, if combined with the issuance of bills of exchange (B/E), which represent another form of fund raising by banks, kept on rising by 1.1% as compared with 9.2% in the previous year. Stagnated public savings in the form of bank deposits were not only attributable to declining income earned by both households and businesses as the general economy slowed down, but also due to excessive liquidity among commercial banks which drove deposit rates down to unattractive low levels in conformity with the direction of official policy interest rates. Most new savings thus went to other havens with more attractive returns such as government bonds, debentures issued by the private sector, life assurances, asset management, and mutual funds investment etc. Excessive liquidity in the commercial banking system changed slightly mainly as a result of loan contraction. The ratio of loans to deposits inclusive of B/E fell to 85.8% from 88.3% in 2008.

Gross Non-Performing Loans (Gross NPLs) at the end of 2009 stood at 364 billion baht or 5.23% of total loans, a decline of 20 billion baht from the end of 2008. In terms of Net NPLs or NPLs after deduction of reserve for doubtful accounts, the outstanding amount totaled 201 billion baht or 2.96% of total loans, a reduction of 12 billion baht from the end of 2008. A decline in NPLs was made possible by close controls on asset quality as well as better care of customers by commercial banks. Debt restructuring and sale of certain portion of NPLs also contributed to the improvement of the asset quality of the banking system as a whole as evidenced by declining NPLs in both the business and consumer loans.

Commercial bank business operations in 2010 are expected to grow healthily in line with the recovery of the broad economy after the sluggish 2009. Momentum gathered from the better-than-expected recovery towards the end of 2009, the authorities' stimulative fiscal spending, accommodative monetary policy, as well as signs of global recovery should combine together to bring about a revival of international trade transactions and a rising demand for consumption and investment spending, leading to more demand for financial services from commercial banks. However, the recovery path of the Thai economy still looks uncertain mainly because all economic regions are not expected to recover at the same time, not to mention the different stances of each country on economic stimulation policy. Problems emanating from the economic and financial crisis will continue to occur unexpectedly from time to time. As such, the global economy could only grow intermittently amidst vulnerability and fragility in the international community. Large fluctuations could be seen in inter-regional capital flows, exchange rates of major currencies, and the prices of main commodities. Domestic political issues and uncertainties arising from the pursuit of rules and regulations related to investment activities like the case of Mab Ta Phut could retard the expected recovery pace of domestic consumption and investment spending. As a consequence, commercial banks might face some undesirable but acceptable fluctuation and uncertainty in business operations.

Owing to possible changes and fluctuations in the economic and financial environment, commercial banks have to make themselves ready to absorb and cope with any vulnerability that might arise. Financial services are to be upgraded to higher standards offering integrated services inclusive of rendering close consulting advice to customers, keeping controls on asset quality in order to prevent any emergence of substandard assets, monitoring operating costs, and enhancing the efficiency of risk management.

The application of the Financial Sector Master Plan II set by the authorities for 2010 will help strengthen the operating efficiency of commercial banks as a result of decreasing operation costs and the promotion of business competition by providing more flexibility in management and extending the scope of businesses, including the procurement of more tools for risk management. All of this should help support commercial banks' readiness to deal with new challenges in the near future.

Nature of Business

Business Operations

Established on January 27, 1945 with an initial registered capital of Baht 1 million, the Bank of Ayudhya Public Company Limited (BAY) was officially opened for business on April 1, 1945. The Bank was listed on the Stock Exchange of Thailand on September 26, 1977. As of December 31, 2009, the Bank had a total registered capital of Baht 70,894 million and Baht 60,741 million in paid-up capital. Today, BAY is one of Thailand's leading financial institutions, ranked as the fifth largest commercial bank in terms of assets.

Serving the diverse needs of a large customer base, we offer a comprehensive range of financial products and services to corporate, SME, and individual customers through our nationwide branch network. We also provide related financial services through our subsidiaries, which include credit cards, life and non-life insurance, asset management, securities trading, auto hire purchase, equipment leasing, factoring, microfinance, and installment loans.

Our services are deposit taking, lending and other financial products and services to serve customers' needs. These include trade finance, Aval, letter of guarantees, letter of credit, investment banking, payment and cash management, financial advisory, currency exchange, domestic and international fund transfer, ATM cards, debit cards, credit cards, bancassurance, and investment services. We maintain an organizational structure that ensures the products and services are delivered to the customer in the most efficient manner by operating five business units and eight business support units. The five business units are Corporate Banking Group, SME Banking Group, Consumer Banking Group, Distribution Group, and Treasury Group. The eight support units include Risk Management Group, Operations Group, Human Resources Group, Information Technology Group, Finance Group, Corporate Marketing Group, Corporate Communications and Investor Relations Group, and Legal and Compliance Group.

2009 Business Overview

2009 was an extraordinary year as we managed to make significant progress according to plan. This was mainly driven by inorganic growth despite the global economic downturn. The business acquisitions made during the year included:

- AIG Retail Bank Public Company Limited (AIGRB) and AIG Card (Thailand) Company Limited (AIGCC): Following the approval given at the Extraordinary General Meeting of the Bank's Shareholders on March 12, 2009 and under the terms and conditions approved by the Bank of Thailand in the same month, the Bank completed the acquisitions of AIGRB and AIGCC, subsidiaries of American International Group, Inc., on April 8, 2009. The acquisition of both entities resulted in an increase of Baht 32,800 million in the Bank's assets, Baht 21,900 million in loans, Baht 18,600 million in deposits, and approximately 222,000 credit cards.

- CFG Services Company Limited (CFGS): The Bank completed the acquisition of CFGS, a subsidiary of American International Group, Inc., on September 9, 2009 in a transaction worth Baht 18 million. The business acquisition was made following the approval of the Bank's shareholders on August 27, 2009 and under the terms and conditions approved by the Bank of Thailand in the following month. CFGS, better known as "Srisawad Money on Wheels", is one of Thailand's leading providers of microfinance with strong presence in the title loan market. It had 163 branches nationwide. On the date of business transfer, CFGS had total assets of approximately Baht 2,000 million and loan portfolios of approximately Baht 1,500 million.

- GE Money Thailand (GEMT): The Bank The Bank completed the acquisition of GEMT businesses in Thailand on November 5, 2009, following the approval of the Bank's shareholders on August 27, 2009 and under the terms and conditions approved by the Bank of Thailand in the following month. GE Money Thailand is one of the largest and long-standing consumer finance companies in Thailand, with over 15-years presence in the market and a reputation for innovative financial products and services under such famous brands as First Choice and Quikcash. On the date of business transfer, GEMT had total assets of Baht 53,751 million and loan portfolios of Baht 45,829 million (excluding Tesco Card Services Co., Ltd.). The acquisition of GEMT accelerated the growth of our consumer banking business by increasing the retail lending portfolio from 36% at end of June 2009 to 42% of the total loans. With the addition of GEMT's portfolio, BAY has become the largest provider of credit card services in Thailand with over 3 million cards under management.

2009 Achievement Awards

Many organizations named BAY outstanding in many areas in 2009. These awards clearly reflect the unique strength and capabilities of our people in serving our customers with innovative products and unrivalled services.

- Best Local Trade Bank in Thailand 2009 from EUROMONEY for the 3rd Consecutive Year: BAY was named the Best Local Trade Bank in Thailand for its outstanding trade services for the third consecutive year. EUROMONEY Trade Finance Magazine is a world-renowned international trade journal. The award selection was based on an annual survey, carried out among trade customers in the Asia Pacific.

- Club 500 EMEA-APAC Grand Master and Service Excellence 2009 from Western Union: One of our branches was awarded the top Grand Master Award as part of Western Union's Club 500 EMEA-APAC and Service Excellence 2009, receiving the full score of 100% based on a survey conducted without prior notice at points of service by Western Union among over 2,000 representatives located in Europe, the Middle-East, and the Asia Pacific. The selection criteria included overall customer experience based on reliability, safety, care, speed, convenience, and accessibility.

- The Best Product Innovation Award 2009: The Netherlands-Thai Chamber of Commerce and the Belgium/Luxembourg-Thai Chamber of Commerce presented the award to the Bank for its outstanding creation of "KRUNGSRI PA Prompt" — an innovative personal accident bancassurance product contained in a box. The product was jointly developed by the Bank and its subsidiary, the Ayudhya Insurance Public Company Limited. It offers greater convenience for customers.

- 2009 Best Deal of the Year – Thailand by Asiamoney: The Bank was honored with this prestigious award for its successful acquisitions of AIG Retail Bank Public Company Limited and AIG Card (Thailand) Company Limited. These two entities together brought an increase of Baht 32,800 million in the Bank's assets and a 14% increase in its retail loan portfolio – an extraordinary progress that has driven BAY to become the leading provider of consumer banking in Thailand. The success was made possible by our strong and relentless team effort.

- Asia Pacific's Best Investor Relations Services 2009 by The Investor Audit Services: The Bank was ranked the best for its top performance in information disclosure, quality of investor updates, business transparency, corporate governance practices, and investor relations capabilities. The ranking was based on the results of a quality assessment carried out among 150 commercial banks and financial institutions in Asia Pacific.

- Asia Pacific IT Inspiration Awards 2009: The Bank won the Gold Award for Best Return-on-Assets Strategy for integrating the information management structure under the IT management system. This innovative approach helps enhance the efficiency of our information management system at much lower operating costs. The Asia Pacific IT Inspiration Awards 2009 were organized by Hitachi Data System.

2009 Performance Highlights

Operating Results: The Bank and its subsidiary companies managed to post extraordinary operating results for the year 2009 despite the economic slowdown. On a consolidated basis, we recorded an operating profit before provisioning for doubtful accounts and taxes of Baht 18,377 million, a 38% increase from that of 2008. After setting aside Baht 10,216 million in provisions and Baht 1,504 million in taxes, the Bank recorded a net profit of Baht 6,657 million, representing a 55% improvement from the prior year-end.

Major contributors to the favorable 2009 performance when compared with 2008 were: a 7% increase in net interest income and a 73% increase in non-interest income while non-interest expenses grew only by 12%. On the lending side, the Bank successfully booked a net loan growth of Baht 46,431 million, representing an 8% increase, mainly from inorganic growth. The business acquisitions successfully completed throughout the year shifted the composition of the Bank's loan mix, resulting in a bigger portfolio of high-yielding retail loans, from 32% at the beginning of the year to 42% at year-end.

Financial Performance: As of December 31, 2009, on a consolidated basis, the Bank had Baht 782,040 million in total assets, representing an increase of Baht 34,155 million or 5% from 2008; Baht 603,508 million in loans, representing an increase of Baht 46,431 million or 8%; and Baht 520,515 million in deposits, representing a decrease of Baht 16,839 million or 3%. We continued to maintain a strong capital base with a BIS ratio of 14.2% and Tier 1 Capital of 11.5%.

We were committed to continuously improving our asset quality. Net non-performing loans declined from 5.5% at the end of 2008 to 5.2% at the end of 2009, while the coverage ratio for impaired loans improved from 59% to 74% (The 2009 Financial Performance is discussed in detail in the Management Discussion & Analysis on page 54).



The Investor Audit Services

Management of Banking Operations and Income Structure

In 2009 the Bank operated in a very uncertain and challenging economic environment. As a leading financial institution in Thailand, we recognize the importance of building our business on a customer-centric foundation, strengthened by effective risk management systems and corporate governance principles. In order to efficiently answer the financial needs of our diverse customer groups, we structure our organization into various groups as follows:

Corporate Banking Group

The Corporate Banking Group serves multi-national corporations and/or large business customers with sales, assets, or credit lines of Baht 200 million and above. We provide a complete range of banking and financial services to serve their complex financial needs, including short and long-term financing, project financing, capital financing, syndicated loans, international trade services, foreign exchange, cash management, financial advisory, underwriting services, and investment banking solutions. Our corporate clients are served by teams of dedicated relationship managers and investment bankers who, with a client-focused approach, bring their expertise and experience to tailor financial solutions that meet individual customer needs.

Corporate banking business is one of our principal sources of income. As of December 2009, corporate loans were approximately 30% of the Bank's total loan portfolio. During the year, the Corporate Banking Group started implementing LEAN, GE's unique business approach, to drive incremental value and maximize customer satisfaction for both financial products and banking services. Under the LEAN process, corporate banking business procedures were redesigned with the objective of shortening the loan approval process, from clients' initial agreements with their relationship managers to the point when their loan applications are approved. Other areas of improvement were the inclusion of support and sales officers in the relationship management teams and the introduction of a new call report format. The result was a significant reduction in approval turnaround time of 40%.

The Corporate Banking Group also underwent a restructure in 2009 to further enhance work efficiency and capabilities in serving existing customers and acquiring new businesses. In this connection, Financial Institutions and Transactional Banking Division have been reorganized under the Corporate Banking Group. Our corporate customers are now served by relationship management teams that offer comprehensive cross-border products and services, such as international trade financing for both local and foreign importers and exporters, credit finance for machinery and imported equipment, international trade solutions, and advisory for customers and their business partners. Our international trade specialists are certified by the International Chamber of Commerce. Clients also have 24-hour access to "Krungsri Trade Link", an online trade service platform that allows a simple and convenient way for them to initiate and track the status of their trade transactions.

With our exceptional level of services to importers and exporters, BAY was awarded "Best Local Trade Bank in Thailand 2009" by EUROMONEY Trade Finance Magazine, an accolade that we have enjoyed for three consecutive years.

SME Banking Group

SME Banking is one of our principal services that contributes to the Bank's overall growth. It is offered to small and medium-sized enterprises with credit lines up to Baht 200 million. As of 2009, SME loans formed 28% of the Bank's total loan portfolio. With a strong focus on customer centricity, our innovative products

and services for SME customers are developed based on the customer knowledge that we have gained from years of market and customer research. These insights support the formulation of our SME Business Plan and the new SME product and service developments for 2010 aimed at answering SME customers' financial needs.

In 2009, we organized a series of educational programs and training for SME operators nationwide and upgraded the capabilities of our IT and information management systems to accommodate the SME customer database and enhance our ability to meet the evolving needs of this important customer segment. In addition, we plan to open KRUNGSRI SME Business Centers in five major cities, increasing from the existing five centers in Greater Bangkok and 10 centers around the country. SME operators can also take advantage of various resources or seek financial solutions available at our KRUNGSRI SME Business Centers or call 02-208-2900 during weekdays from 8:30 – 17:30 hours.

Staff competencies and capabilities are core to our ability to meet SME customer needs. Throughout the year, our relationship managers and branch employees participated in both external seminars and in-house training for updates of product knowledge and improvement of service skills to ensure that they were fully equipped to provide business and financial advice to our SME customers.

Consumer Banking Group

The Consumer Banking Group offers personal financial products and services to retail consumers. These include deposit accounts, credit cards, consumer loans, and investment services. Despite the economic slowdown and challenging environment, 2009 was an exciting year for the Bank as we successfully expanded the customer base, improved delivery channels, and strengthened our competitive edge through the four business acquisitions made during the year; namely, AIG Retail Bank Public Company Limited (AIGRB), AIG Card (Thailand) Company Limited (AIGCC), CFG Services Company Limited (CFGS) and GE Money Thailand (GEMT). To build a foundation for sustainable long-term growth, we have set up an executive working committee to oversee the newly acquired businesses and their budget management and to review if new business models will be needed for them. All the acquired business entities have since generated impressive operating results and profitability.

- Mortgages: The Bank offers mortgage loans under two brand names: "KRUNGSRI Home Loan" and "KRUNGSRI Home for Cash". In the midst of the economic slowdown in the past year, mortgage loans increased by Baht 5,532 million. This was achieved by providing innovative mortgage products and home-related services offered with attractive pricing and with longer repayment periods to take advantage of the Government's property tax subsidy and discount of property transfer fees.

  We continued to set our service standard higher. In addition to implementing the LEAN methodology since 2008, we applied new technology called Imaging Data Application (IDA) to support the preliminary screening of mortgage loan applications. As a result, applicants are promptly notified of the preliminary consideration within one working day. This faster service has significantly improved our competitiveness in the mortgage loan market.

- Credit Cards: The acquisitions of the GE Group's businesses in Thailand and AIG Card (Thailand) Company Limited (whose name was later changed to Ayudhya Card Services Co., Ltd.) have proved

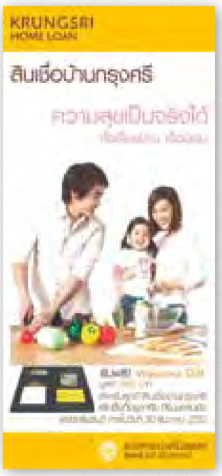
a game change in the credit card business. Adding more than 2.5 million credit cards under management, it has made BAY Thailand's largest provider of card services. Included in our card management portfolio are the credit cards of KRUNGSRI GE, Central Department Store, Robinson Department Store, Home Pro, First Choice, Tesco Lotus, AIG, AIA and Manchester United. We are in the process of restructuring the entire card business with the aim of leveraging economies of scale efficiency and building innovative solution for our customers.

- Unsecured Personal Loans: We launched several marketing programs to promote unsecured personal loan products; namely, "KRUNGSRI Smile Cash Line Cash Card" and "KRUNGSRI Smile Cash Line for Business Owners" to tap new market segments. As a responsible lender, we always make sure that the new products and marketing offers are developed based on actual customer needs.

- Auto Hire Purchase: The Bank provides auto financing services through its key subsidiary, Ayudhya Capital Auto Lease Pcl (AYCAL). As of December 2009, auto financing loans totaled Baht 111.80 billion or 19% of the Bank's total loan portfolio. AYCAL is Thailand's leading provider of auto finance. It offers a complete range of auto financing and refinancing solutions for both new and used vehicles, as well as motorcycle leasing and inventory finance for auto dealers.

- Bancassurance: We offer life and non-life insurance products for both personal and commercial customers by working closely with our related companies, the Ayudhya Insurance Public Company Limited and Ayudhya Allianz C.P. Company Limited, as well as external business alliances, such as with the AIA Group. In 2009, the Bank led the bancassurance industry in Thailand and Asia by introducing "KRUNGSRI PA Prompt", an innovative personal accident insurance contained in a box with protection covering all types of accidents. KRUNGSRI PA Prompt is developed and packaged for today's customers who seek personal safety, convenience and easy accessibility. It offers a new tangible customer experience in purchasing a ready-made insurance product where customers can buy and pay the premium to obtain immediate protection. No application is required. It was awarded "The Best Product Innovation Award" for 2009 by the Netherlands-Thai Chamber of Commerce and the Belgium/Luxembourg-Thai Chamber of Commerce. Our bancassurance products are distributed through bank branches and customers may access product information via the Bank's web site and ATM screens.

- Deposits and Investment Products: Bank branches continue to be the most important delivery channel for our products and the most important touch point with our customers. In 2009, we increased the number of Exclusive Banking Centers to serve affluent customers from 14 to 22 centers, covering areas in Bangkok, Chonburi, and Phuket. Each of these Exclusive Banking Centers is equipped with dedicated relationship managers who are ready to provide tailored banking and investment services, and



offer specialist advice on wealth management. More products were also developed to serve the exclusive lifestyles of these high net-worth clients. An example of these was Krungsri Exclusive Banking Visa Platinum card, which entitles our Exclusive Banking clients to first-class privileges and exceptional benefits. Jointly developed by the Bank and Ayudhaya Card Services Company Limited, it is the first and only credit card in Thailand that gives privileged access to the first-class lounge of Thai Airways International Airways at Suvarnabhumi Airport.

In addition to normal deposit accounts, the Bank and its subsidiaries offer a variety of savings and investment options from which our customers can choose based on their financial needs and risk appetite, such as government saving bonds, corporate debentures, mutual funds, securities, etc. We are also committed to improving our banking services to provide more convenience to customers, such as fund transfers and internet banking services. We recently joined Manchester United football club in launching the Manchester United debit card, the first debit card in Thailand that offers shopping discounts and numerous benefits under KRUNGSRI Yellow Points rewards program to redeem Manchester United's officially-licensed merchandise.

Corporate Marketing Group

At BAY, we are committed to building our business on customer-centric principles, focusing our resources on providing financial products and services that answer the varying needs of our customers, building high-quality customer experience, and strengthening our positive brand image. To achieve these objectives, the Bank employed the following systems in 2009:

- Customer Relation Management (CRM): Effective CRM is and will always be a core component in attracting and retaining customers. In 2009, we deployed the single customer view tool that contained customer information to every touch point to enable us to serve our customer better. More training programs to familiarize our employees with this customer knowledge tool will be organized in 2010.

- Net Promoter Score (NPS): NPS is a measure of customer loyalty. The tool allows customers to provide feedback on their banking experience with us. Their comments and suggestions are infused into various service improvement programs, such as the customer-waiting-time reduction program. The findings have provided many customer insights and been the backbone of our improvement programs.

Distribution Group

The Distribution Group manages all of the Bank's delivery channels with the responsibility to ensure that they deliver the Bank's products, services, and related information to the consumer in the most effective and efficient manner. These delivery channels include the Bank's entire network of branches in Thailand and foreign branches, Automatic Teller Machines (ATMs) and Automatic Deposit Machines (ADMs), Western Union foreign exchange and money transfer centers, Telesales Unit, Direct Sales Agent Unit, Enterprise Sales Unit, Electronic-Channel Unit, and Exclusive Banking Customer Relationship Unit.

The Distribution Group also provides support to make many of our innovative banking services a reality, such as the electronic data capture device to support electronic payment and settlement, as well as payroll and bill payment services.

Service excellence is core to delivering a higher-quality banking experience to our customers. As we have done in prior years, we continued to place importance on investing in resources, developing innovative banking services and evaluating customer attitudes towards our service delivery in order to consistently build quality services and maximize satisfaction wherever and whenever customers bank with us.

Among other things, we are proud that one of our branches has won the top Grand Master Award for fund transfer service as part of Western Union's Club 500 EMEA-APAC and Service Excellence 2009, covering over 2,000 representatives in Europe, the Middle-East, and the Asia Pacific.

In 2009, seventeen branches and 430 ATMs were added to the Bank's distribution network to provide more convenience to the customers when they bank with us. Today, the Bank has a total network of 580 delivery channels divided into 576 branches in Thailand, 4 foreign branches, 3,010 ATMs, 65 Western Union foreign exchange and money transfer centers, 22 Exclusive Banking Centers, and 15 SME Business Centers.

Moreover, to respond to customers' increasing use of the Internet to access information and services, the Bank has developed its online channels to be more user-friendly. The website contains information about the Bank and its subsidiaries' products, services, and promotions. The Bank also offers greater convenience by providing more channels for customers to request information and to apply for services via the Bank's website, which has been well received by customers.

Treasury Group

The Treasury Group manages liquidity and risk exposure caused by interest rate and foreign exchange movements for the Bank and its subsidiaries. It is also responsible for markets, derivatives, rates, and foreign exchange businesses, and for developing investment banking products and solutions for the Bank's corporate, SME, and retail customers.

The Bank was chosen as one of the seven commercial banks in Thailand to underwrite the "Thai Khem Keng" scheme government savings bonds in the amount of Baht 80,000 million in July, and as a dealer for the Bank of Thailand's savings bonds worth Baht 130,000 million in August 2009. The bonds were offered to interested parties via our branch network as part of our commitment to provide a full range of investment options to our customers.

In 2009, the Treasury Group formulated a treasury products and management plan, and developed risk management controls to accommodate risk management under Basel II and the new IAS39 requirements. All of our treasury officers were trained and updated about upcoming regulatory requirements and investment banking products and trends so that they can effectively tailor solutions and provide advice to meet our customers' financial

needs, especially under continuing market volatility. In addition, we have also shown our commitment to continually educating our corporate and SME customers by organizing a series of seminars and workshops to exchange and transfer knowledge about new risk management tools and the management of risk exposure as a result of foreign exchange and interest rate movements.

Business Support Operations

- Human Resources Development: The Bank aims to develop employee skills and potential based on their development needs. Our training programs are diverse in content to answer the needs of employees in various functions at every level. A comprehensive assortment of training courses are available to strengthen both professional and functional skills, and to develop leadership and new management skills to groom a new generation of leaders who are ready to take on intense and complex business competition. Team-building programs are also integral to promote networking and closer collaboration among various internal units in order to build strong teamwork in support of the Bank's customer-centric strategies.

  To ensure that development and training opportunities are spread to every employee, the Human Resources Development Group has introduced many self-learning modules which employees may choose to study according to their interest. Employees are also encouraged to take external courses, which not only serve to improve their competencies, but also promote networking and new business opportunities.

  We also provide necessary boosting and review courses to prepare employees for their certification tests. Employees in some designated functions, such as bond dealers and relationship managers who have to provide financial advice to clients, are required to possess licenses, while some positions require licenses to promote our service credibility, such as the Certified Documentary Credit Specialist (CDCS). In 2009, we encouraged branch employees to take courses and tests for insurance broker licenses, not only to comply with related regulatory requirements, but also to equip them for more business development.

  As a result of our relentless efforts, 72% of our employees participated in one or more training programs in 2009, which was much higher than the participation rate required by Department of Skill Development.

- Operating Process Development: In 2009, we focused our attention and resources on promoting service excellence and cost efficiency management.

  In promoting service excellence, we placed considerable importance on complying with regulatory requirements and internal controls, while improving operating speed in the area of retail lending approval, ATM management, and Call Center services. These improvements were aimed at promoting consistent availability and reliability of services for our customers at every touch point.

  To efficiently manage operating costs, the Operations Group concentrated on the improvement of business processes, which included implementing LEAN methodology, streamlined processing, and straight-through processing. Productivity was increased by incorporating innovative IT systems and enhancing staff efficiency, while cost efficiency was achieved through the centralization of similar operations to leverage economies of scale.

- Information Technology Development: Throughout 2009, the Bank took the necessary steps to improve the effectiveness and efficiency of IT operations, IT infrastructure, network systems, application programs, branch communication systems, and information security to improve our service offering. Some of the steps were as follows:

  For IT operations, a new computer application was developed and implemented to provide faster service for deposit account opening using only a customer's identification card. The application retrieves the customer's personal information embedded in the card, including first name, last name, ID number, and address; automatically enters them in the system and generates a completed account opening form for customer signature. The new application process provides more convenience for the customer while reducing human error in data entry. Improvement in ATM service to allow customers to self-generate their own ATM personal identification numbers (PINs) using the Electronic Data Capture (EDC) machines at the teller counters. Besides, Western Union international fund transfer was linked through the Bank's server to enable the service at all BAY branches. Furthermore, in terms of service channel, customers of Ayudhya Asset Management Company Limited (AYF) can update their Passbook of Investment Unit using BAY's passbook update machines starting from July 2009. In addition, The Information Technology Group fully supported the opening of Savannakhet branch, the Bank's second branch in Laos, by installing the core banking systems to ensure operational efficiency.

  The IT infrastructure was also upgraded in 2009 with the expansion of server capabilities at the Bank's Computer Centers to improve processing power to support trade finance services, electronic mail, and the internal web portal of the Bank, as well as to accommodate future business growth. Utility software was introduced to further enhance processing efficiency. The tape library system was reorganized to improve the data back-up process.

  For internal operations, the Bank installed Oracle Finance, a new e-business suite of financial applications in April 2009. to support internal finance and administrative operations. The new system incorporates applications to manage i-procurement, i-requisition, i-expense, purchase orders, inventory, general ledgers, and fixed assets. The installation of a new IT support system was completed in August 2009 to accommodate the implementation of Pillar 3 of Basel II. Pillar 3 of Basel II aims to make firms more transparent by requiring them to publish specific quantitative and qualitative details of their capital and risk management under the Basel II framework. The new system will facilitate collection and processing of required data for the Bank and the subsidiary companies to reflect the overall risk exposure on a consolidated basis. Moreover, the Bank also upgraded its IT applications to improve the efficiency of debt collection.

  Following the acquisition of AIG Retail Bank Public Company Limited, the deposit system supporting the ten branches of AIGRB was successfully integrated under BAY's system in August 2009. All of AIGRB's deposit and credit card accounts databases were also merged with those of the Bank so that customer profiling can be performed for the benefit of integrated risk management and marketing purposes.

  In support of our e-business offering, we upgraded the IT security systems by installing a triple firewall in the Bank's network systems to provide higher protection for communication on the Internet and intranet networks. We also installed an additional layer of protection of the Web Application Firewall and strengthened the overall IT controls to protect against new vulnerabilities and threats quickly and efficiently according to the Open Web Application Security (OWASP). Development and implementation of additional IT controls were undertaken in accordance with the Bank's rules, regulatory requirements, and the ISO27001 and ISO27002 security standards, such as the Password Repository Management Project, Policy Management, the Identity Management System and Single Sign-On Project, and the Desktop Computer Management Project, etc.

- Good Corporate Governance: The Bank maintains a strict policy that requires every business unit to comply with the Bank's rules and regulatory requirements. The Legal and Compliance Group is responsible for monitoring overall business practices to ensure full compliance, counter frauds and prevent corruption. It also initiates and oversees the Bank-wide implementation of anti-money laundering systems to monitor transactions and report suspicious activity in order to protect the Bank from money laundering and terrorist financing.

In 2009, financial regulators, placing great emphasis on capital adequacy and corporate governance practices, issued additional requirements for financial institutions to follow. We have made arrangements to accommodate the enforcement of these new regulatory requirements by establishing a working group to develop an action plan and time frame for the re-alignment of banking processes and work procedures in line with the new legislation and regulations. The Bank also completed the implementation of the Policy, Procedure, and Process Project (PPP).

- Risk Management and Asset Quality Improvement: The Bank maintains an organizational structure and risk management policies in accordance with good corporate governance principles, while keeping a proper check-and-balance mechanism between the business functions and the risk management unit so that risk oversight and review can be performed effectively and independently. The Bank's risk management policies are subject to rigorous guidance and the information management system is put in place to ensure that all types of risk are systematically and efficiently identified, measured, analyzed, and managed.

Our integrated risk management system covers procedures to manage three principal types of risk; namely credit risk, market risk, and operational risk. We maintain a strong capital base to mitigate risk exposure according to the minimum capital requirement under Pillar 1 of Basel II, as regulated by the Bank of Thailand.

We develop and employ risk rating tools in order to categorize risk exposure meaningfully. Information from customer financial statements, from market databases, and about industry exposure, as well as qualitative customer details are core inputs in the assessment of counterparty risk. Risk ratings are reviewed at least once a year and are used in the credit approval process.

There are two internal risk rating tools; one for corporate banking customers which has been used since 2001; and the other for SME customers used since 2006. Credit risk associated with corporate and SME customers is categorized into 10 different grades.

We also initiated the Risk Integrated Systems Knowledge Project (RISK) in 2008 to provide the Bank with more effective risk assessment tools and information management systems. It included a purchase of data management equipment to store and organize corporate and SME customer data necessary for the calculation of probability of default (PD). The PD-based rating model has been in use since 2009 and is expected to be fully rolled out by the second quarter of 2010. A tool to assess risk-adjusted return and economic capital calculation is also expected to be completed in 2010. (Risk management and risk factors are discussed in detail on page 42)

For asset quality improvement, the Bank set up a dedicated team of specialists with experience and expertise in dealing with impaired loans in order to minimize financial losses and continuously improve the Bank's asset quality. In 2009, we managed to dispose of non-performing loans worth Baht 3,057 million.

Future Operation Target

Amidst an economic slowdown in 2009 resulting from the global financial crisis, the Bank was able to grow its business according to plan. The major contributor to the Bank's achievement was inorganic growth made through three business acquisition deals, namely:

1) AIG Retail Bank Public Company Limited and AIG Card (Thailand) Company Limited, in April 2009;
2) CFG Services Company Limited, in September 2009; and
3) GE Money Thailand in November 2009.

These business acquisitions shifted the composition of the Bank's loan mix, bringing the retail loan portion from 32% of the Bank's total loans at the beginning of 2009 to 42% at year-end. The Bank is now a universal bank with a firm positioning as a leader in retail banking. Its current loan portfolio is better diversified and with a significant increase of higher yielding loans. Having strong capital base and solid foundation, BAY is poised to compete effectively to build sustainable growth. Key financial and operational targets under its 2010 business plan are:

- The Bank successfully achieved various business acquisitions during 2008–2009 and brought material changes to its structure including a significant expansion in the business and customers base. In 2010, the Bank's priority will be to obtain an appropriate organizational restructure between the Bank and its subsidiaries. The integration of redundant business operations will be implemented to obtain optimization of efficiency in order to support business growth acceleration in the long term.

- The Bank's growth strategy for 2010 will be driven mainly under organic side which can be derived from the expected noticeable improvement in the key economic trends from previous year with GDP growth forecast of 3.0–4.5%. The improvement is to be obtained from the revival of exports, tourism, domestic consumption, and investment. Consequently, the Bank's net loan growth target of 8% from its core businesses, namely corporate, SME, and retail banking has been set.

- In addition to the normal organic loan growth, the Bank will strive to generate more fee and service-based income including services to corporate, SME and retail customers. The Bank aims to emphasize its cash management services, investment, and activities in capital market such as corporate bond underwriting and financial advisory. Through its network, the Bank will have the opportunity of cross-selling services to a much larger customer base from the retail businesses acquired during 2009, which has also broadened the variety of its retail products and services including auto hire purchase, mortgages, personal loans, sale finance and credit cards.

- In terms of funding structure, the Bank will continue to base its liquidity and funding management frameworks with an appropriate matched-funding objective, whereby the funding and loans structures are mainly well balanced. Furthermore, the funding is also managed in accordance to loan growth prospect and earning opportunity from money market and an appropriate level of excess liquidity. From these circumstances the loan to deposit plus debentures and bills of exchange ratio will be maintained at 94% in 2010.

- Asset quality of the Bank has shown a continuous improvement in line with a more prudent management. Loan loss coverage ratio of the Bank was significantly improved from 59% to 74% in 2009. The Bank will continue its objective in liquidating NPL with plans of selling to external parties as well as continuing the sales of non-performing assets.

- Despite a number of recent business acquisitions, the Bank still maintained a strong capital base, with the majority of its capital being core tier 1, which supports for any opportunity in further acquisition going forward. Consequently, the Bank will efficiently leverage the use of its existing capital fund to create optimal returns for its shareholders.

Subsidiaries, Associated and Related Companies

Subsidiaries refer to companies where the Bank directly and indirectly holds more than 50% of their paid-up capital as well as the Bank has the authority to control their financial and operating policies to benefit from their business activities.

Associated companies refer to companies where the Bank directly and indirectly holds 20% but not more than 50% of their paid-up capital. The Bank or the Bank's subsidiaries takes part, but not complete control, in decision-making with regards to these companies' financial and operating policies.

List of companies where the Bank directly and indirectly hold 10% or more of paid-up capital, pursuant to the definition of Securities and Exchange Commission, as of 31 December 2009 are as follows:

Subsidiaries and Associated Companies

	Name and Address	Business Type	Issued Shares		Ownership (%)
			Share Type	No. of Shares	
1	Ayudhya Asset Management Co., Ltd. Bank of Ayudhya Plc. Head Office, Floor 11, 1222 Rama III Road, Bang Phongphang, Yan Nawa, Bangkok 10120 Tel : 0-2296-4129 Fax : 0-2683-1400	Asset management	Ordinary	600,000,000	99.99
2	Ayudhya Factoring Co.,Ltd. Bank of Ayudhya Building, Ploenchit Office, Floor 3, 550 Ploenchit Road, Pathumwan, Bangkok 10330 Tel : 0-2208-2888 Fax : 0-2208-2858	Factoring	Ordinary	10,000,000	99.99
3	Ayudhya Capital Auto Lease Plc. 87/1 Capital Tower, Floor 3 and 87/2 CRC Tower, Floor 30 All Seasons Place, Wireless Road, Lumpini, Pathumwan, Bangkok 10330 Tel : 0-2627-6010, 0-2627-6060 Fax : 0-2627-8211	Finance (Auto Financing)	Ordinary	104,500,000	99.99

Name and Address		Business Type	Issued Shares		Ownership (%)
			Share Type	No. of Shares	
4	Ayudhya Development Leasing Co., Ltd. 65/182-185 Chamnan-Phenjati Business Center, Floor 22, Rama IX Road, Huay Kwang, Bangkok 10320 Tel : 0-2643-1980 Fax : 0-2643-1059-60	Finance (Leasing & Hire-Purchase)	Ordinary	70,500,000	99.99
5	Ayudhya Card Services Co., Ltd. (Previous name : AIG Card (Thailand) Co., Ltd.) 968 U Chu Liang Building, Floor 20, Rama IV Road, Silom, Bangrak, Bangkok 10500 Tel : 0-2697-8811 Fax : 0-2697-8800	Finance (Credit Card & Personal Loan)	Ordinary	7,200,000	99.99
6	CFG Services Co., Ltd. 52/53,54,59,60 Pathumthani-Samkok Road, Bangprok, Muang-Pathumthani, Pathumthani 12000 Tel : 0-2581-2226-7 Fax : 0-2581-2235	Finance (Auto Financing)	Ordinary Preferred	4,919,061 222,000	99.99
7	GE Capital (Thailand) Limited 87/1 Capital Tower, Floor 1-6, 8-11, All Seasons Place, Wireless Road, Lumpini, Pathumwan, Bangkok 10330 Tel : 0-2627-8690 Fax : 0-2627-8662	Finance (Credit Card & Personal Loan)	Ordinary	2,750,000	99.99
8	General Card Services Limited 87/1 Capital Tower, Floor 1-6, 8, All Seasons Place, Wireless Road, Lumpini, Pathumwan, Bangkok 10330 Tel : 0-2345-3202 Fax : 0-2627-6449	Finance (Credit Card & Personal Loan)	Ordinary	75,800,000	99.99
9	Krungsriayudhya Card Co.,Ltd. 87/1 Capital Tower, Floor 1-6,8-11, All Seasons Place, Wireless Road, Lumpini, Pathumwan, Bangkok 10330 Tel : 0-2646-3000 Fax : 0-2646-3001	Finance (Credit Card & Personal Loan)	Ordinary	110,000,000	99.99
10	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 Tel : 0-2296-3435, 0-2296-2364 Fax : 0-2296-2369	Service	Ordinary	1,000,000	99.99

Name and Address	Business Type	Issued Shares		Ownership (%)
		Share Type	No. of Shares	
11 Total Services Solutions Plc. 87/1 Capital Tower and 87/2 CRC Tower, All Seasons Place, Wireless Road, Lumpini, Pathumwan, Bangkok 10330 Tel : 0-2627-8554 Fax : 0-2627-8301	Service (Collection)	Ordinary Preferred	117,200,013 15,399,989	99.99
12 Ayudhya Total Solutions Plc. (Previous name : AIG Retail Bank Plc.) 990 Abdulrahim Building, Floor 7, Rama IV Road, Silom, Bangrak, Bangkok 10500 Tel : 0-2687-9999 Fax : 0-2687-9988	Finance (Consumer lending in the form of secured personal loan contract, secured by vehicle ownership registration) 1/	Ordinary	119,699,977	99.76
13 Ayudhya Auto Lease Plc. 898 Ploenchit Tower, Floor 3, Ploenchit Rd, Pathumwan, Bangkok 10330 Tel : 0-2209-8333 Fax : 0-2209-8388	Finance (Auto Financing)	Ordinary Preferred	235,000,000 50,000,000	99.66
14 Ayudhya Securities Plc. 999/9 The Offices at Central World, Floor 12, Rama 1 Road, Pathumwan, Bangkok 10330 Tel : 0-2659-7000 Fax : 0-2646-1100	Securities	Ordinary	60,000,000	86.33
15 Ayudhya Fund Management Co., Ltd. 898 Ploenchit Tower Floor 12, Ploenchit Road, Pathumwan, Bangkok 10330 Tel : 0-2657-5757 Fax : 0-2657-5777	Asset Management	Ordinary	3,500,000	76.59
16 Primavest Asset Management Co., Ltd. 900 Tonson Tower, Floor 18, B Zone, Ploenchit Road, Pathumwan, Bangkok 10330 Tel : 0-2257-0555 Fax : 0-2257-0360	Asset Management	Ordinary	25,000,000	76.59
17 Tesco Card Services Co., Ltd. 87/1 Capital Tower, Floor 1-6, All Seasons Place, Wireless Road, Lumpini, Pathumwan, Bangkok 10330 Telephone : 0-2627-4130 Facsimile : 0-2627-4774	Finance (Credit Card)	Ordinary	7,800,000	49.00

Name and Address	Business Type	Issued Shares		Ownership (%)
		Share Type	No. of Shares	
18 Tesco Life Assurance Broker Co., Ltd. 87/1 Capital Tower, Floor 10, All Seasons Place, Wireless Road, Lumpini, Pathumwan, Bangkok 10330 Telephone : 0-2627-4472 Facsimile : 0-2627-4409	Finance (Life Insurance Broker)	Ordinary	200,000	49.00
19 Tesco General Insurance Broker Co., Ltd. 87/1 Capital Tower, Floor 10, All Seasons Place, Wireless Road, Lumpini, Pathumwan, Bangkok 10330 Telephone : 0-2627-6090 Facsimile : 0-2627-4409	Finance (Non-life Insurance Broker)	Ordinary	770,000	49.00
20 Quality Life Assurance Broker Co., Ltd. 87/1 Capital Tower, Floor 11, All Seasons Place, Wireless Road, Lumpini, Pathumwan, Bangkok 10330 Telephone : 0-2627-8029 Facsimile : 0-2627-4117	Finance (Life Insurance Broker)	Ordinary	20,000	25.00
21 Quality General Insurance Broker Co., Ltd. 87/1 Capital Tower, Floor 11, All Seasons Place, Wireless Road, Lumpini, Pathumwan, Bangkok 10330 Telephone : 0-2627-8028 Facsimile : 0-2627-4117	Finance (Non-life Insurance Broker)	Ordinary	20,000	25.00
22 Metro Designee Co., Ltd. 189 Rama IX Rd, Huaykwang, Bangkok 10320	Service [2/]	Ordinary	1,000	21.90

Remark: [1/] The company no longer extends new loans and is considering new business directions
[2/] It was established by the agreement between the Bank and others banks' syndication lenders of Bangkok Metro Plc. ("BMCL"). The purpose of the establishment is for the company 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	K.S. Law Office Co., Ltd. Bank of Ayudhya Building, Ploenchit Office, Floor 5, 550 Ploenchit Road, Pathumwan, Bangkok 10330 Tel : 0-2208-2607 Fax : 0-2251-6581	Service	Ordinary	3,200,000	99.99
2	Ayudhya Capital Lease Co.,Ltd. 898 Ploenchit Tower, Floor 16, Ploenchit Road, Pathumwan, Bangkok 10330 Tel : 0-2627-6010, 0-2627-6060 Fax : 0-2627-8211	Finance (Auto Financing)	Ordinary	300,000,000	99.99
3	Ayudhya Derivatives Co., Ltd. 999/9 The Offices at Central World, Floor 11, Rama 1 Road, Pathumwan, Bangkok 10330 Tel : 0-2659-7000 Fax : 0-2646-1100	Finance (Futures contract broker)	Ordinary	1,200,000	86.33

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

1	The Ayudhya Insurance Plc. Floor 7 Ploenchit Tower, 898 Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330 Tel : 0-2263-0335 Fax : 0-2263-0589	Insurance	Ordinary (listed)	250,000,000	10.92
2	P.P. Parawood Co., Ltd. 111/1 Moo 1 Tambonbanchang, Phanatnikom, Chonburi 20140 Tel : (038) 464-268-80 Fax : (038) 464-261-2	Furniture Manufacturer	Ordinary	95,000	10.00
3	Asian Trade and Leasing Co., Ltd. Floor 5 Golden Land Building, 153/3 Soi Mahardlekluang 1, Rajdamri Road, Lumpini, Pathumwan, Bangkok 10330 Tel : 0-2652-1199 Fax : 0-2652-1577-8	Leasing & Hire Purchase	Ordinary	1,500,000	10.00

Companies Acquired through Debt Restructuring Process

	Name and Address	Business Type	Issued Shares		Ownership (%)
			Share Type	No. of Shares	
1	Wongpaitoon Group Plc. 70/19 Moo 6, Ekkachai Road, Bang Bon, Bangkok 10150 Tel : 0-2416-4647-9, 0-2415-8680 Fax : 0-2416-1850	Manufacturing (Footwear)	Ordinary	868,268,161	37.31
2	Siam Bangkok Port Limited 51/1 Moo 3 Poochao Samingphrai Road, Bang Ya Phraek, Phra Pradaeng, Samut Prakan 10130 Tel : 0-2384-2876	Cargo Loading Warehouse	Ordinary	6,000,000	10.00
3	Lenso Phonecard Co., Ltd. 292 Srinakarin Road, Huamark, Bangkapi, Bangkok 10240 Tel : 0-2351-8116 Fax : 0-2351-8009	International Line Public Phone Card	Ordinary	62,423,190	10.00
4	UMC Metals Ltd. Floor 15 Sino-Thai Tower, 32/37 Sukhumvit 21 Road, North Klongteoy, Wattana, Bangkok 10110 Tel : 0-2259-2942-5 Fax : 0-2259-2946	Manufacturing and Trading (Steel Rod)	Ordinary Preferred	95,000,000 50,000,000	10.00

Income Structure of the Bank, Subsidiaries and Associated Companies

For 2009 operating perfomance, the Bank and subsidiaries had interest and dividend income and non-interest income at a ratio of 74.19% and 25.81%, respectively. Interest on loans constituted the largest proportion representing 45.82% of total income . Details are as follows:

Income Structure	2009		2008		2007	
	(THB mn)	(%)	(THB mn)	(%)	(THB mn)	(%)
Interest And Dividend Income						
Interest on loans	24,367	45.82	25,901	52.72	26,329	61.79
Interest on interbank and money market items	844	1.59	2,382	4.85	3,726	8.74
Hire purchase and financial lease income	12,428	23.36	10,439	21.24	1,644	3.86
Investments	1,818	3.42	2,441	4.97	3,365	7.90
Total Interest and Dividend Income	39,457	74.19	41,163	83.78	35,064	82.29
Non-Interest Income						
Loss on investments	(82)	(0.15)	(2,255)	(4.59)	(669)	(1.57)
Income from equity interest in associated company	126	0.24	35	0.07	-	-
Fees and service income						
Acceptances, aval and guarantees	49	0.09	50	0.10	43	0.10
Others	9,360	17.60	7,438	15.14	5,399	12.67
Gain on exchange	731	1.37	860	1.75	1,004	2.36
Gain on sales of properties foreclosed	813	1.53	952	1.94	551	1.29
Income from investments in receivables	371	0.70	303	0.62	458	1.07
Excess of net fair value of acquired subsidiaries over purchase cost	1,005	1.89	-	-	-	-
Other income	1,351	2.54	585	1.19	761	1.79
Total Non-Interest Income	13,724	25.81	7,968	16.22	7,547	17.71
Total Income	**53,181**	**100.00**	**49,131**	**100.00**	**42,611**	**100.00**

Names and Income Structure	2009 (THB mn)	2009 (%)	2008 (THB mn)	2008 (%)	2007 (THB mn)	2007 (%)
1. **Bank of Ayudhya Plc.** [1/]						
Total Interest and Dividend Income	31,036.74	-	33,948.18	-	34,277.89	-
Interest and Dividend Income after Bad Debt and Doubtful Account	14,372.33	71.86	15,477.71	78.58	7,454.37	58.05
Non - Interest Income	5,629.51	28.14	4,218.49	21.42	5,387.43	41.95
Total	20,001.84	100.00	19,696.20	100.00	12,841.80	100.00
2. **Ayudhya Asset Management Co., Ltd.**						
Total Interest and Dividend Income	327.71	-	427.98	-	508.66	-
Interest and Dividend Income after Bad Debt and Doubtful Account	(14.80)	(2.50)	(198.74)	(51.77)	(565.95)	(117.10)
Non - Interest Income	606.37	102.50	582.60	151.77	1,049.25	217.10
Total	591.57	100.00	383.86	100.00	483.30	100.00
3. **Ayudhya Factoring Co., Ltd.**						
Total Interest and Dividend Income	76.07	76.03	71.12	73.01	1.72	25.70
Non - Interest Income	23.98	23.97	26.29	26.99	4.97	74.30
Total	100.05	100.00	97.41	100.00	6.69	100.00
4. **Ayudhya Capital Auto Lease Plc.**						
Total Interest and Dividend Income	11,680.37	99.40	8,318.48	83.37	9,881.38	82.38
Non - Interest Income	71.01	0.60	1,659.70	16.63	2,113.23	17.62
Total	11,751.38	100.00	9,978.17	100.00	11,994.60	100.00
5. **Ayudhya Development Leasing Co., Ltd.**						
Total Interest and Dividend Income	506.24	88.17	449.38	77.75	389.04	75.73
Non - Interest Income	67.96	11.83	128.61	22.25	124.70	24.27
Total	574.19	100.00	577.98	100.00	513.74	100.00
6. **Ayudhya Card Services Co., Ltd.** [2/]						
Total Interest and Dividend Income	482.78	44.53	-	-	-	-
Non - Interest Income	601.27	55.47	-	-	-	-
Total	1,084.04	100.00	-	-	-	-
7. **CFG Services Company Co., Ltd.** [3/]						
Total Interest and Dividend Income	406.84	78.82	-	-	-	-
Non - Interest Income	109.32	21.18	-	-	-	-
Total	516.15	100.00	-	-	-	-
8. **GE Capital (Thailand) Limited** [4/]						
Total Interest and Dividend Income	5,171.45	56.32	-	-	-	-
Non - Interest Income	4,010.25	43.68	-	-	-	-
Total	9,181.70	100.00	-	-	-	-
9. **General Card Services Limited** [4/]						
Total Interest and Dividend Income	1,988.99	70.41	-	-	-	-
Non - Interest Income	835.79	29.59	-	-	-	-
Total	2,824.78	100.00	-	-	-	-

Names and Income Structure	2009 (THBmn)	2009 (%)	2008 (THBmn)	2008 (%)	2007 (THBmn)	2007 (%)
10. **Krungsriayudhya Card Co., Ltd.**						
Total Interest and Dividend Income	2,212.70	61.94	2,266.94	62.26	2,263.95	67.05
Non-Interest Income	1,359.44	38.06	1,373.90	37.74	1,112.41	32.95
Total	3,572.14	100.00	3,640.84	100.00	3,376.36	100.00
11. **Siam Realty and Service Co., Ltd.**						
Total Interest and Dividend Income	-	-	-	-	-	-
Non - Interest Income	597.15	100.00	628.37	100.00	612.64	100.00
Total	597.15	100.00	628.37	100.00	612.64	100.00
12. **Total Services Solution Plc.** 4/						
Total Interest and Dividend Income	-	-	-	-	-	-
Non - Interest Income	79.86	100.00	-	-	-	-
Total	79.86	100.00	-	-	-	-
13. **Ayudhya Total Solutions Plc.** 2/						
Total Interest and Dividend Income	694.57	-	-	-	-	-
Interest and Dividend Income after						
Bad Debt and Doubtful Account	542.03	67.97	-	-	-	-
Non - Interest Income	255.40	32.03	-	-	-	-
Total	797.43	100.00	-	-	-	-
14. **Ayudhya Auto Lease Plc.**						
Total Interest and Dividend Income	319.02	97.03	572.06	90.85	843.10	92.46
Non - Interest Income	9.78	2.97	57.65	9.15	68.79	7.54
Total	328.79	100.00	629.71	100.00	911.89	100.00
15. **Ayudhya Securities Plc.** 5/						
Total Interest and Dividend Income	8.99	2.19	16.26	4.73	29.78	6.59
Non - Interest Income	402.09	97.81	327.73	95.27	421.91	93.41
Total	411.08	100.00	343.99	100.00	451.69	100.00
16. **Ayudhya Fund Management Co., Ltd.** 6/						
Total Interest and Dividend Income	1.24	0.34	3.30	0.91	4.78	1.38
Non-Interest Income	364.63	99.66	359.86	99.09	341.86	98.62
Total	365.87	100.00	363.16	100.00	346.64	100.00
17. **PrimaVest Asset Management Co., Ltd.** 7/						
Total Interest and Dividend Income	(0.51)	(9.93)	1.63	1.62	3.15	2.44
Non - Interest Income	5.59	109.93	99.17	98.38	126.01	97.56
Total	5.08	100.00	100.80	100.00	129.17	100.00
18. **Tesco Card Services Co., Ltd.** 8/						
Total Interest and Dividend Income	1,136.36	58.74	-	-	-	-
Non - Interest Income	798.10	41.26	-	-	-	-
Total	1,934.46	100.00	-	-	-	-
19. **Tesco Life Assurance Broker Co., Ltd.** 9/						
Total Interest and Dividend Income	-	-	-	-	-	-
Non - Interest Income	20.03	100.00	-	-	-	-
Total	20.03	100.00	-	-	-	-

Names and Income Structure	2009 (THBmn)	2009 (%)	2008 (THBmn)	2008 (%)	2007 (THBmn)	2007 (%)
20. **Tesco General Insurance Broker Co., Ltd.** 9/						
Total Interest and Dividend Income	-	-	-	-	-	-
Non - Interest Income	143.91	100.00	-	-	-	-
Total	143.91	100.00	-	-	-	-
21. **Quality Life Assurance Broker Co., Ltd.** 8/						
Total Interest and Dividend Income	-	-	-	-	-	-
Non - Interest Income	255.67	100.00	-	-	-	-
Total	255.67	100.00	-	-	-	-
22. **Quality General Insurance Broker Co., Ltd.** 8/						
Total Interest and Dividend Income	-	-	-	-	-	-
Non - Interest Income	141.60	100.00	-	-	-	-
Total	141.60	100.00	-	-	-	-
23. **Metro Designee Co., Ltd.** 10/ 11/						
Total Interest and Dividend Income	-	-	-	-	-	-
Non - Interest Income	-	-	-	-	-	-
Total	-	-	-	-	-	-

Companies Under Dissolution And Liquidation Process

Names and Income Structure	2009 (THBmn)	2009 (%)	2008 (THBmn)	2008 (%)	2007 (THBmn)	2007 (%)
1. **K.S. LAW Office Co., Ltd.** 11/						
Total Interest and Dividend Income	-	-	-	-	-	-
Non - Interest Income	-	-	0.04	100.00	176.90	100.00
Total	-	-	0.04	100.00	176.90	100.00
2. **Ayudhya Capital Lease Co., Ltd.**						
Total Interest and Dividend Income	15.17	100.00	1,591.51	95.98	460.10	91.54
Non - Interest Income	-	-	66.66	4.02	42.50	8.46
Total	15.17	100.00	1,658.17	100.00	502.59	100.00
3. **Ayudhya Derivatives Co., Ltd.**						
Total Interest and Dividend Income	-	-	2.07	8.44	3.20	18.27
Non - Interest Income	0.55	100.00	22.46	91.56	14.33	81.73
Total	0.55	100.00	24.53	100.00	17.53	100.00

Remarks:

Year 2009 data are unaudited financial statement
1/ Separate Statements of Income of Bank of Ayudhya Public Company Limited
2/ The Bank has invested on April 8, 2009
3/ The Bank has invested on September 9, 2009
4/ The Bank has invested on November 5, 2009
5/ Separate Statements of Income of Ayudhya Securities Public Company Limited (AYS)
6/ Separate Statements of Income of Ayudhya Fund Management Company Limited (AYF)
7/ Became AYF's subsidiary on September 18, 2009
8/ The Bank holds indirectly in this company on November 5, 2009
9/ Subsidiary of Tesco Card Services Co., Ltd.
10/ The Bank has invested on December 25, 2009
11/ Immaterial Financial Information in 2009

Risk Factors and Risk Management

Risk Management Principles

The Bank maintains an independent risk organizational structure and formulates risk management policies in accordance with good corporate governance principles, allowing proper checks and balances to operate effectively between the business functions and the risk management unit. The objective is to ensure that risk oversight and review activities can be performed independently. An effective information management system is also in place to enhance the analysis, evaluation, management, and control of risk or combination of risks.

Our integrated risk management system includes procedures to manage three principal types of risk faced by the Bank; namely, credit risk, market risk, and operational risk. The Bank maintains a strong capital base to mitigate risk exposure in compliance with the minimum capital requirements under Pillar 1 of Basel II, as regulated by the Bank of Thailand.

The Bank is also making preparations to adopt the second pillar of Basel II, part of which involves the set up of an internal capital adequacy assessment process (ICAAP). The ICAAP will assess the levels of capital that the Bank needs to hold in order to mitigate risk both in normal and critical conditions. Other types of risk that the Bank is exposed to include credit concentration risk, interest rate risk on the banking book, liquidity risk, strategic risk, and reputation risk. A capital forecasting tool was also put in place to ensure effective stress testing and efficiently gauge impact to the Bank's capital base in the event of crisis. The ICAAP is expected to be completed by 2010 as required by the Bank of Thailand.

The Bank also provides risk management guidelines to its subsidiaries, associated and related companies corresponding with those in the Bank. All of the companies in the Bank's financial group are expected to adopt the internal capital adequacy assessment process (ICAAP) by 2011.

Risk Management Structure

The Bank's risk management function oversees the management of credit risk, market risk, and operational risk. It is responsible for identifying and formulating risk management policies, developing exposure measurement processes and tools, establishing risk management procedures, and monitoring, documenting, and reporting risk assessment status to the Bank's top management on a regular basis.

The Bank's committees involved with the management of risk detailed below:

- The Board of Directors has authority to approve the Bank's transactions of more than Baht 3,000 million in value and all credit applications from the Bank's subsidiaries, and associated and related companies. It is also responsible for the appointment of the Credit Committee, the Risk Management Committee, the Asset and Liability Management Committee, and the Collateral Valuation Committee.

- The Credit Committee is comprised of high-level executives of the Risk Management Group and related functions. It is authorized to approve loan applications of up to Baht 3,000 million.

- The Risk Management Committee has the following responsibilities:
  1) Identify and formulate the Bank's integrated risk management policies.
  2) Oversee, control, and review the Bank's business practices to ensure that they are in compliance with the integrated risk management and the good corporate governance principles.

- The Asset and Liability Management Committee (ALCO) has the following responsibilities:
  1) Formulate asset and liability management

policies and guidelines to ensure that the Bank has an asset and liability structure in response to economic and financial conditions while maintaining its competitiveness in the banking business.

2) Develop and maintain policies and procedures to mitigate risk associated with interest rate, foreign exchange, securities investment, and liquidity of the Bank.
3) Oversee, control, and undertake an objective review of the Bank's liquidity management to ensure that it complies with the set policies and enhances the Bank's stability.

- The Collateral Valuation Committee is in charge of the following activities:
    1) Establishing and reviewing policies/procedures regarding the valuation of collateral submitted in support of loan applications and foreclosed or auctioned properties for the approval of the Risk Management Committee.
    2) Overseeing and controlling the Bank's internal property appraisers to ensure that they execute their jobs with integrity and in compliance with the procedures set forth by the Bank and the Bank of Thailand.

Credit Risk Management

Credit risk is the risk of financial loss if a customer or counterparty fails to meet a payment obligation under a contract, which causes damage to the Bank's income and capital.

The Bank's loan approval procedure is subject to rigorous examination throughout the process with standards, policies, and procedures dedicated to monitoring and controlling exposure to credit risk. The credit risk management system covers specified guidelines regarding risk assessment, loan approval, monitoring, control, and review of customer risk, as well as regular updates of credit status to the Bank's top management.

The credit risk management system is categorized into three separate units based on customer types and different risk levels. These are credit risk management units for corporate, SME, and retail customers. Each is responsible for setting up frameworks for the analysis, management, and control of credit risk appropriate for its unique customers and loan portfolios. The credit risk management for corporate and SME customers is similar in procedures and implementation, but that for retail consumers requires a different procedure and information management process given the multitude of customers. The Bank's Risk Management Group is also responsible for establishing risk management policies, reviewing the Bank's loan portfolios and obligations, evaluating credit quality, assessing risk, and monitoring and recovering impaired loans.

Credit Risk Control

In addition to ensuring integrity and independence of the credit risk management unit from other business functions, the Bank also maintains specific credit risk controls for the following areas:

1) **Credit lines:** The Bank approves credit lines based on customer operating performance, financial status, credit needs, debt-servicing ability, and risk levels.

2) **Credit analysis:** Credit analysis standards are set up and maintained to enhance credit approval efficiency, taking into account customer operating performance, financial status, management ability, and related industrial outlook.

3) **Credit approval process:** The Bank categorizes customers into three groups, namely, corporate, SME and retail customers, in order to provide financial products and services appropriate to their specific needs. The credit approval process for each customer group is summarized as follows:

    - *Corporate and SME credit approval:* The corporate credit analysis department and the SME credit risk management department are responsible for performing an objective analysis of applications for credit facilities from their customers. Loan objectives, customer risk levels and debt-servicing abilities, collateral, and economic and industrial outlooks which may affect customer business performance is carefully assessed and submitted for approval to the designated committees according to their limits prior to the facilities being committed to customers.

- *Retail credit approval:* The retail credit risk management unit formulates a credit approval policy for retail customers based on their personal information, credit records, sizes of loans compared with their income, collateral, and repayment abilities. In the consumer banking business, credit scoring is also used to evaluate potential risk and determine who qualifies for consumer and mortgage loans.

4) **Country Risk Management:** The Bank establishes credit limits applicable to counterparties who are based or reside in foreign countries in accordance with each country's unique or particular risk in order to manage country and cross-border risk and avoid excessive risk concentration.

Credit Risk Assessment

The Bank maintains and develops risk rating tools in order to categorize credit exposure meaningfully. Information from customer financial statements, from market databases, about industry exposure, as well as qualitative customer details are core inputs in the assessment of counterparty risk. Risk ratings are reviewed at least once a year and are used in the credit approval process.

There are two internal risk rating tools; one for corporate banking customers, which has been used since 2001; and the other for SME customers used since 2006. Credit risk associated with corporate and SME customers is categorized into 10 different grades.

The Risk Integrated Systems Knowledge Project (RISK) was initiated in 2008 to provide the Bank with more effective risk assessment tools and information management systems. It included a purchase of data management equipment to store and organize corporate and SME customer data necessary for the calculation of probability of default (PD). The PD-based rating model and is expected to be fully rolled out by the second quarter of 2010. A tool to assess risk-adjusted return and the economic capital calculation is also expected to be completed in 2010.

Credit Risk Monitoring and Review

The Bank maintains a procedure to frequently monitor and review customer risks which includes the following activities:

1) **Annual credit risk review:** After credit is approved, credit risk review must be performed on a regular basis. An annual credit risk review comprises, among other things, examination and review of customer's current performance, financial status, and credit quality. Amendments, where necessary, are implemented promptly.

2) **Credit portfolio status report:** The Bank regularly updates the Board of Directors and the top management on the information relating to the Bank's credit quality. The information is useful in keeping the Bank's credit risk within designated limits. A credit portfolio status report includes a credit mix report classified by types of industry, levels of risk, geographical areas, and major corporate customers to avoid excessive credit and risk concentration. Other details include debt classification, provisioning allowances, and capital adequacy ratio.

3) **Stress testing:** Stress testing is performed in order to gauge possible events which may arise and impact the Bank's capital base, loan portfolio, and the customers in the event of crisis. The Bank maintains strategies and action plans ready to be implemented in order to prevent or lessen the adverse impact.

Non-Performing Loan Management

The Bank's non-performing loans are managed by a dedicated team of specialists with experience and expertise in dealing with impaired loans in order to improve asset quality and minimize financial losses. In 2009, the Bank made overall progress in improving its asset quality by reducing NPLs Baht 3,057 million from 2008.

Market Risk Management

Market risk is the risk that movements in interest rates, foreign exchange rates, or equity and commodity prices in the Bank's banking book and trading book will adversely result in financial losses to the Bank's income and capital. These rates and price movements are external factors beyond the Bank's control.

The Bank has formulated clear policies to manage market risk in the banking and trading books with continual review and adjustment appropriate for situation and changing environment. The Bank also formulates a consolidated supervision policy in order to effectively monitor, manage, and control market risk exposures for its subsidiaries and associated and related companies. The internal control system for the management of market risk is developed and frequently reviewed in compliance with the Bank's Internal Audit Charter and the good corporate governance practices set forth by the Bank of Thailand. Moreover, arrangements in both quantitative and qualitative terms have also been made in preparation for the Bank's consolidated supervision, disclosure of information regarding capital adequacy within the Bank's financial group, and the upcoming regulatory capital requirements under the second pillar of Basel II to ensure that the Bank will have a sufficient and robust Internal Capital Adequacy Assessment Process (ICAAP) covering every area with material exposure.

- ## Market Risk Management Structure

  The Bank has established a specific committee to manage exposure to market risk and it is separated from departments involved with market transactions in order to avoid conflicts of interest. Reporting to the Board of Directors and the designated high-level executives, in the committee are responsible for monitoring, assessing, and updating the status of market risk exposure, as well as controlling overall exposure within appropriate limits.

  The Bank has also set up the Asset and Liability Management Committee (ALCO), whose role is to develop asset and liability management policies, taking into account present and future risk factors, in order to maintain the Bank's assets and liabilities at an appropriate level. The Market Risk Management Department is in charge of evaluating and reporting the status of market risk exposure and recommending reviews or changes to the market risk management policies at least once a year or when there is a material shift in the Bank's business directions or strategies.

- ## Monitoring, Assessment, and Control of Market Risk Exposure

  The Bank monitors market risk exposure separately for trading and banking books, employing distinct sets of assessment methodologies and tools. Value-at-risk ("VAR") and interest rate risk models, for example, are the two principal tools used to monitor and limit market risk exposure of the Bank's trading book. For the banking book, a simulation model of net interest income is used to analyze and assess the potential impact of plausible interest rate movements on the Bank's net interest income and evaluate interest rate risk as this can reflect the sensitivity of the Bank's economic value of equity to interest rate changes. The Bank regularly applies back testing to ensure the accuracy and credibility of its market risk management tools, such as the hypothetical profit/loss method in which plausible future scenarios derived from the VAR model are compared with the actually realized profit/loss.

  Stress testing is also implemented to evaluate the potential impact of extremely critical events on the Bank's trading and banking books, such as abrupt changes in yield curves, foreign exchange rates, and the SET index, so that the Bank can take appropriate and timely actions to mitigate any potential loss.

  The management of market risk is principally undertaken through the designation of acceptable risk limits for, among others, interest rates, foreign exchange rates, FX derivatives, equity, losses, transactions etc. These risk limits are set and reviewed regularly in accordance with the sizes, scope, and sophistication of the Bank's positions. A specific procedure and approval process is also determined and strictly followed in the event that market risk exposure is greater than the acceptable risk limits.

- ## Management of Market Risk in the Banking Book

The Bank controls market risk in the banking book, which is intended for long-term holding and not for trading purposes, by closely monitoring interest rate and equity price risks; as well as assessing the potential impact of interest rate movements on its earning and economic value in order to ensure that the Bank has appropriate capital adequacy to accommodate potential losses as a result of the banking book's positions.

1) **Managing Interest Rate Risk**

Interest rate risk in the Bank's banking book arises principally from mismatches between the interest rate structure and on and off-balance sheet positions as a result of interest rate changes. Analysis of interest rate risk is performed by applying the repricing gap model to evaluate assets, liabilities, and off-balance sheet positions affected by interest rate movements based on the remaining contractual duration until maturity (for fixed interest rates) or until the subsequent interest rate adjustment (for floating interest rates). Using both static and dynamic simulations, the models monitor the sensitivity of projected net interest income and the Bank's economic value of equity under varying interest rate and business scenarios. Through its management of market risk in the banking book, the Bank aims to mitigate the impact of prospective interest rate movements, which could reduce future net interest income.

In order to optimally manage its assets and liabilities in both Thai baht and other denominations, the Bank engages in transactions that involve interest rate and foreign exchange exposure. These include cross currency swap, interest rate swap, and foreign exchange forward, etc. The Bank's Treasury Division is responsible for hedging structural foreign currency exposure under the derivative products program using the framework and risk limits approved by the Board of Directors. The Market Risk Management Department is tasked to monitor market risk exposure to ensure that it is within the approved limits. The status of market risk exposure is documented and reported to the ALCO on a monthly basis.

Analysis of the Bank's assets and liabilities as of December 31, 2009 and December 31, 2008 based on the remaining contractual duration prior to the subsequent interest rate adjustment is shown in the following tables:

Separate Financial Statements
As of December 31, 2009

(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	42,346	567	297	-	-	6,547	49,757
Net investment	17,661	10,159	30,620	2,309	-	44,095	104,844
Loans	425,421	60,857	42,945	501	34,210	-	563,934
Financial Liabilities							
Deposits	330,467	143,782	34,322	-	-	16,115	524,686
Interbank and money market items	27,995	5,438	8,195	67	-	1,854	43,549
Borrowings	13,654	25,433	40,907	-	-	19	80,013

Separate Financial Statements
As of December 31, 2008

(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**
Fianancial Assets							
Interbank and money market items	70,462	1,433	-	-	-	12,228	84,123
Net investment	11,446	18,527	18,471	677	-	34,856	83,977
Loans	378,023	54,366	67,310	2,518	38,226	-	540,443
Financial Liabilities							
Deposits	390,709	103,199	28,665	-	-	18,174	540,747
Interbank and money market items	4,557	3,276	9,636	67	-	1,659	19,195
Borrowings	2,030	9,643	70,122	-	-	62	81,857

2) **Managing Equity Price Risk**

Medium- and long-term investment in equity securities is primarily made through managed funds that are subject to total limits and risk levels approved by the Bank's Board of Directors. The management of equity price risk consists of frequent assessment of issuers' potential and an objective review of the total limits at least once a year. The Asset and Liability Management Committee is responsible for establishing the Bank's investment policy and strategies and effectively managing exposures to equity securities held in compliance with the designated investment policy and appropriate to economic conditions and competition in the financial market. The Treasury Division is authorized to commit in investment transactions on behalf of the Bank, under the supervision of the ALCO based on the approved total limits and acceptable risk levels. Valuation and validation of the equity securities held by the Bank are performed at least once a month using the mark-to-market model and important accounting standards. The Capital Market Department is responsible for monitoring and reporting the status of equity securities held to the ALCO on a monthly basis.

- **Management of Market Risk in the Trading Book**

Classified by the Bank of Thailand's notification dated November 27, 2008 as a bank with trading book of significant threshold, the Bank uses the standardized approach in the assessment and determination of capital needed to accommodate market risk exposure at both portfolio and position levels as a result of interest rate, foreign currency, and equity price movements. Such capital is determined by fair value of the positions taken and risk-weighted positions classified by types of risk factors. Risk weight is defined by the Bank of Thailand.

The Treasury Division is authorized to make transactions relating to and manage positions of the Bank's trading book under close supervision of the ALCO based on the designated VAR and interest rate risk limits and within the risk levels approved by the Board of Directors. Valuation of the trading book is carried out on a daily basis using the mark-to-market method.

In 2009, the Bank provided trading services for derivative products to its customers and trading partners mainly on a back-to-back basis. Market risk management and control systems for derivative trading and rigorous approval procedures for new products are progressively developed and enforced at the Bank in compliance with the derivative risk management guidelines announced by the Bank of Thailand on August 3, 2008.

1) **Managing Interest Rate Risk**

The objective of interest rate risk management in the trading book is to control the potential impact of interest rate movements on value of debt securities and transaction of derivative contracts with underlying interest rates to meet customer requirements. The Treasury Division is authorized to manage the position taking. Responsibility for monitoring and managing exposure to interest rate risk using the value-at-risk method rests with the Market Risk Management Department, which also provides a daily update to related senior management.

2) **Managing Foreign Exchange Risk**

Net foreign currency holding is allowed mainly to provide foreign exchange services to the Bank's customers. The Board of Directors determines holding limits for each currency to ensure that foreign exchange exposure remains within the acceptable risk levels. The Treasury Division is responsible for all foreign currency transactions under the supervision of the ALCO. The Market Risk Management Department uses the value-at-risk method to independently monitor and control foreign exchange risk, and provides a status update to related high-level executives on a daily basis.

3) **Managing Equity Price Risk**

The Bank maintains robust systems for analyzing data and assessing market conditions to support equity investment and trading. The Treasury Division is authorized to commit all trading transactions relating to the Bank's trading book and ensure that they remain within designated limits and risk levels, which are reviewed on an annual basis. Exposure to equity price risk is closely monitored and controlled by the Market Risk Management Department, which employs the value-at-risk tool and provides senior management with a daily update of risk assessment.

Liquidity Risk Management

Liquidity risk is the risk that arises primarily when the Bank fails to meet funding commitments due to inability to convert assets into cash, failure to find sufficient funding, or unavailability of funds at acceptable funding costs.

The Bank develops and maintains a liquidity risk management framework that includes both daily and contingent liquidity management. Contingency plans are frequently tested to ensure that Bank will remain sufficiently liquid under extreme conditions. Monitoring of the effect of market events on the Bank's liquidity positions is also continuously performed to identify early indicators of stress conditions and facilitate development or review of actions that need to be taken in the event of critical conditions, as required by the Bank of Thailand.

In response to intensely competitive nature, diversity, and sophistication of the Thai financial market, the Bank also maintains a policy to hold excess liquidity at a level corresponding with economic situations and the financial needs of the Bank and its financial group. The objective of the Bank's liquidity management is to maintain balanced cash flows and ensure that all foreseeable funding commitments and deposit withdrawals can be met when due at reasonable funding costs. Liquidity is managed both quantitatively and qualitatively, involving monitoring of depositor behavior, economic conditions, financial markets, and competitive environments. The process is rigorously undertaken in order to achieve a satisfactory overall funding mix and risk diversification in accordance with asset, liability, and off-balance sheet commitments.

In 2009, the Bank placed considerable importance on managing liquidity to support its aggressive inorganic growth strategy and accommodate the potential outflow of bank deposits as a result of the enforcement of the Deposit Protection Agency Act B.E. 2551. The Deposit Protection Agency Act is generally expected to affect distribution of deposits among the financial and capital market institutions as depositors shift to other saving and investment options in expectation of higher return and full deposit protection. New deposit and investment products that the Bank introduced during the year were developed based on this customer insight, including bills of exchange for retail customers and a series of short-term debentures issued in the amounts approved by the Board of Directors. They formed an additional part of the liquidity management tools of the Bank by providing a more diverse range of funding sources.

- **Liquidity Risk Management Structure**

  Compliance with liquidity requirements is closely monitored by the Asset and Liability Management Committee, which appoints senior management of the Treasury Group to regularly review the Bank's liquidity positions. The Treasury Group is also responsible for managing liquidity on a daily basis to ensure necessary cash flows for the Bank, its subsidiaries, and associated and related companies; and for acting as coordinator for the implementation of contingency plans in the event of a liquidity emergency. A liquidity emergency is classified into two levels: temporary liquidity disruption as a result of daily transactions; and medium or long-term liquidity crises caused by prolonged economic downturn, interest rate movements, or shifts in regulatory requirements. Determination of a funding crisis rests in the discretion of the ALCO, which will appoint, where necessary, a Funding Crisis Management Team (FCMT) to pool resources and coordinate the management of liquidity and funding contingency plans.

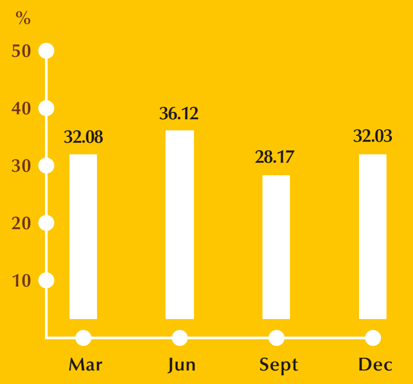
- **Monitoring, Assessment and Control of Liquidity Risk Exposure**

  The Bank uses a number of principal measures to manage exposure to liquidity risk, such as projected cash flow/liquidity scenario analysis and maturity gap analysis for the classification of assets, liabilities, and commitments based on contractual and behavioral maturity both at normal and critical conditions. The assessment process is also augmented with stress testing to evaluate the potential impact of liquidity risk under varying scenarios on the Bank's liquidity and funding positions. Stress testing results provide senior management with the information necessary for the development of contingency funding plans and the execution of relevant preventive measures to avoid financial damages.

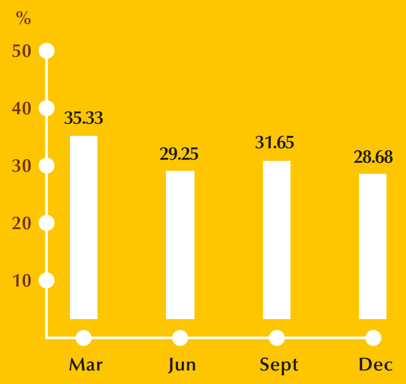
  The Board of Directors designates several indicators as early warning and trigger points to ensure the stability of the Bank's liquidity. These include the ratio of loans to deposits, the ratio of net liquid assets to short-term liabilities, the drop limit of total daily deposit balance, and the maximum deposit balance per depositor to manage deposit concentration in order to avoid unnecessary reliance on large individual depositors. Under the supervision of the ALCO, the Market Risk Management Department is responsible for measuring and reporting liquidity risk levels on a daily basis, while the Treasury Division is responsible for recommending appropriate strategies for managing liquidity risk.

The Ratio of Liquid Assets to Short-Term Liabilities

2008

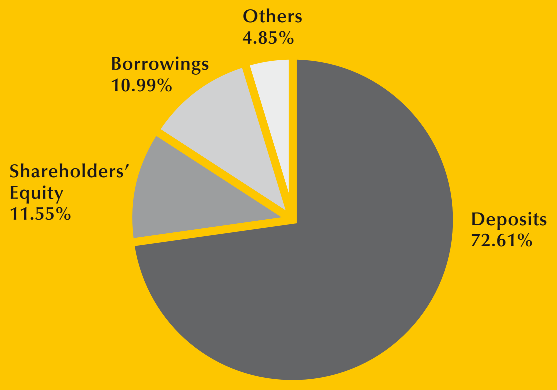


2009

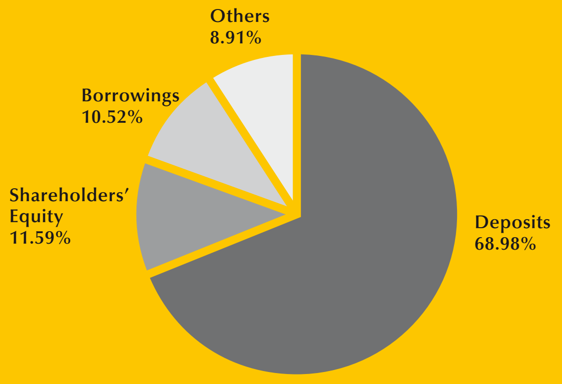


The Bank's Sources of Funds

As of December 31, 2008



As of December 31 2009



Analysis of the Bank's assets and liabilities as of December 31, 2009 and December 31, 2009 based on the remaining contractual duration prior to the agreement due is shown in the following tables.

Separate Financial Statements
As of December 31, 2009

(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	No maturity	**Total**
Financial Assets								
Interbank and money market items	6,418	42,346	567	297	-	-	129	49,757
Net investment	-	11,356	10,907	36,163	2,323	-	44,095	104,844
Loans	38,745	141,475	100,486	124,379	124,639	34,210	-	563,934
Financial Liabilities								
Deposits	203,414	143,168	143,766	34,338	-	-	-	524,686
Interbank and money market items	4,372	24,876	5,438	8,796	67	-	-	43,549
Borrowings	-	13,654	25,436	40,921	2	-	-	80,013

Separate Financial Statements
As of December 31, 2008

(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	No maturity	**Total**
Financial Assets								
Interbank and money market items	12,162	70,452	535	905	-	-	69	84,123
Net investment	-	7,774	18,318	22,147	883	-	34,855	83,977
Loans	28,290	137,637	63,947	146,384	125,959	38,226	-	540,443
Financial Liabilities								
Deposits	182,566	226,317	103,197	28,667	-	-	-	540,747
Interbank and money market items	4,248	1,368	576	12,936	67	-	-	19,195
Borrowings	-	2,030	6,984	72,841	2	-	-	81,857

Operational Risk Management

The Bank has adopted the Bank of Thailand definition of operational risk as given in its notification No. Sor Nor Sor 95/2551 dated November 27, 2008 regarding the minimum capital requirement to accommodate operational risk. Operational risk is the risk of loss resulting from the lack of corporate governance structure, inadequate or failed internal processes, people, and systems or from external events, causing damage to the Bank's operating income and capital. According to this definition, operational risk also includes legal and compliance risk, and has potential affect strategic and reputation risks, as well as induce credit, market, and liquidity risks.

The five causes of operational risk are as follows:

- **People:** Operational risk arising from people is caused by inadequate controls or failed internal processes that lead to frauds. People are the most important resources; however, there is no universally applicable means of measuring or identifying the patterns of losses from the human factor. Operational risk caused by people covers a wide spectrum of issues; such as lack of integrity and honesty, failure to maintain the separation of duties, insufficient skills and training, lack of collaboration, professionalism, management or supervision skills, and a lenient control culture.

- **Processes:** Inappropriate operational design, unclear work processes, and inadequate internal controls and routines are the possible causes of operational risk. Effective controls and a clear description of operational processes are indispensable to minimize risk and ensure accountability. Major components of operational risk include transaction errors, data storage and documentation inefficiency, fines, failure to comply with legal or regulatory requirements, incomplete or erroneous legal documentation, product complexity, failed work process and information management, as well as ineffective disclosure.

- **Systems:** System failure causes disruption to business operations and service delivery. It damages internal communication and reliability of information. Failed IT and network systems, system frauds due to shortcomings in internal controls and delayed recovery of business operations all pose potential adverse effects to the Bank's reputation and its ability to meet customer needs.

- **External Events:** Operational risk may arise from external events beyond the Bank's control, such as political turmoil, natural disasters, criminal activities, fire, terrorism, public utility break-down, labor strike, riots, computer viruses, and other catastrophic situations.

- **Legal and Compliance Risk:** Legal and compliance risk is the risk arising from changes in or failure to abide by laws and regulatory requirements, causing damage to business operations.

The Bank manages operational risk through a control-based environment throughout its operational processes. The Board of Directors appoints the Risk Management Committee, whose responsibility is to manage and control the Bank's integrated risk in a cost effective manner within acceptable levels and in accordance with good corporate governance principles under Basel II as required by the Bank of Thailand. The Risk Management Committee operates in strict compliance with the Bank's policy and regulatory requirements under the supervision of the Board of Directors and the Audit Committee.

At the operational level, the Operational Risk Management Department is responsible to provide oversight for the management of operational risk across the Bank. Regular update of potential operational risk inherent to every aspect of the Bank's business is reported to senior management, the Risk Management Committee, and the Board of Directors so that they can take preventive and/or corrective measures promptly to control the risk consistent with the Bank's risk appetite. The Operational Risk Management Department is also responsible for identifying and assessing operational risk by using risk management tools under the criteria set forth by the Bank of Thailand and on par with those employed by leading financial institutions. It also collects operational risk loss data and designs controls to prevent or minimize potential losses.

In addition, the Bank has launched the Risk Control Self-Assessment Program (RCSA) to build up awareness about operational risk management among the employees of every level. The program also monitors and reports key risk indicators at the Bank's level to enhance the efficiency of operational risk management in line with the Basel II requirements and the sound practices for the management and supervision of operation risk set forth by the Risk Management Committee.

The Bank's operational risk management framework is of a high standard, strengthened by continual improvement of work processes and tools to identity, assess, monitor, prevent, and control potential losses. Our operational risk management is supplemented by detailed policies, which are frequently reviewed and improved to reflect fast-changing technologies and new work processes. For example, in-sourcing and out-sourcing policies provide the detailed description and conditions for in-sourcing and out-sourcing arrangements. The technology security policy and new product program policy is also developed. Authorized executives must assess and report risk exposure inherent to the implementation of new IT or new product, as well as design controls to minimize potential risk within the risk appetite.

In addition, the Bank also formulates and maintains procedures which include the Business Continuity Management (BCM) policy, the Business Continuity Plan (BCP) and the Disaster Recovery Plan (DRP) to mitigate impact of unexpected critical events, such as the outbreak of H1N1 flu pandemic, covering the headquarters and its branches to ensure that business operations will be able to continue to serve customers and related parties as usual. These policy plans are subject to rigorous review every year according to the Bank of Thailand requirements and amendments will be made in the event that the Bank undergoes a material change in its organizational structure.

As for the minimum capital required for operational risk management, the Bank has adopted the standardized approach under the Basel II accord.

Management Discussion and Analysis

Overview of Performance in 2009

In 2009, Bank of Ayudhya Pcl and its subsidiaries had an improvement in business operations and as a result recorded a strong financial performance. The Bank continued to accomplish its inorganic growth plans by completing the acquisition of the following consumer finance businesses:

- AIG Retail Bank Public Company Limited (AIGRB) and AIG Card (Thailand) Company Limited (AIGCC), representing an investment value of Baht 1,487 million
- CFG Services Company Limited (CFGS), representing an investment value of Baht 18 million
- GE Money Thailand (GEMT), representing an investment value of Baht 9,787 million

The Bank has completed the integration of the AIGRB and AIGCC businesses and achieved various synergy benefits for its businesses during the year. Meanwhile, the Bank began the process of integrating the other two acquired businesses, determined to obtain the most appropriate structure to provide optimal synergistic values and to be well prepared for new opportunities in markets such as microfinance.

In 2009, despite the downward trend of the economy, the Bank was able to grow its net loans by Baht 46,431 million or 8.3% from last year, mainly due to the mentioned acquisitions, and as a result the retail loan portfolio expanded from 32% to 42% of the Bank's total loan portfolio. Organic loan growth from all segments also showed improvement toward the end of the year in line with the improving trend of the macro economy.

Meanwhile, the asset quality of the Bank has performed well despite an unstable overall economic environment. The Bank managed to decrease its non-performing loans (NPLs) by Baht 3,057 million or 5.5% from Baht 55,137 million in 2008 to Baht 52,080 million in 2009. Moreover, the coverage ratio grew from 58.7% to 74.1% in 2009, resulting from more prudent management as the Bank increased its excess reserve.

Following the Bank's assets and liabilities management policy in 2009 to maintain an appropriate level of excess liquidity in line with opportunities in the money market together with the strategy of matched funding, its deposits declined by about 3% while borrowings in term of debentures and bills of exchange increased by 3.5%. Meanwhile, there was a substantial increase in loans following the GEMT acquisition in November. As a result, the ratio of loans to deposits plus borrowings rose from 92.6% to 101.8%. The Bank's liquidity remained strong at approximately 3 times above regulatory requirements defined by the Bank of Thailand because of a highly sufficient equity base.

Net interest income increased by Baht 1,849 million from the previous year, resulting from the increase in higher yielding loan composition and continual reduction in cost of funds during the year. Consequently, net interest margin continued its improving trend during the course of 2009, rising from 3.5% in the first quarter to reach 4.7% in the fourth quarter with an average of 4.1% for the whole year.

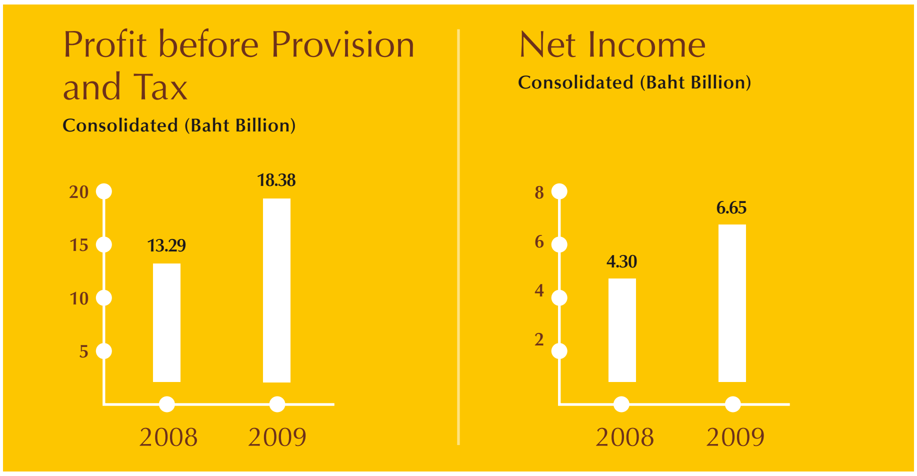
Fees and service income increased by 25.7%, mainly driven by transactional fees, bancassurance, and fees from the auto hire purchase business. In addition, there were a number of gains on investments from acquisitions this year compared to last year's mark-to-market loss on CDOs. As a result, non-interest income rose significantly by 72% in 2009.

Overall, the Bank's business operations improved in every core area from both organic and inorganic growth. Consequently, operating profit before provisioning for doubtful accounts and taxes for 2009 was Baht 18,377 million, representing an increase of 38% from last year. Having implemented the early adoption of income tax accounting standards by applying International Accounting Standard No.12 "Income Taxes" (revised 2008), the content of which is not different from the draft Thai Accounting Standard No.12 "Income Taxes" (2009), there was deferred tax income booked and therefore the Bank posted Baht 6,657 million of net profit after setting aside provisions, representing a 54.9% increase year over year.

Unit: Million Baht

Consolidated	2009	2008*	Change Amount	Change %
Statement of income				
Profit from operation	18,377	13,288	5,089	38.3%
Net income	6,657	4,298	2,359	54.9%
Basic earnings per share (Baht)	1.10	0.73	0.37	50.7%

* Restated number resulting from early adoption of income tax accounting standards by applying International Accounting Standard No.12 "Income Taxes" (revised 2008), the content of which is not different from draft Thai Accounting Standard No.12 "Income Taxes" (2009)

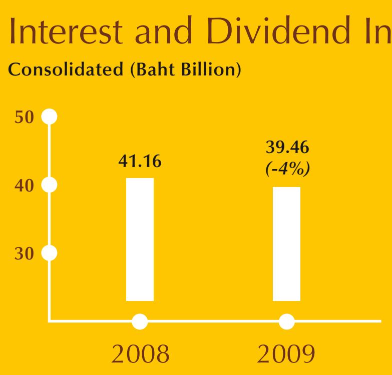


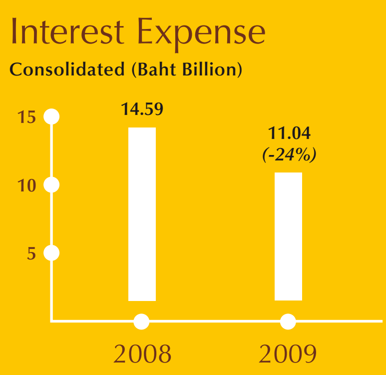
Net Interest and Dividend Income

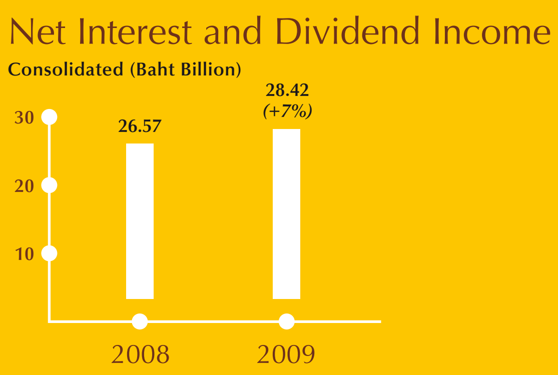
In 2009, the Bank and its subsidiaries' interest and dividend income was Baht 39,457 million, representing a decrease of Baht 1,706 million or 4.1% compared to the prior year, which was mainly due to lower interest rates in the market compared to 2008. Meanwhile, interest expense was Baht 11,040 million, a decrease with a larger magnitude than the income side of Baht 3,555 million or 24.4%, which was mainly due to lower deposit interest rates in the market. As a result, net interest and dividend income in 2009 increased by Baht 1,849 million or 7.0% from the prior year to Baht 28,417 million. Details of the changes on the interest accounts are as follows:

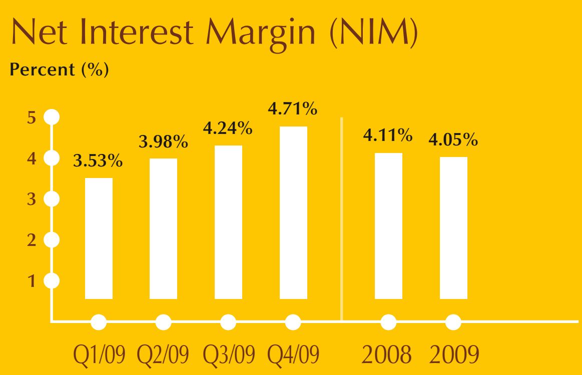
Interest and dividend income

- Interest on loans was Baht 24,367 million, decreasing by Baht 1,534 million or 5.9%, resulting from lower average rates in the market despite a net increase of 8.3% in loans outstanding.
- Interest on inter-bank and money market items of Baht 844 million, decreasing by Baht 1,538 million or 64.6%, due mainly to the lower interest rates in the market and a lower outstanding balance.
- Hire purchase and financial lease income of Baht 12,428 million, increasing by Baht 1,989 million or 19.1% resulting primarily from two acquisitions from AIG on April 8, 2009 and a third acquisition from AIG on September 9, 2009.
- Income on investments of Baht 1,818 million, decreasing by Baht 623 million or 25.5% mainly resulting from lower average interest rates and a decrease in dividends received from the equity portfolio of listed companies.









Interest Expenses

- Interest on deposits of Baht 6,813 million, decreasing by Baht 3,979 million or 36.9% resulting from lower outstanding balance and lower interest rates.
- Interest on inter-bank and money market items of Baht 884 million, decreasing by Baht 15 million or 1.7% mainly resulting from lower average rates in the market.
- Interest on short-term borrowings of Baht 929 million, increasing by Baht 408 million or 78.3% resulting from an increase in the current portion of debentures of Baht 33,087 million in March, June, and December 2009.
- Interest on long-term borrowings of Baht 2,414 million, increasing by Baht 31 million or 1.3% resulting from long-term debentures of Baht 19,667 million issued during March, June, and December 2008, for which the interest was recorded for the full year 2009. In addition, debentures of Baht 5,674 million were issued by AYCAL, our auto subsidiary, during 4Q/09 and bills of exchange were issued in the amount of Baht 1,703 million in 3Q/09 and 4Q/09. While debentures of Baht 33,087 million were moved to short-term borrowings in March, June, and December 2009.

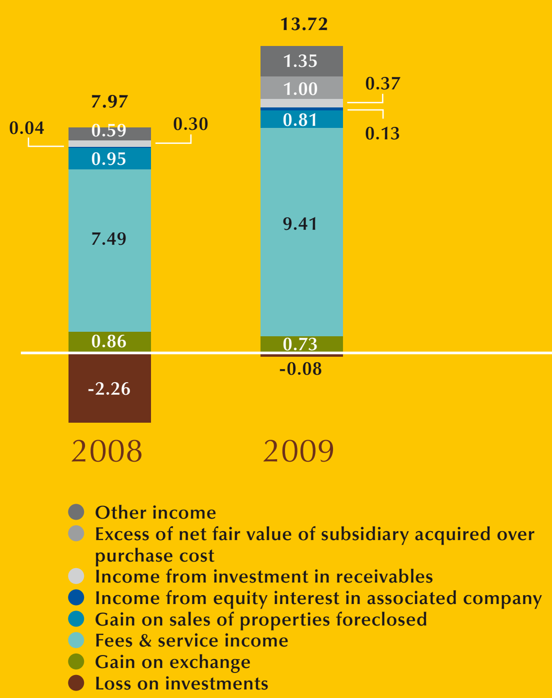
Despite the net interest margin improving during the course of 2009, the averaged net interest margin for the year decreased slightly from 4.11% in 2008 to 4.05% in 2009. This was mainly due to sharp and successive reductions in interest rates in 4Q/08 and 1Q/09 which substantially and immediately affected the income from the floating rate loan portfolio. However, there was a lagging effect on the reduction of funding costs as the majority of deposits are fixed term deposits. These deposits matured and were re-priced at lower rates starting in 2Q/09 and continuing through 4Q/09.

Unit: Million Baht

Consolidated	2009	2008	Change	
			Amount	%
Statement of income				
Total interest and dividend income	39,457	41,163	(1,706)	(4.1%)
Total interest expenses	11,040	14,595	(3,555)	(24.4%)
Interest and dividend income, net	28,417	26,568	1,849	7.0%

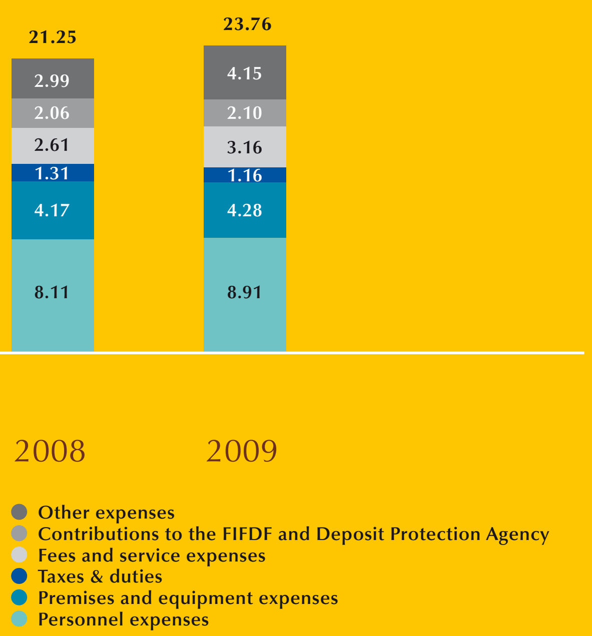
Non-Interest Income

Consolidated (Baht Billion)



Non-Interest Expenses

Consolidated (Baht Billion)



Non-Interest Income

In 2009, the Bank and its subsidiaries' non-interest income was Baht 13,724 million, an increase of Baht 5,756 million or 72.2% from the prior year as a result of current year's one-time gains on investment from acquisition of three AIG businesses of Baht 1,005 million while in 2008 there was mark-to-market loss on CDOs of Baht 2,294 million. More importantly, the major item for the Bank's non-interest income: fees and service income, increased by Baht 1,923 million or 25.7% to Baht 9,410 million in 2009, mainly driven by an increase in fees from credit card, collection, bancassurance, hire purchase business, and ATM of Baht 445 million, Baht 341 million, Baht 233 million, Baht 229 million, and Baht 163 million, respectively, all of which were derived from the acquired businesses and from services of the Bank's extensive network and solid customer base.

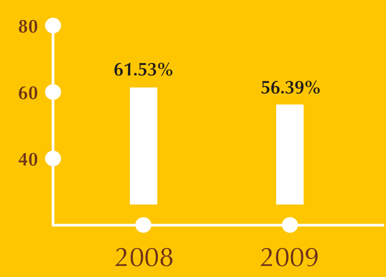
Non-Interest Expense

The Bank and its subsidiaries' non-interest expense was Baht 23,764 million, an increase of Baht 2,516 million or 11.8% mainly due to acquisition of three businesses from AIG and one from GEMT together with expenses on business expansion at the Bank. Major increases were from personnel expenses, representing Baht 798 million or 9.8%; fees and services expenses, representing Baht 554 million or 21.3%; premises and equipment expenses, representing Baht 109 million or 2.6%. Other expenses also increased by Baht 1,170 million or 39.6% driven by the increase in outsource expenses of Baht 366 million, promotion expenses of Baht 268 million, provision on loss from NPLs transferred to TAMC of Baht 219 million, provision for off-balance sheet obligations of Baht 121 million, legal expenses of Baht 81 million, and properties foreclosed expenses of Baht 34 million. Meanwhile taxes and duties decreased by Baht 145 million or 11.1% due to a decrease in specific business tax.

In 2009, the Bank and its subsidiaries' cost-to-income ratio improved by falling to 56.4% from 61.5% in 2008 with a noticeable improvement in revenue, both from interest and non-interest sources that outpaced the increase in expenses.

Cost-to-Income Ratio

Consolidated (%)



Financial Status

1. Assets

As of December 31, 2009, total assets were Baht 780,132 million, an increase of Baht 32,247 million or 4.3% from December 31, 2008. Key drivers were an increase in loans of Baht 46,431 million or 8.3%, mainly from the acquisition of three businesses from AIG and one from GEMT; an increase in investments of Baht 10,940 million or 19.2%, mainly from an increase in investments in government bonds of Baht 12,000 million; and an increase in other assets of Baht 15,511 million or 41.2%, mainly from an increase in customer liability under collateral of Baht 7,090 million; as well as an increase in property premises and equipment of Baht 1,285 million. In 2009, the Bank implemented the early adoption of income tax accounting standards by applying International Accounting Standard No.12 "Income Taxes" (revised 2008), the content of which is not different from draft Thai Accounting Standard No.12 "Income Taxes" (2009). As a result deferred tax assets were booked with an increase of Baht 2,940 million. Meanwhile, interbank and money market items decreased by Baht 31,186 million or 36.8%, mainly from a decrease in deposit facilities and bilateral facilities with Bank of Thailand of Baht 25,887 million.

The breakdown of the Bank and subsidiaries' total assets for 2009 and 2008 is as follows:

Unit: Million Baht

Consolidated	2009		2008*	
	Amount	%	Amount	%
Cash	20,090	2.58	20,419	2.73
Interbank and money market items	53,668	6.88	84,854	11.35
Net investment in securities	68,063	8.72	57,123	7.64
Net loans and accrued interest receivables	567,118	72.70	526,453	70.39
Net properties foreclosed	18,017	2.31	21,371	2.86
Net fixed assets	17,370	2.23	16,085	2.15
Others	35,806	4.58	21,580	2.88
Total	780,132	100.00	747,885	100.00

* **Restated number resulting from early adoption of income tax accounting standards by applying International Accounting Standard No.12 "Income Taxes" (revised 2008), the content of which is not different from draft Thai Accounting Standard No.12 "Income Taxes" (2009)**

2. Assets Quality

2.1 Loans

1) **Total Loans, Loans by Business Sector, and Loans by Classification of Assets**

Total Loans

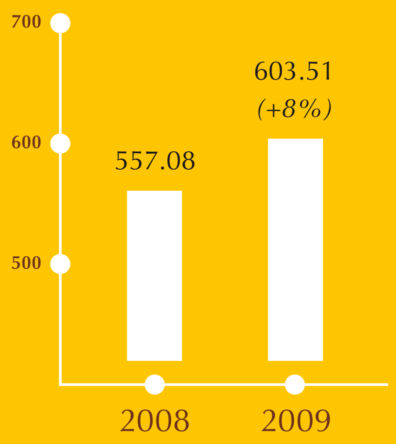
The Bank and its subsidiaries' total loans increased by Baht 46,431 million or 8.3% from Baht 557,077 million as of December 31, 2008 to Baht 603,508 million as of December 31, 2009, mainly from the acquisition of three businesses from AIG and GEMT, resulting in the expansion of the Bank's net loans and retail loans portfolio portion from 32% to 42% of the Bank's total loan portfolio. The major components for the retail loan portion are high yielding assets, namely auto hire purchase loans, credit cards, and personal loans.

Loans by Business Sector

Broken down by business sector, the Bank's loan portfolio of Baht 603,508 million is diversified into various business sectors. The largest proportion is in the manufacturing and trading sectors, accounting for 28.4% of total loans. Loans to utilities and services business are the second largest portion and accounted for 16.4% of total loans.

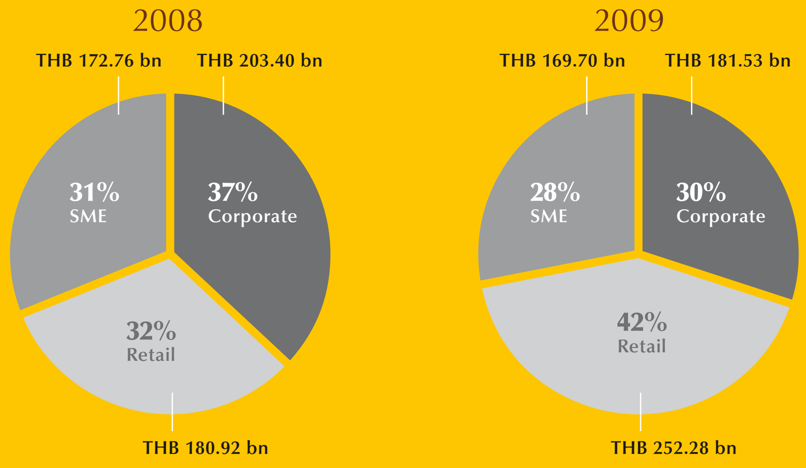
Loans

Consolidated (Baht Billion)



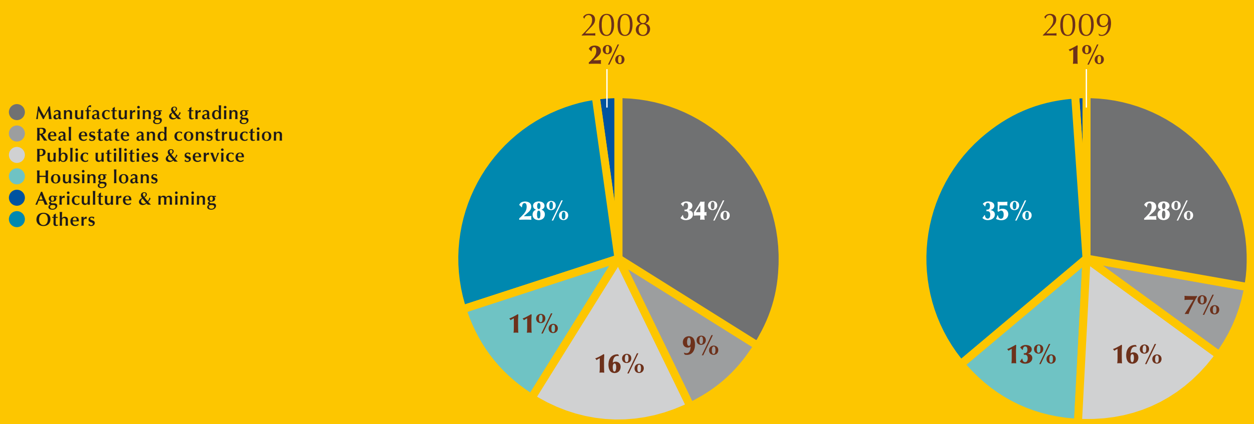
Breakdown of Loans

Consolidated



Loans by Business

Consolidated



Loans by Classification of Assets

Loans and accrued interest receivables under consolidated financial statements are classified as follows:

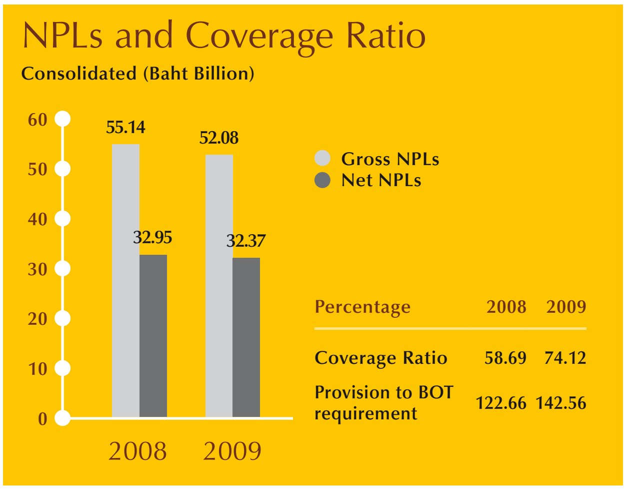
Unit: Million Baht

Consolidated	**2009**		**2008**	
	Amount	%	Amount	%
Normal	525,101	86.69	478,590	85.65
Special mention	27,066	4.47	23,479	4.20
Substandard	7,298	1.20	9,256	1.66
Doubtful	7,886	1.30	10,207	1.83
Doubtful of loss	37,319	6.16	36,227	6.48
Total	604,670	99.82	557,759	99.82
Plus deferred income/commission	1,048	0.18	1,001	0.18
Total	605,718	100.00	558,760	100.00

Remark: Represents loans after unearned discount and excludes interbank and money market items but includes accrued interest receivables.

2) **Non-performing loans**

Despite a decline in the overall economy in 2009, asset quality remained tightly controlled resulting in a decrease in NPLs by Baht 3,057 million or 5.5%. As of December 31, 2009, gross non-performing loans stood at Baht 52,080 million or 8.1% of total loans, compared with Baht 55,137 million or 8.8% of total loans at the end of 2008. Net non-performing loans as of December 31, 2009 totaled Baht 32,370 million or 5.2% of the loans outstanding net of the provision for doubtful accounts.



3) **Allowance for doubtful accounts and revaluation for debt restructuring**

As of December 31, 2009, the Bank and subsidiaries' allowance for doubtful accounts and revaluation for debt restructuring was Baht 38,603 million or 142.6% of required provisions based on Bank of Thailand guidelines, higher than the prior year's provision level of 122.7%.

The ratio of allowance to non-performing loans (coverage ratio) increased to 74.1% from the ratio in the previous year of 58.7%, reflecting a stronger balance sheet.

4) **Debt Restructuring**

In 2009, the Bank and its subsidiaries restructured debt in the amount of Baht 14,083 million, equivalent to 2.3% of total loans, compared to Baht 20,413 million or 3.7% in the prior year. At the end of 2009, outstanding debt restructured totaled Baht 61,861 million, an increase of 13.5% when compared to the prior year.

5) **Limiting Risk from Credit Default**

Extending credit to customers exposes the Bank and its subsidiaries to certain risks which the Bank has taken steps to minimize. The ability of any potential borrower to repay the loan is carefully analyzed. Customers are also required to provide collateral and/or a guarantor in order to obtain credit. In the case of a failure to honor the terms of the loan agreement, the Bank and subsidiaries have the right to seize or foreclose on the collateral and sell it at a fair price. To ensure that the Bank and its subsidiaries are able to recover any potential loss, the Bank has adopted a general policy to grant loans worth approximately 50-100% of the collateral value.

For unsecured retail personal loan lending, the Bank has considered other factors in addition to the customer's ability to repay the loan. Customer income, repayment history, and customer quality are also analyzed. A maximum lending limit per customer is set to limit the Bank's loss per each individual customer.

Bad debt is written off immediately when it becomes clear that the debt cannot be recovered, and in the case of bad debt recovery, the received amount is recorded as income on the income statement.

2.2 Properties Foreclosed

Properties foreclosed, including both immovable and movable assets, are recorded at the lower end of the fair value or the value of outstanding debt plus interest receivable whichever is less. When the Bank and its subsidiaries determine that the selling price of an asset has fallen, it sets aside a corresponding allowance. Profit or loss from the sale of properties foreclosed are recognized at the time of sale and recorded as non-interest income on the income statement. At the end of 2009, the value of properties foreclosed by the Bank and its subsidiaries totaled Baht 18,017 million, compared to a prior year balance of Baht 21,371 million. In 2009, foreclosed properties sold by the Bank and its subsidiaries totaled Baht 9,254 million.

2.3 Investment in Securities

1) **Government Securities**

The Bank's primary purpose in purchasing government securities is to fulfill all Bank of Thailand requirements, including liquid assets and intraday holding of liquidity. Securities guaranteed by the Ministry of Finance are risk-free while state enterprise bonds not insured by the Ministry of Finance are low-risk when compared with private-sector securities.

The Bank and its subsidiaries' investment in government securities consisted of treasury bills, government bonds, Financial Institutions Development Fund bonds, and state enterprise bonds with some, but not all, guaranteed by the Ministry of Finance.

The investments had a book value of Baht 52,248 million in 2009 and Baht 38,197 million in 2008. Their market value is assessed on a monthly basis. Any gap between book value and market price appears in the income statement or the shareholders' equity, depending on the type of investment, in accordance with Thai accounting standards.

2) **Private Sector Securities**

As of December 31, 2009 and 2008, private sector securities held by the Bank and subsidiaries had a total value of Baht 17,235 million and Baht 19,284 million, respectively. As of December 31, 2009 and 2008, these securities were divided into equity instruments worth Baht 7,751 million and Baht 8,802 million, respectively, and debt instruments worth Baht 9,484 million and Baht 10,482 million respectively.

Unit: Million Baht

Type of Securities	Amount (At cost value)			
	2009	%	2008	%
Equity Securities	7,751	44.97	8,802	45.64
Listed companies	3,629	21.06	3,645	18.90
Associated companies	384	2.22	550	2.85
Other investments	3,738	21.69	4,607	23.89
Debt Securities	9,484	55.03	10,482	54.36
Securities for trading	2,836	16.46	3,042	15.78
Securities available for sales	6,591	38.24	7,374	38.24
Securities held to maturity	57	0.33	66	0.34
Total	17,235	100.00	19,284	100.00

In 2009, investment in equity securities decreased by Baht 1,051 million or 11.9% due to sales of other investments and investments in debt securities decreased by Baht 998 million or 9.5% due to sales of debt securities available for sale.

3) **Return on Securities Investment**

The Bank and its subsidiaries' interest and dividend income from investments totaled Baht 1,818 million in the current year, a decrease of Baht 623 million or 25.5% when compared to the prior year mainly resulting from lower average interest rates and a decrease in dividends received from the equity portfolio of listed companies.

In 2009, the Bank and its subsidiaries' investment performance represented a loss of Baht 82 million, an improvement from the loss in prior year of Baht 2,173 million. The primary reason was the allowance for impairment of Baht 2,294 million for Collateralized Debt Obligations in 2008.

4) **Investment in accounts receivable**

As of December 31, 2009, the investments in secondary loans had a book value of Baht 2,146 million with maturities from June 23, 2010 to April 30, 2012. The interest rates are both fixed and floating according to the original contract. There was investment in Dubai World Group Finance Limited, which was an investment in a syndicated loan with approximate value of Baht 837 million. The impairment loss of Baht 424 million on the investment was booked in 2009.

3. Liquidity

Liquid Assets

As of December 31, 2009, the Bank and its subsidiaries' liquid assets consisted of cash, inter-bank and money market items, and investment in securities, totaling Baht 141,821 million or equivalent to 18.2% of total assets, a decrease of 12.7% from December 31, 2008.

As of December 31, 2009, the ratio of liquid assets to deposits and borrowings was 23.4% compared to 26.2% as of December 31, 2008. The loans-to-deposits ratio was 115.9%, as compared to 103.7% as of December 31, 2008; the increase mainly resulted from loans from the GEMT acquisition which was completed in November 2009. Furthermore, as the Bank remained on course with its matched funding strategy in the auto hire purchase business, debentures were issued through Ayudhya Capital Auto Lease Pcl. totaling Baht 5,674 million in addition to funding through deposits. This resulted in a loan to deposits and borrowings including debentures and bill of exchange ratio of 101.8%.

Cash Flows

The Bank and its subsidiaries' cash flow statements reflect a decrease in cash and cash-equivalent items of Baht 329 million as compared to a decrease of Baht 1,549 million in 2008, mainly due to an increase in net cash used in investing activities of Baht 5,667 million and in financing activities of Baht 62,089 million and a decrease in net cash used in operating activities of Baht 66,233 million.

4. Capital Expenditure

In 2009, capital expenditure was primarily on land, premises, and equipment totaling Baht 793 million.

5. Sources and Uses of Funds

Sources of Funds

At the end of 2009 and 2008, the Bank and its subsidiaries' total sources of funds came from: deposits, representing 66.7% and 71.8% of total sources respectively; borrowings, representing 10.9% and 10.9% respectively; shareholders' equity, representing 11.9% and 11.5% respectively; and other sources of funds, representing 10.5% and 5.8%, respectively.

Shareholders' equity

As of December 31, 2009, shareholders' equity was Baht 92,585 million, an increase of Baht 6,270 million or 7.3% from December 2008. This increase was due primarily to net income of Baht 6,657 million for the year 2009 offset by dividends paid of Baht 1,822 million, an increase in land and building revaluation and minority interest of Baht 1,695 million and Baht 62 million, respectively, and an increase of the revaluation on investments of Baht 271 million. During 2009, the Bank early adopted income tax accounting standards by applying International Accounting Standard No.12 "Income Taxes" (revised 2008), the content of which is not different from draft Thai Accounting Standard No.12 "Income Taxes" (2009), across the entire group resulting in a restatement of current and prior year financial statements with a net decrease in deferred tax balance on other comprehensive income under shareholders' equity of Baht 593 million.

Liabilities

As of December 31, 2009, total liabilities were Baht 687,547 million, an increase of Baht 25,977 million or 3.9% from December 31, 2008. Major drivers included an increase in interbank and money market items of Baht 27,412 million or 137.0% and an increase in other liabilities of Baht 12,574 million while deposits decreased by Baht 16,839 million or 3.1% as a result of lower deposit interest rates in the market which led depositors to switch to alternative investment options. In 2009 the Bank implemented the early adoption of income tax accounting standards by applying International Accounting Standard No.12 "Income Taxes" (revised 2008), the content of which is not different from draft Thai Accounting Standard No.12 "Income Taxes" (2009), as a result deferred tax liabilities were booked with an increase of Baht 539 million.

As of December 31, 2009, deposits totaled Baht 520,515 million, a decrease of Baht 16,839 million or 3.1% from December 31, 2008. The decrease was due primarily to a reduction in time deposits of Baht 36,978 million or 10.3% driven by time deposits in the 6 months to 1 year category decreasing by Baht 48,665 million or 29.8% and time deposits with tenor less than 6 months decreasing by Baht 11,344 million or 11.1% while time deposits with tenors more than 1 year increased by Baht 23,021 million or 24.6%. At the same time, current deposits decreased by Baht 2,865 million or 16.1% while savings increased by Baht 23,004 million or 14.3%. These movements resulted in a shift in the overall deposit mix with the fixed term deposit portion decreasing from 66.7% to 61.7%. However, the decrease in deposits was partially compensated by Ayudhya Capital Auto Lease Pcl's debenture issuance in the amount of Baht 5,674 million as an alternative source of funds other than deposits.

Proportion of deposits as of December 31, 2009 was as follows:

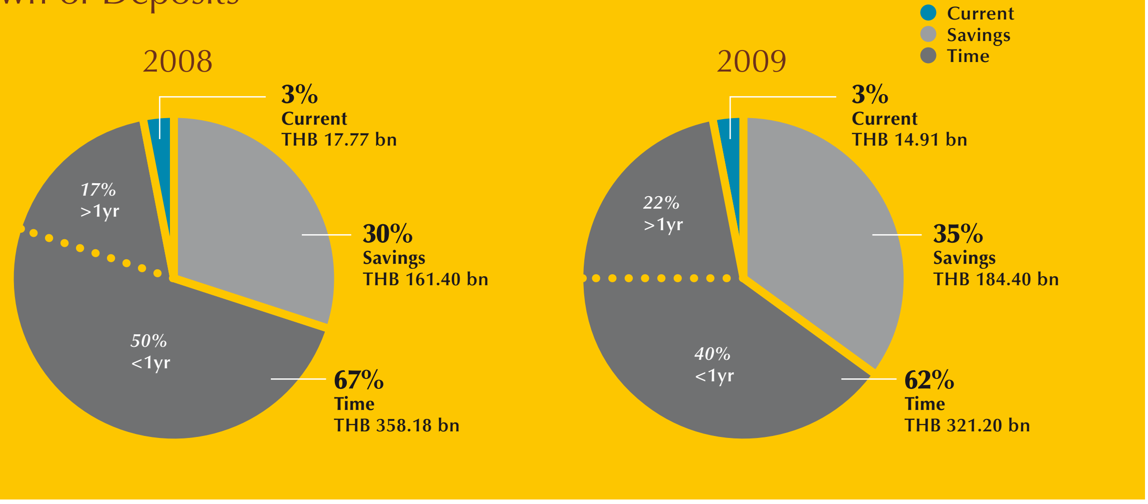
Time: 62%, Savings: 35%, Current: 3%

Proportion of deposits as of December 31, 2008 was as follows:

Time: 67%, Savings: 30%, Current: 3%

Breakdown of Deposits

Consolidated



Uses of Funds

At the end of 2009, the Bank and its subsidiaries' operating funds were allocated for credit extension at 77%. Funds used for maintaining liquid assets consisting of cash, interbank and money market items, and investment in securities accounted for 18.18%, and for other items 4.8%, compared with portions in 2008 of 75%, 21.8% and 3.2%, respectively.

6. The Relation between Sources and Uses of Funds

An examination of the relationship between the Bank and its subsidiaries' sources and uses of funds shows that the Bank and its subsidiaries' largest source of funds is short-term deposits of less than one year while the largest portion of the use of funds is loans. Outstanding loans at the end of 2009 and 2008 are classified by the remaining maturity as follows:

As of December 31, 2009, the Bank and its subsidiaries' loans (before unearned discount on loans, deferred brokerage fee, accrued interest, and excluding interbank and money market items) totaled Baht 625,144 million, loans with a remaining term of one year or less (including those without agreements and agreements that have expired) totaled Baht 360,824 million, an increase of 58.0% from the prior year, while loans with a maturity date of more than one year totaled Baht 264,320 million, a decrease of 24.2% from the prior year.

Consolidated

Unit: Million Baht

Period	2009		2008	
	Amount	%	Amount	%
One year or less	360,824	57.72	228,366	39.58
More than one year	264,320	42.28	348,562	60.42
Total	625,144	100.00	576,928	100.00
Less Unearned discount on loans	(22,684)		(20,852)	
Add Deferred brokerage fee, net	1,048		1,001	
Total	603,508		557,077	

The average loan duration is longer than the average term of deposit. Depositors typically automatically renew deposits once they reach maturity, representing a reliable balance between the sources and uses of funds.

Unit: Million Baht

Consolidated Financial Statements 2009

	0–1 Years*	1–5 Years	Greater than 5 Years	Non-Performing Loans	No Maturity	**Total**
Financial assets						
Interbank and money market items	53,242	297	-	-	129	53,668
Investments, net	22,308	36,282	2,324	-	7,149	68,063
Loans	259,357	164,374	127,697	52,080	-	603,508
Total	334,907	200,953	130,021	52,080	7,278	725,239
Financial Liabilities						
Deposits	486,177	34,338	-	-	-	520,515
Interbank and money market items	35,794	11,554	67	-	-	47,415
Borrowings	39,090	45,595	2	-	-	84,687
Total	561,061	91,487	69	-	-	652,617

* Included at Call

The average rate of interest earned in 2009 was 5.6%, a decrease from 6.4% in 2008 and the average interest cost was 1.7% in 2009, a decrease from 2.4% in 2008 in line with decreasing interest rates. The interest rate spread in 2009 was 3.9%, compared to 4.0% in 2008.

7. Capital Adequacy

The Bank changed the method of capital calculation from Basel I to Basel II effective from December 31, 2008 as required by the Bank of Thailand.

As of December 31, 2009, the Bank's capital totaled Baht 93,745 million, equivalent to 14.15% of risk-weighted assets with 11.55% in Tier 1 capital. The Bank's capital adequacy ratio reduced slightly from last year because of an increase in risk weight assets at the Bank from the acquisitions but it still remained at a healthy level, thus supporting further potential inorganic growth if an opportunity arises.

Capital Adequacy Ratio

THB bn.	2008 (Exclude DTA)	2008 (Include DTA)	2009 (Exclude DTA)	2009 (Include DTA)
Tier 1	79.00	76.67	79.26	76.47
Tier 2*	17.12	17.12	17.27	17.27
Total Capital	95.56	93.23	96.54	93.74

Note:
* Capital before reduction of investment revaluation discretion (net) in securities available for sale

DTA: Deferred Tax Assets

Credit Ratings

The Bank's credit rating by Moody's Investors Service, Standard & Poor's, Fitch Ratings and TRIS Rating as of December 31, 2009 are as follows:

Moody's Investors Service	
Bank Deposits	
Long Term	Baa2
Short Term	Prime-2
Debt	
Long Term - Senior Debt	Baa2
Long Term – Subordinated Debt	Ba1
Short Term	Prime-3
Debt and Deposit Rating Outlook	Stable
Bank Financial Strength Ratings	D
Outlook	Stable
Standard and Poor's	
Local Currency	
Long Term	BBB-
Short Term	A-3
Foreign Currency	
Long Term - Senior Debt	BBB-
Short Term	A-3
Bank Financial Strength Ratings	C
Outlook	Stable
ASEAN Scale Issuer Credit Ratings	
Long Term	axA-
Short Term	axA-2
Fitch Ratings	
International Rating (Foreign Currency)	
Long Term	BBB
Subordinated Debt	BBB-
Short term	F3
Individual Rating	C
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
TRIS Rating	
Company Rating	AA-
Issue Rating	A+
Outlook	Stable

Shareholding and Management Structures

Top Ten Shareholders

The following is a list of the top 10 major shareholders of the Bank, as of the closing date of 11 September 2009, (6,074,143,747 issued and paid-up ordinary shares at the par value of THB 10 per share):

Rank	Shareholder	Number of Shares	% of Total Share
1.	GE Capital International Holdings Corporation	2,000,000,000	32.93
2.	Thai NVDR Company Limited	893,037,844	14.70
3.	Stronghold Assets Company Limited	166,536,980	2.74
4.	Tunmahachoke Company Limited	166,478,940	2.74
5.	G L Assets Company Limited	166,414,640	2.74
6.	BBTV Sattelvision Company Limited	166,151,114	2.74
7.	BBTV Assets Management Company Limited	163,112,900	2.69
8.	Bangkok Broadcasting & T.V. Company Limited	160,789,220	2.65
9.	Mahakit Holding Company Limited	158,726,810	2.61
10.	Tun Rung Rueng Company Limited	157,889,440	2.60

Remark: For data on current shareholders of the Bank, investors should visit the website: www.krungsri.com before the annual general meeting of shareholders.

Management

1. Committee Structure

The Committee structure comprises the Board of Directors and 4 Committees appointed by the Board of Directors to supervise the Bank's businesses, as named below:

(1) Audit Committee
(2) Nomination and Remuneration Committee
(3) Risk Management Committee
(4) Executive 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 & 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, and focuses mainly on the Bank's and its shareholders' benefit.

The composition and qualifications, term of office, authority, duties and responsibilities, members and meetings of each of the bodies mentioned above are described in detail below:

Board of Directors

Composition and Qualifications

The Board of Directors consists of at least 5 directors, and 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.

As of 31 December 2009, the Bank's Board of Directors consists of 11 directors: 5 non-executive directors, 4 independent directors and 2 executive directors. All directors possess qualifications as required by relevant laws, regulations of the Bank's regulatory authorities and the Bank's Articles of Association in regard to the directors. The corporate secretary performs the duty of Secretary to the Board of Directors. The proportion of directors (excluding independent directors) reflects the investment funds of each major shareholder group.

Selection of Directors

The Bank has formal procedures for selecting its directors. The Nomination and Remuneration Committee is responsible for selecting qualified individuals to be nominated to the Board of Directors for consideration and possible approval. This is done in one of two ways:

(1) *Election of directors at general shareholder meetings:* The election of persons to replace the directors whose terms expire and/or the election of additional directors (new directors) is subject to shareholder approval. In this case, names of qualified persons who are not prohibited and approved under all legal and regulatory requirements pertaining to the commercial banking industry are placed into nomination by the Board of Directors. All such nominees have already been vetted and approved by the Nomination and Remuneration Committee. Shareholder approval conforms to the following procedures:

a. Each share entitles the shareholder to one vote.
b. Nominees for the Board of Directors are elected on an individual basis, and shareholders must cast all their votes in (a) for a single candidate and may not divide their votes among more than one of the nominees.
c. The selection of candidates is decided by a simple majority of votes; in the event of a tie, the Chairman of the meeting shall cast the deciding vote.

Furthermore, the Bank has given minority shareholders, who hold shares of no less than 0.1% of the Bank's total shares, the right to nominate persons to be elected as directors by setting a period of 1 month.

(2) *Election of directors for reasons other than expiry of term:* It is the responsibility of the Nomination and Remuneration Committee to identify qualified nominees whose names are proposed to the Board of Directors at their next meeting. The Board of Directors carefully reviews the nominees to ensure that all are not prohibited and approved under the requirements of all relevant regulatory bodies. The election of new directors shall comply with the law and the Bank's Articles of Association. To be elected, a nominee must receive not less than three quarters of the votes of the remaining directors and shall serve only the remaining term of the position he/she is elected to fill.

Qualifications of Independent Directors

In 2009, the Bank, with the approval of the Board of Directors, established a set of qualifications for independent directors which conforms to the regulations of the Bank of Thailand and is even more rigorous than the good corporate governance principles outlined by the Stock Exchange of Thailand, and the general guidelines of the Office of the Securities and Exchange Commission. In this way, the Bank can bolster investor confidence and maintain a proper system of checks and balances. Requirements are:

The independent director's qualifications are as follows:

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 shares held by their related persons shall also be counted.

2. Within 2 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 2 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 2 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 employed an auditor of the Bank, parent company, subsidiary company, associated company, major shareholder, or managerial authority of the Bank.

6. Within 2 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 2.0 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 a 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 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 Association and in accordance with the Public Limited Company Act 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 nearest number of one-third shall retire. However, a member who retires by rotation may be reappointed.

The Bank has no regulations on the number of terms that a director may be reappointed to but there are guidelines on the age of retirement for directors which is at 72 years of age. A director that is 72 years of age is allowed to continue until the end of the term and then retire. If a director is nominated before 72 years of age, he/she is allowed to be reappointed for another term.

Authority, Duties and Responsibilities

1. The Board of Directors has the authority to supervise and manage the Bank to ensure compliance with the laws, objectives, Articles of Association and Board of Directors and shareholders meeting resolutions, except for those as specified below, which are subject to prior shareholders meeting approval:

   (1) Matters for which the law requires resolutions of a shareholders meeting, e.g. increase or decrease of capital, dissolution, and merger.
   (2) Matters for which regulations require approval from a shareholders meeting such as related party transactions, acquisition or disposal of assets.

2. In addition to the authority and responsibilities to supervise and manage the Bank's operations as specified in 1 above, the Board of Directors also has the following duties and responsibilities:

(1) To set overall direction and strategic goals for the Bank;
(2) To consider and approve policies proposed by the Bank's management;
(3) To ensure that the Bank's executives implement the approved policies effectively and efficiently in order to protect the interests of the Bank and its shareholders;
(4) To establish a system for preventing possible conflicts of interest;
(5) To draw up the Code of Conduct for the Bank's business and the Code of Ethics for directors, executives, and employees and to ensure that they are communicated to the Bank's employees at all levels;
(6) To monitor the Bank's operations to ensure that the executives comply with the law;
(7) To arrange for effective internal control and internal auditing mechanisms;
(8) To monitor the Bank's executives to ensure implementation of effective risk management procedures and control and to carry out regular reviews of policies and strategies;
(9) To consider and approve the roles and responsibilities of various Committees that report directly to the Board of Directors and substantial changes in their scope of power and duties;
(10) To be responsible for ensuring an effective system of reporting that enables the Board of Directors to receive adequate information from the Bank's executives for exercise of their authority and discharge of their responsibilities; and
(11) To be responsible for the consolidated financial statements of the Bank and its subsidiaries and for all other financial information which appears in the annual report and to ensure all relevant information is adequately and fully disclosed.

Members of the Board of Directors

As of December 31, 2009, the Board of Directors consists of 11 directors as below:

- **Non-executive Directors**

(1)	Mr. Veraphan Teepsuwan	Chairman
(2)	Mr. Pornsanong Tuchinda	Director
(3)	Mr. Chet Raktakanishta	Director
(4)	Mr. Pongpinit Tejagupta	Director
(5)	Mr. Mark John Arnold	Director

- **Independent Directors**

(6)	Mr. Surachai Prukbamroong	Director
(7)	Mr. Karun Kittisataporn	Director
(8)	Mr. Virat Phairatphiboon	Director
(9)	Mr. Yongyuth Withyawongsaruchi	Director

- **Executive Directors**

(10)	Mr. Tan Kong Khoon	Director
(11)	Mrs. Janice Rae Van Ekeren	Director

Secretary to the Board of Directors is Mrs. Thidarat Sethavaravichit

The authorized signatory directors of the Bank were either Mr. Pongpinit Tejagupta or Mr. Chet Raktakanishta, who co-sign with either Mr. Tan Kong Khoon or Mrs. Janice Rae Van Ekeren, a total of two directors; and jointly affix the Company seal.

Names of Members and Meetings of the Board of Directors

The Board of Directors meetings are convened on a regular basis at least once a month and are scheduled in advance for the whole year. In 2009, there were a total of 19 meetings which consisted of 12 meetings scheduled in advance and 7 extraordinary meetings as detailed below:

Members of the Board of Directors	Number of Times Attended / Total Number of Meetings				
	Board of Directors	**Audit Committee**	**Nomination and Remuneration Committee**	**Risk Management Committee**	**Executive Committee**
Non-executive Directors					
(1) Mr.Veraphan Teepsuwan	19/19				
(2) Mr. Pornsanong Tuchinda	18/19		17/18		
(3) Mr. Chet Raktakanishta	16/19				
(4) Mr. Pongpinit Tejagupta	18/19				
(5) Mr. Mark John Arnold[1]	9/16				
Independent Directors					
(6) Mr. Surachai Prukbamroong	19/19	22/22			
(7) Mr. Karun Kittisataporn	18/19		17/18		
(8) Mr. Virat Phairatphiboon	18/19	21/22	16/18		
(9) Mr. Yongyuth Withyawongsaruchi	19/19	22/22			
Executive Directors					
(10) Mr. Tan Kong Khoon	18/19			12/12	12/12
(11) Mrs. Janice Rae Van Ekeren	17/19			11/12	11/12

Remark: [1]**Appointed by the Annual General Meeting of Shareholders No. 97 on April 9, 2009 with the details of meeting attendance as follows:**
- **He attended all 9 of the meetings scheduled in advance**
- **Regarding the 7 extraordinary meetings, he was absent from 4 meetings due to related interests and from 3 meetings due to business abroad.**

Sub-Committees

The Board of Directors appointed Sub-Committees to help the Board of Directors to investigate important matters and follow up operations and govern the performance with completeness and efficiency. The Sub-Committees are as follows:

1) Audit Committee

Composition, Qualifications, and Term of Office

The Board of Directors appoints the Audit Committee consisting of at least 3 independent directors of the Bank stipulated by the Capital Market Supervisory Board and one of the members shall be appointed as the Chairman of the Audit Committee. Each Committee member has a three-year term of office.

Authority, Duties and Responsibilities

1. To ensure that Committee members, the Bank's auditors, and internal auditors and the management team have a clear and common understanding of aspects related to their work.

2. To carry out periodic reviews of the Regulations of the Audit Committee and make changes appropriate to the current organizational environment.

3. To nominate the Bank's auditors and propose auditing fees.

4. To ensure and attest the independence of the internal auditors and the Bank's auditors and also to nominate, transfer, and terminate the internal audit function heads.

5. To question Bank's executives, internal auditors and the Bank's auditors about major business risks and measures taken to control or reduce such risks.

6. To examine and set the auditing scope and plans of the internal auditors and the Bank's auditors in an appropriate and effective manner.

7. To coordinate with the internal auditors and the Bank's auditors to review auditing procedures in order to eliminate redundancies and reduce expenses.

8. To coordinate with the internal auditors and the Bank's auditors to examine the adequacy of the Bank's internal auditing mechanisms and identify any major weaknesses.

9. To coordinate with the internal auditors, the Bank's auditors, and relevant managers to examine the accuracy and adequacy of all of the Bank's financial reporting and financial statements at the end of each quarterly and annual audit period.

10. To monitor the cooperation or interference of the Bank executives with the work of the Bank's auditors or internal auditors.

11. To coordinate with the Bank's executives and internal auditors to examine all major weaknesses identified during the course of the year and to review responses from the Bank's executives and relevant managers.

12. To review the charter of the Bank's internal auditors and ensure that it remains constantly updated.

13. To verify the Bank's compliance with all pertinent laws and regulations.

14. To attend the meetings along with the Bank's auditors, and internal auditors to consider any matter which the Audit Committee deems appropriate at a special meeting without management at least once a year.

15. To prepare performance reports and Audit Committee meeting reports for submission to the Board of Directors.

16. To prepare a report which reveals the Audit Committee's duties and undertakings as part of the annual report.

17. The Audit Committee has the authority to examine all Bank documents or data, and to summon any Bank employee for questioning.

18. The Audit Committee has the authority to hire or summon any expert to assist in or advise on audit work, or to undertake any investigation as appropriate at the expense of the Bank.

19. To provide opinion and consider disclosing the Bank's correct and complete information, especially in the cases of related party transactions or conflict of interest.

20. To report to the Board of Directors for rectifications within a time the Audit Committee deems appropriate cases the Audit Committee discovers or suspects of the following transactions or conducts:
    - Conflict of interest transactions
    - Critical fraud or abnormality or defects within the internal control system
    - Violation of regulations and the Bank's Articles of Association including laws relating to the Bank's business operation.

    In the case the Audit Committee considers that the above transactions or conducts reported to the Board of Directors have not been rectified within the time specified by the Audit Committee without good justification, the Audit Committee is to report these matters in the Annual Report and report further to the Bank of Thailand and the Office of the Securities and Exchange Commission or the Stock Exchange of Thailand.

21. To perform any other duties as assigned by the Board of Directors with concurrence of the Audit Committee.

Names of Members and Meetings of the Audit Committee

As of December 31, 2009, the Audit Committee consists of 3 members who are competent and experienced in the audit of company financial statements. In 2009, there were a total of 22 meetings which consisted of 11 scheduled meetings and 10 extraordinary meetings (including 2 meetings with the Bank's auditor without the Bank's Management) and another meeting only with Independent Directors as detailed below:

Members of the Audit Committee	Position	Number of Times Attended / Total Number of Meetings
(1) Mr. Surachai Prukbamroong	Chairman	22/22
(2) Mr. Virat Phairatphiboon	Member	21/22
(3) Mr. Yongyuth Withyawongsaruchi	Member	22/22
Secretary to the Audit Committee is Miss Jiraporn Popairoj[1]		

Remark: [1]Appointed by the Audit Committee effective from October 1, 2009 replacing Miss Puntipa Hannorraseth

2) Nomination and Remuneration Committee

Composition, Qualifications and Term of Office

The Board of Directors appoints the Nomination and Remuneration Committee consisting of at least 3 non-executive directors of the Bank, provided that the Chairman of the Committee shall be an independent director. The Head of Human Resources acts as the Secretary to the Committee. 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. To establish policies as stated below:
   - 1.1 Policies, rules, and procedures for selection of the Bank's Board members, Committee members and high-level executives, namely, President & Chief Executive Officer, Chief Officers/Heads, Deputy Chief Officers, First Executive Vice Presidents, and Executive Vice President;
   - 1.2 Policies, rules, and procedures for selection of directors of the businesses in which the Bank holds shares of at least 50 percent; and
   - 1.3 Policy on payment of remuneration and other benefits, including amounts of remunerations and benefits to the Bank's Board members, Committee members, and high-level executives, namely, President & Chief Executive Officer, Chief Officers/Heads, Deputy Chief Officers, First Executive Vice Presidents, and Executive Vice President, with clear and transparent procedures for obtaining the Board of Directors' approval and submission to the Bank of Thailand upon request.

2. To select and nominate to the Board of Directors qualified individuals to the following positions:
   - 2.1 Bank's directors;
   - 2.2 Committee members reporting directly to the Board of Directors;
   - 2.3 High-level executives, i.e., President & Chief Executive Officer, Chief Officers/Heads, Deputy Chief Officers, First Executive Vice Presidents and Executive Vice President; and
   - 2.4 Directors of the businesses in which the Bank holds shares of at least 50 percent.

3. To ensure that the Bank's directors, Committee members, and high-level executives, i.e., President & Chief Executive Officer, Chief Officers/Heads, Deputy Chief Officers, First Executive Vice Presidents and Executive Vice President receive remunerations which is appropriate to their duties and responsibilities, in accordance with the Bank's rules and comparable to other banks. However, any Bank's director who is assigned to take higher responsibilities should be entitled to an additional remuneration suitable for the same.

4. To ensure that the Board of Directors' size and composition are proper to the organization and may be adjusted to be in line with a change of circumstance, and that the Board of Directors consists of individuals having proficiency, knowledge, and experience.

5. To formulate guidelines for assessment and evaluation of performance of the Banks' directors and high-level executives, i.e., President & Chief Executive Officer, Chief Officers/Heads, Deputy Chief Officers, First Executive Vice Presidents, and Executive Vice President for consideration of the annual remuneration by taking into account the responsibilities and relevant risks as well as an increase in the shareholders' equity on a long-term basis.

6. To draw up a succession plan for the President & Chief Executive Officer and to consider and approve succession plans for the positions of Chief Officers/Heads.

7. To disclose policies and prepare a summary report on the performance of the Nomination and Remuneration Committee in the Bank's annual report.

8. In case of necessity, to seek, at the Bank's expense, opinions on several matters, such as, salary survey and selection of the Bank's directors and executives from the external (independent) advisors with specific expertise.

Names of Member and Meetings of the Nomination and Remuneration Committee

As of December 31, 2009, the Nomination and Remuneration Committee consists of 3 members. In 2009, there were a total of 18 meetings as detailed below:

Members of the Nomination and Remuneration Committee	Position	Number of Times Attended / Total Number of Meetings
(1) Mr. Karun Kittisataporn	Chairman	17/18
(2) Mr. Virat Phairatphiboon	Member	16/18
(3) Mr. Pornsanong Tuchinda	Member	17/18

Secretary to the Nomination and Remuneration Committee is Miss Nopporn Tirawattanagool

3) Risk Management Committee

Composition, Qualifications and Term of Office

The Board of Directors appoints the Risk Management Committee consisting of at least 7 members, namely the President & Chief Executive Officer (being the Chairman of the Committee by position), Chief Risk Officer and other suitable executives. Members of the Risk Management Committee should have capability, experience, and an understanding of their duties and responsibility as persons with good judgment in acting for the benefit of the business according to Bank's good corporate governance principles. The current term of office is until December 31, 2010.

Authority, Duties and Responsibilities

1. To establish policy on integrated risk management and make proposals to the Board of Directors for consideration, in regards to risks under the Bank of Thailand's risk-based approach to commercial banking, 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. To monitor and manage the Bank's business operations to follow the Bank's integrated risk management policy.

3. To prepare reports which contain information and are in the form as specified by the Executive Committee for submission to the Executive Committee.

4. To set strategies in line with the Bank's integrated risk management policy, enabling the assessment and control of the Bank's risks to be within acceptable limits.

5. To ensure that the Bank's integrated risk management is in line with principles of good corporate governance.

6. To continuously review the adequacy of the Bank's policies, risk management system, system effectiveness, and policy implementation in order to find ways to ensure that the Bank's integrated risk management is carefully and effectively conducted.

7. To consider and approve the policies and procedures on assessment of assets placed as security for lending and immovable assets for sale deriving from debt repayment or from a public auction, including the procedures on review of the asset value.

8. To develop and review policies and procedures for lending, including provision set-up and policy on write-off of bad debts, credit limit management, application of the scorecard system to granting of credit facilities and pricing, which depends on risks in several aspects and investment by acquisition of businesses.

9. To provide recommendations on information systems in relation to risk management.

10. To approve and include programs for launching new products or pricing for products pending approval in the Bank's business plans.

11. To oversee the supervision of the companies within the Financial Business Group to comply to the measures set forth by the Bank of Thailand and Bank's Internal Risk Management Policy.

12. To 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. To have the power to appoint and determine roles and duties of the Committees and/or Sub-Committees in relation to management of each type of the Bank's risk as appropriate. The Sub-Committees report to the Risk Management Committee.

14. To have the power to inspect any Bank documents and to call relevant parties for clarification on facts in support of consideration to ensure that the Committee's operation fulfils the specified objectives.

15. To regularly report to the Audit Committee all operations in need of improvement or adjustment for consistency with the established policies and strategies.

Names of Members and Meetings of the Risk Management Committee

As of December 31, 2009, the Risk Management Committee consists of 8 members. In 2009, there were a total of 12 meetings as detailed below:

Members of the Risk Management Committee	Position	Number of Times Attended / Total Number of Meetings
(1) Mr. Tan Kong Khoon	Chairman	12/12
(2) Mr. Chandrashekar Subramanian Krishoolndmangalam	Vice Chairman	12/12
(3) Mrs. Janice Rae Van Ekeren	Member	11/12
(4) Mr. Virojn Srethapramotaya	Member	12/12
(5) Mr. Poomchai Wacharapong	Member	9/12
(6) Mr. Roy Agustinus Gunara	Member	11/12
(7) Miss Phawana Niemloy[1]	Member	3/3
(8) Mr. Saengchart Wanichwatphibun	Member	8/12
Members that resigned or the term ended during the year		
(1) Mr. Tinnawat Mahatharadol[2]	Member	5/5

Secretary to the Risk Management Committee is Mr. Nuttawit Boonyawat

Remark : [1] **Term of Office ended on March 25, 2009**
[2] **Resigned from being Bank Executive on June 1, 2009**

4) Executive Committee

Composition, Qualifications, and Term of Office

The Board of Directors appoints the Executive Committee consisting of at least 7 members, namely, President & Chief Executive Officer (being the Chairman of the Executive Committee by position), Chief Financial Officer, Chief Risk Officer, General Counsel, and other appropriate executives. Members of the Executive Committee should have capability, experience, and an understanding of their duties and responsibility as persons with good judgment in acting for the benefit of the business according to Bank's good corporate governance principles. The current term of office is until December 31, 2010.

Authority, Duties, and Responsibilities

1. To ensure that the Bank's operations are in accordance with all relevant laws and regulations.

2. To supervise the Bank's management to ensure accomplishment of the Bank's goals, policies, strategies, and business plans.

3. To provide full and complete information to the Board of Directors for the optimal benefit in the establishment of policies and plans.

4. To screen strategic plans, annual business plans, the capital expenditure budget, and operational targets under various project plans, and to monitor incomes/non-interest expenses and present them to the Board of Directors.

5. To assign matters arising from the Bank's normal operations to the Board of Directors and other Committees for further consideration.

6. To ensure the preparation of reports as designated by the Board of Directors.

7. To review policies and business plans established by the President & Chief Executive Officer and audited by the Financial Management Committee and present the reviewed business plans to the Board of Directors meeting for approval.

8. To consider policies and business plans approved by the Board of Directors on a quarterly basis and provide opinions on such policies and business plans to the Board of Directors.

9. To consider, approve, and follow up on the following matters:
    - 9.1 Investment with a large amount of funds;
    - 9.2 Introduction of new products or suspension of provision of any product or change of price as approved;
    - 9.3 Joint investment, partnership, business alliance, or execution of agreements or arrangements of a similar nature;
    - 9.4 Lending or guarantees other than those in the normal course of the Bank's business;
    - 9.5 Creation of rights over the Bank's property or assets;
    - 9.6 Debt repayment or early repayment;
    - 9.7 Amendment to the policy on payment of remuneration or employee fringe benefits;
    - 9.8 Amendment to the strategies and policies on lending and acceptance of deposits;
    - 9.9 Approval or termination of credit limits; and
    - 9.10 Execution of arrangements or establishment of policies on execution of arrangements with the authorities supervising the Bank's business, other than in cases where high-level executives of the Bank are authorized to do so.

10. To follow up and accelerate the performance of all functions to ensure effective and efficient implementation of the formulated plans and goals.

11. To review, audit, provide recommendations and give instructions to develop the management system and working process of departments to ensure they are appropriate, up-to-date and consistent with changing economic conditions.

12. To have the power to call for documents and relevant persons for clarification of facts in support of considerations to ensure that the Committee's performance fulfills the objectives.

13. To have the power to appoint and determine roles and duties of the Committees and/or the Sub-committees and/or any persons deemed appropriate to help manage the Bank's business.

14. To proceed with matters as assigned by the Board of Directors.

15. To report key operating results and activities to the Board of Directors.

16. To proceed with matters in relation to the general business or activities of the Bank.

17. To monitor the performance of the Sub-Committees reporting to the Executive Committee.

Names of Members and Meetings of the Executive Committee

As of December 31, 2009, the Executive Committee consists of 13 members. Meetings are convened on a regular basis at least once a month and are scheduled in advance for the whole year. In 2009, there were a total of 12 meetings as detailed below:

Members of the Executive Committee	Position	Number of Times Attended / Total Number of Meetings
(1) Mr. Tan Kong Khoon	Chairman	12/12
(2) Mrs. Janice Rae Van Ekeren	Vice Chairman	11/12
(3) Mr. Virojn Srethapramotaya	Member	10/12
(4) Mr. Piriyah Wisedjinda[2]	Member	6/6
(5) Mr. Chandrashekar Subramanian Krishoolndmangalam	Member	11/12
(6) Miss Phawana Niemloy	Member	12/12
(7) Mr. Poomchai Wacharapong	Member	11/12
(8) Mr. Sudargo Harsono	Member	11/12
(9) Mr. Roy Agustinus Gunara[1]	Member	8/9
(10) Mrs. Wanna Thammasirisup	Member	11/12
(11) Dr. Yaowalak Poolthong[1]	Member	8/9
(12) Miss Nopporn Tirawattanagool	Member	10/12
(13) Mrs. Voranuch Dejakaisaya[2]	Member	5/6
Members that resigned or the term ended during the year		
(1) Mr. Pongpinit Tejagupta[3]	Member	5/6
(2) Mr. Tinnawat Mahatharadol[4]	Member	2/2
(3) Mr. Apirom Noi-Am[5]	Member	3/3

Secretary to the Executive Committee is Mrs. Thidarat Sethavaravichit

Remark : [1] Appointed by the Board of Directors effective from March 25, 2009
[2] Appointed by the Board of Directors effective from July 8, 2009
[3] Retired from being Bank Executive on August 1, 2009
[4] Resigned from being Bank Executive on June 1, 2009
[5] Resigned from being Bank Executive on July 1, 2009

2. Background of Education and Work Experience of Executives (as defined by the SEC)

As of December 31, 2009

Name – Surname / Education	Age (Yrs)	Work Experience in the last 5 years: Period	Position	Name of Organization
Non-Executive Directors				
1. Mr. Veraphan Teepsuwan	68	Jan 2007 – Present	Chairman	Bank of Ayudhya Plc
• MBA., Northeastern University, U.S.A.		Apr 2006 – Jan 2007	Director	
• Bachelor of Economics, Boston University, U.S.A.		Nov 2006 – Present	Chairman	Siam City Cement Plc
		1998 – 2006	Director	
• Certificate of Role of the Chairman Program (RCP), Thai Institute of Directors Association (IOD)		2003 – Present	Vice Chairman	Eastern Star Real Estate Plc
		1999 – Present	Chairman	Ayudhya Insurance Plc
		1995 – Present	Chairman	Ayudhya Allianz C.P. Life Plc
		1983 – Present	Director	Bangkok Broadcasting&T.V. Co., Ltd.
2. Mr. Pornsanong Tuchinda	48	Jan 2007 – Present	Director	Bank of Ayudhya Plc
• MBA., (Finance and Management), Babson College, Massachusettes, U.S.A.		Feb 2007– Dec 2009	Nomination and Remuneration Committee Member	
• BA., (Economics and Political Science), The University of Michigan, Ann Arbor, Michigan, U.S.A.		Nov 2009 – Present	Chairman	Ayudhya Securities Plc
		May 2008 – Present	Chairman of Audit Committee	Focus Development & Construction Plc (Formerly Focus Engineering & Construction Plc)
• Certificate of Director Accreditation Program (DAP), Director Certification Program (DCP), Audit Committee Program (ACP), Thai Institute of Directors Association (IOD)		2005–Apr 2008	Independent Director and Audit Committee Member	
		2007 – Present	Chairman	Triple P Development Co., Ltd.
		Dec 2008–Nov 2009	Chairman	Ayudhya Fund Management Co., Ltd.
		2005 – Feb 2008	Independent Director and Audit Committee Member	Syrus Securities Co., Ltd.
		2005 – 2006	Independent Director and Chairman of the Audit Committee	GE Money Retail Bank Plc
		2004 – 2005	Chairman	Nava Leasing Plc
3. Mr. Chet Raktakanishta	68	Apr 2007 – Present	Director (Authorized Signatory Director)	Bank of Ayudhya Plc
• Bachelor of Science (Business Administration), Brigham Young University, U.S.A.		Jul 2007 – Mar 2009	Compliance Review Committee Member	
• Certificate of Director Certification Program (DCP), Finance for Non - Finance Director (FND), Audit Committee Program (ACP), DCP Refresher Course, Role of the Compensation Committee (RCC), Director Financial, Monitoring the Quality of Financial Reporting (MFR), Thai Institution of Directors Association (IOD)		Jan 2007– Dec 2007	Head of Operations	
		Apr 2006 – Dec 2007	Executive Committee Member	
		Aug 2005 – Apr 2006	Credit Committee Member	
		1995 – Dec 2007	First Executive Vice President	
		Nov 2008 – Present	Chairman of the Nomination and Remuneration Committee	Media of Medias Plc
		2003 – Present	Independent Director and Audit Committee Member	
		Jan 2007 – Present	Nomination and Remuneration Committee Member	Ayudhya Insurance Plc
Remark:		1994 – Present	Director	
- *Passed away on January 31, 2010*		1999 – Present	Independent Director and Audit Committee Member	Siam City Cement Plc
		2001 – Apr 2008	Chairman	Krungsriayudhya Card Co., Ltd.
		2005 – 2007	Director	National ITMX Co., Ltd.

Name – Surname / Education	Age (Yrs)	Work Experience in the last 5 years		
		Period	**Position**	**Name of Organization**
4. Mr. Pongpinit Tejagupta • MBA., University of Detroit, Michigan, U.S.A. • Bachelor of Accounting, Chulalongkorn University • Certificate of Director Accreditation Program (DAP), Director Certification Program (DCP), Audit Committee Program (ACP), Thai Institute of Directors Association (IOD)	55	Aug 2005 – Present	Director (Authorized Signatory Director)	Bank of Ayudhya Plc
		Jul 2009	Senior Advisor, 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	
		2002 – Jun 2007	Risk Management Committee Member	
		Aug 2005– Jan 2007	President	
		Aug 2005 – Apr 2006	Chairman of the Credit Committee	
		2002 – Apr 2006	Executive Committee Member	
		Feb 2004 – Aug 2005	Senior Executive Vice President	
		Apr 2003 – Present	Director	Ayudhya Allianz C.P. Life Plc
		Aug 1996 – Jul 2009	Director	Krungsriayudhya Card Co., Ltd.
		Dec 2001– Apr 2008	Director	Ayudhya Asset Management Co., Ltd.
		2003 – 2005	Director	PrimaVest Asset Management Co., Ltd.
5. Mr. Mark John Arnold • BA. (1st Class Honors) Management Studies, University of Liverpool • Diploma in Marketing, Chartered Institute of Marketing *Remark:* - *Appointed as the President & CEO on January 5, 2010.* - *Held the following positions in The Bank's Committees: Chairman of the Risk Management Committee, Chairman of the Executive Committee and Chairman of the Compliance Review Committee since January 5, 2010.* - *Served as the authorized signatory director since January 6, 2010.*	41	Apr 2009 – Present	Director	Bank of Ayudhya Plc
		Aug 2009 – Present	Director	PT Astra Sedaya Finance
		Jul 2009 – Dec 2009	Director	GE Capital Philippines Investment Holding B.V.
		May 2009 – Present	Director	Cosmos Bank, Taiwan
		Apr 2009 – Dec 2009	Director	GE Capital Emerging Markets Holding B.V.
		Apr 2009 – Dec 2009	Director	GE Capital South East Asia Holding B.V.
		Apr 2009 – Dec 2009	Director	GE Garanti Bank S.A. (Romania)
		Jan 2009 – Dec 2009	CEO	GE Capital Global Banking, South East Asia
		Apr 2007 – Mar 2009	Member of the Board	Motoractive Multiservices SRL
		Sep 2006 – Aug 2009	Member of the Management Board	Leasemart Holding B.V.
		Sep 2006 – Apr 2009	Member of the Board of Directors	S.C. Ralfi IFN S.A., Cluj, Romania
		Sep 2006 – Apr 2009	Member of the Board of Directors	S.C. Domenia Credit IFN S.A., Bucharest, Romania
		Sep 2006 – Apr 2009	Member and Chairman of the Board of Directors	S.C. Motoractive IFN S.A., Bucharest, Romania
		Oct 2004 –Apr 2009	CEO & President	Budapest Bank (GE Money), Budapest, Hungary

Name – Surname / Education	Age (Yrs)	Work Experience in the last 5 years Period	Position	Name of Organization
Independent Directors				
6. Mr. Surachai Prukbamroong • Bachelor of Accounting and Bachelor of Commerce, Thammasat University • Certificate of Assistant Bank Examiner and Bank Examiner, Bank Examination School, Federal Deposit Insurance Corporation, U.S.A. • Certificate of Pacific Rim Bankers Program, University of Washington, U.S.A. • Certificate of Senior Management, University of California, California, Berkeley, U.S.A. • Certificate of Banking, The Bank of Tokyo Ltd., Tokyo, Japan • Certificate of Senior Executive Program, Sasin Graduate Institute of Business Administration of Chulalongkorn University • Certificate of Financial Executive, The Thai Institute of Banking and Finance Association, The Thai Bankers' Association • Certificate of Executive Information System, IBM Education Center • 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)	71	1999 – Present	Independent Director and Chairman of the Audit Committee	Bank of Ayudhya Plc
		1999 – Present	Independent Director and Chairman of the Audit Committee	Ayudhya Insurance Plc
7. Mr. Karun Kittisataporn • MA., (International Trade), Syracuse University, N.Y., U.S.A. (Under USAID Scholarship) • BCA., Victoria University of Wellington, New Zealand (Under Colombo Plan Scholarship) • National Defense College, Class 388 • Certificate of Commercial Policy Course, GATT, Geneva • Certificate of Director Certification Program (DCP), Role of the Compensation Committee (RCC),	62	Apr 2008 – Present	Independent Director and Chairman of the Nomination and Remuneration Committee	Bank of Ayudhya Plc
		Nov 2009 – Present and Nov 2001– Sep 2007	Director	Securities and Exchange Commission
		Apr 2009 – Present	Independent Director	Central Development Plc
		Nov 2008 – Present	Audit Committee Member	Sahamit machinery Plc
		May 2008 – Present	Chairman of the Executive Committee	The Support Arts and Craft International Centre of Thailand (Public Organization)
		Jan 2008 – Present	Commissioner	Public Sector Development Commission
		Oct 2007 – Present	Commissioner	Insurance Commission
		Nov 2006 – Present and Sep 2003 – Sep 2006	Member	Council of State

Name – Surname / Education	Age (Yrs)	Work Experience in the last 5 years: Period	Position	Name of Organization
Audit Committee Program (ACP), Financial Statements for Directors (FSD), Thai Institute of Directors Association (IOD)		Oct 2006 – Mar 2008 Dec 2003 – Feb 2008 Nov 2001 – Sep 2007	Member Director Permanent Secretary	National Legislative Assembly Bank of Thailand Ministry of Commerce
8. Mr. Virat Phairatphiboon • BA., in Economics and Business Administration, Adams State College, Colorado, U.S.A. • Executive Development Program, Princeton University, U.S.A. • Certificate of Director Certification Program (DCP), Audit Committee Program (ACP), Role of the Compensation Committee (RCC), Thai Institute of Directors Association (IOD)	61	Feb 2007 – Present 1999 – Present 1998 – Present 2007 – Present 2005 – 2007	Nomination and Remuneration Committee Member Audit Committee Member Independent Director Independent Director and Audit Committee Member Director and Chairman of the Audit Committee	Bank of Ayudhya Plc Tipco Foods (Thailand) Plc Bliss – Tel Plc
9. Mr. Yongyuth Withyawongsaruchi • Bachelor of Accounting (Honor) and Bachelor of Commerce (Honor), Thammasat University • Certificate of Director Certification Program (DCP), Audit Committee Program (ACP), Board Performance Evaluation (BPE), Director Forum, DCP Refresher Course, Corporate Governance Report of Thai Listed Companies (CGR), Setting the CEO Performance Plan and Evaluation, Thai Institute of Directors Association (IOD)	69	Apr 2005 – Present 1998 – Apr 2005 Apr 2003 – Present Apr 2003 – Dec 2008	Independent Director and Audit Committee Member Director Independent Director and Chairman of the Audit Committee Independent Director and Audit Committee Member	Bank of Ayudhya Plc Media of Medias Plc Eastern Star Real Estate Plc
Executive Directors				
10. Mr. Tan Kong Khoon • Advanced Management Program, Harvard Business School, U.S.A. • Executive Management Program for Bankers, Wharton School of Business & National University of Singapore • BBA., Bishop's University, Canada • Certificate of Director Certification Program (DCP), Thai Institute of Directors Association (IOD) *Remark:* - *Resigned as the executive on January 1, 2010.*	52	Mar 2007 – Dec 2009 Jan 2007 – Dec 2009 Jan 2009 – Dec 2009 Jul 2007 – Dec 2009 Jun 2007 – Dec 2009 Jun 2007 – Dec 2008 2006 – Feb 2007 2004 – 2006	President & CEO Director (Authorized Signatory Director) Chairman of the Executive Committee Advisor to the Credit Committee Chairman of the Compliance Review Committee Chairman of the Risk Management Committee Chairman of the Credit Committee Regional Head, Consumer Banking (China & Hong Kong) Head, Consumer Banking (Hong Kong)	Bank of Ayudhya Plc Standard Chartered Bank

Name – Surname / Education	Age (Yrs)	Work Experience in the last 5 years: Period	Position	Name of Organization
11. Mrs. Janice Rae Van Ekeren • MBA. (Finance), University of Chicago • Bsc. in Industrial Administration, Iowa State University • Certified Public Accountant (US) • Certified Bank Auditor (US) • Certificate of Director Certification Program (English), Director Diploma Examination Program (Fellow Member), Thai Institute of Directors Association (IOD)	50	Jan 2007 – Present	Chief Financial Officer Director (Authorized Signatory Director) Vice Chairman of the Executive Committee Risk Management Committee Member First Executive Vice President	Bank of Ayudhya Plc
		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	
		Nov 2009 – Present	Director	Tesco Card Services Ltd.
		Aug 2003 – Dec 2006	Global Operations Controller & GECIFC Finance Director	GE Money, Stamford, Connecticut

Executives

Name – Surname / Education	Age (Yrs)	Period	Position	Name of Organization
12. Mr. Virojn Srethapramotaya • MBA., Jacksonville State University, U.S.A. • Bachelor of Accounting, Chulalongkorn University • Advanced Managewent Program for International Bankers, The Wharton School, University of Pennsylvania • Certificate of Director Accreditation Program (DAP), Director Certification Program (DCP), Director Diploma Examination (DDE), Role of the Chairman Program (RCP), DCP Refresher Course, Thai Institute of Directors Association (IOD)	57	Jan 2007 – Dec 2009	Head of Corporate Banking	Bank of Ayudhya Plc
		Jan 2009 – Dec 2009 and Aug 2005 – Jun 2007	Credit Committee Member	
		Jul 2007 – Mar 2009	Compliance Review Committee Member	
		Apr 2006 – Dec 2009	Executive Committee Member	
		Feb 2004 – Dec 2009	Senior Executive Vice President	
		2002 – Dec 2009	Risk Management Committee Member	
		2002 – Apr 2006	Executive Committee Member	
		1998 – Present	Director	Ayudhya Insurance Plc
		Feb 2007 – Dec 2009	Chairman	Ayudhya Factoring Co., Ltd.
		Apr 2008 – Apr 2009	Director	Ayudhya Development Leasing Co., Ltd.
		2004 – Apr 2008	Chairman	Ayudhya Auto Lease Plc
		2003 – Apr 2008	Chairman of the Executive Committee	
Remark: - *Retired as an executive on January 1, 2010 and appointed Mr. Charly Madan to replace Mr. Virojn Srethapramotaya effective from January 5, 2010.* - *Appointed as Senior Advisor to the Corporate Banking Group from January 1, 2010.*				
- *Information of Mr. Charly Madan* • *Master of Business Administration, Sasin Graduate Institute of Business Administration* • *Bachelor of Business Administration, Assumption University*	*48*	*Jan 2010 – Present*	*Head of Corporate Banking* *First Executive Vice President*	*Bank of Ayudhya Plc*
		2008 – 2009	*President & CEO*	*AIG Retail Bank Plc*
		2003 – 2008	*Managing Director*	*Citibank, Vietnam*

Name – Surname / Education	Age (Yrs)	Work Experience in the last 5 years		
		Period	Position	Name of Organization
13. Mr. Piriyah Wisedjinda • Master of Science in Accounting, Thammasat University • Bachelor of Accounting, Chulalongkorn University • Certificate of Director Certification Program (DCP), Thai Institute of Directors Association (IOD)	51	Jul 2009 – Present	Head of Distribution Executive Committee Member Compliance Review Committee Member Senior Executive Vice President	Bank of Ayudhya Plc
		Nov 2009 – Present	Chairman	GE Capital (Thailand) Ltd.
		Aug 2002 – 2005	President & CEO	
		Nov 2009 – Present	Director	Krungsriayudhya Card Co., Ltd.
		Oct 2009 – Present	Director	Ayudhya Fund Management Co., Ltd.
		2006 – Jun 2009	Managing Director	GE Money Thailand
		2006	Managing Director	GE Money Retail Bank Plc
14. Mr. Poomchai Wacharapong • MS., (Economics), North Texas State University, U.S.A. • Certificate of Senior Executive Program (SEP), Sasin Graduate Institute of Business Administration of Chulalongkorn University • Certificate of Director Certification Program (DCP), Role of the Chairman Program (RCP), Thai Institute of Directors Association (IOD)	51	Jan 2007 – Present	Head of SME Banking	Bank of Ayudhya Plc
		Jan 2009 – Present and Aug 2005 – Apr 2006	Credit Committee Member	
		Jun 2007 – Present	Risk Management Committee Member Executive Committee Member	
		May 2005 – Present	First Executive Vice President	
		2002 – 2005	Executive Vice President	
		2001 – Present	Chairman	Ayudhya Development Leasing Co., Ltd.
			Director	Ayudhya Asset Management Co., Ltd.
		Feb 2007 – Apr 2009	Director	Ayudhya Factoring Co., Ltd.
		Dec 2006 – Dec 2008	Director	Ayudhya Capital Lease Co., Ltd.
15. Miss Phawana Niemloy • LL.M. Harvard Law School • Bachelor of Law (Gold Medal), Chulalongkorn University • Certificate of Director Certification Program (DCP), Finance for Non - Finance Director (FND), Thai Institute of Directors Association (IOD)	50	May 2007 – Present	General Counsel	Bank of Ayudhya Plc
		Jul 2007 – Present	Vice Chairman of the Compliance Review Committee	
		Jun 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, Executive Director and Assistant Secretary	Mae Fah Luang Foundation Under Royal Patronage
		2005 – 2006	Executive Vice President –Legal and Compliance	GE Money Retail Bank Plc
		2004 – 2005	General Counsel and Compliance Officer	GE Capital (Thailand) Ltd.
16. Mr. Chandrashekar Subramanian Krishoolndmangalam • Master in Commerce, Bombay University • Certificate of Director Certification Program (DCP), Thai Institute of Directors Association (IOD)	47	Jan 2007 – Present	Chief Risk Officer Vice Chairman of the Risk Management Committee Executive Committee Member First Executive Vice President	Bank of Ayudhya Plc
		Jan 2009 – Present	Chairman of the Credit Committee	
		Jul 2007 – Present	Compliance Review Committee Member	
		Jan 2007 – Dec 2008	Credit Committee Member	
		Nov 2009 – Present	Director	Total Services Solutions Plc
		Apr 2008 – Present	Director	Ayudhya Asset Management Co., Ltd.
			Director	Ayudhya Capital Auto Lease Plc
		Jan 2006 – Dec 2006	Vice President and Chief Risk Officer	GE Money, India
		Jan 2005 – Dec 2005	Vice President and Head – Consumer Risk Management	ABN AMRO Bank, India

Name – Surname / Education	Age (Yrs)	Work Experience in the last 5 years Period	Position	Name of Organization
17. Mr. Roy Agustinus Gunara • MBA., (Finance), University of Illinois Urbana Champaign, U.S.A. • Bsc. (Electrical Engineering), Drexel University • Certificate of Director Certification Program (DCP), Thai Institute of Directors Association (IOD)	41	Jan 2007 – Present Mar 2009 – Present Nov 2009 – Present Nov 2009 – Present Apr 2009 – Present Apr 2009 – Present Apr 2008 – Present Apr 2008 – Dec 2008 Dec 2006 – Apr 2008 May 2007 – Apr 2008 Feb 2007 – Apr 2008 Jan 2004 – Dec 2006	Head of Consumer Banking Risk Management Committee Member First Executive Vice President Executive Committee Member Chairman Director Chairman Chairman Chairman Chairman Chairman Chairman Chairman Director Director Director Executive Vice President– Business Leader	Bank of Ayudhya Plc General Card Services Ltd. GE Capital (Thailand) Ltd. Ayudhya Total Solutions Plc Ayudhya Card Services Co., Ltd. Ayudhya Auto Lease Plc Ayudhya Capital Auto Lease Plc Krungsriayudhya Card Co., Ltd. Ayudhya Hire Purchase Co., Ltd. Ayudhya Capital Lease Co., Ltd. Krungsriayudhya Card Co., Ltd. Ayudhya Factoring Co., Ltd. GE Capital (Thailand) Ltd.
18. Mr. Sudargo Harsono • MBA., in Finance and Marketing, Indiana University, Bloomington, IN, U.S.A. • Bachelor of Science Cum Laude, Biomedical and Electrical Engineering (Honors Program), University of Southern California, LA, U.S.A. • Certificate of Director Certification Program (DCP), Thai Institute of Directors Association (IOD)	49	Aug 2007 – Present Jan 2008 – Present Nov 2009 – Present Nov 2009 – Present and May 2006 – Oct 2007 Jan 2008 – Present Apr 2005 – Jul 2007 Jan 2002 – Mar 2005	Chief Marketing Officer First Executive Vice President Executive Committee Member Chairman Director Director Director Chief Marketing Officer Region Vice President, Marketing & Sales	Bank of Ayudhya Plc CFG Services Co., Ltd. General Card Services Ltd. Ayudhya Capital Auto Lease Plc Krungsriayudhya Card Co., Ltd. GE Money Asia GE Consumer Finance Asia
19. Mrs. Wanna Thammasirisup • Diploma in Auditing, Thammasat University • Bachelor of Business Administration (Accounting), Thammasat University • Certified Public Accountant (Thailand) • Certificate of Director Accreditation Program (DAP), Director Certification Program (DCP), Thai Institute of Directors Association (IOD)	53	Jan 2008 – Present Mar 2009 – Present Sep 2007 – Present Nov 2009 – Present Nov 2009 – Present Apr 2009 – Present Feb 2009 – Present Nov 2006 – Sep 2007 May 2004 – Oct 2006	Head of Operations Executive Committee Member Compliance Review Committee Member First Executive Vice President Chairman Director Director Chairman Chief Operating Officer Director and General Manager	Bank of Ayudhya Plc Total Services Solutions Plc GE Capital (Thailand) Ltd. Ayudhya Total Solutions Plc Siam Realty and Services Co., Ltd. AIG Consumer Finance Group (Thailand) AIG Card (Thailand) Co., Ltd.

Name – Surname / Education	Age (Yrs)	Work Experience in the last 5 years: Period	Position	Name of Organization
20. Miss Nopporn Tirawattanagool • Master of Accounting, Faculty of Commerce and Accountancy Thammasat University • Certificate of Director Accreditation Program (DAP), Role of the Compensation Committee (RCC), Thai Institute of Directors Association (IOD)	55	Sep 2008 – Present	Head of Human Resources Secretary to the Nomination and Remuneration Committee	Bank of Ayudhya Plc
		Mar 2009 – Present	Executive Committee Member	
		Dec 2004 – Present	First Executive Vice President	
		Jun 2007 – Mar 2009	Secretary to the Executive Committee	
		Jun 2007 – Sep 2008	Deputy Chief Financial Officer	
		Apr 2006 – Jun 2007	Member and Secretary to the Executive Committee	
		2002 – Jun 2007	Risk Management Committee Member	
		2002 – Apr 2006	Secretary to the Executive Committee	
		Nov 2009 – Present	Director	Total Services Solutions Plc
		Apr 2009 – Present	Director	Ayudhya Total Solutions Plc
		Apr 2008 – Present	Director	Ayudhya Securities Plc
			Director	Ayudhya Capital Auto Lease Plc
		May 2004 – Present	Director	Dherakupt International Law Office Co., Ltd.
		2003 – Present	Director	Ayudhya Auto Lease Plc
		Apr 2008 – Dec 2008	Director	Ayudhya Hire Purchase Co., Ltd.
		2000 – Apr 2008	Director	Ayudhya Asset Management Co., Ltd.
		1999 – Dec 2007	Director	K.S. Law Office Co., Ltd.
21. Mr. Somrit Srithongdee • MA., Public Administration, Chulalongkorn University • Mini MBA., Thammasat University • Bsc. (Sociology & Anthropology) Chiengmai University • Certificate of Director Certification Program (DCP), Role of the Compensation Committee (RCC), Financial Statements for Directors (FSD), Thai Institute of Directors Association (IOD) *Remark:* - *Retired as an executive on January 1, 2010.* - *Appointed as Senior Advisor – Labor Relations for the period of January 1 – June 30, 2010.*	60	Sep 2008 – Dec 2009	Head of Special Project Human Resources First Executive Vice President	Bank of Ayudhya Plc
		Feb 2007 – Sep 2008	Secretary to the Nomination and Remuneration Committee	
		Jan 2007 – Sep 2008	Head of Human Resources	
		2000 – Sep 2008	Executive Vice President	
		2002 – Present	Director	Siam Realty and Services Co., Ltd.
		Feb 2009 – Present	Independent Director and Audit Committee Member	Eastern Star Real Estate Plc

Name – Surname / Education	Age (Yrs)	Work Experience in the last 5 years Period	Position	Name of Organization
22. Dr. Yaowalak Poolthong • Ph.D. in Marketing (International Program), Faculty of Commerce and Accountancy, Thammasat University • MBA., University of Sydney, Australia • BA., Faculty of Arts, Chulalongkorn University • Certificate of Director Certification Program (DCP), Thai Institute of Directors Association (IOD)	48	Jun 2007 – Present	Head of Corporate Communications and Investor Relations	Bank of Ayudhya Plc
		Mar 2009 – Present	Executive Committee Member	
		Sep 2008 – Present	First Executive Vice President	
		May 2005 – Sep 2008	Executive Vice President	
		Apr 2004 – May 2005	Vice President and Manager, the President Office	
		Feb 2005 – Nov 2009	Director	Ayudhya Fund Management Co., Ltd.
23. Mrs. Voranuch Dejakaisaya • MBA., Chulalongkorn University • BA. in Statistics, Faculty of Commerce & Accountancy, Chulalongkorn University • Certificate of Director Certification Program (DCP), Financial Statements for Directors (FSD), Thai Institute of Directors Association (IOD)	49	Jul 2009 – Present	Head of Information Technology Executive Committee Member First Executive Vice President	Bank of Ayudhya Plc
		Nov 2009 – Present and Jan 2007 – Jul 2009	Director	Total Services Solutions Plc
		Nov 2009 – Present and Oct 2007 – Jul 2009	Director	General Card Services Ltd.
		Nov 2009 – Present and May 2007 – Aug 2009	Director	GE Capital (Thailand) Ltd.
		2009 – Jun 2009	IT SEA Leader-Global Banking	
		2007 – 2009	Chief Information Officer & IT Regional Support	
		2006	Executive Vice President	GE Money Retail Bank Plc
		2000 – 2005	Chief Information Officer	GE Capital (Thailand) Ltd.
24. Miss Puntipa Hannoraseth • MBA., Thammasat University • Bachelor of Accounting (Gold Medal), Thammasat University • Certified Public Accountant (Thailand) • Certified Internal Auditor • Certificate of Audit Committee Program (ACP), Company Secretary Program (CSP), Monitoring the System of Internal Control and Risk Management (MIR), Thai Institute of Directors Association (IOD)	41	Apr 2009 – Present	Head of Audit	Bank of Ayudhya Plc
		Nov 2009 – Present	Executive Vice President	
		Apr 2009 – Oct 2009	Senior Vice President, Audit Department	
		Jan 2009 – Sep 2009	Secretary to the Audit Committee	
		Jan 2009 – Apr 2009	Senior Vice President and Manager, Audit Department	
		2007 – Dec 2008	Senior Vice President, Audit Department	
		2006	Head of Audit	GE Money Retail Bank Plc
		Jun 2003 – Dec 2005	Head of Audit	GE Capital (Thailand) Ltd.

Name – Surname / Education	Age (Yrs)	Work Experience in the last 5 years Period	Position	Name of Organization
25. Mr. Sindre Ulvund • Master of International Management, Community of European Management Schools (CEMS) • Bsc. (Economics) in Government, London School of Economics and Political Science (LSE) • Bsc. in Business (“Siviløkonom”), Norwegian School of Economics, (NHH)	39	Jul 2007 – Present	Executive Vice President, Investor Financial Reporting Division, Finance Group	Bank of Ayudhya Plc
		Feb 2006 – Jun 2007	Senior Manager, Financial Planning & Analysis	GE International, Korea
		Jan 2004 – Jan 2006	FP&A Manager	GE Capital Korea Ltd., Korea
26. Mr. John Howard Harker • Bachelor of Science, Geography University of Glasgow, Scotland	51	Jul 2007 – Present	Executive Vice President, Operational Controllership Division, Finance Group	Bank of Ayudhya Plc
		Mar 2009 – Jul 2009	Compliance Review Committee Member	
		Nov 2009 – Present	Director	Total Services Solutions Plc
		Mar 2004 – Dec 2006	Finance Manager, e-Finance Function	GE Capital (Thailand) Ltd.
27. Miss Duangdao Wongpanitkrit • MBA., (Financial Accounting), Chulalongkorn University • Bachelor of Business Administration (Accounting), Thammasat University • Certified Public Accountant (Thailand)	41	Jun 2007 – Present	Executive Vice President, Financial Planning and Analysis Division, Finance Group	Bank of Ayudhya Plc
		Nov 2009 – Present	Director	GE Capital (Thailand) Ltd.
		Apr 2009 – Present	Director	Ayudhya Card Services Co., Ltd.
		Apr 2009 – Present	Director	Ayudhya Total Solutions Plc
		Apr 2005 – May 2007	Senior Vice President, Finance & Accounting	GE Money Retail Bank Plc
		Jul 2002 – Apr 2005	Senior Vice President, Business Finance Wholesales Bank	Standard Chartered (Thai) Bank Plc
28. Mr. Nattawut Goysookho • MBA., Thammasat University • Bachelor of Banking and Finance, Faculty of Commerce and Accountancy, Chulalongkorn University	44	Oct 2007 – Present	Senior Vice President and Manager, Financial Planning & Analysis Consolidation Department, Finance Group	Bank of Ayudhya Plc
		Jul 2007 – Sep 2007	Vice President, Financial Planning & Analysis Consolidation Department	
		Apr 2003 – Jun 2007	Vice President, MIS & Planning Department	
29. Miss Pathatai Kulachan • MBA., (Finance), The George Washington University, D.C. (Under Government Housing Bank Scholarship) • BBA., (Banking & Financing), 1st Class Honors and Top of the Class, Chulalongkorn University	36	Jul 2007 – Present	Senior Vice President and Manager, Consumer Financial Planning and Analysis Department, Finance Group	Bank of Ayudhya Plc
		Nov 2009 – Present	Director	Krungsriayudhya Card Co., Ltd.
		Nov 2009 – Present	Director	General Card Services Ltd.
		Sep 2009 – Present	Director	PrimaVest Asset Management Co., Ltd.
		Apr 2009 – Present	Director	Ayudhya Capital Auto Lease Plc
		Jan 2006 – Dec 2006	Global Mortgage Leadership Program Participant	GE Money
		Jan 2005 – Dec 2005	Vice President, Financial Planning & Analysis	GE Money Retail Bank Plc

Name – Surname / Education	Age (Yrs)	Work Experience in the last 5 years Period	Position	Name of Organization
30. Mr. Jirapun Pongpanite • Driving Corporate Performance, Harvard Business School • MBA. Finance and MA. Economics, Kent State University, U.S.A. (Under Kent State University / Graduate Assistant Scholarship) • BBA., Finance & General Management, Assumption University	35	May 2008 – Present Feb 2009 – Present Feb 2009 – Present Mar 2006 – Apr 2008 Jun 2002 – Feb 2006	Senior Vice President and Manager, Financial Planning and Analysis, Corporate & SME Banking, Finance Group Director Director Senior Manager, Financial Planning & Analysis Vice President , Financial Planning & Analysis	Bank of Ayudhya Plc Ayudhya Securities Plc Siam Realty and Services Co., Ltd. GE Money Asia, Tokyo Japan GE Capital (Thailand) Ltd.
31. Mrs. Varabhorn Achakornlak • MBA., International Business, Nova University, Florida, U.S.A. • Advance International Certificate PSCM (Purchasing & Supply Chain Management), International Trade Center, UNTAD / WTO • Advance Purchasing Research, (IFPMM), The International Federation of Purchasing and Materials Management, Salzburg, Austria	46	Mar 2008 – Present Apr 2001 – Mar 2008	Senior Vice President, Procurement Section, Finance Group Vice President, Country Procurement Services Unit Head	Bank of Ayudhya Plc Citibank N.A., Bangkok Branch
32. Mrs. Orawan Sujarittayon • Master of Science, Accounting, Thammasat University • Bachelor of Business Administration (Accounting), Chulalongkorn University • Certified Public Accountant (Thailand)	43	Nov 2008 – Present Nov 2009 – Present Jul 2007 – Oct 2008 Jan 2005 – Jun 2007	Senior Vice President and Manager, Accounting Department Director and Audit Committee Member Vice President, Financial Controller Senior Manager – Operation Support	Bank of Ayudhya Plc Ayudhya Fund Management Co., Ltd. AIG Retail Bank Plc Standard Chartered (Thai) Bank Plc
33. Mr. Kriangsak Jongsukkigparnich • MBA., (Finance), Western Michigan University • Bachelor in Cost Accounting, Chulalongkorn University	41	Jul 2007 – Present Aug 1996 – Jun 2007	Vice President, Operational Controllership Division, Finance Group Vice President, Accounting	Bank of Ayudhya Plc GE Capital (Thailand) Ltd.
34. Miss Winita Kimsawadi • Master of Accounting, Faculty of Commerce and Accountancy, Chulalongkorn University • Bachelor of Accounting, Faculty of Commerce and Accountancy, Chulalongkorn University	44	Mar 2009 – Present Jul 2007 – Feb 2009 Nov 2004 – Jun 2007	Vice President and Section Manager, Data Management and Reporting Section, Accounting Department, Finance Group Vice President, Investor Financial Reporting Division, Finance Group Vice President	Bank of Ayudhya Plc GE Money Retail Bank Plc
35. Mr. Jamorn Phianphrom • MBA., (Finance), Dhurakij Pundit University • Bachelor of Business Administration, Chiengmai University	48	May 2007 – Present Oct 2002 – Apr 2007	Vice President and Manager Tax Management and Payment Verification Section, Accounting Department, Finance Group First Assistant Vice President, Accounting Department	Bank of Ayudhya Plc

Name – Surname / Education	Age (Yrs)	Work Experience in the last 5 years Period	Position	Name of Organization
36. Miss Pornnapa Patarasatienkul • Master of Science (Finance), Thammasat University • Bachelor of Banking and Finance, Assumption University	37	Apr 2009 – Present	Vice President, Finance Group	Bank of Ayudhya Plc
		2007 – Apr 2009	Vice President, Financial Planning and Analysis Department	AIG Retail Bank Plc
		Sep 2003 – Dec 2006	Vice President, Financial Planning and Analysis Department	Citibank N.A.
37. Miss Pisara Pattanasiri • MBA., Seattle University, U.S.A. • Bachelor of Accounting, Faculty of Commerce and Accountancy, Chulalongkorn University	44	Sep 2009 – Present	Vice President, Treasury Financial Planning and Analysis Department, Finance Group	Bank of Ayudhya Plc
		Jul 2007 – Aug 2009	First Assistant Vice President, Treasury Financial Planning and Analysis Department	
		Jul 2004 – Jun 2007	Assistant Vice President	
38. Mr. Khomson Adunwitthayakorn • Master of Science (Finance), Chulalongkorn University	38	Oct 2009 – Present	Vice President and Section Manager, Accounting and Control Section, Accounting Department, Finance Group	Bank of Ayudhya Plc
		Oct 2007 – Sep 2009	Regional Financial Controller	Digital Marketing Solution Co., Ltd.
		Jul 2006 – Sep 2007	Regional Financial Controller	SR. Telecom (Bangkok) Co., Ltd.

3. Shareholding of Executives ('Executive' as defined by the SEC)

Name – Surname	31 December 2009		31 December 2008	
	No. of Shares[1]	Shareholding (%)[1]	No. of Shares[1]	Shareholding (%)[1]
Non-Executive Directors				
1. Mr. Veraphan Teepsuwan	249,449	0.0041	249,449	0.0041
2. Mr. Pornsanong Tuchinda	-	-	-	-
3. Mr. Chet Raktakanishta	110,050	0.0018	110,050	0.0018
4. Mr. Pongpinit Tejagupta	140,000	0.0023	140,000	0.0023
5. Mr. Mark John Arnold	-	-	Non-Bank Executive as defined by SEC	
Independent Directors				
6. Mr. Surachai Prukbamroong	-	-	-	-
7. Mr. Karun Kittisataporn	-	-	-	-
8. Mr. Virat Phairatphiboon	-	-	-	-
9. Mr. Yongyuth Withyawongsaruchi	-	-	-	-
Executive Directors				
10. Mr. Tan Kong Khoon	-	-	-	-
11. Mrs. Janice Rae Van Ekeren	150,000	0.0025	150,000	0.0025
Executives				
12. Mr. Virojn Srethapramotaya[2]	-	-	-	-
13. Mr. Piriyah Wisedjinda	-	-	Non-Bank Executive as defined by SEC	
14. Mr. Poomchai Wacharapong	2	0.0000	2	0.0000
15. Miss Phawana Niemloy	-	-	-	-
16. Mr. Chandrashekar Subramanian Krishoolndmangalam	-	-	-	-
17. Mr. Roy Agustinus Gunara	90,000	0.0015	60,000	0.0010
18. Mr. Sudargo Harsono	-	-	-	-
19. Mrs. Wanna Thammasirisup	-	-	-	-
20. Miss Nopporn Tirawattanagool	-	-	-	-
21. Mr. Somrit Srithongdee	-	-	-	-
22. Dr. Yaowalak Poolthong	-	-	-	-
23. Mrs. Voranuch Dejakaisaya	-	-	Non-Bank Executive as defined by SEC	
24. Miss Puntipa Hannorraseth	14,000	0.0002		
25. Mr. Sindre Ulvund	-	-	-	-
26. Mr. John Howard Harker	-	-	-	-
27. Miss Duangdao Wongpanitkrit	-	-	-	-
28. Mr. Nattawut Goysookho	-	-	-	-
29. Miss Pathatai Kulachan	-	-	-	-
30. Mr. Jirapun Pongpanite	-	-	-	-
31. Mrs. Varabhorn Achakornlak	-	-	-	-
32. Mrs. Orawan Sujarittayon	-	-	-	-
33. Mr. Kriangsak Jongsukkigparnich	-	-	-	-
34. Miss Winita Kimsawadi	-	-	-	-
35. Mr. Jamorn Phianphrom	2	0.0000	2	0.0000
36. Miss Pornnapa Patarasatienkul	-	-		
37. Miss Pisara Pattanasiri	-	-	Non-Bank Executive as defined by SEC	
38. Mr. Khomson Adunwitthayakorn	-	-		

Remark: As of December 31, 2008 and as of December 31, 2009, the Bank had a total of 6,074,143,747 ordinary shares sold
[1] Including spouse and child who has not yet reached adulthood.
[2] Retired from the position of executive on January 1, 2010, and the Bank appointed Mr. Charly Madan as his replacement on January 5, 2010. As of the appointment date, Mr. Charly Madan did not hold any Bank Shares.

4. Remuneration of Directors and Executives

Remuneration of Directors

The Bank has clear and transparent remuneration policies. The remuneration is comparable to the level paid in the industry and has been approved by the shareholders. Members appointed to the Audit Committee or Nomination and Remuneration Committee will receive additional compensation reflecting the amount of work assigned.

Remuneration of Executives

Remuneration of executives corresponds to the principles and policies set by the Board of Directors. Payment is based on the Bank's and individual performance of each executive.

Total Remuneration Paid in 2009

In 2009, the Bank paid remuneration to directors and executives as follows:

(1) **Cash remuneration**

(a) Total remuneration (pensions, transportation cost, and meeting allowance) for 11 persons was Baht 25,986,933.33. Details of remuneration paid to each directors are as follows:

Board of Directors	Amount (Baht)	
Non-executive members		
1. Mr. Veraphan Teepsuwan	4,462,800.00	Chairman
2. Mr. Pornsanong Tuchinda	3,326,400.00	Nomination and Remuneration Committee Member
3. Mr. Chet Raktakanishta	2,851,200.00	
4. Mr. Mark John Arnold	-	
5. Mr. Pongpinit Tejagupta	1,508,133.33	Executive Director during January – July 2009 Non-executive Director during August – December 2009
Independent Directors		
6. Mr. Surachai Prukbamroong	3,355,200.00	Chairman of Audit Committee
7. Mr. Karun Kittisataporn	3,355,200.00	Chairman of Nomination and Remuneration Committee
8. Mr. Virat Phairatphiboon	3,801,600.00	Audit Committee Member / Nomination and Remuneration Committee Member
9. Mr. Yongyuth Withyawongsaruchi	3,326,400.00	Audit Committee Member
Executive members		
10. Mr. Tan Kong Khoon	-	
11. Mrs. Janice Rae Van Ekeren	-	
Total	25,986,933.33	

(b) Total remuneration of Executive Committee and executives in 2009 (salary and bonus of Executive Committee, CEO, Chief Officers/Heads) for 18 persons is Baht 196,521,495.86.

(2) **Other remunerations**

Provident fund of executives is Baht 8,988,804.08.

The Bank does not provide any non-cash remuneration such as share/warrant to executives.

Compliance with Good Corporate Governance Principles

Governance Policy

The Bank's Board of Directors recognizes the significance of good governance and strongly intends that Bank's operations be carried out duly and honestly under the laws and good corporate governance principles to promote transparency, effectiveness and efficiency of management, and to gain confidence from all stakeholders, which are important factors for competitiveness leading to growth and additional value in the long term for shareholders. Therefore the Bank has established good corporate governance principles based on the following:

1. **Accountability and Responsibility:** Ensure that duties and responsibilities for the management of the organization are conducted with honesty and due care in accordance with the best practice for maximum benefit;
2. **Equitable Treatment:** Treat stakeholders equally and fairly as per their rights;
3. **Transparency:** Operate the business transparently with auditable management and accurate and transparent disclosure corresponding to time and situation;
4. **Vision:** Have vision in management to set direction and strategic goals to add value to the business and promote long-term stability; and
5. **Code of Ethics:** Promote ethics and a code of conduct in business operations.

The Bank's Board of Directors also assigns the Compliance Review Committee to develop and draw up the best practice and continuously review the operational procedures to be in line with the Bank's business as well as to ensure that the Bank's business and the performance of its executives and employees adheres to the Bank's good corporate governance principles in compliance with the laws and policies of the government authorities, including regulatory agencies. In addition, the Compliance Department was also assigned to prepare 'The Spirit & The Letter', a comprehensive and precise guide to business conduct to be distributed to directors, executives, and all employees and disseminated on the Bank's internal website.

'The Spirit & The Letter' is regarded as the Bank's code of conduct and integrity policy. It indicates what employees must know, do, and be concerned with, together with case samples and penalties for violation against 'The Spirit & The Letter'. Its content in brief includes:

- Regulatory compliance
- Working with customers and suppliers
- Working with governments
- Complying with global competition laws
- In the BAY community, including fair employment practice, environment health and safety, and security and crisis management
- Protecting BAY assets including intellectual property, controllership, conflict of interest, insider trading, and stock tipping

To ensure that the said policy and the guide are embraced and complied with, the Bank has required all employees to sign "My personal commitment to BAY The Spirit & The Letter" for acknowledgment on an annual basis. All employees must understand and embrace their commitment to the policy, while supervisors must share the policies and procedures described in the guide and ensure employees' adherence to them. The supervisors are directly responsible for compliance with the policies and procedures above.

Furthermore, the Bank also appointed Compliance Champions in each department to provide information and ensure comprehension of the Bank's governance and monitor the performance of employees in their departments and ensure they adhere to the specified principles and procedures. The Bank's internal policies are also communicated to all employees.

Employees can voice complaints and concerns or raise inquiries regarding any wrong doing or policy violation. Two individuals recognized for their honesty, integrity, and impartiality by both management and employees have been appointed to serve as ombudspersons and may be contacted through a number of channels, including the Bank's internal website or by direct line telephone or post. All reports or complaints lodged with the ombudsperson are treated as confidential and are disclosed only when necessary to the individuals authorized to handle such matters or complaints. Any investigation conducted will be reported regularly to the Compliance Review Committee meeting each month.

To develop and promote the code of conduct and good corporate governance principles and set the core values of the Bank for all executives and employees so as to ensure that they behave and have attitudes in the same way, the Board of Directors approved instilling BAY Core Values which serve as guiding principles for carrying out all the Bank's businesses and as the commitment which all employees have to fulfill for working as a team dedicated to the goal of making the Bank the most admired universal bank in Thailand. These Core Values consist of:

- **Integrity** "Our integrity is evident in our dedication and commitment to fairness and transparency."
- **Accountability** "We are thorough in our analyses, resolute in our decision-making, and accountable for our actions."
- **Team Spirit** "We respect differences of opinion; we are open to the contributions of others, and we offer assistance when we can."
- **Innovation** "We are always developing new products, services, and work practices that exceed customers' expectations."
- **Passion for Progress** "We are a results-based organization, and we measure our success by profit growth."

In 2009, the Bank continuously complied with the good corporate governance principles pursuant to the guidance of the SET, which are divided into five major areas as follows:

Section 1: Shareholder Rights

The Bank is committed to a policy of protecting the proprietary rights and benefits of, and not causing the prejudice to, the rights of all our shareholders. Additionally, the Bank also entitles all shareholders on an equal basis and encourage the shareholders to exercise their rights, including their basic rights under the law such as the right to attend shareholder meetings, to appoint a proxy to attend shareholder meetings on their behalf, to elect or remove members of the Board, to approve or reject the directors' remuneration, to appoint an auditor and set his/her remuneration, to jointly make a decision on any important matter of the Bank, to voice opinions and ask questions at shareholder meetings, to receive dividends, and to be apprised of the Bank's complete, correct, and sufficient information on a timely basis.

In addition to the basic rights under law, the Bank also has operational guidelines to provide shareholders with information on the Bank via www.krungsri.com and "Investor Relations" Newsletter delivered to the shareholders every six months to inform them of the Bank's performance, their entitlements, and with analysis and news of the Bank's activities.

To allow shareholders to exercise their rights in regard to shareholder meetings, the Bank has conducted shareholders meetings in accordance with applicable laws and relevant regulations as well as with the good corporate governance standards. From the Annual General Meeting of Shareholders No. 97 on April 9, 2009 at which the Bank received the full 100 points for the annual general meeting of shareholders appraisal by Thai Investors Association. In this connection, the Bank did the following procedures:

Prior to the Meeting

(1) **Announcement on convening the meeting:** Once the Board had agreed on the date, time, place, and agenda for the meeting, notice was posted through the SET Community Portal (SCP) and on www.krungsri.com. The notice was also posted at all the Bank's branches nationwide to inform the shareholders.

(2) **Entitling the shareholders to propose agenda items and nominate persons to be elected as directors:** The Bank entitled the shareholders to propose agenda items and nominate persons to be elected as directors prior to delivery of the notification of the meeting and the criteria on exercise of rights were clearly specified on www.krungsri.com and disseminated through the SCP system. For the Annual General Meeting of Shareholders No. 97, no shareholder proposed an agenda item or nominated a person to be elected as a director.

(3) **Posting invitations:** The Bank sent the shareholders copies of the annual report and notification of the meeting not less than 10 days prior to the scheduled date of the meeting, which was longer than the minimum legal requirement and disseminated the same on www.krungsri.com with identical particulars as those delivered to the shareholders in the form of a hard copy not less than 30 days before the scheduled date of the meeting to enable the shareholders to study information in advance and through the SCP system. In addition, the notification of the meeting was also advertised in newspapers for three consecutive days not less than three days prior to the scheduled date of the meeting and also sent to the relevant regulatory bodies. The notification of the meeting indicated the time, date, place, and agenda of the meeting, supporting information, as well as the opinions of relevant committees on each of the agenda items and sufficient rationale and opinion of the Bank's Board of Directors so as to provide the shareholders with adequate, complete, and accurate necessary information within an appropriate period to assist the shareholders in deciding how to vote on each agenda item.

    The Bank also provided the shareholders with an itemized list of rules and procedures as well as documents to be presented to the officers before attending the meeting and information about how inquiries about the meeting agenda and related information could be presented to the Chairman of the Board and designated a person as information officer to be present to provide information and/or clarification on the date of the meeting.

(4) **Appointing a proxy:** The Bank attached a proxy form as specified by the Ministry of Commerce through which the shareholder could cast his/her vote on each of the agenda items of the meeting. The shareholders could also download a proxy form from www.krungsri.com. At the Annual General Meeting of Shareholders No. 97, the Bank proposed Mr. Virat Phairatphiboon and Mr. Yongyuth Withyawongsaruchi, the independent directors and Audit Committee members; and Mr. Chet Raktakanishta, the director; to be appointed as proxies to attend the meeting and vote on behalf of the shareholders who wished to exercise their right to vote by proxy. The Bank also made duty stamps available for proxy forms without stamps affixed to provide convenience to the shareholders.

(5) **Attendance and registration:** The Bank's notification of meeting clearly specified the date, time, and venue of the meeting and was accompanied by a map listing bus routes that pass the meeting venue. Parking space was also provided specifically for the shareholders. Employees from the Bank's investor relations and share registration sections were on hand to welcome the shareholders and answer inquiries. Registration opened not less than two hours prior to the scheduled meeting time, and the Bank employed a barcode system for fast and accurate registration and prepared ballots for the shareholders to cast their votes for each agenda item.

During the Meeting

(6) **Attendance by the Board of Directors and Bank Executives:** All the Bank's directors and top executives attended the meeting. In addition, the Bank's auditor and the independent financial advisor also attended the meeting to provide information and reply to questions from the shareholders. Additionally, the Bank invited the representatives of Norton Rose (Thailand) Co, Ltd., the law firm, to serve as inspectors to ensure that the meeting was conducted with transparency and in compliance with the applicable laws and regulations.

As the Bank's directors and executives include both Thais and foreigners, the Bank arranged for translation throughout the meeting to eliminate the obstacles to communication between the shareholders and the Bank's directors and executives. At the start of the meeting, the Chairman of the Board, who served as Chairman of the meeting, introduced by name and title each of the directors, executives, and committee chairpersons attending the meeting. Thereafter, the Chairman announced the number/ratio of the shareholders present in person or by proxy, and the Corporate Secretary made a slide presentation informing the shareholders of the proper procedures for casting their votes. Once each agenda item was completely processed, the shareholders' votes were gathered by the barcode system and announced to the meeting. At the Annual General Meeting of Shareholders No. 97, no items were added to the agenda and no change of substantial information was made in the meeting.

Attendance by the Bank directors and executives at the last two Annual General Meetings of Shareholders is shown below:

	2008	2009
Chairman of the Board	Present	Present
President and Chief Executive Officer	Present	Present
Chairman of the Audit Committee	Present	Present
Chairman of the Risk Management Committee	Present	Present
Chairman of the Nomination and Remuneration Committee*	-	Present

Remark: ***Since he is a director (whose term of office expired) and has waived his right to be reappointed to the position of Bank director and resigned from his position as the Chairman of the Nomination and Remuneration Committee.**

(7) **Use of multimedia:** For more understanding of each agenda content, the Bank prepared a presentation in support of the meeting content and showed the results of voting on each agenda item. The Bank also arranged a nearby conference room with closed circuit TVs in order to keep shareholders apprised of proceedings throughout the entire meeting in case of a seating shortage. In addition, the Bank taped and posted video clip files for each agenda item on www.krungsri.com.

(8) **Opening the floor to shareholder questions and comments:** Before calling for a vote on each agenda item, the Chairman opened the floor to shareholders' comments, suggestions, or questions on each agenda item. The Chairman of the Board and relevant Bank executives replied to questions and responded to comments and proposals for further action as appropriate.

(9) **Voting:** Voting was conducted in strict compliance with the law. The shareholders were free to approve, reject, or abstain from voting on each agenda item. Election of directors was on an individual basis, with one

share equivalent to one vote. A resolution requires a majority of votes, and in the event of a tie, the Chairman of the Board shall have the casting vote, unless otherwise specified in the Bank's Articles of Association or the applicable laws. In the case of a conflict of interest, the shareholder(s) involved shall be required to abstain from voting on the item in question, except in the case of the election of directors. In casting votes on each agenda item, if there are objections or abstentions, the shareholders who object or abstain can cast their votes by ballot. These votes are tallied and then subtracted from the total number of votes represented by the shareholders attending the meeting and having the right to vote. The remaining votes will be recorded as approving vote and stored for the purposes of reference and verification. In addition, any shareholders who arrive after the meeting start time may vote on any agenda item which has not yet come up for a vote.

With regard the agenda item concerning the election of directors, since the term of office of the Chairman of the Board and another two directors ended at this meeting, the Chairman of the Board and the two directors concerned did not participate in this agenda item, and the Chairman of the Nomination and Remuneration Committee served as the replacement Chairman of the meeting for this item, opening the floor to shareholders' opinions and overseeing the voting. The Bank provided the shareholders with ballots for casting their votes to indicate approval, disapproval, or abstention.

After the Meeting

(10) **Thanking and informing shareholders represented by Bank proxies of the outcome of the shareholder meeting:** The Bank sent out letters informing the shareholders of the summary outcome of the shareholder meeting and thanking them for their trust in allowing the Bank's directors to act as their proxies.

(11) **Preparing minutes of the meeting:** The Bank prepared complete and accurate minutes of the meeting, including a list of the names and positions of Bank directors and executives in attendance at the meeting. The minutes also contained information on voting procedures and voting results given to the shareholders prior to the start of the meeting; the opinions of the Board of Directors on each agenda item, key questions and answers, important observations and proposals made by the shareholders, and voting outcomes on each agenda item, broken down by votes in favor, votes opposed, and abstentions.

(12) **Distributing and disseminating minutes of the meeting:** The minutes of the meeting were reviewed for accuracy and completeness by the Chairman of the Board and all members of the Audit Committee before submission to all relevant government agencies and dissemination, in both Thai and English, on www.krungsri.com within 14 days from the date of the meeting. In this way, investors and other interested parties could review the results of the meeting long before the next annual general meeting of shareholders. Furthermore, the voting result of each agenda item was also disseminated on the day following the date of the meeting and on the meeting video via www.krungsri.com within 3 business days from the date of the meeting.

Section 2: Equal Treatment of Shareholders

Because shareholders are all part owners of the business, the Bank has adopted, as part of its good corporate governance policy, a commitment to treating all shareholders equally and fairly. This policy extends to both large and small shareholders, Thais and non-Thais, as well as institutional and individual investors. The Bank has implemented measures to ensure that its directors, executives, and other employees do not make illegal use of insider information for their own benefit, and requires these individuals to make full disclosure of their and their related persons' interests so as to avoid any possible conflict of interest. The directors, executives and employees shall strictly adhere to the said measures.

2.1 **Implementing shareholder meeting protocol:** To ensure equal and fair treatment for all shareholders, the Bank has effective meeting procedures and Thailand Securities Depository Co., Ltd. was engaged to serve as the Bank's registrar and provide documentation service and assistance., while the Corporate Secretariat

Department was in charge of providing services to the shareholders and the public. In addition, shareholders were given an opportunity to propose agenda items and nominate persons to the position of director to ensure adherence to the good corporate governance practices, in respect of which clear rules and procedures have been drawn up and disseminated on www.krungsri.com.

Furthermore, the Bank also determined that any shareholder unable to attend the meeting in person could appoint any person or including a Bank director as proxy to attending the meeting and vote on his/her behalf. In this case, a proxy form was attached to the notification of the meeting listing required documents for attending the meeting. If the Bank director who was selected as proxy had special interest in any agenda item, the Bank would inform the shareholders of the same in the notification of the meeting by which the shareholder could make a resolution clearly as per his/her intention in a voting card provided for every agenda item. In case of failure to do so, such a Bank director would abstain from voting on the relevant agenda item to ensure transparency and fairness.

2.2 **Protecting inside information:** To prevent the director, executives, and/or employees from making illegal use of inside information for their own benefit or the benefit of others, the Bank requires that all such individuals shall strictly comply with law, practical guidelines for disclosure of information of listed companies, and the Bank's orders and policies provided for in the Annual Registration Statement (Form 56-1) and Annual Report (Form 56-2) under "Protecting Inside Information". In 2009, no director or executive traded his/her securities by using inside information.

2.3 **Requiring directors and executives to make full disclosure of personal interest:** The Banks' Board of Directors established the rules and procedures for reporting the interests of directors and executives and their relatives whereby the said information will be disclosed as required by law and in line with the regulations of the Bank of Thailand, the Office of the SEC, and Accounting Standard No. 47 which requires directors and executives to report their interests on a quarterly basis except the case of a position being held in any juristic entity or of a change in a director's or executive's status, when a report shall be made within seven business days from the date of change. In this connection, the Corporate Secretary will be responsible for submission of the interest reports of directors and executives to the Chairman of the Board and the Chairman of the Audit Committee within seven business days from the date of receipt of the report. The said information will allow the Board of Directors and Bank executives to examine transactions for any possible conflict of interest and make decisions based on the best interests of the Bank as a whole. The Bank requires that disclosures be made prior to involvement in any such transaction with the Bank, its subsidiaries or joint ventures.

Additionally, the Bank's Board of Directors also drew up the process for considering related transactions conducted between the Bank, its subsidiaries or joint ventures and stakeholders or individuals having a real or potential conflicts of interest either at present or at any time in the future. In this regard, the Audit Committee is responsible for evaluating the need for any such transaction and the appropriate price of the transaction, taking into account generally accepted industry criteria and comparable prices with outside individuals or current market prices. The Audit Committee is also charged with accurately and regularly disclosing any and all such information that may result in a conflict of interest. Directors or executives with a stake in the related-party transaction in question shall be excluded from taking part in relevant discussions and voting. Furthermore, the Bank's Board of Directors, excluding the directors with related interest, shall have the power to approve credit facilities and investment in any business having interest related to the Bank, its directors and senior executives.

In case of a related-party transaction, the Bank shall disclose to shareholders the names of individuals involved, their relation to the Bank, the Bank's pricing policy, the value of the transaction, and opinions of the Board of Directors and the Financial Advisor on the proposed transaction. Over the past year, the Bank was not in violation of or required to comply with the regulations pertaining to related-party transactions.

Section 3: Role of Stakeholders

The Bank attaches tremendous importance to protecting the rights of all its stakeholders, whether they are shareholders, directors, executives, or employees of the Bank and its subsidiaries, or external groups including customers, business partners, creditors, other commercial banks and financial institutions, local communities, society, and the environment as a whole by implementing guidelines in 'The Spirit & The Letter' policy of the Bank which are binding on all directors, executives, and employees of the Bank. The Bank is committed to business success based on fair and equitable treatment of all stakeholders and strict compliance with the highest ethical, legal, and professional standards and to responding to the current and future needs of stakeholders to ensure that the rights of all groups of stakeholders are taken into account.

The Bank has taken numerous steps to encourage employee compliance with its code of ethics: reminders are circulated via internal media and include messages from the top executive, explanations of operational guidelines, and complimentary mention for desired behavior by employees who have treated customers with honesty and respect for their best interests.

Various channels have been set up for customers, the public, and other stakeholders to enquire and/or complain or provide information about possible violations of law or ethical standards, incomplete provision of financial information, or failures in internal control systems to the Bank or its Board of Directors. Stakeholders may raise these and other issues related to their rights either through the Call Center at 1572, by email: irgroup@krungsri.com, or "Investor Relations" on the Bank's website: www.krungsri.com. All customer comments and questions are immediately forwarded to the heads of the relevant functions for further proceeding without delay. Thereafter, the result will be reported to the executive or the Bank's Board of Directors, as the case may be. Other than the said channels, complaints may be made through the Ombudsperson and complainants will be protected by the appropriate mechanisms.

In brief, the Bank has adopted the following practices for dealing with stakeholders:

- **Shareholders:** The Bank understands the importance of respecting shareholders' rights and treating all shareholders fairly and equitably. Management practices – based on the principles of prudence and efficiency – are designed to promote sustained growth, allow the Bank to compete on an international scale, and earn long-term yields for shareholders. The Bank has disclosed complete and accurate information for transparency and fairness and developed comprehensive internal administrative and risk management systems which are efficient and allow for a high degree of accountability. In addition, every possible effort is made to protect the assets and interests of shareholders as well as the reputation of the Bank. The Bank was awarded the award for "Best Investor Relations Services 2009" by Asia Banker based on a poll rating commercial banks in the Asia Pacific Region.

- **The Board of Directors:** The Bank has taken steps that enable the directors to work to their fullest potential and guarantees them freedom to express their views and has set guidelines to be properly implemented by the management. Remuneration paid to directors is commensurate with their responsibilities and in line with industry standards. Directors are regularly notified of work-related training opportunities, and there are bodies in place to ensure that the Board of Directors carries out its duties in full compliance with law.

- **Executives:** The Bank recognizes the importance of the executives who take part in the success of business operations. The executive remuneration structure is appropriate and comparable to other listed companies in the same industry in Thailand. In addition, the Bank has provided executives with the opportunity to perform their work independently without intervention under defined roles and responsibilities assigned by the Bank's Board of Directors.

- **Employee:** The Bank deems that its employees are among its most treasured assets, since possession of quality employees is a key to long-term business success. For this reason, the Bank provides employees with generous salaries and other benefits, a provident fund, and opportunities for professional advancement. The Bank consistently encourages employees to upgrade their professional knowledge and skills and offers them scholarships, as well as providing them with a safe and healthy working environment. Decisions regarding promotions and transfers are made fairly and on the basis of the choosing the best employee for the job. All employees are encouraged to show initiative and responsibility, and have regular opportunities to voice opinions and address their concerns to management. One of the roles of the Board of Directors is to ensure that the Bank treats all employees fairly and appropriately. Details of the Bank's personnel development policies and programs are contained in Forms 56-1 and 56-2 under "Personnel Development."

- **Customers:** The Bank is built on honesty and integrity and is committed to protecting the interests of customers. Other than offering a growing range of outstanding products and services specially designed to respond to customers' needs, the Bank also gives careful attention to customers' comments and complaints, and respects their need for confidentiality. In 2009, the Bank received the Best Local Trade Bank in Thailand 2009 award for the third consecutive year from the Awards for Excellence project arranged by EUROMONEY Trade Finance Magazine, with the highest score in Thailand for its international trade service.

- **Suppliers:** The Bank recognizes the importance of fulfilling its contractual obligations to suppliers without taking advantage for itself and its related entities, and shares complete factual information. The procurement policy and the Gift & Entertainment policy have been established to be adhered to by the employees for the purpose of fair treatment of all parties. In addition, useful information on joint business operations is shared to ensure the Bank's success with integrity.

- **Creditors:** The Bank is pledged to fulfilling its contractual obligations to all its creditors, debenture holders, and depositors. The Bank also provides information about risks related to non-deposit services.

- **Commercial Banks or Financial Institutions:** The Bank actively participates in the exchange of business-related information with other commercial banks and financial institutions as a means of protecting the interests and stability of the banking industry as a whole. It also promotes activities that foster understanding, treats competing banks and financial institutions in accordance with all relevant rules and regulations, and contributes to efforts to reduce costs in the commercial banking sector and the overall economy.

- **Society and Environment:** The Bank realizes that it has an obligation to local communities, society, and the environment, and that this obligation is central to sustainable development. That is why it frequently lends support to government and private-sector programs as appropriate. The Bank works to ensure that its operations do not overstep the boundaries of the law, and that it does not provide support for illegal businesses or business activities that have an adverse impact on the environment. Executives and other employees at all levels throughout the organization are regularly reminded of their responsibilities to local communities and the environment. In this regard, the Bank has not only comprehensible policy and guidelines set out in 'The Spirit & The Letter', but has also set up a safety, occupational health and environment sub-committee in the workplace. In brief, the Bank is always careful not to conduct or support activities that could have a negative impact on society or the environment as detailed under "Social and Environment Responsibility" in the Annual Report (Form 56-2).

Section 4: Disclosure of Information and Transparency

The Bank recognizes the importance of making full, timely, and transparent disclosure of financial and non-financial information pursuant to the standards and regulations as mandated by the Office of the SEC and the SET. This information is regularly improved and updated and the effectiveness of disclosure process is evaluated frequently so shareholders, investors, analysts, and relevant government agencies, as well as the general public can receive information in both Thai and English through the SET's SCP system and on www.krungsri.com. In 2009, the Bank was not penalized by the SEC or the SET for not disclosing information according to requirements.

One of the units of the Bank directly responsible for ensuring that individuals and organizations outside the Bank have fair and equal access to accurate information is the Corporate Communications Department. Another is the Investor Relations Department, which is charged with maintaining the confidence of investors, securities analysts, fund managers, credit rating agencies, partner banks, and other relevant organizations. The Investor Relations Department also responds to investors' enquiries via telephone, mail, and e-mail. To contact the Department, investors can call 02-296-2977, or click on "Contact Investor Relations" on the website at www.krungsri.com or send an email to irgroup@krungsri.com or mail to the Investor Relations Department, Bank of Ayudhya Plc., Head Office, 1222 Rama III Road, Bang Pongpang, Yan Nawa, Bangkok 10120, or to P.O. Box 9 Bang Pongpang, Bangkok 10125.

The Bank has arranged for senior executives such as the President and Chief Executive Officer and Chief Financial Officer to occasionally meet and answer the questions of foreign and local analysts and to attend press conferences.

In addition, the Bank has adopted further measures aimed at providing complete and accurate information and assuring the public of its commitment to transparency. These measures conform to the principles of good corporate governance and are additional proof of the Bank's concern for local communities, society, and the environment.

4.1 **Financial Reporting and the Responsibility of the Board of Directors:** The Board of Directors bears the responsibility for the Bank's financial statements and consolidated financial statements, including all financial information that appears in the Annual Report (Form 56-2). Financial information is prepared in line with the generally accepted accounting standards and discloses sufficient important information in the notes to the financial statements subject to audit and unqualified opinion by the independent external auditor. In addition, such information has been reviewed by the Audit Committee which consists of independent directors. The Bank reports the Board of Director's responsibility for the 2009 financial report in the Annual Report (Form 56-2), together with the opinion of the Audit Committee, explanations on the Bank's financial standing and performance, competition conditions, and operational risks in the Annual Registration Statement (Form 56-1) and the Annual Report (Form 56-2).

4.2 **Shareholding Structure:** the Bank discloses its shareholding structure and directors' and executives' shareholdings in the Annual Registration Statement (Form 56-1) and the Annual Report (Form 56-2).

4.3 **Information on Directors and the Role of the Board of Directors:** The Bank discloses the names of directors, independent directors, and Committee members including individual profiles and professional training, number of Bank shares held, performance of duties, meeting attendance, as well as composition, qualifications, term of office, authority, and responsibilities in the Annual Registration Statement (Form 56-1) and in the Annual Report (Form 56-2). This information is also available on www.krungsri.com.

4.4 **Policy on Remuneration Paid to Directors and Senior Executives:** The Bank has a clear and transparent policy which provides for the payment of remuneration to the directors and senior executives at levels comparable with other businesses of a similar nature. The Nomination and Remuneration Committee is charged with overseeing this policy and ensuring that remuneration and other benefits paid are commensurate with their duties and responsibilities and Bank's financial situation and conform to the Bank's regulations.

Regarding remuneration for directors and committee members, the Nomination and Remuneration Committee submits its recommendations to the Board of Directors, who then present them to the annual general shareholder meeting for approval. The Bank's policy on remuneration paid to directors and other executives, along with the actual amounts paid to these individuals, appears in the Annual Registration Statement (Form 56-1) and the Annual Report (Form 56-2).

4.5 **Compliance with the Good Corporate Governance Principles:** The Bank is committed to strict compliance with the good corporate governance principles for registered companies as stipulated by the SET, the applicable laws, the policies and regulations of relevant government agencies and regulatory bodies, and Bank business ethics.

The Board of Directors conducts regular evaluations of the Bank's compliance with these principles, and each year makes recommendations for improving operations to better comply with the good corporate governance principles and protect the interests of all groups of stakeholders. The Bank has also set up the "Compliance Review Committee" to be in charge of overseeing compliance and ensuring that the Bank's operations and its executives and employees conform to the good corporate governance principles, in accordance with the regulations, laws, and policies of the relevant governmental agencies or regulatory bodies. This is to enhance trust among investors and shareholders and to communicate the Bank's good corporate governance practice to related stakeholders.

4.6 **Community, Social, and Environmental Responsibility:** In addition to its commitment to ethical business conduct and the good corporate governance principles, the Bank also continuously demonstrates concern for local communities, society, and the environment through a slate of activities aimed at improving social and environmental conditions. A particular focus is on education, health, and growth opportunities for the country's young people. The Bank believes that these activities lay the groundwork for a better future for our children. The activities are detailed under "Social Responsibility and the Environment" in the Annual Report (Form 56-2).

4.7 **Related Transactions:** All related transactions undertaken by the Bank are reported in the notes to the financial statements audited by the independent auditor. Such transactions are also disclosed in the Annual Registration Statement (Form 56-1), the Annual Report (Form 56-2) and via www.krungsri.com.

4.8 **Relations with Investors and Other Parties:** The Investor Relations Department is responsible for many areas with regards to reputation of the Bank in the financial community, the main one being that it provides information to external parties, namely securities analysts, local and international fund managers, credit rating agencies, and other relevant agencies. The information is not only about the Bank itself, includes financial performance and status, current operations, ability to compete in the banking sector, and future plans and policy, but also about the overall banking industry.

Another important role of Investor Relations is to have access to the management and therefore facilitating management's communication with investors and analysts is considered Investor Relations' responsibility. The communication channels for the Bank's management are mainly analyst briefings, both one-on-one and one-on-group meetings which can be organized through roadshows, conferences or company visits. Meanwhile, Investor Relations is not only involved in one-on-one and one-on-group meetings but also in communicating through various channels such as telephone calls, e-mails, presentations, newsletters, disclosures to the SET, and company's web site. The information being provided has to be accurate, sufficient, and, most importantly, timely.

The Bank has investors from many different regions, so it is critical that the opportunity for face-to-face meetings between the management and fund managers is provided. Investor Relations Department is responsible for planning annual roadshows to effectively cover all the investors in every important region.

In 2009 the management and staff from the Investor Relations Department took part in the following activities:

	Number of Times	Attendance
Press Conferences	2	61/press conference
Analyst Briefings	2	61/briefing
One-on-one and one-on-group meetings between senior executives and investors/analysts	184	269
Senior executive interviews with credit rating agencies	5	4 agencies
Roadshows	6	4 countries

Conclusively, the Bank's Investor Relations Department has fulfilled responsibility in every role. In 2009, the Bank achieved number one ranking for Asia Pacific's Best Investor Relations Services by The Investor Audit Services, a subsidiary of The Asian Banker. This was based on an evaluation of the major aspects of Investor Relations of 150 banks from various countries in Asia Pacific.

Section 5: Responsibilities of the Board of Directors

The Bank's Board of Directors is directly responsible for overseeing the Bank's operations and protecting the best interests of the Bank itself and its shareholders as a whole, with proven leadership and vision and independence in decision making. Additionally, the Board of Directors also ensures the Bank's operations are carried out under the applicable laws and codes of conduct. All directors meet the qualifications set down in the Bank's regulations, all relevant laws, and the rules and regulations of the SEC and the SET. The structure of the Board, the terms and nomination methods of directors, and the qualifications of independent directors appear in the Annual Registration Statement (Form 56-1) and the Annual Report (Form 56-2).

5.1 **Terms of the Bank Directors and Senior Executives in other companies:** It is allowed that any of the Bank directors may serve as the chairman, executive director or a signatory director in no more than 3 business groups according to relevant law. None of the Bank directors is currently holding the position as such in more than 5 companies, either listed or non-listed.

Regarding directors of companies in the Financial Business Group, the Nomination and Remuneration Committee is responsible to nominate the Bank director(s) and senior executive(s) and propose to the Board of Directors for appointment as member of committees directly reporting to the Board of Directors and directors of companies in the Financial Business Group taken into account of their qualifications, knowledge, and competence as well as the nature of those businesses in order to ensure performance efficiency and adequate time devotion. Furthermore, it is required that each senior executive may be allocated to serve as director and/or member of committees no more than 6 positions in the business group. Details of the Bank directors and senior executives' positions in other companies were also disclosed in the Annual Report (56-2).

5.2 **Meetings of the Board of Directors:** The Corporate Secretary schedules Board meetings and important agendas that must be considered each month, such as Bank planning and budgeting for the whole year in advance, and submits it to the Board of Directors for acknowledgement. The directors meet together at least once a month (generally the fourth Wednesday of the month), which is appropriate to the work of the Board and nature of the Bank's business. However, should any urgent matter arise which requires the immediate attention of the Board, an additional meeting may be called. Attendance records for each of the directors appear in the Annual Registration Statement (Form 56-1) and the Annual Report (Form 56-2). This information is also given to the shareholders at the annual general meeting of shareholders in support of their considerations as to whether to re-elect the directors.

Meetings of the Board of Directors are conducted as follows:

(1) **Setting the Agenda:** The Secretary to the Board of Directors proposes the meeting agenda and submits

it to the Chairman of the Board through the President and Chief Executive Officer. The agenda are discussed to determine which items will be proposed to the Board of Directors. In addition to the items for consideration or for acknowledgement, important items such as the Bank's monthly financial performance and subsidiaries business reviews are scheduled.

If any of the Directors wishes to propose an item to the agenda, he/she may do so by notifying either the Chairman of the Board, the President and Chief Executive Officer, or the Secretary to the Board of Directors to include the same in the agenda.

(2) **Delivering Notification of the Meeting:** Each director will receive a notification of the meeting and supporting documents not less than 7 days prior to the scheduled date of the meeting. To provide the Board of Directors with convenient sources of data, the Bank also prepares and concurrently sends to individual directors all the supporting documents including presentation in the form of an electronic file. The directors can ask questions or request additional documents from responsible departments or legal/financial opinions through the executive directors or by assigning the Secretary to the Board of Directors to obtain co-operation and procure information.

(3) **Attending the Meeting:** The Board of Directors recognizes the value of attending the Board meetings. Normally, the directors attend all Board meetings, except in the case that a director has a very important engagement such as meeting with a relevant government agency or a business trip abroad. In addition, non-executive directors will also meet among themselves at regular intervals in order to freely discuss problems affecting the Bank and possible solutions.

(4) **Inviting Management to Attend:** The Board of Directors invites the Executive Committee members, who are the senior executives and are responsible for screening items on the agenda prior to its proposal to the Board of Directors, to attend every Board meeting in order to hear the views and observations of the Board. Also personnel from units directly concerned with individual agenda items will attend a meeting to provide the Board of Directors with additional information which is needed and to answer questions raised by the directors.

(5) **The Meeting:** Each Board meeting lasts on average 4 hours, the length depending on the number of items and complexity of information presented. The Chairman of the Board allows each of the directors as much time as needed to ask questions, make proposals, and express views on each of the items up for consideration, with special attention being given to the most pressing matters. This ensures careful consideration of important issues affecting the Bank.

(6) **Preparing Minutes of the Meeting:** The Secretary to the Board of Directors prepares minutes which specify when the meeting was convened and adjourned, the names of the directors present and absent and invitees, and summaries of proposals, observations, questions and recommendations from the directors. It also includes explanations provided by the management and a detailed, clear, and adequate account of meeting resolutions to be signed both by the Chairman of the Meeting and the minute taker. Furthermore, should any of the directors have a possible conflict of interest which prevents him/her from taking part in discussion of and voting on any of the resolutions passed at the meeting, this is duly noted in the meeting minutes.

Once the Meeting has approved the minutes, copies are promptly sent to relevant bodies both within and outside the Bank. The Secretary to the Board of Directors is charged with keeping the minutes. A powerful search engine allows for speedy retrieval and subsequent reference and verification. Minutes may not be amended, however, without approval of the Board of Directors.

5.3 **Evaluating the Performance of the Board of Directors:** The Bank requires an annual evaluation of the performance of the Board of Directors, which uses an evaluation form approved by the Nomination and Remuneration Committee. The objectives of the evaluation are:

(1) To reinforce the good corporate governance principles;
(2) To improve the efficiency and effectiveness of the Board of Directors and the management;
(3) To provide the directors with an overview of progress and problems over the previous year;

The form used for evaluation examines the performance of the Board of Directors as a whole and reflects the views of individual directors regarding the overall performance of the Board of Directors; it is not an evaluation of individual directors. The six majors areas evaluated are:

(1) Structure and qualifications of the Board of Directors;
(2) Roles and responsibilities of the Board of Directors;
(3) Board meetings;
(4) Directors' performance;
(5) Relations with the management;
(6) Professional development of the directors and the management

The evaluation result is submitted to the Nomination and Remuneration Committee before being forwarded to the Board of Directors for acknowledgement and discussion. The findings also include suggestions and areas for improvement. The Bank's management is also informed of these suggestions so that management practices can be upgraded and Bank operations be made more efficient.

5.4 **Remuneration of Directors and Executives:** The Bank has adopted clear and transparent policy on remuneration for the directors. Remuneration is comparable to that paid by other businesses of a similar nature and size, is adequate to attract, motivate, and retain qualified directors, and reflects careful consideration of individual director's experience, roles and responsibilities, and performance expectations. Directors appointed to act as Nomination and Remuneration Committee members or Audit Committee members are paid additional remuneration in accordance with the additional responsibilities assumed. Remuneration policy and amounts are proposed each year to the annual general meeting of shareholders, and the forms of remuneration paid to each director are fully disclosed, with remuneration for services as a director listed separately from other monies paid for other services.

Remuneration paid to the executives complies with policies and principles set down by the Board of Directors and is tied to the Bank's overall performance and stated goals as well as the performance of individual members of the Bank's management team. The Bank discloses the remuneration paid to directors and executives in the Annual Registration Statement (Form 56-1) and the Annual Report (Form 56-2).

5.5 **Corporate Secretary:** The Board of Directors appointed Ms. Thidarat Sethavaravichit, VP of Corporate Secretariat Department, to the position of Corporate Secretary and also as responsible for serving as the secretary to the Board of Directors. Her core responsibilities are as follows:

(1) Fulfill the duties of Corporate Secretary as stipulated by law and as assigned by the Board of Directors;
(2) Oversee various activities of the Board of Directors to ensure compliance with the law and other relevant rules and regulations;
(3) Organize shareholder meetings and Board meetings, including preparation of minutes of meetings in compliance with the law and Bank regulations, and follow up matters from the Board of Directors' resolutions;
(4) Advise the Board of Directors on relevant legal issues and Bank regulations to safeguard the best interests of the Bank;
(5) Coordinate with secretaries of other Committees.

Furthermore, the Bank encourages the Corporate Secretary to receive training arranged by the Thai Institute of Directors such as the Company Secretary Program (CSP 1/2002), Board Reporting Program (BRP) and Handling Conflicts of Interest: What should the Board of Directors do?

5.6 **Internal Control and Audit:** The Bank recognizes the importance of maintaining an effective internal auditing system and internal control mechanisms. The Bank has set clear internal control mechanisms and units which can independently audit according to the planned structure to report to the Board of Directors. The Bank discloses the details in the Annual Registration Statement (Form 56-1) and the Annual Report (Form 56-2) Re: Internal Control.

5.7 **Risk Management:** The Board of Directors established the Risk Management Committee to develop an integrated risk management policy and the Risk Management Group to analyze, evaluate, follow up, and control the risk management in granting credit facilities to be within the scope and regulations of the Bank and relevant government agencies. The Board of Directors constantly reviews the adequacy of the risk management system and its effectiveness in dealing with risks. The Bank discloses the details in the Annual Registration Statement (Form 56-1) and the Annual Report (Form 56-2) Re: Risk Management.

5.8 **Professional Development of Directors and Executive Committee Members:** The Bank provides support for directors, Executive Committee members, and other individuals with a direct role in managing the Bank's affairs, such as the Head of the Compliance Division and the Corporate Secretary, to participate in seminars and training courses as part of its policy of professional development. These programs are conducted by the Thai Institute of Directors Association (IOD), the SET, and other leading institutions of training, both local and foreign. Directors who are new to the Bank attend a lecture that provides an overview on the business of the Bank and other relevant information. Those in attendance also have an opportunity to ask questions and are given the following handbooks and other documents:

- The Bank's Articles and Memorandum of Association, the Bank's good corporate governance principles, 'The Spirit & The Letter', Annual Registration Statement (Form 56-1), and the Annual Report (Form 56-2);
- Code of ethics for directors of commercial banks and a handbook for directors of financial institutions; and
- Good corporate governance principles for listed companies and a handbook for directors of listed companies.

In each quarter, the Corporate Secretariat Department which oversees overall activities of the directors and Executive Committee members and their seminars and training courses will compile a list of courses of the Thai Institute of Directors Association (IOD) in relation to their roles and responsibilities and other additional duties as assigned to them such as duties of the Chairman of the Board, duties of the Audit Committee member, duties of the Nomination and Remuneration Committee member, to be conducted in the following quarter. Information on such relevant programs will be sent in advance so that the directors and Executive Committee members can make plans to attend. The Bank discloses details of the directors and Executive Committee members' seminars and training courses in the Annual Registration Statement (Form 56-1) and the Annual Report (Form 56-2).

5.9 **Succession and Management Development Plans:** The Nomination and Remuneration Committee is responsible for developing the Bank's succession plan in the event that the position of the President and Chief Executive Officer becomes vacant and for approving succession plans for the Group Heads/Chief Officers to ensure investors and shareholders of the smooth, uninterrupted operation of the Bank.

At present, the Bank has put in place a succession plan and a specific training and development plan for individual executives. The purpose of these plans is to evaluate and identify individuals with the potential to assume higher-level management positions at the Bank. Career plans for these individuals are based on needs analysis and are designed to provide opportunities for skills/knowledge enhancement in line with Competency-Based Management guidelines. The development of these executives is also monitored and evaluated, and recognition is shown through promotion to a higher position.

Inside Information Supervision

Directors and senior management of the Bank have obligations to disclose information regarding their shareholdings and any material transactions or relationships to the Office of the Securities and Exchange Commission and to submit a copy of any such report to the Board of Directors for information. In addition to these regulatory requirements, the Bank has also established supervision guidelines with regard to the use of inside information, which Directors, senior management, and staff members of the Bank shall be subject to and comply with as follows:

1. All employees are prohibited from using inside information for the benefit of securities trading;

2. Insider trading is a legal offence and a violation of the ethical handling of conflicts of interest as it is unfair to other investors. The practice severely affects securities investment and investor confidence;

3. All employees have obligations to strictly abide by the laws governing financial institutions, as well as the rules and regulations concerning inside information, securities investment, and securities trading;

4. All employees are required to have thorough understanding of and strictly abide by the rules and regulations on the prevention of insider trading and provision of securities trading advice.

The Bank also adopts a code of conduct for transactions in the Bank's securities by employees. The code of conduct requires that all employees refrain from trading the Bank's securities during black-out periods imposed by the Bank prior to the announcements of its quarterly and annual operating results. Employees who have direct or indirect access to or are aware of inside information must realize that they are prohibited from trading the Bank's securities until the Bank's operating results are officially announced to the public.

Employees and individuals related to the Bank's employees who wish to trade or transfer the Bank's securities can only do so when they have held the securities for at least three months from the date of acquisition, unless indicated otherwise by approval of the Audit Committee or authorized persons. Employees violating the Bank's code of conduct and rules in this regard are subject to prosecution and disciplinary actions, which include disgorging of profits, liquidation of holdings, and termination of employment.

Internal Control

The Bank is committed to high standards of internal control in order to ensure the transparency, accountability, and efficiency of its operations for the benefits of the customers and the Bank; and to avoid or minimize risk exposure that may cause damage to its business and/or public image.

The Bank's internal control system is in full compliance with all applicable government laws. It adopts structural and environmental components that contribute to effective internal control across all areas of operations and efficient management of the Bank's business. Authority to operate various duties and responsibilities is delegated to respective senior management with clear authorization limits and proper check-and-balance mechanisms. Procedures have been designed for monitoring operating performance and managing risk exposure under an internal control system, which is regularly reviewed for its effectiveness and compliance with the rules and regulations set forth by the Bank and related regulators. The Bank ensures that systems and procedures are in place, corrective measures are taken by executives within an appropriate and agreed timetable, and objective assessment and reporting is undertaken independently. It also maintains an organizational structure that does not allow responsibility for all aspects of internal control to rest upon one individual or department. The functions of initiating standards, performing internal audit, and evaluating internal audit work are clearly separated. An Audit Development and Quality Assurance Section has been established to independently perform assessment of internal auditors and enhance the efficiency of the Bank's internal control system.

The Audit Committee maintains independence and plays a vital role in overseeing the efficiency of the Bank's internal control system and ensuring that it complies with international standards. The Audit Development and Quality Assurance Section reports directly to the Audit Committee to ensure that all operational areas of the Bank and its related companies are subject to independent and sufficient internal control; the accuracy and reliability of their financial and management information is assured; and preventive measures against conflicts of interest are maintained and are in compliance with regulatory requirements.

A copy of the Audit Committee Report comprising a list of actions taken during the year is attached with this annual report.

Related Party Transactions

The Bank disclosed information regarding related party transactions under section 4.24 of notes to the Consolidated and the Bank's financial statements for the year ended December 31, 2009.

The Bank has business transactions with subsidiary, associated, and related companies, which are companies that have shareholding in and/or major shareholders and/or joint directors in common with the Bank. Such related transactions are priced on an arms-length basis in the normal course of business for the Bank in common with the same conditions as other customers, including the allowance for doubtful accounts policy. The Bank has complied with the same BOT regulations as those granted to other debtors.

(1)Major related party transactions

As of December 31, 2009, the Bank loaned to subsidiaries and associated company such as Ayudhya Capital Auto Lease Public Company Limited Baht 77,280 million, GE Capital (Thailand) Limited Baht 16,338 million, Ayudhya Asset Management Company Limited Baht 15,019 million, Krungsriayudhya Card Company Limited Baht 12,344 million and General Card Services Limited Baht 11,448 million.

On September 18, 2007, a meeting of Board of directors of Ayudhya Derivatives Company Limited, Ayudhya Securities Public Company Limited's subsidiary, was approved to transfer the derivatives business and employees to Ayudhya Securities Public Company Limited. The business and employees transfer were also approved by the resolution of the Board of Directors' meeting of the Ayudhya Securities Public Company Limited on September 20, 2007. Such business transfer was subject to the membership transfer regulation to be established by Thailand Future Exchange Public Company Limited and Thailand Clearing House Company Limited and the approval of the Securities and Exchange Commission. Subsequently, the business transfer was approved by a resolution passed by the Board of Directors' meeting of the Bank on May 28, 2008. The subsidiary was approved by the Securities and Exchange Commission to terminate the derivatives business operation to be effective when the subsidiary completes the business transfer.

On September 29, 2008, the extraordinary meeting of the subsidiary's shareholders approved the business transfer by selling assets, liabilities and transferring commitment related to derivatives business to Ayudhya Securities Public Company Limited. The selling price of fixed assets, intangible assets and others assets was Baht 5.9 million. The subsidiary had transferred this business on December 1, 2008.

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

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

On April 8, 2009, the Bank purchased the 99.5% shares of Ayudhya Total Solutions Public Company Limited (formerly AIG Retail Bank Public Company Limited), operating a retail banking business, and 100% shares of Ayudhya Card Services Company Limited (formerly AIG Credit Card (Thailand) Company Limited), operating a credit card and personal loan business under the supervision of the Bank of Thailand, from AIG Consumer Finance ("AIG CFG") and subsidiaries, as approved by the Bank's Board of Directors' meeting on February 5, 2009, in the total amount of Baht 1,487 million. Such purchases were subject to the criteria and requirements as approved by the Bank of Thailand on March 30, 2009. At the acquisition date, the Bank recognized total assets and total liabilities of Baht 47,083 million and Baht 44,297 million, respectively, fair value adjustment of Baht 472 million and excess of net fair value of acquired subsidiaries over purchase cost of Baht 785 million as income in the statement of income.

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

On June 24, 2009, the Board of Directors of the Bank approved the following matters:

1. To approve Ayudhya Fund Management Company Limited (AYF) to purchase all shares of Primavest Asset Management Company Limited (PMV) from Ayudhya Allianz C.P. Life Public Company Limited (AACP) and BBTV Equity Company Limited (BBTV) at the total price of Baht 101 million.
2. To approve the Bank to sell 2,500,000 shares of PMV (10% of PMV total shares) to AYF at the price of Baht 10 million.
3. To approve the Bank to sell 359,604 shares of AYF (10.3% of AYF total shares) to AACP and to sell 459,747 shares of AYF (13.1% of AYF total shares) to BBTV at the total price of Baht 91 million.
4. To approve the transfer or business amalgamation between AYF and PMV.

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

   The transaction was approved by the Bank of Thailand on September 3, 2009 and the Office of Securities and Exchange Commission on July 28, 2009 and was completed on September 18, 2009, for No. 1 - 3 except the business amalgamation between AYF and PMV.

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

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

Insurance Broker Company Limited (TGIB) through TCS respectively; and

7. To indirectly hold 5,000 shares of Quality Life Assurance Broker Company Limited (QLAB) and 5,000 shares of Quality General Insurance Broker Company Limited (QGIB) through GECT respectively.

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

The transactions were approved by the Extraordinary Shareholders' Meeting No. 2/2009 on August 27, 2009 and the Bank of Thailand on October 9, 2009. These transactions were completed on November 5, 2009 and represented an investment of Baht 9,787 million which may be adjusted of Baht 1,217 million. At the acquisition date, the Bank recognized total assets and total liabilities of Baht 40,347 million and Baht 30,649 million, respectively, fair value adjustment of Baht 38 million and goodwill of Baht 1,445 million.

The Extraordinary Board of Directors' Meeting of the Bank also approved the Bank to execute the purchase or accept the business transfer of CFG Services Company Limited (CFGS) operating hire purchase business for the car owners having car register book as collateral and Sale and Lease Back business by acquiring 100% shares of the total shares sold from AIG Consumer Finance Group Inc., at the total value of considerations of Baht 18 million. The transaction was completed on September 9, 2009 after the approvals from the Extraordinary Shareholders' Meeting No. 2/2009 on August 27, 2009 and the Bank of Thailand on September 4, 2009. At the acquisition date, the Bank recognized total assets and total liabilities of Baht 2,151 million and Baht 1,657 million, respectively, fair value adjustment of Baht 258 million and excess of net fair value of acquired subsidiary over purchase cost of Baht 209 million as income in the statement of income.

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.

(2) Necessity and justification for the transactions

These related party transactions were necessary and justified in order to obtain maximum benefits for the Bank. Loans and commitments to certain officers from the level of departmental chief upward and related firms with shareholders or directors in common with the Bank are considered as part of the normal business of the Bank.

(3) Approval process for related party transactions

All of the Bank's related party transactions on loans are part of its normal business and, as such, are subject to the Bank's normal loan approval procedures. Loan applications are screened by the appropriate panel or panels, based on the amount of credit requested. Executives with a stake in the transaction in question are strictly excluded from the approval process.

The Bank's other significant related party transactions are approved by Financial Management Committee, Audit Committee, Executive Committee and Board of Director to ensure that they are necessary and justified in order to obtain maximum benefits for the Bank.

(4) Policies for and likelihood of related party transactions

The Bank's policies and prospects for related party transactions in the future will remain unchanged from the previous years. Such transactions will continue to be considered as part of the Bank's normal business and will be charged at current market rates.

Corporate Social Responsibility

Throughout 64 years of operation, Bank of Ayudhya Public Company Limited (BAY), as a good corporate citizen, has always believed that we have the responsibility to the communities in which we operate. As part of our corporate social responsibility policy, we are fully committed to the Thai consumers by operating our business with ethics and providing services to meet their financial needs in our capacity as a leading financial institution. BAY's understanding of a broader role in the society has been firmly embedded in our values as evidenced by our active participation in various social and environmental causes, ranging from youth and education development, environmental protection, cultural promotion, community relations, support for the needy and public charities.

To spread the support across the communities, we carry out own initiatives and works with other organizations which share similar values to turn these commitments into reality. Assistance is given in the form of financial donations as well as staff volunteer activities, which help to instill a sense of social contribution among our employees and turn them into the key driving force for our philanthropic and community development efforts.

The following social and environmental activities were carried out in 2009:

Youth and Education Development

"KRUNGSRI…Makes Dream Come True for Good Kids" is a project that we initiated to provide an opportunity for underprivileged young students to continue with their academic learning and development of talents. The project incorporated many activities as follows:

1. "KRUNGSRI Yellow Points…Million Hearts for the Kids' Studying" was a program that the Bank and its customers worked together in making donations to improve the conditions of four patrol police schools in Udonthani, Tak, Chiang Rai and Nakornsrithammarat provinces. The program received huge support from our customers.

2. Children's Day Painting Contest is an ongoing activity in which we invite elementary and secondary students in Yannawa district, where the Bank's headquarters is located, to express their creativity and artistic talents in the given theme. In 2009 the participants were asked to paint pictures under the theme of "Happiness". A total of 24 scholarships were presented.

3. Donations of 65 reading corners equipped with shelves of books, tables and chairs were made to needy schools in the rural areas to promote reading skills and provide supplementary learning opportunities for young kids. Our employees also volunteered their time and services to improve the schools' libraries.

4. "KRUNGSRI…Bringing Kids to the Movie" is another ongoing activity where we bring underprivileged children to watch movies at Krungsri IMAX Cinema with the hope to broaden their horizons through educational and entertaining movies. In 2009, 480 young children from Mahamek Home for Boys, Baan Maharaj Foundation and Nok Kamin Foundation were given this unique experience.

5. Children's Day Scholarship Program is an annual activity held for the past 25 years to award scholarships to elementary, secondary and undergraduate students from Mahamek Home for Boys who have outstanding academic performance. In 2009, 15 scholarships were presented.

6. A financial contribution was made to support the 37th Thai Classical Music Festival hosted by Thammasat University. The event was aimed at promoting traditional Thai music and awareness about conservation of Thai culture.

7. We sponsored the 5th simulated business competition hosted by Assumption University to encourage students to apply classroom knowledge to form a business project. The competition provided an opportunity to groom today's students to become tomorrow's successful entrepreneurs with professionalism and social responsibility.

8. We supported Dr. Sax Chamber Orchestra's tour concert under Assoc. Prof. Sugree Chareonsuk, President of Arjarn Sugree Chareonsuk Foundation to promote classical music performances in the provinces. The project was aimed at promoting classical music skills and awareness among young children.

9. Educational tools and equipment were donated to over 160 public and private schools and philanthropic organizations nationwide on the occasion of Children's Day 2009.

Public and Social Charities

1. In support of "Jimmy & Rosalynn Carter Work Project: The Mekong Build 2009", a project under Habitat for Humanity, we brought executives and staff to join the former US president Jimmy Carter, his wife Rosalynn Carter and other 2,500 volunteers from around the world in building decent and affordable housing to 82 needy families in San Sai district, Chiang Mai. The contribution was dedicated to H.M. the King in commemoration of his 82nd birthday.

2. A financial donation was made to support the construction and decoration of an office building of the Federation of Accounting Professions.

3. We made a financial support to help the SOS Foundation of Thailand construct 12 houses in the SOS Children's villages in Phuket in commemoration of H.M. the King's 80th birthday.

4. We sponsored the 36th Red Cross Concert, organized by the Royal Navy to raise funds for the benefit of the Red Cross's relief efforts.

5. Through the "Tarn Namjai" project (or "The Tide of Generosity from BAY's Employees") our employees collectively made financial donations and provided relief efforts to help those affected by flooding in the South and by extreme weather conditions in the North and the Northeast.

6. Sixty-five bicycles were donated in a project called "Pan Duey Jai… Pan Jai Mob Hai Nong" (or "Biking with Our Hearts… A Sharing Project to Help Young Children") to Baan Prue Noi School in Pranburi

district, Prajuabkirikant province. Some were given to needy students whose houses were located far from the school and the remaining were kept at the school to commute the teachers and students participating in the Pran river delta cleaning project.

7. Our employees have participated in the blood donation activity organized every quarter at the Bank's headquarters for the past 21 years. The four blood drives in 2009 resulted in 657,600 c.c. of donated blood.

Religion, Art and Culture

1. The Bank organizes Kratin Samakkee ceremony every year. In 2009, we joined the royal-sponsored Kratin ceremony at Prayurawongsawat Temple and made financial contributions to support the restoration of the 180-year-old Grand Pagoda, considered the oldest pagoda in the Ratanakosin era.

2. We have continued supporting "Jod Mai Haed KRUNGSRI – KRUNGSRI Chronicles", a long-established short documentary program aired on Channel 7, for 24 years as part of our commitment to promote traditional Thai art and culture.

3. We took part in promoting Thai tourism and Songkran tradition by enrolling a floral float in the Grand Songkran Floral Float Competition, organized by the Bangkok Metropolitan Administration. BAY's float won the first runner-up prize in the beautiful float category.

Environment

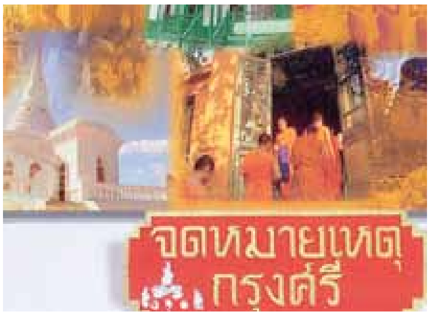
The Bank continued building environmental awareness among the employees under the "Earth Care Project – KRUNGSRI caring for the earth" program, which in 2009 focused on energy conservation, pollution reduction and reforestation.

1. As part of the Bank's Reforestation Project in honor of the 50th Anniversary of H.M. the King's Accession to the Throne, in 2009 we handed over 3,372 rais of reforested land in the National Forest Reserves in Tha Pla district, Utaradit province to Department of Natural Parks, Wildlife and Plant Conservation. In total the Bank has sponsored the reforestation of 5,058 rais of land during 2004-2009. We plan to reforest another 1,686 rais of land in 2010.

2. Our employees volunteered their time and labor to join planting trees to increase green area activities with various government agencies and local communities. In 2009, a total of 2,600 seedlings were planted in the mangrove forest areas of Cha-Am National Park, the compound of Naraesuan University, Thammasat University (Rangsit Campus) and Klong Rong Nak reserved area in Ang Sila district, Chonburi province.

3. A group of underprivileged children from Baan Nok Kamin Foundation was entertained at a Bank-sponsored environmental youth camp held at the Environmental Studies Center in the Quartermaster Recreation Center of the Royal Thai Army - Bang Pu. They had an opportunity to learn how to live, co-existing with the nature and participated in a tree-planting activity.

4. We initiated “Say NO to Plastic” campaign to discourage the use of plastic cups and bottles in the Bank. This bank-wide activity is aimed at reducing plastic waste which leads to deteriorating global warming condition. To replace bought beverages usually served in plastic cups and bottles, we installed an international standard drinking water system for the employees.



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 the 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 optimized 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, 2009.

(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 has performed its task as assigned by the Board of Directors by adhering to the principles of independence in accordance with the Office of the Securities and Exchange Commission's regulations and announcements of the Stock Exchange of Thailand.

In 2009, the Audit Committee called a total of eleven meetings and ten special meetings, including two meetings between the Committee and external auditors only without the participation of the Management. Moreover, the Committee called a meeting with independent director only and reported the outcome to the Board of Directors every time. The action of the Audit Committee in these meetings can be summarized as follows:

1. Approved the annual audit plan and reorganization of the Audit Group to ensure appropriate governance and monitored audit works until it achieved the goals.
2. Reviewed the Bank's related party transactions or transactions with possible conflict of interest to ensure that it is conducted on an arm-length basis and that it is transparent with full disclosure of information.
3. Reviewed the Bank's quarterly and annual financial statements to ensure the right disclosure of financial status in accordance with accounting standards and Financial Institutions Business Act.
4. Monitored the Bank's management performance in terms of improvement according to the recommendations of internal auditors, external auditors, the Bank of Thailand, and the Office of the Securities and Exchange Commission.
5. Considered and recommended Deloitte Touche Jaiyos Audit Co., Ltd. as the Bank's auditor for the year 2009 with an appropriate audit fee. The shareholders' meeting has already approved the proposal.
6. Considered and approved the revisions of the Audit Committee Charter and the Internal Audit Group's Charter to ensure it is current and suitable.
7. Inspected and monitored the Bank's internal audit system to ensure that it is adequate, appropriate, and effective.
8. Ensured that the Bank complied with the good practices of listed companies according to the announcements of the Stock Exchange of Thailand and rules and regulations of the Bank of Thailand.

The Audit Committee views that the Bank has made an appropriate and adequate financial report and operated its business in accordance with rules relating to Office of the Securities and Exchange Commission and regulations of the Stock Exchange of Thailand and the Bank of Thailand. The Bank is confident that, with its current internal audit system, the financial information is complete, correct, and reliable, and the disclosure is adequate.

(Mr. Surachai Prukbamroong)
Chairman of the Audit Committee
March 2010

Report of the Nomination and Remuneration Committee

Following the appointment of the Bank's Board of Directors on February 21, 2007, the Nomination and Remuneration Committee, comprising three Directors of the Bank, has authority and responsibility pursuant to the Nomination and Remuneration Committee Charter in respect of the policy, criteria, and nomination of directors, members of the sub-committees, senior executives of the Bank, and directors of any company in which the Bank holds 50 per cent or above of its shares. The Committee is also responsible for developing policy with regard to terms and conditions of employment, remuneration, and other benefits for directors, members of the sub-committees, and the senior executives, and ensuring that they comply with the Bank's rules and corporate governance principles.

In 2009, the Nomination and Remuneration Committee was chaired by Mr. Karun Kittisataporn, Independent Director; and consisted of Mr. Virat Phairatphiboon, Independent Director; and Mr. Pornsanong Tuchinda, Non-Executive Director, as members. It held a total of 18 meetings to consider such important matters as the formulation of rules governing the retirement age of the Bank's Directors; the review of rules and methods of nominating directors of the Bank and any company in which the Bank holds 50 per cent or above of its shares; and the review of rules and methods for nominating/promoting senior executives to the position of Executive Vice President and above.

In the process of screening, selecting, and nominating directors and senior management mentioned above, the Committee based its considerations on the qualifications, knowledge, competency, experience, and skills of the candidates in accordance with the criteria specified by the Bank and in compliance with related laws.

The Committee determined remuneration and benefits for the Directors of the Banks and other senior executives with transparency and accountability. It took into account their duties, responsibilities, performance, the Bank's operating results, the overall economy, related risk factors, and the remuneration packages of those in the Bank's peer group.

K. Kittisataporn.

(Mr. Karun Kittisataporn)
Chairman of the Nomination and Remuneration Committee

Report of the Independent Certified Public Accountant

To The Shareholders And Board of Directors
Bank of Ayudhya Public Company Limited

We have audited the consolidated balance sheets of Bank of Ayudhya Public Company Limited and subsidiaries and the separate balance sheets of Bank of Ayudhya Public Company Limited as at December 31, 2009 and 2008 and the related consolidated and separate statements of income, changes in shareholders' 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 separate 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, 2009 and 2008 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 2.5 to the financial statements, the Bank and subsidiaries have adopted an accounting policy regarding deferred income tax for the first time. The comparative financial statements for the year ended December 31, 2008 thus have been retrospectively restated to be in accordance with the new accounting policy.

(Dr. Suphamit Techamontrikul)
Certified Public Accountant (Thailand)
Registration No. 3356
Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd.

Bangkok
February 11, 2010

				Baht
	Consolidated Financial Statements		Separate Financial Statements	
	2009	2008 "Restated"	2009	2008 "Restated"
ASSETS				
CASH	20,090,301,220	20,419,454,554	20,080,481,318	20,416,524,467
INTERBANK AND MONEY MARKET ITEMS				
(Note 4.2)				
Domestic items				
Interest bearing	43,646,439,739	69,551,642,417	41,141,564,689	69,236,246,429
Non-interest bearing	6,324,081,956	6,111,102,132	4,984,942,711	5,695,119,897
Foreign items				
Interest bearing	2,068,922,128	2,658,865,362	2,068,922,128	2,658,865,362
Non-interest bearing	1,628,381,553	6,532,735,301	1,561,415,090	6,532,735,301
Total interbank and money				
market items	53,667,825,376	84,854,345,212	49,756,844,618	84,122,966,989
INVESTMENTS (Notes 3.2 and 4.3)				
Current investments, net	22,779,862,805	27,151,289,458	22,741,811,297	27,151,289,458
Long-term investments, net	44,640,302,562	28,945,951,304	44,402,356,334	28,686,537,314
Investments in subsidiaries				
and associated companies, net	642,683,414	1,025,688,823	37,699,959,145	28,139,558,435
Investments, net	68,062,848,781	57,122,929,585	104,844,126,776	83,977,385,207
LOANS AND ACCRUED INTEREST				
RECEIVABLE (Notes 3.3, 3.5 and 4.5)				
Loans	603,507,857,415	557,077,228,177	563,934,343,020	540,442,536,730
Accrued interest receivable	2,210,020,713	1,682,913,422	1,195,345,527	1,580,155,170
Total loans and accrued interest receivable	605,717,878,128	558,760,141,599	565,129,688,547	542,022,691,900
Less Allowance for doubtful accounts				
(Notes 3.4 and 4.6)	(38,270,889,402)	(31,410,157,897)	(24,255,898,175)	(22,828,653,598)
Less Revaluation allowance for debt				
restructuring (Notes 3.5 and 4.7)	(328,769,156)	(897,460,019)	(328,627,151)	(896,757,133)
Net loans and accrued interest receivable	567,118,219,570	526,452,523,683	540,545,163,221	518,297,281,169
PROPERTIES FORECLOSED, NET				
(Notes 3.6 and 4.8)	18,016,939,618	21,370,609,360	9,557,415,041	13,146,937,935
CUSTOMERS' LIABILITIES UNDER				
ACCEPTANCES	680,864,990	664,825,404	680,864,990	664,825,404
CUSTOMERS' LIABILITIES UNDER COLLATERAL	7,090,000,000	-	7,090,000,000	-
PROPERTY, PREMISES AND				
EQUIPMENT, NET (Notes 3.7 and 4.9)	17,369,818,373	16,085,231,590	16,597,158,635	15,535,298,869
INTANGIBLE ASSETS, NET (Notes 3.8 , 3.9 and 4.10)	12,608,518, 002	11,030,032,039	1,141,222,949	1,150,089,360
DEFERRED TAX ASSETS (Notes 3.14 and 4.11)	7,087,903,185	4,147,781,695	2,792,127,709	2,496,036,091
OTHER ASSETS	8,339,135,600	5,736,956,823	7,539,935,761	4,910,203,387
TOTAL ASSETS	780,132,374,715	747,884,689,945	760,625,341,018	744,717,548,878

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

Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2009	2008 "Restated"	2009	2008 "Restated"
LIABILITIES AND SHAREHOLDERS' EQUITY				
DEPOSITS (Note 4.12)				
Deposits in Baht	517,551,626,496	533,830,840,963	521,722,506,312	537,224,145,602
Deposits in foreign currencies	2,963,011,066	3,522,668,935	2,963,011,067	3,522,668,935
Total deposits	520,514,637,562	537,353,509,898	524,685,517,379	540,746,814,537
INTERBANK AND MONEY MARKET ITEMS (Note 4.13)				
Domestic items				
Interest bearing	45,056,809,675	17,924,881,487	41,176,612,235	17,098,829,237
Non-interest bearing	1,776,556,195	1,601,863,219	1,791,093,255	1,619,775,851
Foreign items				
Interest bearing	519,222,147	437,316,563	519,222,147	437,316,563
Non-interest bearing	62,480,673	39,286,847	62,480,673	39,286,847
Total interbank and money market items	47,415,068,690	20,003,348,116	43,549,408,310	19,195,208,498
LIABILITIES PAYABLE ON DEMAND	1,752,365,884	1,672,752,398	1,752,365,884	1,672,663,211
BORROWINGS (Notes 4.14 and 4.15)				
Short-term borrowings	39,090,300,000	9,013,752,277	39,090,300,000	9,013,752,277
Long-term borrowings	45,596,442,233	72,843,151,108	40,922,442,233	72,843,151,108
Total borrowings	84,686,742,233	81,856,903,385	80,012,742,233	81,856,903,385
BANK'S LIABILITIES UNDER ACCEPTANCES	680,864,990	664,825,404	680,864,990	664,825,404
LIABILITIES UNDER COLLATERAL DELIVER	7,090,000,000	-	7,090,000,000	-
PROVISION (Note 4.16)	287,129,762	388,908,346	287,129,762	388,908,346
DEFERRED TAX LIABILITIES (Note 4.17)	2,722,116,191	2,183,075,220	2,343,766,278	1,925,322,207
OTHER LIABILITIES	22,398,195,199	17,446,950,269	12,083,172,984	12,223,402,948
TOTAL LIABILITIES	687,547,120,511	661,570,273,036	672,484,967,820	658,674,048,536
SHAREHOLDERS' EQUITY				
SHARE CAPITAL (Note 4.18)				
Authorized share capital				
7,089,392,755 ordinary shares of Baht 10 each	70,893,927,550	70,893,927,550	70,893,927,550	70,893,927,550
Issued and paid-up share capital				
6,074,143,747 ordinary shares of Baht 10 each, fully paid	60,741,437,470	60,741,437,470	60,741,437,470	60,741,437,470
PREMIUM ON ORDINARY SHARE CAPITAL, NET	13,802,215,854	13,802,215,854	13,802,215,854	13,802,215,854
LAND REVALUATION SURPLUS	3,824,098,097	2,905,038,146	3,824,098,097	2,905,038,146
PREMISES REVALUATION SURPLUS	3,312,386,384	2,536,565,520	3,312,386,384	2,536,565,520
REVALUATION SURPLUS (DEFICIT) ON INVESTMENTS	127,945,524	(143,430,231)	135,603,115	(127,006,947)

Financial Statements

Balance Sheets (continued)

Bank of Ayudhya Public Company Limited and Subsidiaries
As at December 31, 2009 and 2008

Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2009	**2008 "Restated"**	**2009**	**2008 "Restated"**
DEFERRED TAX ON LAND REVALUATION SURPLUS	(1,147,229,429)	(871,511,444)	(1,147,229,429)	(871,511,444)
DEFERRED TAX ON PREMISES REVALUATION SURPLUS	(993,715,915)	(760,969,656)	(993,715,915)	(760,969,656)
DEFERRED TAX ON REVALUATION ON INVESTMENT	(46,193,401)	38,296,015	(46,848,317)	26,631,646
RETAINED EARNINGS				
Appropriated				
Statutory reserve (Note 4.19)	710,500,000	582,500,000	710,500,000	582,500,000
Unappropriated	12,082,136,783	7,374,867,484	7,801,925,939	7,208,599,753
Total	92,413,581,367	86,205,009,158	88,140,373,198	86,043,500,342
MINORITY INTEREST	171,672,837	109,407,751	-	-
TOTAL SHAREHOLDERS' EQUITY	92,585,254,204	86,314,416,909	88,140,373,198	86,043,500,342
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	780,132,374,715	747,884,689,945	760,625,341,018	744,717,548,878
OFF -BALANCE SHEET ITEMS				
– CONTINGENCIES (Note 4.22)				
AVALS TO BILLS AND GUARANTEES OF LOANS	3,983,344,696	3,037,196,449	3,983,344,696	3,337,196,449
LIABILITY UNDER UNMATURED IMPORT BILLS	1,379,924,292	2,056,520,715	1,379,924,292	2,056,520,715
LETTERS OF CREDIT	5,382,508,494	3,690,630,685	5,415,315,342	3,833,652,655
OTHER CONTINGENCIES	255,084,600,468	243,919,764,114	255,592,949,313	243,932,357,959

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

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

(Mr. Pongpinit Tejagupta)
Director

Financial Statements
Statements of Income

Bank of Ayudhya Public Company Limited and Subsidiaries
For the years ended December 31, 2009 and 2008

	Consolidated Financial Statements		Separate Financial Statements	
				Baht
	2009	2008 "Restated"	2009	2008 "Restated"
INTEREST AND DIVIDEND INCOME				
Interest on loans	24,367,369,098	25,901,355,989	26,348,159,903	28,585,457,455
Interest on interbank and money market items	844,282,970	2,381,856,105	961,255,435	2,377,826,038
Hire purchase and financial lease income	12,427,727,438	10,438,721,753	-	-
Investments	1,818,087,082	2,440,723,233	3,727,327,708	2,984,894,863
Total Interest and Dividend Income	39,457,466,588	41,162,657,080	31,036,743,046	33,948,178,356
INTEREST EXPENSES				
Interest on deposits	6,812,889,201	10,792,245,115	6,878,604,057	10,812,421,982
Interest on interbank and money market items	883,983,609	898,782,773	711,839,923	365,543,935
Interest on short-term borrowings	928,843,078	520,696,536	967,606,556	209,460,548
Interest on long-term borrowings	2,414,609,231	2,383,040,687	2,376,364,124	2,383,040,687
Total Interest Expenses	11,040,325,119	14,594,765,111	10,934,414,660	13,770,467,152
Interest and Dividend Income, net	28,417,141,469	26,567,891,969	20,102,328,386	20,177,711,204
BAD DEBT AND DOUBTFUL ACCOUNTS (Note 4.6)	9,128,849,770	7,152,786,158	4,629,085,073	4,062,237,645
LOSS ON DEBT RESTRUCTURING (Note 4.7)	1,087,462,431	637,615,396	1,100,914,927	637,762,355
Interest and Dividend Income after Bad Debt and Doubtful Accounts and Loss on Debt Restructuring, net	18,200,829,268	18,777,490,415	14,372,328,386	15,477,711,204
NON-INTEREST INCOME				
Loss on investments	(82,407,568)	(2,255,035,683)	(1,380,956,659)	(2,328,298,301)
Gain from equity interest in associated company	126,119,943	35,402,931	-	-
Fees and service income				
Acceptances, aval and guarantees	49,305,002	49,403,620	49,320,231	54,647,456
Others	9,360,343,567	7,438,034,895	5,670,831,217	5,127,956,319
Gain on exchange	730,493,815	860,218,219	743,561,522	860,142,683
Gain on sales of properties foreclosed	812,696,985	952,251,171	450,922,396	272,916,648
Income from investments in receivables	370,802,177	303,277,729	-	-
Excess of net fair value of acquired subsidiaries over purchase cost	1,005,302,591	-	-	-
Other income	1,351,409,113	584,494,323	95,833,544	231,123,416
Total Non-Interest Income	13,724,065,625	7,968,047,205	5,629,512,251	4,218,488,221

Financial Statements
Statements of Income (continued)

Bank of Ayudhya Public Company Limited and Subsidiaries
For the years ended December 31, 2009 and 2008

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	Consolidated Financial Statements		Separate Financial Statements	
	2009	**2008 "Restated"**	**2009**	**2008 "Restated"**
NON-INTEREST EXPENSES				
Personnel expenses	8,911,486,779	8,113,522,961	6,671,219,383	6,421,919,319
Premises and equipment expenses	4,282,714,691	4,173,923,862	3,337,407,427	3,415,777,890
Taxes and duties	1,164,506,848	1,308,872,241	1,043,348,916	1,241,031,004
Fees and service expenses	3,157,538,631	2,604,144,117	1,421,517,947	1,273,162,615
Directors' remuneration	29,775,628	34,591,428	26,068,600	25,954,800
Contributions to the Financial Institution Development Fund and Deposit Protection Agency	2,097,446,777	2,061,871,704	2,076,695,194	2,061,871,704
Other expenses	4,120,635,973	2,951,315,803	2,697,628,126	2,256,850,528
Total Non-Interest Expenses	23,764,105,327	21,248,242,116	17,273,885,593	16,696,567,860
INCOME BEFORE INCOME TAX EXPENSES	8,160,789,566	5,497,295,504	2,727,955,044	2,999,631,565
INCOME TAX EXPENSES (Notes 3.14 and 4.21)	1,503,728,665	1,199,306,007	184,385,733	712,722,150
NET INCOME	6,657,060,901	4,297,989,497	2,543,569,311	2,286,909,415
ATTRIBUTABLE TO				
EQUITY HOLDERS OF THE BANK	6,659,287,228	4,299,477,946	2,543,569,311	2,286,909,415
MINORITY INTEREST	(2,226,327)	(1,488,449)	-	-
NET INCOME	6,657,060,901	4,297,989,497	2,543,569,311	2,286,909,415
BASIC EARNINGS PER SHARE (Notes 3.15)	1.10	0.73	0.42	0.39

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

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

(Mr. Pongpinit Tejagupta)
Director

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Consolidated Financial Statements

	Ordinary Share Capital	Share subscriptions received in advance	Premium on Share Capital	Asset Appraisal Surplus	Revaluation Surplus (Deficit) on Investments	Deferred tax on assets appraisal surplus	Deferred tax on revaluation on Investments	Retained Earnings (Deficit) Appropriated Legal reserve	Retained Earnings (Deficit) Unappropriated	Minority Interests	Total
"Restated"											
Balance as of December 31, 2007 as previously reported	57,477,468,400	177,475,392	13,149,422,040	5,611,977,911	(2,740,080)	-	-	435,500,000	1,005,208,408	212,586,676	78,066,898,747
Effects on changes in accounting policies (Note 2.5)	-	-	-	-	-	(1,683,593,373)	(6,340,612)	-	3,126,028,538	11,694,023	1,447,788,576
Balance as of December 31, 2007 as restated	57,477,468,400	177,475,392	13,149,422,040	5,611,977,911	(2,740,080)	(1,683,593,373)	(6,340,612)	435,500,000	4,131,236,946	224,280,699	79,514,687,323
Decrease in asset appraisal surplus	-	-	-	(170,374,245)	-	-	-	-	-	-	(170,374,245)
Increase in revaluation surplus on investments	-	-	-	-	(140,690,151)	-	-	-	-	6,945	(140,683,206)
Decrease in deferred tax	-	-	-	-	-	51,112,273	44,636,627	-	-	-	95,748,900
Income (expenses) recognized in shareholders' equity	-	-	-	(170,374,245)	(140,690,151)	51,112,273	44,636,627	-	-	6,945	(215,308,551)
Net income (loss)	-	-	-	-	-	-	-	-	4,299,477,946	(1,488,449)	4,297,989,497
Total income (expenses) recognized in the year	-	-	-	(170,374,245)	(140,690,151)	51,112,273	44,636,627	-	4,299,477,946	(1,481,504)	4,082,680,946
Dividend payment (Note 4.20)	-	-	-	-	-	-	-	-	(908,847,408)	(300)	(908,847,708)
Share subscriptions received in advance	-	3,739,287,492	-	-	-	-	-	-	-	-	3,739,287,492
Increase in share capital	3,263,969,070	(3,263,969,070)	-	-	-	-	-	-	-	-	-
Increase in premium on share capital	-	(652,793,814)	652,793,814	-	-	-	-	-	-	-	-
Increase in statutory reserve	-	-	-	-	-	-	-	147,000,000	(147,000,000)	-	-
Increase in shareholding in subsidiary company	-	-	-	-	-	-	-	-	-	(113,391,144)	(113,391,144)
Ending balance as of December 31, 2008	60,741,437,470	-	13,802,215,854	5,441,603,666	(143,430,231)	(1,632,481,100)	38,296,015	582,500,000	7,374,867,484	109,407,751	86,314,416,909
Balance as of December 31, 2008 as previously reported	60,741,437,470	-	13,802,215,854	5,441,603,666	(143,430,231)	-	-	582,500,000	4,845,393,467	97,708,421	85,367,428,647
Effects on changes in accounting policies (Note 2.5)	-	-	-	-	-	(1,632,481,100)	38,296,015	-	2,529,474,017	11,699,330	946,988,262
Balance as of December 31, 2008 as restated	60,741,437,470	-	13,802,215,854	5,441,603,666	(143,430,231)	(1,632,481,100)	38,296,015	582,500,000	7,374,867,484	109,407,751	86,314,416,909
Increase in asset appraisal surplus	-	-	-	1,694,880,815	-	-	-	-	-	-	1,694,880,815
Increase in revaluation surplus on investments	-	-	-	-	271,375,755	-	-	-	-	425,677	271,801,432
Increase in deferred tax	-	-	-	-	-	(508,464,244)	(84,489,416)	-	-	-	(592,953,660)
Income (expenses) recognized in shareholders' equity	-	-	-	1,694,880,815	271,375,755	(508,464,244)	(84,489,416)	-	-	425,677	1,373,728,587
Net income (loss)	-	-	-	-	-	-	-	-	6,659,287,228	(2,226,327)	6,657,060,901
Total income (expenses) recognized in the year	-	-	-	1,694,880,815	271,375,755	(508,464,244)	(84,489,416)	-	6,659,287,228	(1,800,650)	8,030,789,488
Dividend payment (Note 4.20)	-	-	-	-	-	-	-	-	(1,821,416,039)	(4,668)	(1,821,420,707)
Increase in preferred share	-	-	-	-	-	-	-	-	-	480	480
Increase in statutory reserve	-	-	-	-	-	-	-	128,000,000	(128,000,000)	-	-
Increase (decrease) in shareholding in subsidiary company	-	-	-	-	-	-	-	-	(2,601,890)	64,069,924	61,468,034
Ending balance as of December 31, 2009	60,741,437,470	-	13,802,215,854	7,136,484,481	127,945,524	(2,140,945,344)	(46,193,401)	710,500,000	12,082,136,783	171,672,837	92,585,254,204

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

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Separate Financial Statements

	Ordinary Share Capital	Share subscriptions received in advance	Premium on Share Capital	Asset Appraisal Surplus	Revaluation Surplus (Deficit) on Investments	Deferred tax on assets appraisal surplus	Deferred tax on revaluation on Investments	Retained Earnings (Deficit)		Total
								Appropriated Legal reserve	Unappropriated	
"Restated"										
Balance as of December 31, 2007 as previously reported	57,477,468,400	177,475,392	13,149,422,040	5,611,977,911	(385,094)	-	-	435,500,000	3,154,333,618	80,005,792,267
Effects on changes in accounting policies (Note 2.5)	-	-	-	-	-	(1,683,593,373)	(16,465,414)	-	2,818,263,833	1,118,205,046
Balance as of December 31, 2007 as restated	57,477,468,400	177,475,392	13,149,422,040	5,611,977,911	(385,094)	(1,683,593,373)	(16,465,414)	435,500,000	5,972,597,451	81,123,997,313
Decrease in asset appraisal surplus	-	-	-	(170,374,245)	-	-	-	-	-	(170,374,245)
Decrease in revaluation deficit on investments	-	-	-	-	(126,621,853)	-	-	-	-	(126,621,853)
Decrease in deferred tax	-	-	-	-	-	51,112,273	43,097,060	-	-	94,209,333
Income (expenses) recognized in shareholders' equity	-	-	-	(170,374,245)	(126,621,853)	51,112,273	43,097,060	-	-	(202,786,765)
Net Income	-	-	-	-	-	-	-	-	2,286,909,415	2,286,909,415
Total income (expenses) recognized in the year	-	-	-	(170,374,245)	(126,621,853)	51,112,273	43,097,060	-	2,286,909,415	2,084,122,650
Dividend payment (Note 4.20)	-	-	-	-	-	-	-	-	(903,907,113)	(903,907,113)
Increase in share subscriptions received in advance	-	3,739,287,492	-	-	-	-	-	-	-	3,739,287,492
Increase in share capital	3,263,969,070	(3,263,969,070)	-	-	-	-	-	-	-	-
Increase in premium on share capital	-	(652,793,814)	652,793,814	-	-	-	-	-	-	-
Increase in statutory reserve	-	-	-	-	-	-	-	147,000,000	(147,000,000)	-
Ending balance as of December 31, 2008	60,741,437,470	-	13,802,215,854	5,441,603,666	(127,006,947)	(1,632,481,100)	26,631,646	582,500,000	7,208,599,753	86,043,500,342
Balance as of December 31, 2008 as previously reported	60,741,437,470	-	13,802,215,854	5,441,603,666	(127,006,947)	-	-	582,500,000	5,032,036,415	85,472,786,458
Effects on changes in accounting policies (Note 2.5)	-	-	-	-	-	(1,632,481,100)	26,631,646	-	2,176,563,338	570,713,884
Balance as of December 31, 2008 as restated	60,741,437,470	-	13,802,215,854	5,441,603,666	(127,006,947)	(1,632,481,100)	26,631,646	582,500,000	7,208,599,753	86,043,500,342
Increase in asset appraisal surplus	-	-	-	1,694,880,815	-	-	-	-	-	1,694,880,815
Increase in revaluation surplus on investments	-	-	-	-	262,610,062	-	-	-	-	262,610,062
Decease in deferred tax	-	-	-	-	-	(508,464,244)	(73,479,963)	-	-	(581,944,207)
Income (expenses) recognized in shareholders' equity	-	-	-	1,694,880,815	262,610,062	(508,464,244)	(73,479,963)	-	-	1,375,546,670
Net Income	-	-	-	-	-	-	-	-	2,543,569,311	2,543,569,311
Total income (expenses) recognized in the year	-	-	-	1,694,880,815	262,610,062	(508,464,244)	(73,479,963)	-	2,543,569,311	3,919,115,981
Dividend payment (Note 4.20)	-	-	-	-	-	-	-	-	(1,822,243,125)	(1,822,243,125)
Increase in statutory reserve	-	-	-	-	-	-	-	128,000,000	(128,000,000)	-
Ending balance as of December 31, 2009	60,741,437,470	-	13,802,215,854	7,136,484,481	135,603,115	(2,140,945,344)	(46,848,317)	710,500,000	7,801,925,939	88,140,373,198

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

Financial Statements
Statements of Cash Flows

Bank of Ayudhya Public Company Limited and Subsidiaries
For the years ended December 31, 2009 and 2008

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	Consolidated Financial Statements		Separate Financial Statements	
	2009	2008 "Restated"	2009	2008 "Restated"
CASH FLOWS FROM OPERATING ACTIVITIES				
Income before tax	8,160,789,566	5,497,295,504	2,727,955,044	2,999,631,565
Adjustments to reconcile income to net cash flows from operating activities:				
Depreciation and amortization	1,702,495,815	1,731,409,615	1,311,096,343	1,316,689,334
Bad debt and doubtful accounts	9,128,849,770	7,152,786,158	4,629,085,073	4,062,237,645
Loss on debt restructuring	1,087,462,431	637,615,396	1,100,914,927	637,762,355
(Gain) loss on translation of balances in foreign currencies	341,512,545	(1,170,602,552)	341,512,545	(1,170,602,552)
Loss on investments	82,407,568	2,255,035,683	1,380,956,659	2,328,298,301
Excess of net fair value of acquired subsidiaries over purchase cost	(1,005,302,591)	-	-	-
Discretion of discount on investments	(223,038,448)	(375,793,758)	(226,960,948)	(377,594,414)
Gain on reclassification from investments in receivable to loans	-	(919,248)	-	-
Gain on sales of properties foreclosed	(812,696,985)	(952,251,171)	(450,922,396)	(272,916,648)
(Gain) loss on sales of property, premises and equipment	(66,277,421)	(62,127,643)	(2,847,437)	(12,801,838)
Loss on impairment of properties foreclosed	539,263,753	533,552,020	625,902,348	438,724,042
Gain from equity interest in associated company	(126,119,943)	(35,402,931)	-	-
Interest and dividend income	(39,457,466,588)	(41,162,657,080)	(31,036,743,046)	(33,948,178,356)
Income tax refunded	182,979,740	286,025,768	78,344,710	237,438,856
Interest received	41,706,841,884	40,931,065,006	29,307,988,436	33,379,396,194
Dividend received	355,372,401	414,137,824	2,589,030,880	649,725,648
Interest expenses	11,040,325,119	14,594,765,111	10,934,414,660	13,770,467,152
Increase in other accrued expenses	1,081,125,869	616,325,449	91,325,657	491,373,596
Increase in other reserve	(21,678,350)	(47,303,371)	(21,678,350)	(47,403,371)
Interest paid	(11,818,857,065)	(14,792,209,280)	(11,718,603,649)	(14,193,145,587)
Income tax paid	(1,774,412,392)	(245,813,598)	(235,469,873)	(150,069,454)
Income from operations before changes in operating assets and liabilities	20,103,576,678	15,804,932,902	11,425,301,583	10,139,032,468
(Increase) decrease in operating assets				
Interbank and money market items	58,792,374,849	(50,862,913,294)	34,080,461,387	(50,461,234,029)
Securities purchased under resale agreements	-	76,000,000,000	-	76,000,000,000
Current investments - securities for trading	5,429,608,841	306,512,196	2,495,975,233	141,504,423
Loans	13,839,151,016	(41,585,908,296)	(29,117,064,671)	(105,814,342,882)
Properties foreclosed	4,054,258,822	1,846,549,545	3,727,086,526	2,721,648,563
Other assets	(151,675,443)	1,831,041,315	(3,726,704,271)	1,726,701,092
Increase (decrease) in operating liabilities				
Deposits	(35,982,500,114)	37,686,150,653	(15,895,037,267)	40,300,598,750
Interbank and money market items	(18,413,576,765)	(62,713,145,088)	24,421,218,119	4,491,831,221
Liabilities payable on demand	45,603,080	(468,194,341)	79,702,672	(468,283,528)
Other liabilities	(3,149,591,851)	488,912,452	2,122,208,714	(486,604,221)
Net cash provided by (used in) operating activities	44,567,229,113	(21,666,061,956)	29,613,148,025	(21,709,148,143)

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	Consolidated Financial Statements		Separate Financial Statements	
	2009	2008 "Restated"	2009	2008 "Restated"
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sales of investments - securities available-for-sale and other investments	227,646,869,159	86,779,790,731	227,098,729,208	86,684,369,676
Cash paid for purchases of investments - securities available-for-sale and other investments	(241,902,449,879)	(91,551,632,300)	(240,809,001,791)	(90,661,547,715)
Proceeds from sale of subsidiary	62,590,223	-	62,590,223	-
Proceeds from repatriation of subsidiary	517,439,778	-	517,439,778	-
Cash paid for purchases of subsidiaries	(11,308,964,010)	(15,455,867,087)	(11,346,813,378)	(16,280,432,500)
Cash paid for additional investment in subsidiary	-	-	-	(499,999,940)
Cash paid to minority shareholder for purchase of additional shares of subsidiary	(2,460,518)	(132,822,000)	(2,460,518)	(132,822,000)
Proceeds from sales of property, premises and equipment	665,572,410	120,075,538	38,404,915	40,793,378
Cash paid for purchases of property, premises and equipment	(1,598,774,717)	(1,508,997,547)	(1,593,897,942)	(1,256,851,373)
Cash paid for purchases of other assets	(1,993,172,346)	(496,594,825)	(401,384,611)	(394,666,845)
Net cash used in investing activities	(27,913,349,900)	(22,246,047,490)	(26,436,394,116)	(22,501,157,319)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from issuance of senior securities notes	5,674,000,000	45,855,200,000	-	45,855,200,000
Proceeds from issuance of bills of exchange	22,358,300,000	16,814,600,000	23,358,300,000	16,814,600,000
Cash paid for redemption of short-term debentures	(693,038,955)	(1,000,000,000)	-	(1,000,000,000)
Cash paid for redemption of senior securities notes	(5,103,971,712)	-	(5,103,971,712)	-
Cash paid for repayment of bill of exchange	(19,922,500,000)	(18,957,800,000)	(19,922,500,000)	(18,957,800,000)
Decrease in short-term borrowings	(3,999,000)	(492,724,101)	(3,999,000)	(196,001,000)
(Decrease) increase in long-term borrowings	(17,484,732,494)	42,414,711	(32,708,874)	38,415,711
Warrants converted to ordinary shares	-	3,739,287,492	-	3,739,287,492
Dividend payment	(1,821,416,039)	(908,848,744)	(1,822,243,125)	(903,907,113)
Net cash provided by (used in) financing activities	(16,997,358,200)	45,092,129,358	(3,527,122,711)	45,389,795,090
Total	(343,478,987)	1,180,019,912	(350,368,802)	1,179,489,628
Effect of exchange rate change on cash	14,325,653	39,903,532	14,325,653	39,903,532
Net increase (decrease) in cash and cash equivalents	(329,153,334)	1,219,923,444	(336,043,149)	1,219,393,160
Cash and cash equivalents as at January 1,	20,419,454,554	19,199,531,110	20,416,524,467	19,197,131,307
Cash and cash equivalents as at December 31,	20,090,301,220	20,419,454,554	20,080,481,318	20,416,524,467

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

1. General Information

Bank of Ayudhya Public Company Limited ("the Bank") is a public company registered in the Kingdom of Thailand with its head office located at 1222 Rama III Road, Bang Phongphang Subdistrict, Yannawa District, Bangkok. The Bank's main business is commercial banking and the Bank conducts its business through a network of branches throughout Thailand and other countries. The Bank has 20 subsidiaries 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.

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

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

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

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

On December 5, 2008, the subsidiary transferred its entire business to Ayudhya Capital Auto Lease Public Company Limited (formerly GE Capital Auto Lease Public Company Limited) and an extraordinary shareholders' meeting of the subsidiary approved a resolution to liquidate the subsidiary on December 17, 2008, with an effective date on December 26, 2008. Currently, the subsidiary registered the completion of liquidation on December 26, 2009.

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

On September 24, 2008, a meeting of Board of Directors of the Bank approved a resolution on the entire business transfer of two subsidiaries, carrying out the similar business, to Ayudhya Capital Auto Lease Public Company Limited, the Bank's subsidiary. The transferor subsidiaries were Ayudhya Capital Lease Company Limited (see note 1.3) and Ayudhya Hire Purchase Company Limited (see note 1.4). The Bank of Thailand approved the entire business transfer on November 5, 2008 and this transaction was executed on December 5, 2008.

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

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

1.7 CFG Services Company Limited, incorporated in Thailand since October 24, 2006 and located at 52/53, 54, 59, 60 Pathumthani-samkok Road, Bangprok, Muang, Pathumtani. The subsidiary's main business is hire-purchase loan and secured personal loan for vehicles and motorcycles. The subsidiary became the Bank's subsidiary on September 9, 2009.

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

1.9 GE Capital (Thailand) 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 card business and personal loan. The subsidiary became the Bank's subsidiary on November 5, 2009.

1.10 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 card business and personal loan. The subsidiary became the Bank's subsidiary on November 5, 2009.

1.11 Krungsriayudhya Card Company Limited, which is owned by Bank of Ayudhya Public Company Limited and GE Capital (Thailand) Limited equally, with 49.99% shareholding each, 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 card business and personal loan. The Subsidiary changed its status from being an associated company to subsidiary resulting from indirectly holding via GE Capital (Thailand) Limited on November 5, 2009.

1.12 Siam Realty and Services Company Limited, incorporated in Thailand since June 20, 1988 and located at 550 Ploenchit Road, Lumpini Subdistrict, Patumwan District, Bangkok. The subsidiary's main business is car leasing and personnel services.

1.13 K. S. Law Office Company Limited, incorporated in Thailand since February 2, 1996 and located at 550 Ploenchit Road, Lumpini Subdistrict, Patumwan District, Bangkok. The subsidiary's main business is legal advisory services. The Company is currently in the process of liquidation.

1.14 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. The subsidiary became the Bank's subsidiary on November 5, 2009.

1.15 Ayudhya Fund Management Company Limited, incorporated in Thailand since December 19, 1996 and located at 898 Ploenchit Tower Building, Fl 12, Ploenchit Road, Lumpini Subdistrict, Patumwan District, Bangkok. The subsidiary's main business is mutual fund and individual private fund management.

1.16 Ayudhya Asset Management Company Limited, incorporated in Thailand since August 18, 2000 and located at 1222 Rama III Road, Bang Pongphang Subdistrict, Yannawa District, Bangkok. The subsidiary's main business is to develop, manage and sell assets transferred from the financial institutions.

1.17 Ayudhya Securities Public Company Limited, incorporated in Thailand since April 16, 2004 and located at 999/9 The Offices at Central World Building, Fl 12, Rama I Road, Patumwan Subdistrict, Patumwan District, Bangkok. The subsidiary's main business is securities business.

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

1.19 Ayudhya Derivatives Company Limited, which is 99.99% held by Ayudhya Securities Public Company Limited incorporated in Thailand since June 15, 2005 and located at 999/9 The Offices at Central World Building, Fl 12, Rama I Road, Patumwan Subdistrict, Patumwan District, Bangkok. The subsidiary's main business is the financial derivatives business and derivatives trading broker.

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

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

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

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

2. Basis for Preparation of the Consolidated and Separate Financial Statements

2.1 The consolidated and the separate financial statements are 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 including the Procedures, Policies and Presentation in accordance with the Bank of Thailand ("BOT")'s Notification regarding the Preparation and Announcement of Financial Statements of Commercial Banks and Holding Companies of Financial Industry dated August 3, 2008 and Thai Accounting Standard No.1 (revised 2007) "Presentation of Financial Statements" (previously No. 35).

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

The Bank prepares its 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.

Renumbering of Thai accounting standards

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

Accounting standards announced but not yet effective.

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

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

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

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

Subsidiaries	Business Type	Percentage of Holdings As at December 31,	
		2009	**2008**
Ayudhya Development Leasing Company Limited	Leasing	99.99	99.99
Ayudhya Auto Lease Public Company Limited	Auto leasing	99.66	99.55
Ayudhya Capital Lease Company Limited(1)	Auto leasing	99.99	99.99
Ayudhya Hire Purchase Company Limited(2)	Hire-purchase of used cars	-	99.99
Ayudhya Capital Auto Lease Public Company Limited (formerly GE Capital Auto Lease Public Company Limited)	Hire-purchase and auto leasing	99.99	99.99
Ayudhya Total Solution Public Company Limited (formerly AIG Retail Bank Public Company Limited)	Hire-purchase	99.76	-
CFG Services Company Limited	Hire-purchase	99.99	-
Ayudhya Card Services Company Limited (formerly AIG Card (Thailand) Company Limited)	Credit card including personal loans	99.99	-
GE capital (Thailand) Limited	Credit card and personal loans	99.99	-
General Card Services Limited	Credit card and personal loans	99.99	-
Krungsriayudhya Card Company Limited(3)	Credit card and personal loans	99.99	99.99
Siam Realty and Services Company Limited	Car rent and personnel services	99.99	99.99
K.S. Law Office Company Limited(1)	Legal advisory services	99.99	99.99
Total Service Solution Public Company Limited	Collection services	99.99	-
Ayudhya Fund Management Company Limited	Fund management	76.59	99.99
Ayudhya Asset Management Company Limited	Assets management	99.99	99.99
Ayudhya Securities Public Company Limited	Securities	86.33	86.33
Ayudhya Factoring Company Limited	Factoring	99.99	99.99
Ayudhya Derivatives Company Limited(4)	Derivatives trading broker	86.33	86.33
PrimaVest Asset Management Company Limited(5)	Fund management	76.59	-

(1) Subsidiary under the liquidation process
(2) Subsidiary registered the completion of liquidation
(3) Including indirectly holding via GE Capital (Thailand) Limited of 49.99%
(4) Indirectly holding via Ayudhya Securities Public Company Limited of 99.99%
(5) Indirectly holding via Ayudhya Fund Management Company Limited of 99.99%

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

All material intercompany transactions and balances have been eliminated.

2.3 The consolidated financial statements for the years ended December 31, 2009 and 2008, including financial statements of certain subsidiaries and gain (loss) on equity of certain associated companies, prepared by subsidiaries and associated company's management which have not been audited by the auditors are as follows:

	Unit: Million Baht Net Profit(loss)/ Gain(loss) on equity For the year ended December 31, 2009
Subsidiaries	
1. K.S. Law Office Company Limited	(1)
2. Ayudhya Capital Lease Company Limited	15
	14

	Unit: Million Baht Net Profit(loss)/ Gain(loss) on equity For the year ended December 31, 2008
Subsidiaries	
1. K.S. Law Office Company Limited	-
Associated company	
1. Krungsriayudhya Card Company Limited	(8)
	(8)

2.4 Change in estimates

Effective from January 1, 2009, a subsidiary operating a hire-purchase business changed its estimates for calculating allowance for doubtful accounts on hire-purchase receivables from a collateralized approach to a collective approach by classifying a group of loans having similar credit risk characteristics based on the historical loss experience of each loan category. As a result from this change in estimate, the subsidiary's income before income tax for the year ended December 31, 2009, increased by Baht 378 million.

2.5 Change in Accounting Policy

Deferred Tax

The Bank and subsidiaries have first-time adopted an accounting policy regarding deferred tax for the consolidated and separate financial statements for the year ended December 31, 2009 by applying International Accounting Standard No.12 "Income Taxes" (revised 2008) which the content is not different from draft Thai Accounting Standard No.12 "Income Taxes" (2009).

The 2008 financial statements have been retrospectively restated accordingly as follows :

Unit: Million Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2009	2008	2009	2008
Investments in subsidiaries and associated companies, net				
Balance at 1 January before change in accounting policy	777	785	-	-
Increase	249	205	-	-
Balance at 1 January after change in accounting policy	1,026	990	-	-
Deferred tax assets				
Balance at 1 January before change in accounting policy	1,266	-	-	-
Increase	2,882	3,288	2,496	2,993
Balance at 1 January after change in accounting policy	4,148	3,288	2,496	2,993
Deferred tax liabilities				
Balance at 1 January before change in accounting policy	-	-	-	-
Increase	2,183	2,045	1,925	1,875
Balance at 1 January after change in accounting policy	2,183	2,045	1,925	1,875
Deferred tax on land revaluation surplus				
Balance at 1 January before change in accounting policy	-	-	-	-
Increase of deferred tax liabilities	(872)	(872)	(872)	(872)
Balance at 1 January after change in accounting policy	(872)	(872)	(872)	(872)
Deferred tax on premises revaluation surplus				
Balance at 1 January before change in accounting policy	-	-	-	-
Increase of deferred tax liabilities	(761)	(812)	(761)	(812)
Balance at 1 January after change in accounting policy	(761)	(812)	(761)	(812)
Deferred tax on revaluation of investment				
Balance at 1 January before change in accounting policy	-	-	-	-
(Increase) decrease in deferred tax liabilities	38	(6)	27	(16)
Balance at 1 January after change in accounting policy	38	(6)	27	(16)

Unit: Million Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2009	2008	2009	2008
Retained earnings - Unappropriated				
Balance at 1 January before change in accounting policy	4,845	1,005	5,032	3,154
Increase of deferred tax assets	3,026	3,557	2,328	2,993
Decrease of deferred tax liabilities	(496)	(431)	(152)	(175)
Balance at 1 January after change in accounting policy	7,375	4,131	7,208	5,972
Gain from equity interest in associated company				
Gain (loss) from equity interest in associated company for the year before change in accounting policy	115	(8)	-	-
Increase (decrease) of income tax	(11)	(43)	-	-
Gain from equity interest in associated company for the year after change in accounting policy	126	35	-	-
Net Income				
Net Income for the years before change in accounting policy	6,420	4,895	2,084	2,929
Increase (decrease) of income tax	(237)	597	(460)	642
Net Income (Loss) for the years after change in accounting policy	6,657	4,298	2,544	2,287
Increase (decrease) of Earning Per Share ("EPS")				
Basic EPS:				
EPS before change in accounting policy	1.06	0.83	0.34	0.50
Increase (decrease) of income tax	(0.04)	0.10	(0.08)	0.11
EPS after change in accounting policy	1.10	0.73	0.42	0.39

3. Significant Accounting Policies

3.1 Cash and cash equivalents

For the Bank, cash and cash equivalents consist of cash on hand and cash on collection.

For the subsidiary companies, cash and cash equivalents represent cash on hand and deposits at financial institutions excluding negotiable certificate of deposits, in accordance with the Notification of the BOT. In the statements of cash flows, cash and deposits at financial institutions used as collateral are not included in cash and cash equivalents but are included in other assets.

3.2 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 August 3, 2008 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 current investments-net, long-term investments-net and investments in subsidiaries and associated companies-net.

Trading securities which represent securities acquired with the intent to hold as short-term are current investments and management acquires those securities with the intent to hold them for a short period of time in order to take advantage of anticipated changes in market values. Trading securities are carried at fair value. Realized gains and losses from the sales of trading securities and unrealized gain and loss on the changes in fair value are recognized as non-interest income. Interest earned and dividend on trading securities is recognized using the accrual basis of accounting as interest and dividend income.

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, and are presented as long-term investments except for those with maturities less than one year. Valuation allowances are established by recognizing an unrealized loss when the impairment is identified by management. In addition, the Bank classifies the rights of the Bank over the receivable and unreceived non-negotiable promissory notes, which are avalled 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 long-term 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 and are presented as short-term or long-term investments depending on the intent of management and carried at fair value. The unrealized gains or losses related to available-for-sale securities are reported as a component of shareholders' equity until realized. Gain or loss on available-for-sale securities are recognized in the statements of income upon the sale or disposition of such securities.

Non-marketable equity securities and marketable equity securities acquired from troubled debt restructuring are classified as general investments and presented as long-term investment, carried at cost, net of valuation allowances for impairment, if applicable. Valuation allowances are established by recognizing an unrealized loss in the statements of income when the impairment of a security 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 and loss on the changes in fair value are recognized as non-interest income.

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 separate 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 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 were estimated by using the BOT formula, based on The Thai Bond Market Association's Yield Curve on the last business day of the year.

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 on the last business day of the year.
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. Foreign sector debt securities, market values are estimated using the average prices calculated by arrangers.

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 income.

Cost of securities sold during the year is computed by using the weighted average method. Realized gain and loss from sales of debt and equity securities are included in non-interest income.

3.3 Loans

Overdrafts are stated at the drawn amounts including interest. Other loans are stated at the principal amounts.

Unearned discounts on notes receivable are presented as a reduction from loans.

3.4 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 determined 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 BOT 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 of collateralized asset which is excluded collateral in the form of machinery. With exception of a subsidiary that carried out leasing business, reserve calculation is provided by including the value of machinery as collateral. In addition, the Bank and subsidiaries estimate additional allowance for doubtful debts over the minimum percentage in accordance with BOT guidelines (See Note 3.19.2).

Subsidiaries carried out hire-purchase business, which their portfolios are qualified as per BOT regulation, calculate allowance for doubtful accounts by using the collective approach by classifying a group of loans having similar credit risk characteristics based on the historical loss experience of each loan category.

Subsidiaries carried out securities business provide an allowance for doubtful debts based on a review of 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 are written-off in the year that they are determined to be irrecoverable. Bad debts recovered are recorded as income in the statements of income when received.

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 an expense in the statements of income.

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.

3.5 Troubled debt restructuring

Losses on troubled debt restructurings resulting from the reduction of principal and accrued interest and other restructuring methodology including modification of terms, asset transfers, equity securities transfers, etc. are recognized as expenses in the statements of 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 by which a loss amount is to be estimated or the net present value method which represents expected cash flow in the future applying the discounted market interest rates on the restructuring date. Losses from such debt restructurings are recognized in the statements of income.

The Bank has recalculated the fair value of restructured debts based on the aforementioned discount interest rate as of the date of the quarterly financial statements and adjusted the valuation on debt restructured, if appropriate, in accordance with the BOT's criteria. The adjustment of valuation 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 on that date as gain or loss in the statements of income for the period and classified investments in receivables as loans in accordance with the BOT's criteria.

3.6 Properties foreclosed

Properties foreclosed 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.

Gain or loss on such properties is realized upon disposition of the underlying asset and is included in non-interest income in the statements of income.

3.7 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 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 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 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 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.

Depreciation

Depreciation of premises and equipment is calculated on the straight-line method, based on the estimated useful lives of the assets as follows:

Premises	20 - 50 years
Equipment	3 - 5 years

3.8 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 acquisition represents the excess of the fair value of the 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 income.

Goodwill is stated at cost less allowance for impairment (if any).

3.9 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 incurred is recognized as non-interest expense in the statements of income.

3.10 Recognition of income

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 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, 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 a subsidiary which income has been recognized by the effective interest rate method from the beginning.

Income from operating leases are recognized on the straight-line method over the lease term.

Interest and dividend income on investment are recognized on an accrual basis.

Gain and loss on the sales of debt and equity securities are computed by the weighted-average method and are included in non-interest income in the statements of income.

3.11 Recognition of expenses

Expense is recognized on an accrual basis.

3.12 Provident fund and pension fund

The contributions to the provident fund made by the Bank are recorded as expense in the statements of income.

The Bank has recorded accrued pension costs in addition to the provident fund for employees who have been in service before January 1, 1998, and their length of service exceeds 10 years as expense in the statements of income.

3.13 Contributions to the Financial Institutions Development Fund and Deposit Protection Agency

Contributions to the Financial Institutions Development Fund and Deposit Protection Agency are recognized on accrual basis as expense in the statements of income.

3.14 Taxation

Income tax expenses (income) represent the sum of the tax currently payable and deferred tax.

3.14.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of 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 balance sheet date.

3.14.2 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 bases 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 Bank and subsidiaries do not recognize deferred tax assets and liabilities for the initial goodwill or the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates that have been enacted or substantively enacted at the balance sheet date.

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.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Bank and subsidiaries intend to settle its current tax assets and liabilities on a net basis or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Income tax expenses (income) related to profit or loss from normal activities are presented in the statement of income except for current and deferred taxes of related to items recognized directly in the shareholders' equity in the same or different period.

3.15 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.

3.16 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 end of the year denominated in foreign currencies are translated into Baht at the exchange rates announced by Bank of Thailand on that date.

All foreign exchange gains or losses are recognized as income or expenses in non-interest income in the statements of income.

3.17 Derivatives

The Bank has 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 statements of income.

2. Derivatives for hedging of transactions are recognized on the accrual basis and recorded as off-balance sheet item with the income or expense recognized based on the accrual basis in line with the underlying transaction.

Subsidiaries have recognized derivatives for hedging of transactions at fair value and profit or loss from the price appraisal is recognized as income or expense in statements of income.

Hybrid Instruments

Hybrid instruments are recorded following the Bank of Thailand's notifications No. Sor Nor Sor. 09/2551 and Sor Nor Sor. 13/2551 dated August 3, 2008 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 income.

The hybrid instrument shall be recorded by including the embedded derivative in case that it is not in compliance with the aforementioned condition. However, in case the reliable fair value of embedded derivative is not determined, the hybrid instrument will be recorded as a financial instrument by using fair value through profit and loss.

3.18 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 end of the period 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 income. Differences in exchange rates from the translation of the financial statements of foreign branches are recognized as a gain or loss on foreign exchange in the statements of income.

3.19 Critical accounting judgments and key sources of estimation uncertainty

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:

3.19.1 Fair value

The management has to use judgment in reporting the estimated fair value of the investment in Collateralized Debt Obligations and Structured Deposits since February, 2009. The estimation was determined by using the price calculated by the arranger. In 2008, the estimation was determined by using the price calculated by the arranger and the rating company's financial model.

For a business acquisition, the Bank's management estimated 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 will be finalized within 12 months after the acquisition date.

3.19.2 Allowance for doubtful accounts

The Bank and subsidiaries estimated the minimum allowance for doubtful accounts in accordance with the BOT's and The office of the Securities and Exchange Commission's guidelines (see Note 3.4). In addition, the Bank and subsidiaries estimated an additional allowance which the management has considered from the uncollectible loss from past experience, current economic conditions and ability of repayment of loans and accrued interest receivable. The Bank and subsidiaries considered the value of collateral where the source of repayment comes from the selling of the collateral.

3.19.3 Allowance for properties foreclosed

The Bank provided the allowance for impairment of properties foreclosed when there is a decline in net realizable value, based on the appraised value together with other factors which can affect the realizable value such as related selling expenses, holding costs and future discount expenses.

3.19.4 Goodwill

Goodwill is tested for impairment using a fair value method of discounted cash flows on a semi-annual basis.

3.19.5 Impairment

The carrying amounts of the Bank's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

3.19.6 Provisions

Provisions are recognized as liabilities in the balance sheet 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.

3.19.7 Loss from the impaired assets transferred to the Thai Asset Management Corporation

The probable loss arising from the impaired assets transferred to the Thai Asset Management Corporation is estimated from expected loss based on actual experience to date.

3.19.8 Provision for off-balance sheet obligations

The Bank provided a provision for off-balance sheet obligations with high credit risk such as loan guarantees, avals, etc, at the same rate as that provided for those debtors on the balance sheet.

4. Additional Information

4.1 Supplementary disclosures of cash flow information

4.1.1 Non-cash transactions for the years ended December 31, are as follows:

Unit : Million Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2009	**2008**	**2009**	**2008**
Revaluation deficit on investments presented as item in shareholders' equity (increase) decrease	271	(140)	263	(127)
Accumulated depreciation of premises for appraisal deducted from premises revaluation surplus	206	170	206	170
Properties foreclosed acquired from debt repayment	139	283	139	155
Property and premises transferred to be properties foreclosed	-	59	-	59
Properties foreclosed transferred to be property and premises	30	-	30	-

4.1.2 Non-cash transactions of property, premises and equipment for the years ended December 31, are as follows:

Unit : Million Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2009	**2008**	**2009**	**2008**
Property, premises and equipment payable at the beginning of the years	433	15	617	11
Purchases of property, premises and equipment	1,271	1,927	1,081	1,863
Less Cash payment	(1,599)	(1,509)	(1,593)	(1,257)
Property, premises and equipment payable at the end of the years	105	433	105	617

4.1.3 Non-cash transactions of computer software for the years ended December 31, are as follows:

Unit : Million Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2009	**2008**	**2009**	**2008**
Computer software payable at the beginning of the years	58	4	58	-
Purchases of computer software	368	488	358	396
Less Cash payment	(412)	(434)	(402)	(338)
Computer software payable at the end of the years	14	58	14	58

4.1.4 Acquisition of investments in subsidiaries

The Bank acquired investments in subsidiaries during the years ended December 31, 2009 and 2008 as follows:

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

Consolidated financial statements

	Unit : Million Baht
Cash payment to acquire shares	16,180
Add Additional related cost	100
Less Cash of subsidiary	(824)
Net cash payment	15,456

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

Consolidated financial statements

	Unit : Million Baht
Cash payment to acquire shares	1,487
Add Additional related cost	42
Less Cash of subsidiary	(130)
Net cash payment	1,399

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

		Unit : Million Baht
	Book Value	**Fair Value**
Assets		
Cash	130	130
Deposits at financial institutions	24,779	24,779
Receivable and loans	19,935	19,563
Others	2,239	2,447
	47,083	46,919
Liabilities		
Deposits	19,197	19,437
Borrowings	20,940	20,940
Others	4,160	4,228
	44,297	44,605
Net assets	2,786	2,314
Other related costs		(42)
Excess of net fair value of acquired subsidiary over purchase cost		(785)
Cash payment to acquire shares		1,487

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

Consolidated financial statements

	Unit : Million Baht
Cash payment to acquire shares	18
Add Additional related cost	9
Less Cash of subsidiary	(5)
Net cash payment	22

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

		Unit : Million Baht
	Book Value	**Fair Value**
Assets		
Cash	5	5
Deposits at financial institutions	477	477
Receivable and loans	1,253	1,190
Others	416	226
	2,151	1,898
Liabilities		
Borrowings	1,570	1,570
Others	87	92
	1,657	1,662
Net assets	494	236
Other related costs		(9)
Excess of net fair value of acquired subsidiary over purchase cost		(209)
Cash payment to acquire shares		18

4.1.4.4 On November 5, 2009, the Bank acquired GE Money's businesses in Thailand which included GE Capital (Thailand) Limited, General Card Services Limited and Total Services Solution Public Company Limited for a total purchase price in the share sale agreement amounting to Baht 9,787 million. The Bank made a payment for this purchase of subsidiaries as follows:

Consolidated financial statements

	Unit : Million Baht
Cash payment to acquire shares	9,787
Add Additional related cost	101
Net cash payment	9,888

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

Unit : Million Baht

	Book Value	Fair Value
Assets		
Deposits at financial institutions	1,828	1,828
Receivable and loans	33,666	33,666
Others	4,853	4,870
	40,347	40,364
Liabilities		
Borrowings	28,397	28,397
Others	2,252	2,307
	30,649	30,704
Net assets	9,698	9,660
Other related costs		(101)
Purchase price adjustment		(1,217)
Goodwill		1,445
Cash payment to acquire shares		9,787

The initial accounting for the acquisition of GE Money's business in Thailand has only been provisionally determined as at December 31, 2009. At the date of finalization of these financial statements, the necessary market valuations and other calculations had not been finalized and goodwill noted above has therefore only been provisionally determined based on the best estimate of the likely values.

The net profit (loss) of acquired companies before elimination entries for the year ended December 31, 2009 are as follows:

Unit : Million Baht

Ayudhya Total Solutions Public Company Limited (formerly AIG Retail Bank Public Company Limited)	246
Ayudhya Card Services Company Limited (formerly AIG Card (Thailand) Company Limited)	60
CFG Services Company Limited	(8)
GE Capital (Thailand) Limited	78
Total Services Solutions Public Company Limited	45
General Card Services Limited	30
Total	451

Had these business combinations been effected at January 1, 2009, the revenue and net profit (loss) of acquiree companies for the year ended December 31, 2009 would be as follows:

		Unit : Million Baht
	Revenue	**Profit (loss)**
Ayudhya Total Solutions Public Company Limited (formerly AIG Retail Bank Public Company Limited)	1,373	(246)
Ayudhya Card Services Company Limited (formerly AIG Card (Thailand) Company Limited)	1,526	88
CFG Services Company Limited	516	(30)
GE Capital (Thailand) Limited	9,433	721
Total Services Solutions Public Company Limited	1,397	324
General Card Services Limited	2,825	132
Total	17,070	989

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

Consolidated financial statements

	Unit : Million Baht
Cash payment to acquire shares	101
Add Additional related cost	3
Total	104
Less Cash paid to the Bank	(10)
Net cash payment	94

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

		Unit : Million Baht
	Book Value	**Fair Value**
Assets		
Cash and cash equivalent	9	9
Long-term deposits at financial institutions	38	38
Investment – net	16	16
Others	17	17
	80	80
Liabilities		
Accrued expenses	5	5
	5	5
Net assets	75	75
Goodwill		29
Cash paid to acquire shares		104
Less Cash paid to the Bank		(10)
Net cash payment		94

The net loss of acquired company for the year ended December 31, 2009 of Baht 34 million was recorded in the consolidated financial statements.

Had this business combination been effected at January 1, 2009, the revenue and net loss of acquired company for the year ended December 31, 2009 of Baht 54 million and Baht 50 million, respectively would be recorded in the consolidated financial statements.

4.1.4.6 Realized and unrealized gain (loss) on foreign exchange

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

4.2 Interbank and money market items

Unit : Million Baht

	Consolidated Financial Statements					
	2009			**2008**		
	At Call	Time	Total	At Call	Time	Total
Domestic items						
Bank of Thailand and Financial Institution Development Fund	4,930	40,500	45,430	5,638	64,387	70,025
Commercial banks	3,945	21	3,966	784	2,500	3,284
Other banks	-	-	-	2	-	2
Finance companies, securities companies and credit foncier companies	-	630	630	-	350	350
Other financial institutions	-	1	1	-	2,007	2,007
Total domestic items	8,875	41,152	50,027	6,424	69,244	75,668
Add Accrued interest receivables	-	14	14	2	44	46
Less Allowance for doubtful accounts	-	(3)	(3)	-	(52)	(52)
Total	8,875	41,163	50,038	6,426	69,236	75,662
Foreign items						
US Dollar	708	2,134	2,842	5,226	2,710	7,936
Yen	145	-	145	280	-	280
Euro	147	-	147	393	-	393
Other currencies	432	63	495	566	10	576
Total foreign items	1,432	2,197	3,629	6,465	2,720	9,185
Add Accrued interest receivables	1	-	1	2	5	7
Total	1,433	2,197	3,630	6,467	2,725	9,192
Total domestic and foreign items	10,308	43,360	53,668	12,893	71,961	84,854

Unit : Million Baht

	Separate Financial Statements					
	2009			2008		
	At Call	Time	Total	At Call	Time	Total
Domestic items						
Bank of Thailand and Financial						
Institution Development Fund	4,930	40,500	45,430	5,638	64,387	70,025
Commercial banks	55	-	55	57	2,500	2,557
Finance companies,						
securities companies and						
credit foncier companies	-	630	630	-	350	350
Other financial institutions	-	1	1	-	2,007	2,007
Total domestic items	4,985	41,131	46,116	5,695	69,244	74,939
Add Accrued interest receivables	-	14	14	-	44	44
Less Allowance for doubtful accounts	-	(3)	(3)	-	(52)	(52)
Total	4,985	41,142	46,127	5,695	69,236	74,931
Foreign items						
US Dollar	708	2,134	2,842	5,226	2,710	7,936
Yen	145	-	145	280	-	280
Euro	147	-	147	393	-	393
Other currencies	432	63	495	566	10	576
Total foreign items	1,432	2,197	3,629	6,465	2,720	9,185
Add Accrued interest receivables	1	-	1	2	5	7
Total	1,433	2,197	3,630	6,467	2,725	9,192
Total domestic and foreign items	6,418	43,339	49,757	12,162	71,961	84,123

4.3 Investments

4.3.1 Current investments

Unit : Million Baht

Consolidated Financial Statements

	2009				2008			
	Cost/ Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value	Cost/ Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
Securities for Trading								
Government and state enterprise securities	639	2	(3)	638	3,482	23	(23)	3,482
Private sector's debt securities	-	-	-	-	73	1	-	74
Foreign sector's debt securities	2,836	-	(2,420)	416	2,969	-	(2,762)	207
Domestic marketable equity securities	413	9	(2)	420	281	-	(191)	90
	3,888	11	(2,425)	1,474	6,805	24	(2,976)	3,853
Less Revaluation allowance	(2,414)			-	(2,952)			-
Less Allowance for impairment	(416)			(416)	(207)			(207)
Total	1,058			1,058	3,646			3,646
Securities Available-for-Sale								
Government and state enterprise securities	19,644	18	-	19,662	19,978	153	(2)	20,129
Private sector's debt securities	745	6	-	751	1,150	6	-	1,156
Foreign sector's debt securities	-	-	-	-	1,570	-	(18)	1,552
Others	71	-	(2)	69	-	-	-	-
	20,460	24	(2)	20,482	22,698	159	(20)	22,837
Add Revaluation allowance	22			-	139			-
Less Allowance for impairment	(378)			(378)	(279)			(279)
Total	20,104			20,104	22,558			22,558
Securities Held-to-Maturity								
Government and state enterprise securities	1,204	16	-	1,220	-			-
Private sector's debt securities	57	-	-	57	50			50
	1,261	16	-	1,277	50			50
Less Allowance for impairment	(50)			(50)	(50)			(50)
Total	1,211			1,227	-			-
Securities for General Investments								
Investment in accounts receivable	831			831	947			947
Less Allowance for impairment	(424)			(424)	-			-
Total	407			407	947			947
Total Current Investments, net	22,780			22,796	27,151			27,151

Unit : Million Baht

	Separate Financial Statements							
	2009				2008			
	Cost/ Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value	Cost/ Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
Securities for Trading								
Government and state enterprise securities	639	2	(3)	638	3,482	23	(23)	3,482
Private sector's debt securities	-	-	-	-	73	1	-	74
Foreign sector's debt securities	2,836	-	(2,420)	416	2,969	-	(2,762)	207
Domestic marketable equity securities	413	9	(2)	420	281	-	(191)	90
	3,888	11	(2,425)	1,474	6,805	24	(2,976)	3,853
Less Revaluation allowance	(2,414)			-	(2,952)			-
Less Allowance for impairment	(416)			(416)	(207)			(207)
Total	1,058			1,058	3,646			3,646
Securities Available-for-Sale								
Government and state enterprise securities	19,644	18	-	19,662	19,978	153	(2)	20,129
Private sector's debt securities	398	6	-	404	871	6	-	877
Foreign sector's debt securities	-	-	-	-	1,570	-	(18)	1,552
	20,042	24	-	20,066	22,419	159	(20)	22,558
Add Revaluation allowance	24			-	139			-
Total	20,066			20,066	22,558			22,558
Securities Held-to-Maturity								
Government and state enterprise securities	1,204	16	-	1,220	-			-
Private sector's debt securities	57	-	-	57	50			50
	1,261	16	-	1,277	50			50
Less Allowance for impairment	(50)			(50)	(50)			(50)
Total	1,211			1,227	-			-
Securities for General Investments								
Investment in accounts receivable	831			831	947			947
Less Allowance for impairment	(424)			(424)	-			-
Total	407			407	947			947
Total Current Investments, net	22,742			22,758	27,151			27,151

4.3.2 Long-term investments

Unit : Million Baht

	Consolidated Financial Statements							
	2009				2008			
	Cost/ Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value	Cost/ Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
Securities Available-for-Sale								
Government and state enterprise securities	26,279	98	(149)	26,228	8,987	242	(2)	9,227
Private sector's debt securities	5,168	46	(8)	5,206	3,591	25	(7)	3,609
Foreign sector's debt securities	848	43	-	891	1,348	71	-	1,419
Domestic marketable equity securities	3,216	117	(22)	3,311	3,364	1	(565)	2,800
Others	-	-	-	-	170	-	(10)	160
	35,511	304	(179)	35,636	17,460	339	(584)	17,215
Add (less) Revaluation allowance	125			-	(245)			-
Less Allowance for impairment	(241)			(241)	(455)			(455)
Total	35,395			35,395	16,760			16,760
Securities Held-to-Maturity								
Government and state enterprise securities	4,482	17	-	4,499	5,750	58	-	5,808
Private sector's debt securities	-	-	-	-	16	-	-	16
Total	4,482	17	-	4,499	5,766	58	-	5,824
Securities for General Investments								
Domestic non-marketable equity securities	3,711			3,499	4,579			4,114
Foreign non-marketable equity securities	27			21	28			19
Investment in accounts receivable	1,315			1,315	2,108			2,108
Total	5,053			4,835	6,715			6,241
Less Allowance for impairment	(290)			-	(295)			-
Total	4,763			4,835	6,420			6,241
Total Long-term Investments, net	44,640			44,729	28,946			28,825

Unit : Million Baht

	Separate Financial Statements							
	2009				2008			
	Cost/ Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value	Cost/ Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
Securities Available-for-Sale								
Government and state enterprise securities	26,279	98	(149)	26,228	8,987	242	(2)	9,227
Private sector's debt securities	5,168	46	(8)	5,206	3,523	25	(7)	3,541
Foreign sector's debt securities	848	43	-	891	1,348	71	-	1,419
Domestic marketable equity securities	3,109	104	(2)	3,211	3,258	1	(558)	2,701
	35,404	291	(159)	35,536	17,116	339	(567)	16,888
Add (less) Revaluation allowance	132			-	(228)			-
Less Allowance for impairment	(241)			(241)	(387)			(387)
Total	35,295			35,295	16,501			16,501
Securities Held-to-Maturity								
Government and state enterprise securities	4,363	17	-	4,380	5,750	58	-	5,808
Private sector's debt securities	-	-	-	-	16	-	-	16
Total	4,363	17	-	4,380	5,766	58	-	5,824
Securities for General Investments								
Domestic non-marketable equity securities	3,676			3,481	4,563			4,098
Foreign non-marketable equity securities	27			21	28			19
Investment in accounts receivable	1,315			1,315	2,108			2,108
Total	5,018			4,817	6,699			6,225
Less Allowance for impairment	(274)			-	(279)			-
Total	4,744			4,817	6,420			6,225
Total Long-term Investments, net	44,402			44,492	28,687			28,550

As at December 31, 2009 and 2008, long-term investments classified as debt securities held-to-maturity (government and state enterprise securities) included the 10 year-term non-negotiable promissory notes avalled by Financial Institutions Development Fund in the consolidated financial statements and separate financial statements of Baht 3,822 million and Baht 4,023 million, respectively, issued by the Thai Asset Management Corporation (TAMC) for asset transfer to TAMC. During the years 2009 and 2008, TAMC redeemed promissory notes of the Bank of Baht 201 million and Baht 354 million, respectively.

The Bank assessed the fair value of the CDO investments by using the prices calculated by arrangers. The Bank recorded unrealized losses on the mark-to-market and loss on impairment for CDO investment at 100% of these investments since December 31, 2008.

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

For the years ended December 31, 2009 and 2008, gain (loss) on investments in the statements of income consists of the following:

Unit : Million Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2009	**2008**	**2009**	**2008**
Gain (loss) on sale of securities				
- Securities for trading	(386)	(333)	(463)	(372)
- Securities available-for-sale	196	19	196	20
- Investment in general Investments	145	376	176	340
- Investment in subsidiaries and associated companies	69	-	69	-
Total	24	62	(22)	(12)
Loss on impairment of investment in securities	(76)	(210)	(1,326)	(210)
Loss on impairment of investment in loan	(424)	-	(424)	-
Unrealized gain (loss) on securities for trading	190	(74)	187	(72)
Unrealized gain (loss) on hybrid instruments	204	(2,034)	204	(2,034)
Gain on reclassification from investments in receivables to loans	-	1	-	-
Gain (loss) on investments	(82)	(2,255)	(1,381)	(2,328)

For the years ended December 31, 2009 and 2008, revaluation surplus (deficit) on investments presented in shareholders' equity consists of the following:

Unit : Million Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2009	2008	2009	2008
Beginning balance	(143)	(3)	(127)	-
(Increase) decrease during the year	271	(140)	263	(127)
Ending balance	128	(143)	136	(127)

4.3.3 The remaining maturities of debt securities

Unit : Million Baht

Consolidated Financial Statements

	2009 Due within				2008 Due within			
	1 Year	Greater than 1 Year– 5 Years	Greater than 5 Years	Total	1 Year	Greater than 1 Year– 5 Years	Greater than 5 Years	Total
Securities Available-for-Sale								
Government and state enterprise securities	19,114	24,258	2,020	45,392	19,978	8,987	-	28,965
Private sector's debt securities	775	5,123	45	5,943	1,150	3,516	75	4,741
Foreign sector's debt securities	500	848	-	1,348	1,570	1,348	-	2,918
Others	71	-	-	71	-	170	-	170
Total	20,460	30,229	2,065	52,754	22,698	14,021	75	36,794
Add (less) Revaluation allowances	22	13	18	53	139	321	(2)	458
Less Allowances for impairment	(378)	-	-	(378)	(279)	(68)	-	(347)
Total	20,104	30,242	2,083	52,429	22,558	14,274	73	36,905
Securities Held-to-Maturity								
Government and state enterprise securities	1,204	4,436	46	5,686	-	1,727	4,023	5,750
Private sector's debt securities	57	-	-	57	50	16	-	66
Total	1,261	4,436	46	5,743	50	1,743	4,023	5,816
Less Allowances for impairment	(50)	-	-	(50)	(50)	-	-	(50)
Total	1,211	4,436	46	5,693	-	1,743	4,023	5,766
Total Debt Securities	21,315	34,678	2,129	58,122	22,558	16,017	4,096	42,671

Unit : Million Baht

	Separate Financial Statements							
	2009 Due within				2008 Due within			
	1 Year	Greater than 1 Year -5 Years	Greater than 5 Years	Total	1 Year	Greater than 1 Year -5 Years	Greater than 5 Years	Total
Securities Available-for-Sale								
Government and state enterprise securities	19,114	24,258	2,020	45,392	19,978	8,987	-	28,965
Private sector's debt securities	428	5,123	45	5,596	871	3,448	75	4,394
Foreign sector's debt securities	500	848	-	1,348	1,570	1,348	-	2,918
Total	20,042	30,229	2,065	52,336	22,419	13,783	75	36,277
Add (less) Revaluation allowances	24	13	18	55	139	331	(2)	468
Total	20,066	30,242	2,083	52,391	22,558	14,114	73	36,745
Securities Held-to-Maturity								
Government and state enterprise securities	1,204	4,317	46	5,567	-	1,727	4,023	5,750
Private sector's debt securities	57	-	-	57	50	16	-	66
Total	1,261	4,317	46	5,624	50	1,743	4,023	5,816
Less Allowances for impairment	(50)	-	-	(50)	(50)	-	-	(50)
Total	1,211	4,317	46	5,574	-	1,743	4,023	5,766
Total Debt Securities	21,277	34,559	2,129	57,965	22,558	15,857	4,096	42,511

4.3.4 Investment in subsidiaries and associated companies

The Bank's investments in companies in which the Bank holds more than 20% of the paid-up capital, with the percentage of beneficial ownership and amount of investments, are as follows:

Unit : Million Baht

				Consolidated Financial Statements			
				2009		2008	
Company Name	Business Type	Securities Investment Type	Ownership %	Investment (Cost)	Investment (Equity Method)	Investment (Cost)	Investment (Equity Method)
Associated companies							
Krungsriayudhya Card Company Limited	Credit card and personal loan	Common stock	49.99	-	-	550	1,026
Tesco Card Services Limited (1)	Credit card and personal loan	Common stock	49.00	382	598	-	-
Tesco Life Assurance Broker Company Limited (2)	Life assurance broker	Common stock	49.00	-	7	-	-
Tesco General Insurance Broker Company Limited (2)	General Insurance broker	Common stock	49.00	-	27	-	-
Quality Life Assurance Broker Company Limited (1)	Life assurance broker	Common stock	24.99	1	7	-	-
Quality General Insurance Broker Company Limited (1)	General Insurance broker	Common stock	24.99	1	4	-	-
Investments in associated companies, net				384	643	550	1,026

(1) Hold indirectly via GE Capital (Thailand) Limited
(2) Hold indirectly via Tesco Card Service Limited

Unit : Million Baht

Company Name	Business Type	Securities Investment Type	Ownership %	Investment (Cost)
	Separate Financial Statements 2009			
Subsidiaries				
Ayudhya Development Leasing Company Limited	Leasing	Common stock	99.99	929
Ayudhya Auto Lease Public Company Limited	Auto leasing	Common stock	99.66	2,233
		Preferred stock		500
		Warrant		12
Ayudhya Capital Lease Company Limited	Auto leasing	Common stock	99.99	3,000
Ayudhya Capital Auto Lease Public Company Limited (Formerly GE Capital Auto Lease Public Company Limited)	Hire-purchase and auto leasing	Common stock	99.99	16,281
Ayudhya Total Solutions Public Company Limited (Formerly AIG Retail Bank PublicCompany Limited)	Hire-purchase	Common stock	99.76	1,529
CFG Service Company Limited	Hire-purchase	Common stock	99.99	26
		Preferred stock		1
Ayudhya Card Services Company Limited (Formerly AIG Card (Thailand) Company Limited)	Credit card and personal loan	Common stock	99.99	4
GE Capital (Thailand) Limited	Credit card and personal loan	Common stock	99.99	6,443
General Card Services Limited	Credit card and personal loan	Common stock	99.99	806
Krungsriayudhya Card Company Limited (1)	Credit card	Common stock	49.99	550
Siam Realty and Services Company Limited	Car rent and personnel services	Common stock	99.99	100
K.S. Law Office Company Limited	Legal advisory services	Common stock	99.99	32
Total Services Solutions Public Company Limited	Collection Services	Common stock	99.99	2,242
		Preferred stock		295
Ayudhya Fund Management Company Limited	Fund management	Common stock	76.59	204
Ayudhya Asset Management Company Limited	Assets management	Common stock	99.99	6,000
Ayudhya Securities Public Company Limited	Securities	Common stock	86.33	637
Ayudhya Factoring Company Limited	Factoring	Common stock	99.99	100
Investments in subsidiaries and associated companies				41,924
Less Allowance for impairment				(4,224)
Investments in subsidiaries and associated companies, net				37,700

(1) Held indirectly via GE Capital (Thailand) Limited 49.99%

Unit : Million Baht

Company Name	Business Type	Securities Investment Type	Ownership %	Investment (Cost)
		Separate Financial Statements 2008		
Subsidiaries				
Ayudhya Development Leasing Company Limited	Leasing	Common stock	99.99	929
Ayudhya Auto Lease Public Company Limited	Auto leasing	Common stock	99.55	2,230
		Preferred stock		500
		Warrant		12
Ayudhya Capital Lease Company Limited	Auto leasing	Common stock	99.99	3,000
Ayudhya Hire Purchase Company Limited	Hire-purchase of used cars	Common stock	99.99	500
Ayudhya Capital Auto Lease Public Company Limited (Formerly GE Capital Auto Lease Public Company Limited)	Hire-purchase and auto leasing	Common stock	99.99	16,281
Siam Realty and Services Company Limited	Car rent and personnel services	Common stock	99.99	100
K.S. Law Office Company Limited	Legal advisory services	Common stock	99.99	32
Ayudhya Fund Management Company Limited	Fund management	Common stock	99.99	267
Ayudhya Asset Management Company Limited	Assets management	Common stock	99.99	6,000
Ayudhya Securities Public Company Limited	Securities	Common stock	86.33	637
Ayudhya Factoring Company Limited	Factoring	Common stock	99.99	100
Associated company				
Krungsriayudhya Card Company Limited	Credit card	Common stock	49.99	550
Investments in subsidiaries and associated companies				31,138
Less Allowance for impairment				(2,998)
Investments in subsidiaries and associated companies, net				28,140

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

AYUDHYA ASSET MANAGEMENT COMPANY LIMITED
CONDENSED BALANCE SHEETS
AS AT DECEMBER 31,

Unit : Million Baht

	2009	2008
ASSETS		
Cash and deposit at financial institution	36	338
Investments, net	1	-
Investments in receivables, net	7,670	8,002
Loans, and accrued interest receivable, net	996	1,358
Properties foreclosed, net	7,974	7,407
Equipment, net	6	3
Amounts due from parent company	398	576
Cash advance	207	220
Other assets	56	42
TOTAL ASSETS	17,344	17,946
LIABILITIES AND SHAREHOLDERS' EQUITY		
Liabilities		
Borrowings	15,019	15,918
Other liabilities	173	200
Shareholders' equity	2,152	1,828
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	17,344	17,946

AYUDHYA ASSET MANAGEMENT COMPANY LIMITED
CONDENSED STATEMENTS OF INCOME
FOR THE YEARS ENDED DECEMBER 31,

Unit : Million Baht

	2009	2008
Interest and dividend income	328	428
Interest expenses	264	381
Net interest and dividend income	64	47
Bad debt and doubtful accounts	79	246
Loss on debt restructuring (reversal)	(1)	-
Net interest and dividend income after bad debt and doubtful accounts and loss on debt restructuring	(14)	(199)
Non-interest income	606	583
Non-interest expenses	268	231
Net income	324	153
Basic earnings per share (Baht)	0.54	0.25

AYUDHYA ASSET MANAGEMENT COMPANY LIMITED
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31,

Unit : Million Baht

	2009	2008
Cash flows from operating activities		
Income before income tax	324	153
Adjustments to reconcile income to cash provided by (used in) operating activities		
Depreciation and amortization	2	2
Bad debt and doubtful accounts	79	246
Loss on debt restructuring (reversal)	(1)	-
Gain on reclassification from investment in receivable to loans	-	(1)
Gain on sales of properties foreclosed	(193)	(229)
Interest income from assets acquired from debt payment	-	(4)
Other income	-	(5)
Loss on written off fixed assets	1	-
Loss on impairment of properties foreclosed	35	-
Interest expenses	264	381
Decrease in accrued non-interest payable	(38)	(132)
Cash paid for interest expense	(263)	(384)
Cash paid for income tax	(14)	(17)
Income from operations before change in operating assets and liabilities	196	10
(Increase) decrease in operating assets		
General investment	-	1
Investment in receivables	253	147
Loans and receivable	362	231
Properties foreclosed	(409)	2,502
Amounts due from parent company	178	269
Cash advance	13	(76)
Other assets	(1)	222
Increase (decrease) in operating liabilities		
Amounts due to parent company	(2)	(8)
Deposits for purchasing of properties foreclosed	14	4
Other liabilities	(3)	1
Net cash provided by operating activities	601	3,303
Cash flows from investing activities		
Cash paid for purchase of equipment	(4)	(1)
Net cash used in investing activities	(4)	(1)
Cash flows from financing activities		
Decrease in borrowings	(899)	(3,134)
Net cash used in financing activities	(899)	(3,134)
Net increase (decrease) in cash and cash equivalents	(302)	168
Cash and cash equivalents as at January 1,	338	170
Cash and cash equivalents as at December 31,	36	338

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

Unit : Million Baht

	Consolidated and Seprate Financial Statements	
	2009	**2008**
Manufacturing	21	29
Banking and finance	-	11
Total	21	40

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

4.4 Securities used as collateral

Government and state enterprise securities with face values of Baht 17,088 million and Baht 176 million were used as collateral for other commitments with government departments and state enterprises as at December 31, 2009 and 2008, respectively.

4.5 Loans and accrued interest receivables

(1) Classified by products

Unit : Million Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2009	**2008**	**2009**	**2008**
Overdrafts	44,743	46,767	41,545	43,400
Loan against contract	247,128	266,610	361,839	367,414
Trade bill	161,120	129,938	160,023	129,045
Hire-purchase receivable	130,893	120,891	-	-
Lease contract receivable	11,765	10,579	-	-
Factoring receivable	1,090	998	-	-
Credit card receivable	27,229	-	-	-
Others	1,176	1,145	564	654
Total	625,144	576,928	563,971	540,513
Less Unearned income	(22,684)	(20,852)	(37)	(70)
Add Deferred brokerage fee, net	1,048	1,001	-	-
Total	603,508	557,077	563,934	540,443
Add Accrued interest receivables	2,210	1,683	1,196	1,580
Less Allowance for doubtful accounts	(38,271)	(31,410)	(24,256)	(22,829)
Revaluation allowance for debt restructuring	(329)	(897)	(329)	(897)
Total	567,118	526,453	540,545	518,297

(2) Classified by remaining maturity

Unit : Million Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2009	**2008**	**2009**	**2008**
Not over 1 year*	360,824	228,366	245,314	203,164
Over 1 year	264,320	348,562	318,657	337,349
Total	625,144	576,928	563,971	540,513
Less Unearned income	(22,684)	(20,852)	(37)	(70)
Add Deferred brokerage fee, net	1,048	1,001	-	-
Total	603,508	557,077	563,934	540,443
Add Accrued interest receivables	2,210	1,683	1,196	1,580
Total	605,718	558,760	565,130	542,023

* Included those without agreements and past due agreements

(3) Classified by currency and residence of debtors

Unit : Million Baht

Consolidated Financial Statements

	2009			2008		
	Domestic	**Foreign**	**Total**	**Domestic**	**Foreign**	**Total**
Baht	602,262	905	603,167	568,073	536	568,609
US Dollar	7,052	281	7,333	7,197	300	7,497
Other currencies	13,837	807	14,644	441	381	822
Total	623,151	1,993	625,144	575,711	1,217	576,928
Less Unearned income			(22,684)			(20,852)
Add Deferred brokerage fee, net			1,048			1,001
Total			603,508			557,077
Add Accrued interest receivables			2,210			1,683
Total			605,718			558,760

Unit : Million Baht

Separate Financial Statements

	2009			2008		
	Domestic	**Foreign**	**Total**	**Domestic**	**Foreign**	**Total**
Baht	554,547	905	555,452	531,658	536	532,194
US Dollar	7,051	281	7,332	7,197	300	7,497
Other currencies	380	807	1,187	441	381	822
Total	561,978	1,993	563,971	539,296	1,217	540,513
Less Unearned income			(37)			(70)
Total			563,934			540,443
Add Accrued interest receivables			1,196			1,580
Total			565,130			542,023

(4) Classified by business type and classification

Unit : Million Baht

	Consolidated Financial Statements					
	2009					
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total
Agriculture and mining	5,701	323	204	88	1,454	7,770
Manufacturing and trading	145,663	7,293	1,838	3,716	19,175	177,685
Real estate and construction	37,123	1,671	687	781	6,441	46,703
Public utilities and services	86,784	5,951	898	977	4,313	98,923
Housing loans	72,886	2,257	1,075	1,090	4,228	81,536
Others	196,775	10,188	2,819	1,313	1,432	212,527
Total	544,932	27,683	7,521	7,965	37,043	625,144
Less Unearned income						(22,684)
Add Deferred brokerage fee, net						1,048
Total						603,508
Add Accrued interest receivables						2,210
Total						605,718

Unit : Million Baht

	Consolidated Financial Statements					
	2008					
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total
Agriculture and mining	6,193	343	310	213	1,618	8,677
Manufacturing and trading	162,499	5,334	4,309	4,515	19,143	195,800
Real estate and construction	38,561	2,131	1,068	2,223	6,359	50,342
Public utilities and services	81,313	5,442	1,085	1,154	4,201	93,195
Housing loans	58,241	1,494	896	907	3,179	64,717
Others	148,997	10,720	1,869	1,270	1,341	164,197
Total	495,804	25,464	9,537	10,282	35,841	576,928
Less Unearned income						(20,852)
Add Deferred brokerage fee, net						1,001
Total						557,077
Add Accrued interest receivables						1,683
Total						558,760

Unit : Million Baht

	Separate Financial Statements					
	2009					
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total
Agriculture and mining	5,700	319	119	87	651	6,876
Manufacturing and trading	142,371	7,043	1,772	3,653	12,569	167,408
Real estate and construction	36,412	1,642	634	762	3,787	43,237
Public utilities and services	86,453	5,941	893	966	2,849	97,102
Housing loans	65,014	1,278	776	1,011	2,091	70,170
Others	176,900	688	246	497	847	179,178
Total	512,850	16,911	4,440	6,976	22,794	563,971
Less Unearned income						(37)
Total						563,934
Add Accrued interest receivables						1,196
Total						565,130

Unit : Million Baht

	Separate Financial Statements					
	2008					
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total
Agriculture and mining	6,189	253	296	213	853	7,804
Manufacturing and trading	159,909	5,222	3,992	4,420	12,563	186,106
Real estate and construction	37,604	1,901	964	2,205	3,686	46,360
Public utilities and services	80,894	5,430	1,082	1,134	2,739	91,279
Housing loans	58,180	1,437	859	886	1,093	62,455
Others	144,096	1,172	275	222	744	146,509
Total	486,872	15,415	7,468	9,080	21,678	540,513
Less Unearned income						(70)
Total						540,443
Add Accrued interest receivables						1,580
Total						542,023

(5) Classified by type of classification

Unit : Million Baht

Consolidated Financial Statements

	2009			
	Loans and Accrued Interest Receivable	Outstanding Balance after Deduction of Collateral	% Set up***	Minimum Allowance per BOT Guideline
Normal - Securities Business receivable	152	152	-	-
Normal	524,949	272,814	1	5,376
Special mention	27,066	11,345	2	1,663
Substandard	7,298	3,536	100	3,369
Doubtful	7,886	3,595	100	3,442
Doubtful of loss	37,319	12,781	100	12,897
Total	604,670	304,223		26,747**
Add Deferred brokerage fee, net	1,048			
Total	605,718			
Surplus Reserve				11,524*
				38,271

Unit : Million Baht

Consolidated Financial Statements

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

(* Including allowance for doubtful accounts of loans granted to subsidiaries as at December 31, 2009 and 2008, at the rate of 1% of Baht 151,427 million and Baht 109,924 million equal to Baht 1,514 million and Baht 1,099 million, respectively which are eliminated from loans classified as normal in the consolidated financial statements.)

(** Excluding revaluation allowance for debt restructuring as at December 31, 2009 and 2008, of Baht 329 million and Baht 897 million, respectively and excluding allowance for doubtful accounts for interbank and money market items as at December 31, 2009 and 2008, of Baht 4 million and Baht 52 million, respectively but including allowance for doubtful accounts on a collective approach for hire-purchase loan as at December 31, 2009 of Baht 3,247 million.)

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

Unit : Million Baht

Separate Financial Statements and Ayudhya Asset Management Company Limited

	2009			
	Loans and Accrued Interest Receivable	Outstanding Balance after Deduction of Collateral	% Set up	Minimum Allowance per BOT Guideline
Normal	498,410	253,025	1	4,854
Special mention	17,299	1,945	2	727
Substandard	4,564	897	100	897
Doubtful	7,056	2,812	100	2,812
Doubtful of loss	36,396	12,190	100	12,307
Total	563,725	270,869		21,597
Surplus Reserve				7,609*
				29,206

Unit : Million Baht

Separate Financial Statements and Ayudhya Asset Management Company Limited

	2008			
	Loans and Accrued Interest Receivable	Outstanding Balance after Deduction of Collateral	% Set up	Minimum Allowance per BOT Guideline
Normal	471,736	227,118	1	2,868
Special mention	15,999	5,817	2	365
Substandard	7,722	2,500	100	2,423
Doubtful	9,224	4,323	100	4,383
Doubtful of loss	35,860	12,812	100	13,084
Total	540,541	252,570		23,123
Surplus Reserve				4,783*
				27,906

(* Including allowance for doubtful accounts of loans granted to Ayudhya Asset Management Company Limited as at December 31, 2009 and 2008, at the rate of 1% of Baht 15,019 million and Baht 15,918 million equal to Baht 150 million and Baht 159 million, respectively which are eliminated from loans classified as normal in the consolidated financial statements.)

Unit : Million Baht

Separate Financial Statements

	2009			
	Loans and Accrued Interest Receivable	Outstanding Balance after Deduction of Collateral	% Set up	Minimum Allowance per BOT Guideline
Normal	513,413	268,043	1	5,004
Special mention	17,252	1,940	2	727
Substandard	4,474	880	100	880
Doubtful	6,989	2,796	100	2,796
Doubtful of loss	23,002	9,039	100	9,156
Total	565,130	282,698		18,563**
Surplus Reserve				5,693*
				24,256

Unit : Million Baht

Separate Financial Statements

	2008			
	Loans and Accrued Interest Receivable	Outstanding Balance after Deduction of Collateral	% Set up	Minimum Allowance per BOT Guideline
Normal	487,551	243,021	1	3,027
Special mention	15,884	5,811	2	365
Substandard	7,497	2,446	100	2,370
Doubtful	9,140	4,301	100	4,361
Doubtful of loss	21,951	9,385	100	9,657
Total	542,023	264,964		19,780**
Surplus Reserve				3,049*
				22,829

(* Including allowance for doubtful accounts of loans granted to subsidiaries as at December 31, 2009 and 2008, at the rate of 1% of Baht 151,427 million and Baht 109,924 million, equal to Baht 1,514 million and Baht 1,099 million, respectively.)

(** Excluding revaluation allowance for debt restructuring as at December 31, 2009 and 2008, of Baht 329 million and Baht 897 million, respectively and excluding allowance for doubtful accounts for interbank and money market items as at December 31, 2009 and 2008, of Baht 4 million and Baht 52 million, respectively.)

For the year ended December 31, 2009, the Bank entered into an agreement to sell non-performing loan (NPLs) with net book value of Baht 1,107 million and book value of Baht 4,512 million to a subsidiary for Baht 1,107 million. The amount has been received.

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

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

Non-performing loans (NPLs) represent loans classified as substandard, doubtful, doubtful of loss and loss in accordance to BOT's Notification Re: Rule of debt Classification and Provision for Losses of Commercial Bank.

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

Unit : Million Baht

	2009		
	Bank only	**AMC**	**The Bank and AMC**
Non-performing loans	34,210	13,391	47,601
Percentage of total loans	5.65	99.51	7.70
Non-performing loans, net	21,378	10,206	31,584
Percentage of total loans, net	3.61	99.35	5.24

Unit : Million Baht

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

As at December 31, 2009 and 2008, the Bank and its subsidiaries' non-performing loans are Baht 52,080 million and Baht 55,137 million, respectively.

In determining an allowance for doubtful accounts, a major factor which the Bank takes into consideration is the value of collateral. Collateral supporting either certain significant loans or a portion of classified loans were reappraised by either internal appraisers of the Bank and/or independent appraisers approved by the BOT. According to the BOT's guideline dated August 3, 2008, banks are required to calculate present value of cash flows expected from the sale of collateral to be deducted from the debtor's balance before determining the allowance of immovable assets, leasehold rights of machines and vehicles. For collateral against substandard assets, doubtful assets, and doubtful of loss assets, its value has to be reappraised every 3 years in order to be used as a deduction from the debtor's balance before determining the allowance.

(6) Troubled debt restructuring

Consolidated financial statements

For the year ended December 31, 2009, the Bank and its subsidiaries had restructured the following debts:

	Consolidated Financial Statements	
	Number	Amount of Debt before Restructuring (Million Baht)
Total debt restructured during the year ended December 31, 2009	43,929	14,083
Total debtors as at December 31, 2009	3,188,277	605,718

Details of restructured debts of the Bank and its subsidiaries for the year ended December 31, 2009 are as follows:

Consolidated Financial Statements

Form of Restructuring	Number	Amount of Debt before Restructuring (Million Baht)	Type of Assets Acquired	Fair Value (Million Baht)
Transfer of assets	8	118	Land and building	75
Conversion to equity	2	13		
Modification of terms	28,414	3,919		
Reduction of principal and interest	15,158	5,177		
Various forms of restructuring (including modification of terms)	347	4,856	Land and building	26
Total	43,929	14,083		101

For the year ended December 31, 2009, 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:

Consolidated Financial Statements

Method	Average Aging (Year)	Number	Amount of Debt before Restructuring (Million Baht)	Amount of Debt after Restructuring (Million Baht)
Present value of future cash flows	0.02	26,933	611	355
Fair value of collateral	6.42	1,481	3,308	2,642

As at December 31, 2009, the Bank and its subsidiaries had outstanding debts of Baht 8,482 million which had been restructured by modification of repayment terms.

As at December 31, 2009, the Bank and its subsidiaries had restructured outstanding debt of Baht 61,861 million, including debts restructured during the year of Baht 9,272 million. For the year ended December 31, 2009, the Bank and its subsidiaries recognized interest received from debt restructured of Baht 1,675 million and loss on debt restructured of Baht 1,088 million, in the statements of income.

As at December 31, 2009, the balance of such debt restructured included NPLs of Baht 19,252 million.

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

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

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

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

For the year ended December 31, 2008, 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:

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

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

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

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

Separate financial statements

For the year ended December 31, 2009, the Bank has restructured the following debts:

	Separate Financial Statements Number	Amount of Debt before Restructuring (Million Baht)
Total debt restructured during the year ended December 31, 2009	2,542	13,204
Total debtors as at December 31, 2009	197,080	565,130

Details of restructured debts of the Bank for the year ended December 31, 2009, are as follows:

Form of Restructuring	Separate Financial Statements Number	Amount of Debt before Restructuring (Million Baht)	Type of Assets Acquired	Fair Value (Million Baht)
Transfer of assets	6	115	Land and building	75
Conversion to equity	2	13		
Modification of terms	1,166	3,172		
Reduction of principal and interest	1,021	5,048		
Various forms of restructuring (including modification of terms)	347	4,856	Land and building	26
Total	2,542	13,204		101

For the year ended December 31, 2009, the Bank calculated the net realizable value for the troubled debt restructured by the modification of terms using the present value of future cash flows under the restructured loan agreement, discounted by the market rate, together with the fair value of collateral as follows:

	Separate Financial Statements			
Method	Average Aging (Year)	Number	Amount of Debt before Restructuring (Million Baht)	Amount of Debt after Restructuring (Million Baht)
Present value of future cash flows	7.04	56	374	355
Fair value of collateral	6.42	1,110	2,798	2,642

As at December 31, 2009, the Bank had outstanding debts of Baht 6,357 million which had been restructured by modification of repayment terms.

As at December 31, 2009, the Bank had restructured outstanding debt of Baht 43,270 million, including debts restructured during the year of Baht 8,396 million. For the year ended December 31, 2009, the Bank recognized interest received from debt restructured of Baht 1,616 million, and loss on debt restructured of Baht 1,101 million in the statements of income.

As at December 31, 2009, the balance of such debt restructured included NPLs of Baht 15,190 million.

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

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

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

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

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

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

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

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

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

4.6 Allowance for doubtful accounts

Unit : Million Baht

Consolidated Financial Statements

	2009						
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Surplus Reserve	Total
Beginning balance	2,732	517	3,594	5,238	13,352	5,977	31,410
Beginning balance of subsidiaries as of investment date	652	76	1,893	204	853	1,749	5,427
Doubtful accounts	1,992	1,070	(2,078)	(1,962)	4,167	4,378	7,567
Bad debts written off	-	-	(9)	-	(1,973)	(858)	(2,840)
Bad debts reversal	-	-	-	-	151	278	429
Bad debts written off from sales of NPLs	-	-	(31)	(36)	(3,656)	-	(3,723)
Other	-	-	-	(2)	3	-	1
Ending balance	5,376	1,663	3,369	3,442	12,897	11,524	38,271

Unit : Million Baht

Consolidated Financial Statements

	2008						
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Surplus Reserve	Total
Beginning balance	1,301	292	4,578	4,940	17,488	5,381	33,980
Beginning balance of subsidiaries as of investment date	603	268	1,198	774	36	79	2,958
Doubtful accounts	862	(29)	(2,119)	(160)	6,027	516	5,097*
Bad debts written off	-	-	-	-	(1,229)	-	(1,229)
Bad debts reversal	-	-	-	-	153	-	153
Bad debts written off from sales of NPLs	(34)	(14)	(63)	(316)	(9,123)	-	(9,550)
Other	-	-	-	-	-	1	1
Ending balance	2,732	517	3,594	5,238	13,352	5,977	31,410

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

As at December 31, 2009, the consolidated financial statements included the allowance for doubtful account of hire-purchase loans applied a collective approach basis in the amount of Baht 3,247 million.

Unit : Million Baht

Separate Financial Statements

	2009						
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Surplus Reserve	Total
Beginning balance	3,027	365	2,370	4,361	9,657	3,049	22,829
Doubtful accounts	1,977	362	(1,459)	(1,529)	2,680	2,645	4,676
Bad debts written off	-	-	-	-	(16)	-	(16)
Bad debts reversal	-	-	-	-	155	-	155
Bad debts written off from sales of NPLs	-	-	(31)	(36)	(3,320)	-	(3,387)
Other	-	-	-	-	-	(1)	(1)
Ending balance	5,004	727	880	2,796	9,156	5,693	24,256

Unit : Million Baht

Separate Financial Statements

	2008						
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Surplus Reserve	Total
Beginning balance	1,618	271	4,401	4,773	13,337	3,871	28,271
Doubtful accounts	1,443	108	(1,968)	(96)	5,386	(823)	4,050
Bad debts written off	-	-	-	-	(96)	-	(96)
Bad debts reversal	-	-	-	-	153	-	153
Bad debts written off from sales of NPLs	(34)	(14)	(63)	(316)	(9,123)	-	(9,550)
Other	-	-	-	-	-	1	1
Ending balance	3,027	365	2,370	4,361	9,657	3,049	22,829

As at December 31, 2009 and 2008, the Bank estimated the minimum total allowance* under BOT Guidelines of Baht 27,079 million and Baht 26,380 million, respectively for the consolidated financial statements and Baht 18,895 million and Baht 20,726 million, respectively for the separate financial statements.

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

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

Unit : Million Baht

	2009	2008
Consolidated financial statements	38,603	32,359
The Bank and Ayudhya Asset Management Company Limited	29,538	28,855
The Separate financial statements	24,588	23,777

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

Unit : Million Baht

	Consolidated and Separate Financial Statements			
	2009			
	Number	Outstanding Balance	Appraisal Value of Collateral	Allowance for Doubtful Accounts
Companies subject to be delisted by SET	3	374	175	226
Total	3	374	175	226

Unit : Million Baht

	Consolidated and Separate Financial Statements			
	2008			
	Number	Outstanding Balance	Appraisal Value of Collateral	Allowance for Doubtful Accounts
Companies subject to be delisted by SET	4	307	1,510	1
Total	4	307	1,510	1

4.7 Revaluation allowance for debt restructuring

Unit : Million Baht

	Consolidated Financial Statements	
	2009	2008
Beginning Balance	897	1,239
Increase during the year	1,088	638
Amount written off	(1,656)	(980)
Ending Balance	329	897

Unit : Million Baht

	Separate Financial Statements	
	2009	2008
Beginning Balance	897	1,238
Increase during the year	1,101	638
Amount written off	(1,669)	(979)
Ending Balance	329	897

4.8 Properties foreclosed, net

Unit : Million Baht

Type of Properties Foreclosed	Consolidated Financial Statements				
	Balance as at January 1, 2009	Balance of Subsidiary as at Purchase Date	Acquisition	Disposition	Balance as at December 31, 2009
1. Assets acquired from debt repayment					
1.1 Immovable	22,787	56	2,807	(5,876)	19,774
1.2 Movable	571	52	5,171	(5,467)	327
Total	23,358	108	7,978	(11,343)	20,101
2. Others	162	-	-	(52)	110
Total properties foreclosed	23,520	108	7,978	(11,395)	20,211
Less Provision for impairment	(2,149)	(13)	(2,173)	2,141	(2,194)
Total properties foreclosed	21,371	95	5,805	(9,254)	18,017

Unit : Million Baht

Type of Properties Foreclosed	Consolidated Financial Statements				
	Balance as at January 1, 2008	Balance of Subsidiary as at Purchase Date	Acquisition	Disposition	Balance as at December 31, 2008
1. Assets acquired from debt repayment					
1.1 Immovable	24,929	-	2,672	(4,814)	22,787
1.2 Movable	51	331	4,771	(4,582)	571
Total	24,980	331	7,443	(9,396)	23,358
2. Others	83	-	81	(2)	162
Total properties foreclosed	25,063	331	7,524	(9,398)	23,520
Less Provision for impairment	(1,540)	(127)	(3,494)	3,012	(2,149)
Total properties foreclosed	23,523	204	4,030	(6,386)	21,371

Unit : Million Baht

Type of Properties Foreclosed	Separate Financial Statements			
	Balance as at January 1, 2009	Acquisition	Disposition	Balance as at December 31, 2009
1. Assets acquired from debt repayment				
1.1 Immovable	14,498	833	(4,209)	11,122
1.2 Movable	13	-	-	13
Total	14,511	833	(4,209)	11,135
2. Others	154	-	(50)	104
Total properties foreclosed	14,665	833	(4,259)	11,239
Less Provision for impairment	(1,518)	(774)	610	(1,682)
Total properties foreclosed	13,147	59	(3,649)	9,557

Unit : Million Baht

Type of Properties Foreclosed	Separate Financial Statements			
	Balance as at January 1, 2008	Acquisition	Disposition	Balance as at December 31, 2008
1. Assets acquired from debt repayment				
1.1 Immovable	16,315	1,212	(3,029)	14,498
1.2 Movable	13	-	-	13
Total	16,328	1,212	(3,029)	14,511
2. Others	84	72	(2)	154
Total properties foreclosed	16,412	1,284	(3,031)	14,665
Less Provision for impairment	(1,175)	(451)	108	(1,518)
Total properties foreclosed	15,237	833	(2,923)	13,147

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

4.9 Property, premises and equipment, net

Unit : Million Baht

	Consolidated Financial Statements					
	Balance as at January 1, 2009	Balance of Subsidiary as at Purchase Date	Increase	Decrease	Others	Balance as at December 31, 2009
Land						
Cost	3,620	1	4	(2)	168	3,791
Appraisal increase	2,905	-	-	-	919	3,824
Appraisal decrease	(212)	-	-	-	19	(193)
Premises						
Cost	5,603	4	54	-	372	6,033
Appraisal increase	4,699	-	-	-	1,423	6,122
Appraisal decrease	(73)	-	-	-	3	(70)
Equipment	9,919	1,215	685	(960)	54	10,913
Leasehold improvement	871	610	50	(44)	24	1,511
Total	27,332	1,830	793	(1,006)	2,982	31,931
Less Accumulated depreciation						
Premises						
- Cost	(2,292)	(3)	(191)	-	(3)	(2,489)
- Appraisal increase	(2,149)	-	-	-	(645)	(2,794)
Equipment	(7,122)	(1,049)	(1,155)	898	60	(8,368)
Leasehold improvement	(551)	(557)	(106)	20	39	(1,155)
Total	(12,114)	(1,609)	(1,452)	918	(549)	(14,806)
Construction in progress	867	-	478	(24)	(1,076)	245
Property, premises and equipment, net	16,085					17,370

Unit : Million Baht

	Consolidated Financial Statements					
	Balance as at January 1, 2008	Balance of Subsidiary as at Purchase Date	Increase	Decrease	Others	Balance as at December 31, 2008
Land						
Cost	3,665	-	-	(40)	(5)	3,620
Appraisal increase	2,905	-	-	-	-	2,905
Appraisal decrease	(225)	-	-	-	13	(212)
Premises						
Cost	5,488	-	48	(36)	103	5,603
Appraisal increase	4,714	-	-	(2)	(13)	4,699
Appraisal decrease	(86)	-	-	-	13	(73)
Equipment	9,304	142	816	(395)	52	9,919
Leasehold improvement	522	194	88	(2)	69	871
Total	26,287	336	952	(475)	232	27,332
Less Accumulated depreciation						
Premises						
- Cost	(2,123)	-	(184)	9	6	(2,292)
- Appraisal increase	(1,982)	-	-	-	(167)	(2,149)
Equipment	(6,251)	(117)	(1,151)	370	27	(7,122)
Leasehold improvement	(224)	(166)	(164)	-	3	(551)
Total	(10,580)	(283)	(1,499)	379	(131)	(12,114)
Construction in progress	186	-	975	-	(294)	867
Property, premises and equipment, net	15,893					16,085

Unit : Million Baht

	2009	2008
Depreciation for the years	1,452	1,499

As at December 31, 2009 and 2008, the Bank and its subsidiaries had premises and equipment which were fully depreciated but still in use, at the original costs amounting to Baht 5,982 million and Baht 4,424 million, respectively.

Unit : Million Baht

	Separate Financial Statements				
	Balance as at January 1, 2009	Increase	Decrease	Others	Balance as at December 31, 2009
Land					
Cost	3,732	5	(3)	45	3,779
Appraisal increase	2,905	-	-	919	3,824
Appraisal decrease	(212)	-	-	19	(193)
Premises					
Cost	5,664	54	-	282	6,000
Appraisal increase	4,699	-	-	1,423	6,122
Appraisal decrease	(73)	-	-	3	(70)
Equipment	8,009	510	(433)	73	8,159
Leasehold improvement	569	34	-	22	625
Total	25,293	603	(436)	2,786	28,246
Less Accumulated depreciation					
Premises					
- Cost	(2,274)	(189)	-	(4)	(2,467)
- Appraisal increase	(2,149)	-	-	(645)	(2,794)
Equipment	(5,869)	(852)	423	52	(6,246)
Leasehold improvement	(347)	(79)	-	39	(387)
Total	(10,639)	(1,120)	423	(558)	(11,894)
Construction in progress	881	478	(24)	(1,090)	245
Property, premises and equipment, net	15,535				16,597

Unit : Million Baht

	Separate Financial Statements				
	Balance as at January 1, 2008	Increase	Decrease	Others	Balance as at December 31, 2008
Land					
Cost	3,654	123	-	(45)	3,732
Appraisal increase	2,905	-	-	-	2,905
Appraisal decrease	(225)	-	-	13	(212)
Premises					
Cost	5,463	134	(36)	103	5,664
Appraisal increase	4,714	-	(2)	(13)	4,699
Appraisal decrease	(86)	-	-	13	(73)
Equipment	7,530	592	(214)	101	8,009
Leasehold improvement	489	26	(2)	56	569
Total	24,444	875	(254)	228	25,293
Less Accumulated depreciation					
Premises					
- Cost	(2,107)	(182)	9	6	(2,274)
- Appraisal increase	(1,982)	-	-	(167)	(2,149)
Equipment	(5,276)	(805)	212	-	(5,869)
Leasehold improvement	(212)	(137)	2	-	(347)
Total	(9,577)	(1,124)	223	(161)	(10,639)
Construction in progress	187	988	-	(294)	881
Property, premises and equipment, net	15,054				15,535

Unit : Million Baht

	2009	2008
Depreciation for the years	1,120	1,124

As at December 31, 2009 and 2008, the Bank had premises and equipment which were fully depreciated but still in use, at the original costs amounting to Baht 4,078 million and Baht 3,969 million, respectively.

During the year 2008, the Bank purchased the properties which used to be the Bank's branches from Ayudhya Asset Management Company Limited, a subsidiary, in the amount of Baht 226 million for use as branch office and asset center.

4.10 Intangible assets, net

Unit : Million Baht

Consolidated Financial Statements	Balance as at January 1, 2009	Balance of Subsidiary as at Purchase Date	Increase	Decrease	Others	Balance as at December 31, 2009
Cost						
Goodwill	8,397	-	1,499	-	-	9,896
Software	2,478	255	368	(1)	(276)	2,824
Other intangible assets	1,363	76	69	-	-	1,508
Total	12,238	331	1,936	(1)	(276)	14,228
Accumulated amortization						
Software	(1,202)	(202)	(212)	-	56	(1,560)
Other intangible assets	(6)	(54)	-	-	-	(60)
Total	(1,208)	(256)	(212)	-	56	(1,620)
Intangible assets, net	11,030					12,608

Unit : Million Baht

Consolidated Financial Statements	Balance as at January 1, 2008	Balance of Subsidiary as at Purchase Date	Increase	Decrease	Others	Balance as at December 31, 2008
Cost						
Goodwill	-	-	8,397	-	-	8,397
Software	2,012	43	488	(68)	3	2,478
Other intangible assets	1,363	-	5	(5)	-	1,363
Total	3,375	43	8,890	(73)	3	12,238
Accumulated amortization						
Software	(1,050)	(36)	(178)	62	-	(1,202)
Other intangible assets	(6)	-	-	-	-	(6)
Total	(1,056)	(36)	(178)	62	-	(1,208)
Intangible assets, net	2,319					11,030

Unit : Million Baht

	2009	**2008**
Amortization for the years	212	178

As at December 31, 2009 and 2008, Bank and its subsidiaries had intangible assets which were fully amortized but still in use, at the original costs amounting to Baht 582 million and Baht 407 million, respectively.

Unit : Million Baht

	Separate Financial Statements				
	Balance as at January 1, 2009	Increase	Decrease	Others	Balance as at December 31, 2009
Cost					
Software	2,212	358	-	(207)	2,363
Other intangible assets	7	-	-	-	7
Total	2,219	358	-	(207)	2,370
Accumulated amortization					
Software	(1,064)	(162)	-	2	(1,224)
Other intangible assets	(5)	-	-	-	(5)
Total	(1,069)	(162)	-	2	(1,229)
Intangible assets, net	1,150				1,141

Unit : Million Baht

	Separate Financial Statements				
	Balance as at January 1, 2008	Increase	Decrease	Others	Balance as at December 31, 2008
Cost					
Software	1,871	396	(58)	3	2,212
Other intangible assets	7	-	-	-	7
Total	1,878	396	(58)	3	2,219
Accumulated amortization					
Software	(983)	(139)	58	-	(1,064)
Other intangible assets	(5)	-	-	-	(5)
Total	(988)	(139)	58	-	(1,069)
Intangible assets, net	890				1,150

Unit : Million Baht

	2009	**2008**
Amortization for the years	162	139

As at December 31, 2009 and 2008, the Bank had intangible assets which were fully amortized but still in use, at the original costs amounting to Baht 373 million and Baht 363 million, respectively.

4.11 Deferred tax assets

Deferred tax assets as at December 31, 2009 and 2008 are as follows:

Unit : Million Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2009	2008	2009	2008
Deferred tax assets	7,088	4,148	2,792	2,496

Movements in deferred tax assets during the year were as follows:

Unit : Million Baht

	Consolidated Financial Statements					
	As at January 1, 2009	Balance of Subsidiary as at Purchase Date	Items arising from Business Combination	Items as recognized into Statement of Income	Items as recognized into Shareholders' Equity	As at December 31, 2009
Temporary differences						
Impairment of assets	1,260	252	-	455	-	1,967
Allowance for doubtful debt	1,338	1,903	-	84	-	3,325
Unrealized loss on investment	362	-	-	66	-	428
Other	1,188	74	236	44	(174)	1,368
Balance at the ending of the year	4,148	2,229	236	649	(174)	7,088

Unit : Million Baht

	Consolidated Financial Statements					
	As at January 1, 2008	Balance of Subsidiary as at Purchase Date	Items arising from Business Combination	Items as recognized into Statement of Income	Items as recognized into Shareholders' Equity	As at December 31, 2008
Temporary differences						
Impairment of assets	1,214	-	-	46	-	1,260
Allowance for doubtful debt	108	770	259	201	-	1,338
Unrealized loss on investment	362	-	-	-	-	362
Other	1,604	-	-	(585)	169	1,188
Balance at the ending of the year	3,288	770	259	(338)	169	4,148

Unit : Million Baht

	Separate Financial Statements			
	As at January 1, 2009	Items as recognized into Statement of Income	Items as recognized into Shareholders' Equity	As at December 31, 2009
Temporary differences				
Impairment of assets	1,107	580	-	1,687
Unrealized loss on investment	360	60	-	420
Other	1,029	(177)	(167)	685
Balance at the ending of the year	2,496	463	(167)	2,792

Unit : Million Baht

	Separate Financial Statements			
	As at January 1, 2008	Items as recognized into Statement of Income	Items as recognized into Shareholders' Equity	As at December 31, 2008
Temporary differences				
Impairment of assets	1,084	23	-	1,107
Unrealized loss on investment	360	-	-	360
Other	1,549	(687)	167	1,029
Balance at the ending of the year	2,993	(664)	167	2,496

The deferred tax assets which have not been recognized in the balance sheet as at the December 31, 2009 and 2008 are as follows :

Unit : Million Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2009	2008	2009	2008
Unused tax losses	1,255	1,279	-	-
Impairment of assets	126	127	-	-
Total	1,381	1,406	-	-

Deferred tax assets of liquidating subsidiaries have not been recognized in the consolidated financial statements because these subsidiaries' deferred tax assets cannot be utilized for future economic benefit. Liquidating companies are as follows:

1. K.S. Law Office Company Limited
2. Ayudhya Capital Lease Company Limited
3. Ayudhya Derivatives Company Limited

4.12 Deposits

(1) Classified by product

Unit : Million Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2009	2008	2009	2008
Current deposit	14,907	17,772	16,115	18,173
Savings deposit	184,405	161,401	187,299	164,393
Time deposit				
- Less than 6 months	90,404	101,748	103,382	101,748
- 6 months to 1 year	114,425	163,080	103,939	163,080
- over 1 year	116,374	93,353	113,951	93,353
Total	520,515	537,354	524,686	540,747

(2) Classified by remaining maturity

Unit : Million Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2009	2008	2009	2008
Not over 1 year*	486,177	508,687	490,348	512,080
Over 1 year	34,338	28,667	34,338	28,667
Total	520,515	537,354	524,686	540,747

* Including matured time deposits

3) Classified by currency and residence of depositors

Unit : Million Baht

Consolidated Financial Statements

	2009			2008		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Baht	517,145	407	517,552	533,666	165	533,831
US Dollar	1,193	1,073	2,266	1,825	1,121	2,946
Other currencies	205	492	697	202	375	577
Total	518,543	1,972	520,515	535,693	1,661	537,354

Unit : Million Baht

Separate Financial Statements

	2009			2008		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Baht	521,316	407	521,723	537,059	165	537,224
US Dollar	1,193	1,073	2,266	1,825	1,121	2,946
Other currencies	205	492	697	202	375	577
Total	522,714	1,972	524,686	539,086	1,661	540,747

4.13 Interbank and money market items

Unit : Million Baht

Consolidated Financial Statements

	2009			2008		
	At Call	Time	Total	At Call	Time	Total
Domestic items						
Bank of Thailand and Financial Institution Development Fund	-	686	686	130	1,014	1,144
Commercial banks	1,279	3,955	5,234	716	1,079	1,795
Other banks	43	8,449	8,492	29	10,913	10,942
Finance companies, securities companies and credit foncier companies	2,437	3,428	5,865	2,062	2,960	5,022
Other financial institutions	-	26,553	26,553	622	-	622
Total	3,759	43,071	46,830	3,559	15,966	19,525
Add Accrued interest receivables	-	3	3	-	1	1
Total domestic items	3,759	43,074	46,833	3,559	15,967	19,526
Foreign items						
US Dollar	514	-	514	438	-	438
Yen	-	-	-	-	-	-
Euro	6	-	6	-	-	-
Other currencies	62	-	62	39	-	39
Total foreign items	582	-	582	477	-	477
Total domestic and foreign items	4,341	43,074	47,415	4,036	15,967	20,003

Unit : Million Baht

Separate Financial Statements

	2009			2008		
	At Call	Time	Total	At Call	Time	Total
Domestic items						
Bank of Thailand and Financial Institution Development Fund	-	687	687	130	1,014	1,144
Commercial banks	1,310	60	1,370	928	60	988
Other banks	43	8,449	8,492	29	10,913	10,942
Finance companies, securities companies and credit foncier companies	2,437	3,428	5,865	2,062	2,960	5,022
Other financial institutions	-	26,553	26,553	622	-	622
Total domestic items	3,790	39,177	42,967	3,771	14,947	18,718
Foreign items						
US Dollar	514	-	514	438	-	438
Yen	-	-	-	-	-	-
Euro	6	-	6	-	-	-
Other currencies	62	-	62	39	-	39
Total foreign items	582	-	582	477	-	477
Total domestic and foreign items	4,372	39,177	43,549	4,248	14,947	19,195

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 are on August 11, 2011 and September 5, 2011 and the interest is payable semi-annually to be determined by reference interest rates in the future.

As of December 31, 2009 and 2008, such borrowings are carried at fair value derived from a counterparty or a calculation agent. The Bank has tested the fair value calculation by using a well-known technique of valuation appraisal with no significant difference from the price taken from the aforesaid counterparty. The change in fair value of borrowings is recognized as a mark-to-market loss in the statements of income for Baht 49 million and Baht 61 million, respectively which equals the mark-to-market gain on the hedging instruments.

4.14 Short-term borrowings

Unit : Million Baht

	Consolidated and Separate Financial Statements					
	2009			**2008**		
	Domestic	**Foreign**	**Total**	**Domestic**	**Foreign**	**Total**
Senior securities	33,087	-	33,087	-	-	-
Senior securities floating rate notes (US$ 150.0 million)	-	-	-	-	5,243	5,243
Bills of exchange	6,000	-	6,000	3,767	-	3,767
Other borrowings	3	-	3	4	-	4
Total short-term borrowings	39,090	-	39,090	3,771	5,243	9,014

Short-term borrowings consist of the following:

4.14.1 On April 29, 2003, the Bank acquired Baht 3 million of borrowings with maturity on June 27, 2010 with no interest bearing.

4.14.2 On October 18, 2006, the Bank acquired Baht 4 million of borrowings with maturity on December 31, 2009, at the fixed interest rate of 0.50% per annum. The Bank had already made repayment.

4.14.3 On November 14, 2006, the Bank issued senior securities floating rate notes in the amount of USD 150 million with a maturity in November 2009 and carrying an interest rate of LIBOR-6 month plus 0.24% per annum, payable semi-annually in May and November of each year. The Bank has already made full payment.

4.14.4 On October 26, 2007, the Bank issued uncollateralized senior securities in the amount of Baht 6,899 million with maturity on October 26, 2010, at the fixed interest rate of 4.25% per annum, payable quarterly in January, April, July and October.

4.14.5 On March 18, 2008 and June 5, 2008 the Bank issued uncollateralized senior securities in the amount of Baht 9,924 million and Baht 16,265 million with maturities on March 18, 2010 and June 5, 2010, at the fixed interest rates of 3.85% and 4.25% per annum, payable quarterly in March, June, September and December.

4.14.6 During April 25, 2008 to December 9, 2008, the Bank issued Baht 3,767 million of bills of exchange with maturities during January 5, 2009 to September 14, 2009, at the fixed interest rates of 3.00%-4.10% per annum and the Bank had already made full repayment.

4.14.7 On May 13, 2008 and August 5, 2008, the Bank issued Baht 300 million and Baht 200 million of bills of exchange with maturities on May 13, 2010 and August 5, 2010, at the fixed rates of 4.20% and 4.67% per annum respectively.

4.14.8 During June 20, 2008 to March 4, 2009, the subsidiary issued Baht 31 million of bills of exchange with maturities during July 16, 2009 to January 4, 2010, at the fixed rates of 2.35% - 5.00% per annum. The subsidiary had already made full repayment as at December 31, 2009.

4.14.9 On January 8, 2009, the Bank issued Baht 305 million of bills of exchange with maturity on January 7, 2010, at the fixed rate of 2.9% per annum.

4.14.10 During April 27, 2009 to December 30, 2009 the Bank has issued Baht 14,259 million of bills of exchange with maturities during June 2, 2009 to June 30, 2010, at the fixed interest rates of 1.0%-1.5% per annum and the Bank had made partial repayment in the amount of Baht 9,340 million.

4.14.11 On August 31, 2009, the Bank issued Baht 276 million of bills of exchange with maturity on August 31, 2010, at the fixed rate of 1.15% per annum.

4.15 Long-term borrowings

Unit : Million Baht

Consolidated Financial Statements

	2009			2008		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Subordinated Debentures #5	12,000	-	12,000	12,000	-	12,000
Senior securities	29,974	-	29,974	57,387	-	57,387
Bill of exchange	3,402	-	3,402	3,200	-	3,200
Other borrowings	220	-	220	256	-	256
Total long-term borrowings	45,596	-	45,596	72,843	-	72,843

Unit : Million Baht

Separate Financial Statements

	2009			2008		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Subordinated Debentures #5	12,000	-	12,000	12,000	-	12,000
Senior securities	24,300	-	24,300	57,387	-	57,387
Bill of exchange	4,402	-	4,402	3,200	-	3,200
Other borrowings	220	-	220	256	-	256
Total long-term borrowings	40,922	-	40,922	72,843	-	72,843

Long-term borrowings consist of the following :

4.15.1 On November 5, 2003, the Bank issued subordinated debenture #5 in the amount of Baht 12,000 million with a maturity in November 5, 2013 at the fixed rates of 4% per annum for the years 1-5 and 4.75% per annum for the years 6-10, payable quarterly on the fifth of February, May, August and November of each year. The Bank has the right to redeem debenture #5 before the maturity date subject to the approval of the Bank of Thailand.

4.15.2 During November 1, 2004 to September 30, 2009, the Bank acquired Baht 296 million of borrowings with maturities during January 31, 2011 to March 31, 2015, at the fixed interest rates of 0.00% - 0.50% per annum and the Bank had made partial repayment in the amount of Baht 76 million.

4.15.3 On October 26, 2007, the Bank issued uncollateralized senior securities in 2 tranches with interest payable quarterly in January, April, July and October of each year, as follows:

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

Tranche 1 senior securities, with maturity on October 26, 2010 were reclassified to short-term borrowing.

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

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

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

4.15.5 On May 12, 2008, the Bank issued Baht 2,500 million of bills of exchange with maturity on May 12, 2011 at the fixed interest rates of 3.40% per annum from May 12, 2008 to May 12, 2009, and an interest rate of 6 month Fixed Deposit plus 1.25 % per annum, from May 12, 2009 to May 12, 2011 with interest payable semi-annually in May and November of each year.

4.15.6 On May 22, 2008, the Bank issued Baht 200 million of bills of exchange with maturity on May 22, 2011 at the fixed interest rates of 4.00% per annum from May 22, 2008 to May 22, 2009, and an interest rate of 6 month Fixed Deposit plus 0.1% per annum, from May 22, 2009 to May 22, 2011 with interest payable semi-annually in May and November of each year.

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

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

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

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

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

4.15.9 During August 3, 2009 to October 16, 2009, the Bank issued bills of exchange in the amount of Baht 1,702 million, with maturities during February 3, 2011 and June 16, 2011, at the fixed interest rates of 1.80% - 2.30% per annum.

4.15.10 On October 21, 2009, the subsidiary issued uncollateralized senior securities in 2 tranches with interest payable semi-annually in April and October of each year, as follows:

Tranche	Maturity date	Interest rate	Amount (Million Baht)
1	Oct. 21, 2012	4.00%	4,836
2	Oct. 21, 2013	4.40%	838

4.16 Provisions for off-balance sheet obligations

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

Unit : Million Baht

	Consolidated and Separate Financial Statements	
	2009	**2008**
Beginning balance of the years	389	612
Decrease during the years	(102)	(223)
Ending balance as at of the years	287	389

4.17 Deferred tax liabilities

Deferred tax liabilities as at December 31, 2009 and 2008 are as follows:

Unit : Million Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2009	**2008**	**2009**	**2008**
Deferred tax liabilities	2,722	2,183	2,344	1,925

Movement of deferred tax liabilities during the year are as follows:

Unit : Million Baht

	Consolidated Financial Statements				
	As at January 1, 2009	Balance of Subsidiary as at Purchase Date	Items as recognized into Statement of Income	Items as recognized into Shareholders' Equity	As at December 31, 2009
Temporary differences					
Asset appraisal surplus	1,632	-	-	509	2,141
Other	551	37	84	(91)	581
Balance at the ending of the year	2,183	37	84	418	2,722

Unit : Million Baht

	Consolidated Financial Statements				
	As at January 1, 2008	Balance of Subsidiary as at Purchase Date	Items as recognized into Statement of Income	Items as recognized into Shareholders' Equity	As at December 31, 2008
Temporary differences					
Asset appraisal surplus	1,684	-	-	(52)	1,632
Other	361	-	65	125	551
Balance at the ending of the year	2,045	-	65	73	2,183

Unit : Million Baht

	Separate Financial Statements			
	As at January 1, 2009	Items as recognized into Statement of Income	Items as recognized into Shareholders' Equity	As at December 31, 2009
Temporary differences				
Asset appraisal surplus	1,632	-	509	2,141
Other	293	4	(94)	203
Balance at the ending of the year	1,925	4	415	2,344

Unit : Million Baht

	Separate Financial Statements			
	As at January 1, 2008	Items as recognized into Statement of Income	Items as recognized into Shareholders' Equity	As at December 31, 2008
Temporary differences				
Asset appraisal surplus	1,684	-	(52)	1,632
Other	191	(23)	125	293
Balance at the ending of the year	1,875	(23)	73	1,925

4.18 Share capital

Unit : Million Baht

	Consolidated and Separate Financial Statements	
	2009	2008
Authorized share capital	70,894	70,894
Issued and paid-up share capital	60,741	60,741

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

4.18.2 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 off-balance sheet items 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, 2009 and 2008, 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. The Bank changed the method of capital fund calculation from Basel I to Basel II starting from December 31, 2008 as required by the Bank of Thailand. As at December 31, 2009 and 2008, the Bank's total capital funds can be categorized as follows:

Unit : Million Baht

	2009	2008
Tier 1 capital		
Issued and paid-up share capital	60,741	60,741
Premium on share capital	13,802	13,802
Statutory reserve	583	436
Net profit after appropriations	4,139	4,018
Less Deferred tax assets	(2,792)	(2,329)
Total Tier 1 capital	76,473	76,668
Tier 2 capital		
Assets revaluation surplus	4,333	3,302
Subordinated unsecured floating rate notes	7,200	9,600
Investment revaluation surplus (net)		
in securities available-for-sale	46	-
Reserve for normal assets	5,693	4,219
Total Tier 2 capital	17,272	17,121
Total capital before deductions	93,745	93,789
Less Investment revaluation deficit (net)		
in securities available-for-sale	-	(557)
Total capital fund	93,745	93,232

Percentage

	2009	2008
Total capital / Total risk assets (minimum 8.50%)	14.15	14.58
Total tier 1 capital / Total risk assets (minimum 4.25%)	11.55	11.99

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	www.krungsri.com
Date of disclosure	within April 2010
Information as of	December 31, 2009

4.18.3 Warrants

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

The significant details of warrants are summarized as follows:

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

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

4.19 Statutory 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.

4.20 Dividend payment

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

At the General Shareholders' meeting held on April 9, 2009, the shareholders approved a resolution authorizing a dividend payment for the second half year ended December 31, 2008 to the shareholders of 6,074,143,747 ordinary shares at Baht 0.15 per share which totaled Baht 911 million, with payment made on April 29, 2009.

The Board of Directors' Meeting No. 8/2009 dated August 26, 2009, had approved a resolution authorizing a dividend payment for the first half year ended June 30, 2009 to the shareholders of 6,074,143,747 ordinary shares at Baht 0.15 per share which totaled Baht 911 million, with payment made on September 22, 2009.

4.21 Income tax

Unit : Million Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2009	**2008**	**2009**	**2008**
Current tax for the year	2,069	1,055	644	71
Deferred tax	(565)	144	(460)	642
Total income tax expense	1,504	1,199	184	713

Reconciliation of effective tax rate

	Consolidated Financial Statements				Separate Financial Statements			
	2009		**2008**		**2009**		**2008**	
	(in million Baht)	**Rate (%)**	**(in million Baht)**	**Rate (%)**	**(in million Baht)**	**Rate (%)**	**(in million Baht)**	**Rate (%)**
Profit before tax	8,161		5,497		2,728		3,000	
Income tax at the domestic tax rate	2,448	30.00	1,649	30.00	818	30.00	900	30.00
Add Tax effect of income and expense that are not exempt for tax purposes	204	2.50	379	6.89	51	1.86	103	3.43
Less Tax effect of income and expense that are exempt for tax purposes	(1,148)	(14.07)	(829)	(15.08)	(685)	(25.11)	(290)	(9.67)
Total	1,504	18.43	1,199	21.81	184	6.75	713	23.76

According to the Royal Decree No.475 B.E.2551 issued under the Revenue Code regarding the corporate income tax rate deduction effective on August 7, 2008, the corporate income tax for listed companies in The Stock Exchange of Thailand has been reduced from 30% to 25% for net profit portion not exceeding Baht 300 million. This will remain in effect for three consecutive accounting periods beginning on or after January 1, 2008. Therefore, the Bank has used a tax rate of 25% for the corporate income tax calculations for the year ended December 31, 2009 and 2008, to conform to such tax rate change.

The subsidiaries have used a tax rate of 30% for calculation of the income tax for the years ended December 31, 2009 and 2008.

The Bank and subsidiaries used a tax rate of 30% for calculation of deferred tax.

4.22 Contingencies

Unit : Million Baht

	Consolidated Financial Statements					
	2009			2008		
	Baht	Foreign Currencies	Total	Baht	Foreign Currencies	Total
Avals to bills	3,623	-	3,623	2,557	-	2,557
Guarantees of loans	11	350	361	2	478	480
Other guarantees	35,156	1,099	36,255	33,208	851	34,059
Letters of credit	131	5,251	5,382	365	3,326	3,691
Exchange rate contracts						
Bought	-	67,509	67,509	-	56,895	56,895
Sold	-	74,747	74,747	-	62,316	62,316
Currency swap contracts						
Bought	6,435	1,766	8,201	10,686	2,077	12,763
Sold	635	7,344	7,979	682	11,688	12,370
Interest rate swap						
Bought	13,820	3,623	17,443	12,600	4,141	16,741
Sold	600	2,652	3,252	600	3,093	3,693
Unused overdraft limit	38,590	-	38,590	44,996	-	44,996
Others	70	2,418	2,488	39	2,104	2,143
Total	99,071	166,759	265,830	105,735	146,969	252,704

Unit : Million Baht

	Separate Financial Statements					
	2009			2008		
	Baht	Foreign Currencies	Total	Baht	Foreign Currencies	Total
Avals to bills	3,623	-	3,623	2,857	-	2,857
Guarantees of loans	11	350	361	2	478	480
Other guarantees	35,167	1,767	36,934	33,220	851	34,071
Letters of credit	130	5,285	5,415	365	3,469	3,834
Exchange rate contracts						
Bought	-	67,509	67,509	-	56,895	56,895
Sold	-	74,747	74,747	-	62,316	62,316
Currency swap contracts						
Bought	6,435	1,766	8,201	10,686	2,077	12,763
Sold	635	7,344	7,979	682	11,688	12,370
Interest rate swap						
Bought	13,520	3,623	17,143	12,600	4,141	16,741
Sold	600	2,652	3,252	600	3,093	3,693
Unused overdraft limit	38,720	-	38,720	44,996	-	44,996
Others	70	2,418	2,488	39	2,104	2,143
Total	98,911	167,461	266,372	106,047	147,112	253,159

As at December 31, 2009 and 2008, the Bank has commitments for information technology in the amount of Baht 250 million and Baht 306 million, respectively.

4.23 Long-term Leases

As at December 31, 2009

Unit : Million Baht

Type of Lease	Period	Total Rental Expenses	
		Consolidated Financial Statements	Separate Financial Statements
Land and/or premises	Jan. 1, 2010 - Dec. 31, 2010	303	192
and equipment	Jan. 1, 2011 - Dec. 31, 2011	194	138
	Jan. 1, 2012 - Dec. 31, 2012	78	62
	Jan. 1, 2013 - Dec. 31, 2013	22	19
	Jan. 1, 2014 - Dec. 31, 2014	15	15
	Jan. 1, 2015 - Dec. 31, 2015	15	15
	Jan. 1, 2016 - Aug. 31, 2035	145	145
		772	586

As at December 31, 2008

Unit : Million Baht

Type of Lease	Period	Total Rental Expenses	
		Consolidated Financial Statements	Separate Financial Statements
Land and/or premises	Jan. 1, 2009 - Dec. 31, 2009	221	164
and equipment	Jan. 1, 2010 - Dec. 31, 2010	150	116
	Jan. 1, 2011 - Dec. 31, 2011	68	65
	Jan. 1, 2012 - Dec. 31, 2012	20	19
	Jan. 1, 2013 - Dec. 31, 2013	17	17
	Jan. 1, 2014 - Dec. 31, 2014	13	13
	Jan. 1, 2015 - Aug. 31, 2035	180	180
		669	574

4.24 Related Party Transactions

The Bank has business transactions with subsidiaries, associated and related companies. These transactions are with companies that have shareholding and/or major shareholders and/or joint directors with the Bank and with related persons. Such related transactions are in the normal course of business for the Bank and are priced at market and in common with the same conditions as other customers, including the allowance for doubtful accounts policy. The Bank has complied with the same BOT regulations as those granted to other debtors.

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

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

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

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

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

Related Party Transactions are as follows:

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

Unit : Million Baht

	Separate Financial Statements	
As at December 31,	**2009**	**2008**
Loans	158,143	121,021
Allowance for doubtful accounts	1,581	1,210
Commitments	714	456
Deposits	4,730	3,062

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

			Outstanding Balance	
December 31, 2009	**Total Amount (Million Baht)**	**Maturity Date**	**Secured (Million Baht)**	**Unsecured (Million Baht)**
Loans	158,143	Jan. 4, 2010 to Aug. 5, 2032	46	158,811
Commitments	714	Jan 31, 2010 to May 27, 2010		

As at December 31, 2009, the Bank charges interest rates at 1.00% - 5.93% p.a. on loans to these related parties.

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

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

4.24.2 In addition to Note 4.24.1 the Bank has loans to, commitments and deposits with the companies which are related to the directors and/or major shareholders of the Bank as identified by having the same executive officers as the Bank and/or the companies in which the directors and/or shareholders of the Bank having significant voting right either direct and indirect.

Unit : Million Baht

	Separate Financial Statements	
As at December 31,	**2009**	**2008**
Loans	381	8,202
Allowance for doubtful accounts	3	80
Commitments	353	342
Deposits	8,714	7,489

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

			Outstanding Balance	
December 31, 2009	**Total Amount (Million Baht)**	**Maturity Date**	**Secured (Million Baht)**	**Unsecured (Million Baht)**
Loans	381	Oct. 31, 2012 to Sep 30, 2013	381	353
Commitments	353	Jan. 2, 2010 to May. 22, 2017		

			Outstanding Balance	
December 31, 2008	**Total Amount (Million Baht)**	**Maturity Date**	**Secured (Million Baht)**	**Unsecured (Million Baht)**
Loans	8,202	Jan. 16, 2009 to Jun. 18, 2013	216	8,328
Commitments	342	Jun. 30, 2008 to May. 22, 2017		

Interest rates on loans as at December 31, 2009 and 2008, are equal to 5.25% - 6.00% p.a. and 4.46% - 6.00% p.a., respectively.

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

1. Investment in subsidiaries, associated and related companies

Consolidated financial statements

December 31, 2009

Unit : Million Baht

Consolidated Financial Statements

	Business Type	Registered Share Capital	Ownership (%)	Investment Cost	Investment Book value	Dividend Amount
Associated companies						
Tesco Card Services Limited	Credit card and personal loan	780	49.00	382	598	-
Tesco Life Assurance Broker Company Limited	Life insurance broker	77	49.00	-	7	-
Tesco General Insurance Broker Company Limited	General insurance broker	2	49.00	-	27	-
Quality Life Assurance Broker Company Limited	Life insurance borker	2	24.99	1	7	-
Quality General Insurance Broker Company Limited	General insurance broker	2	24.99	1	4	-
Investment in associated companies, net				384	643	-
Related companies (10%–20% holding)						
Ayudhya Insurance Public Company Limited	Insurance	250	10.92	419	412	10
Asian Trade and Leasing Company Limited	Service	150	10.00	- 0 -	-	-
P.P. Parawood Company Limited	Manufacturing	95	10.00	9	-	-
Investments in related companies, net				428	412	10

Unit : Million Baht

December 31, 2008

Consolidated Financial Statements

	Business Type	Registered Share Capital	Ownership (%)	Investment Cost	Investment Book Value	Dividend Amount
Associated company						
Krungsriayudhya Card Company Limited	Credit card	1,100	49.99	550	1,026	-
Investment in associated company, net				550	1,026	-
Related companies (10%-20% holding)						
Ayudhya Insurance Public Company Limited	Insurance	250	10.92	419	419	38
Asian Trade and Leasing Company Limited	Service	150	10.00	- 0 -	-	-
PrimaVest Asset Management Company Limited	Fund management	250	10.00	11	11	-
P.P. Parawood Company Limited	Manufacturing	95	10.00	9	8	-
Investments in related companies, net				439	438	38

Separate financial statements **Unit : Million Baht**

December 31, 2009

	Business Type	Registered Share Capital	Ownership (%)	Investment Cost	Dividend Amount
Subsidiaries					
Ayudhya Development Leasing Company Limited	Leasing	705	99.99	929	70
Ayudhya Auto Lease Public Company Limited	Auto leasing	2,850	99.66	2,745	-
Ayudhya Capital Lease Company Limited	Auto leasing	3,000	99.99	3,000	-
Ayudhya Capital Auto Lease Public Company Limited (Formerly GE Capital Auto Lease Public Company Limited)	Hire-purchase and auto leasing	1,045	99.99	16,281	1,773
Ayudhya Total Solutions Public Company Limited (Formerly AIG Retail Bank Public Company Limited)	Hire-purchase	120	99.76	1,529	-
CFG Services Company Limited	Hire-purchase	514	99.99	27	-
Ayudhya Card Services Company Limited (Formerly AIG Card (Thailand) Company Limited)	Credit card and personal loan	7	99.99	4	-
GE Capital (Thailand) Limited	Credit card and personal loan	125	99.99	6,443	-
General Card Services Limited	Credit card and personal loan	758	99.99	806	-
Krungsriayudhya Card [(1)] Company Limited	Credit card	1,100	99.99	550	-
Siam Realty and Services Company Limited	Car rent and personnel services	100	99.99	100	80
K.S.Law Office Company Limited	Legal advisory services	32	99.99	32	-
Total Services Solution Public Company Limited	Collection service	1,326	99.99	2,537	-
Ayudhya Fund Management Company Limited	Fund management	350	76.59	204	-
Ayudhya Asset Management Company Limited	Assets management	6,000	99.99	6,000	-
Ayudhya Securities Public Company Limited	Securities	600	86.33	637	-
Ayudhya Factoring Company Limited	Factoring	100	99.99	100	-
				41,924	1,923
Less Allowance for impairment				(4,224)	-
Investments in subsidiaries and associated company, net				37,700	1,923
Related companies					
(10%-20% holding)					
Ayudhya Insurance Public Company Limited	Insurance	250	10.92	412	10
Asian Trade and Leasing Company Limited	Service	150	10.00	-	-
P.P. Parawood Company Limited	Manufacturing	95	10.00	-	-
Investments in related companies, net				412	10

(1) Including indirect holding via GE Capital (Thailand) Limited of 49.99%

Unit : Million Baht

December 31, 2008	Separate Financial Statements				
	Business Type	**Registered Share Capital**	**Ownership (%)**	**Investment Cost**	**Dividend Amount**
Subsidiaries					
Ayudhya Development Leasing Company Limited	Leasing	705	99.99	929	35
Ayudhya Auto Lease Public Company Limited	Auto leasing	2,850	99.55	2,742	-
Ayudhya Capital Lease Company Limited	Auto leasing	3,000	99.99	3,000	-
Ayudhya Hire Purchase Company Limited	Hire-purchase of used cars	500	99.99	500	203
Ayudhya Capital Auto Lease Public Company Limited (Formerly GE Capital Auto Lease Public Company Limited)	Hire-purchase and auto leasing	1,045	99.99	16,281	314
Siam Realty and Services Company Limited	Car rent and personnel services	100	99.99	100	-
K.S.Law Office Company Limited	Legal advisory services	32	99.99	32	-
Ayudhya Fund Management Company Limited	Fund management	350	99.99	267	-
Ayudhya Asset Management Company Limited	Assets managements	6,000	99.99	6,000	-
Ayudhya Securities Public Company Limited	Securities	600	86.33	637	-
Ayudhya Factoring Company Limited	Factoring	100	99.99	100	-
Associated company					
Krungsriayudhya Card Company Limited	Credit card	1,100	49.99	550	-
				31,138	552
Less Allowance for impairment				(2,998)	-
Investments in subsidiaries and associated company, net				28,140	552
Related companies (10%-20% holding)					
Ayudhya Insurance Public Company Limited	Insurance	250	10.92	419	38
Asian Trade and Leasing Company Limited	Service	150	10.00	- 0 -	-
Primavest Asset Management Company Limited	Fund management	250	10.00	11	-
P.P. Parawood Company Limited	Manufacturing	95	10.00	8	-
Investments in related companies, net				438	38

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

Unit : Million Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2009	2008	2009	2008
Subsidiaries				
Ayudhya Development Leasing Company Limited	-	-	3,245	3,071
Ayudhya Auto Lease Public Company Limited	-	-	1,190	3,144
Ayudhya Capital Auto Lease Public Company Limited	-	-	77,280	86,717
(Formerly GE Capital Auto Lease Public Company Limited)				
Ayudhya Total Solutions Public Company Limited	-	-	5,400	-
(Formerly AIG Retail Bank Public Company Limited)				
CFG Services Company Limited	-	-	1,630	-
Ayudhya Card Services Company Limited	-	-	6,400	-
(Formerly AIG Card (Thailand) Company Limited)				
GE Capital (Thailand) Limited	-	-	16,338	-
General Card Services Limited	-	-	11,448	-
Siam Realty and Services Company Limited	-	-	150	175
Ayudhya Fund Management Company Limited	-	-	20	50
Ayudhya Asset Management Company Limited	-	-	15,019	15,918
Ayudhya Factoring Company Limited	-	-	983	899
Total	-	-	139,103	109,974
Less Allowance for doubtful accounts	-	-	(1,391)	(1,100)
Total	-	-	137,712	108,874
Associated company				
Tesco Card Services Limited	6,648	-	6,648	-
Krungsriayudhya Card Company Limited	-	11,000	12,344	11,000
Less Allowance for doubtful accounts	(66)	(110)	(190)	(110)
Total	6,582	10,890	18,802	10,890
Related companies having joint major shareholders or directors				
Conwood Company Limited	60	212	60	212
Media of Medias public Company Limited	321	-	321	-
Siam City Cement Public Company Limited	-	2,400	-	2,400
Tesco Card Services Limited	-	1,000	-	1,000
General Card Services Limited	-	773	-	773
GE Capital (Thailand) Limited	-	3,283	-	3,283
CKS Holding Company Limited	-	10	-	10
BAC International Bank Inc.	-	524	-	524
Total	381	8,202	381	8,202
Less Allowance for doubtful accounts	-	(80)	-	(80)
Total	381	8,122	381	8,122

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

As at December 31, 2009 and 2008, the allowance for doubtful accounts of loans granted to subsidiaries of Baht 1,391 million and Baht 1,100 million, respectively, are not eliminated but treated as surplus reserve in consolidated financial statements.

As at December 31, 2009, the Bank granted loans to Ayudhya Asset Management Company Limited as short-term promissory notes of Baht 15,019 million at the inertest rates of 2.10% - 2.30% per annum.

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

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

4.24.4 Other significant account balances and transactions between the Bank and its subsidiaries, associated and related companies in the balance sheets as at December 31, 2009 and 2008, and in the statements of income for the year ended December 31, 2009 and 2008, are as follows:

Unit : Million Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2009	**2008**	**2009**	**2008**
Balance Sheets				
Subsidiaries				
Cash advance	-	-	-	17
Other assets	-	-	198	137
Deposit	-	-	4,111	3,393
Interbank and money market items (liabilities)	-	-	297	222
Borrowing	-	-	1,000	-
Other liabilities	-	-	447	586
Contingencies	-	-	714	456
Associated companies				
Other assets	-	79	-	79
Deposit	99	273	99	273
Related companies				
Other liabilities	3	23	-	-
Statements of Income				
Subsidiaries				
Interest and dividend income	-	-	4,340	3,524
Interest expenses	-	-	39	25
Non-interest income	-	-	161	84
Non-interest expenses	-	-	540	575
Associated company				
Interest and dividend income	29	282	29	282
Interest expenses	-	2	-	2
Non-interest income	-	73	-	73

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

4.24.5 For the year ended December 31, 2009 and 2008, the Bank entered into an Asset Transfer Agreement with Ayudhya Asset Management Company Limited, a subsidiary, in order to transfer sub-quality assets including collateral rights of which its net book value at the date of transfer was Baht 1,107 million and Baht 41 million, respectively. The Bank has already collected such amount in full.

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

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

4.24.6 For the year ended December 31, 2008, the Bank purchased properties previously used as bank branches from Ayudhya Asset Management Company Limited, a subsidiary, in the amount of Baht 226 million to be used as branch offices and asset centers.

4.24.7 On December 26, 2007, the approval to purchase Ayudhya Capital Auto Lease Public Company Limited (formerly GE Capital Auto Lease Public Company Limited) from General Electric Capital Asia Investments, Inc. ("GECAI") was granted by the BOT and the Bank executed the Share Sale Agreement with GECAI in the amount of Baht 16,180 million on January 31, 2008, with the transaction completed on February 14, 2008. As at the transaction completion date, Ayudhya Capital Auto Lease Public Company Limited transferred the rights of sales and leaseback receivables in the amount of Baht 7,869 million to Ayudhya Hire Purchase Company Limited.

4.24.8 On September 24, 2008, a meeting of Board of Directors of the Bank approved a resolution on the entire business transfer of two subsidiaries, carrying out the similar business, to Ayudhya Capital Auto Lease Public Company Limited, the Bank's subsidiary. The transferor subsidiaries were Ayudhya Capital Lease Company Limited operating the new car, inventory financing and leasing business and Ayudhya Hire Purchase Company Limited operating the refinancing business. The transaction was completed on December 4, 2008 with the purchase and sale agreement of the business and total assets of Baht 31,843 million and Baht 9,205 million, respectively. The Bank of Thailand approved the entire business transfer on November 5, 2008 and this transaction was executed on December 5, 2008.

4.24.9 On September 18, 2007, a meeting of Board of directors of Ayudhya Derivatives Company Limited, Ayudhya Securities Public Company Limited's subsidiary, was approved to transfer the derivatives business and employees to Ayudhya Securities Public Company Limited. The business and employees transfer were also approved by the resolution of the Board of Directors' meeting of the Ayudhya Securities Public Company Limited on September 20, 2007. Such business transfer was subject to the membership transfer regulation to be established by Thailand Future Exchange Public Company Limited and Thailand Clearing House Company Limited and the approval of the Securities and Exchange Commission. Subsequently, the business transfer was approved by a resolution passed by the Board of Directors' meeting of the Bank on

May 28, 2008. The subsidiary was approved by the Securities and Exchange Commission to terminate the derivatives business operation to be effective when the subsidiary completes the business transfer.

On September 29, 2008, the extraordinary meeting of the subsidiary's shareholders approved the business transfer by selling assets, liabilities and transferring commitment related to derivatives business to Ayudhya Securities Public Company Limited. The selling price of fixed assets, intangible assets and others assets was Baht 5.9 million. The subsidiary had transferred this business on December 1, 2008.

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

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

4.24.10 On April 8, 2009, the Bank purchased the 99.5% shares of Ayudhya Total Solutions Public Company Limited (formerly AIG Retail Bank Public Company Limited), operating a retail banking business, and 100% shares of Ayudhya Card Services Company Limited (formerly AIG Credit Card (Thailand) Company Limited), operating a credit card and personal loan business under the supervision of the Bank of Thailand, from AIG Consumer Finance ("AIG CFG") and subsidiaries, as approved by the Bank's Board of Directors' meeting on February 5, 2009, in the total amount of Baht 1,487 million. Such purchases were subject to the criteria and requirements as approved by the Bank of Thailand on March 30, 2009. At the acquisition date, the Bank recognized total assets and total liabilities of Baht 47,083 million and Baht 44,297 million, respectively, fair value adjustment of Baht 472 million and excess of net fair value of acquired subsidiaries over purchase cost of Baht 785 million as income in the statement of income.

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

4.24.11 On June 24, 2009, the Board of Directors of the Bank approved the following matters:

1. To approve Ayudhya Fund Management Company Limited (AYF) to purchase all shares of Primavest Asset Management Company Limited (PMV) from Ayudhya Allianz C.P. Life Public Company Limited (AACP) and BBTV Equity Company Limited (BBTV) at the total price of Baht 101 million.
2. To approve the Bank to sell 2,500,000 shares of PMV (10% of PMV total shares) to AYF at the price of Baht 10 million.

3. To approve the Bank to sell 359,604 shares of AYF (10.3% of AYF total shares) to AACP and to sell 459,747 shares of AYF (13.1% of AYF total shares) to BBTV at the total price of Baht 91 million.
4. To approve the transfer or business amalgamation between AYF and PMV.

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

The transaction was approved by the Bank of Thailand on September 3, 2009 and the Office of Securities and Exchange Commission on July 28, 2009 and was completed on September 18, 2009, for No. 1 - 3 except the business amalgamation between AYF and PMV.

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

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

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

The transactions were approved by the Extraordinary Shareholders' Meeting No. 2/2009 on August 27, 2009 and the Bank of Thailand on October 9, 2009. These transactions were completed on November 5, 2009 and represented an investment of Baht 9,787 million which may be adjusted of Baht 1,217 million. At the acquisition date, the Bank recognized total assets and total liabilities of Baht 40,347 million and Baht 30,649 million, respectively, fair value adjustment of Baht 38 million and goodwill of Baht 1,445 million.

The Extraordinary Board of Directors' Meeting of the Bank also approved the Bank to execute the purchase or accept the business transfer of CFG Services Company Limited (CFGS) operating hire purchase business for the car owners having car register book as collateral and Sale and Lease Back business by acquiring 100% shares of the total shares sold from AIG Consumer Finance Group Inc., at the total value of considerations of Baht 18 million. The transaction was completed on September 9, 2009 after the approvals from the Extraordinary Shareholders' Meeting No. 2/2009 on August 27, 2009 and the Bank of Thailand on September 4, 2009. At the acquisition date, the Bank recognized total assets and total liabilities of Baht 2,151 million and Baht 1,657 million, respectively, fair value adjustment of Baht 258 million and excess of net fair value of acquired subsidiary over purchase cost of Baht 209 million as income in the statement of income.

4.24.13 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.

4.24.14 For the years ended December 31, 2009 and 2008, the Bank has the expenses in the amounts of Baht 419 million and Baht 422 million, respectively, paid to the General Electric Company Group ("GE") in connection with improvements in the effectiveness of management and operation of the Bank.

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

4.24.15 For the year ended December 31, 2009, related party transactions among subsidiaries include collection services and other services of Baht 105 million and rental and facilities service of Baht 2 million.

4.24.16 For the years ended December 31, 2009 and 2008, subsidiaries have related party transactions from the licenses relevant to technology and software for Baht 46 million and Baht 174 million, respectively.

4.24.17 For the year ended December 31, 2009, the Bank entered into an agreement to transfer deposits and cashier cheques from Ayudhya Total Solutions Public Company Limited (formerly AIG Retail Bank Public Company Limited), a subsidiary, in the amount of Baht 9,156 million, which its net book value at the date of transfer was Baht 9,029 million. The Bank has already paid such amount in full.

4.24.18 For the year ended December 31, 2009, two subsidiary companies entered into an agreement to sell and buy the sub-quality assets and properties foreclosed between them, having the net book value at the date of transfer of Baht 169 million and Baht 56 million, respectively. Such amounts have been settled in full.

4.25 Benefits given to the Directors and Executive Officers

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 offices, or the related parties. The Bank has no purchase or leasing including contingency benefit from employment agreement, compensation and other benefit from those persons.

4.26 Position and results of operations classified by domestic and foreign business.

(1) Position classified by type of business segment

Unit : Million Baht

	Consolidated Financial Statements			
	2009			
	Domestic	Foreign	Elimination	Total
Total assets	779,777	5,485	5,130	780,132
Interbank and money market items	52,346	1,322	-	53,668
Investments, net	67,900	163	-	68,063
Loans	601,515	1,993	-	603,508
Deposits	520,168	347	-	520,515
Interbank and money market items	47,415	-	-	47,415
Borrowings	84,687	-	-	84,687
Total commitments	265,590	111	-	265,701

Unit : Million Baht

	Consolidated Financial Statements			
	2008			
	Domestic	Foreign	Elimination	Total
Total assets	746,735	5,839	4,689	747,885
Interbank and money market items	83,642	1,212	-	84,854
Investments, net	57,123	-	-	57,123
Loans	555,860	1,217	-	557,077
Deposits	537,118	236	-	537,354
Interbank and money market items	20,003	-	-	20,003
Borrowings	76,614	5,243	-	81,857
Total commitments	252,444	260	-	252,704

Unit : Million Baht

	Separate Financial Statements			
	2009			
	Domestic	Foreign	Elimination	Total
Total assets	760,270	5,485	5,130	760,625
Interbank and money market items	48,435	1,322	-	49,757
Investments, net	104,681	163	-	104,844
Loans	561,941	1,993	-	563,934
Deposits	524,339	347	-	524,686
Interbank and money market items	43,549	-	-	43,549
Borrowings	80,013	-	-	80,013
Total commitments	266,261	111	-	266,372

Unit : Million Baht

	Separate Financial Statements			
	2008			
	Domestic	Foreign	Elimination	Total
Total assets	743,568	5,839	4,689	744,718
Interbank and money market items	82,911	1,212	-	84,123
Investments, net	83,977	-	-	83,977
Loans	539,226	1,217	-	540,443
Deposits	540,511	236	-	540,747
Interbank and money market items	19,195	-	-	19,195
Borrowings	76,614	5,243	-	81,857
Total commitments	252,899	260	-	253,159

(2) Results of operations classified by business segment

Unit : Million Baht

	Consolidated Financial Statements			
	2009			
	Domestic	Foreign	Elimination	Total
Interest and dividend income	39,307	150	-	39,457
Interest expenses	10,941	99	-	11,040
Net interest income	28,366	51	-	28,417
Non-interest income	15,524	141	1,941	13,724
Non-interest expenses	35,741	180	1,941	33,980
Income before tax	8,149	12	-	8,161

Unit : Million Baht

	Consolidated Financial Statements			
	2008			
	Domestic	Foreign	Elimination	Total
Interest and dividend income	40,907	256	-	41,163
Interest expenses	14,389	206	-	14,595
Net interest income	26,518	50	-	26,568
Non-interest income	12,529	(2,362)	2,199	7,968
Non-interest expenses	30,959	278	2,199	29,038
Income (loss) before tax	8,088	(2,590)	-	5,498

Unit : Million Baht

	Separate Financial Statements			
	2009			
	Domestic	Foreign	Elimination	Total
Interest and dividend income	30,886	151	-	31,037
Interest expenses	10,835	99	-	10,934
Net interest income	20,051	52	-	20,103
Non-interest income	7,430	140	1,941	5,629
Non-interest expenses	24,765	180	1,941	23,004
Income before tax	2,716	12	-	2,728

Unit : Million Baht

	Separate Financial Statements			
	2008			
	Domestic	Foreign	Elimination	Total
Interest and dividend income	33,692	256	-	33,948
Interest expenses	13,564	206	-	13,770
Net interest income	20,128	50	-	20,178
Non-interest income	8,779	(2,362)	2,199	4,218
Non-interest expenses	23,317	278	2,199	21,396
Income (loss) before tax	5,590	(2,590)	-	3,000

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.

4.27 Provident and Pension Funds

The Bank has both a staff leaving gratuities plan where employees receive a pension and a provident fund for its employees who are required to make contributions. The pension shall be paid to employees leaving after having completed at least 10 years of continuous service determined on the basis of length of service and the amount of the last pay received. The staff leaving gratuities plan shall be effective for employees who have been in service before January 1, 1998 only. As of December 31, 2005, the Bank had the reserve for pension under staff leaving gratuities plan transferred in amount of Baht 1,850 million to the provident fund which has already been registered.

On January 1, 1998, the Bank established the provident fund for its employees to replace the staff leaving gratuities plan. Every employee is required to make contributions 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	**Contribution 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 Bank's contributions are recorded as expenses in the statements of income. The fund is managed by financial institution who is an authorized fund manager.

After the establishment of the provident fund, the amount to be paid to a leaving 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 staff leaving gratuities plan, the Bank shall make payment for the difference through disbursement from the pension fund.

4.28 Disclosure of Financial Instruments Information

The Bank is a party to financial instruments both on-balance sheet and off-balance sheet 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-balance sheet 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.

Off-balance sheet financial derivative transactions are performed in accordance with the policies and guidelines from the Board of Directors and approved by the assets and liabilities management committee. The reporting and operating processes are also provided for risk control.

Accounting policies
Details of significant accounting policies and methods adopted, including criteria of recognition, the basis of measurement and the basis on which revenues, expenses and off-balance sheets are recognized, in respect of each class of financial assets and financial liabilities are disclosed in Note 3.

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 balance sheet, net of a portion of allowance for doubtful accounts (see Note 4.5), 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-balance-sheet financial instrument 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-balance-sheet 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-balance sheet 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.

As at December 31, 2009 and 2008, the Bank has credit equivalent of off-balance sheet financial instruments which remained open as follows :

Unit : Million Baht

	2009	**2008**
Spot and forward foreign bought exchange contracts	157	1,192
Spot and forward foreign sold exchange contracts	462	298

Interest rate risk

Interest rate risk in the balance sheet arises from the potential for a change in interest rates to have an adverse effect on the net interest earnings of the Bank and shareholders' equity. Interest rate risk arises from the structure and characteristics of the Bank's assets, liabilities and off balance sheet items, and in the mismatch in repricing rates of its assets, liabilities and off balance sheet items.

Foreign exchange rate risk

The Bank serves primarily in foreign exchange transactions to its customers. For asset and liability management purposes, the Bank manages foreign exchange risk and interest rate risk by entering into forward foreign exchange contracts and currency and interest rate swap contracts.

The Bank enters into forward foreign exchange contracts as part of its risk management strategy of the market risk arising from the Bank underlying assets and liabilities and to offset risk created by its customers. 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 Bank and its subsidiaries have summarized financial assets and liabilities classified on maturity of interest repricing periods as at December 31, 2009 and 2008, as follows :

Unit : Million Baht

Consolidated Financial Statements

	2009						
	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	44,810	608	297	-	-	7,953	53,668
Investments, net	17,662	10,204	30,740	2,309	-	7,148	68,063
Loans	404,100	59,545	84,223	3,560	52,080	-	603,508
Financial liabilities							
Deposits	327,572	143,782	34,322	-	-	14,839	520,515
Interbank and money market items	29,671	5,715	10,123	67	-	1,839	47,415
Borrowings	13,654	25,433	45,581	-	-	19	84,687

Unit : Million Baht

Consolidated Financial Statements

	2008						
	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	70,777	1,433	-	-	-	12,644	84,854
Investments, net	11,446	18,527	18,471	677	-	8,002	57,123
Loans	358,312	33,787	104,870	4,971	55,137	-	557,077
Financial liabilities							
Deposits	387,718	103,199	28,665	-	-	17,772	537,354
Interbank and money market items	4,702	3,749	9,844	67	-	1,641	20,003
Borrowings	2,030	9,643	70,122	-	-	62	81,857

Unit : Million Baht

	Separate Financial Statements						
	2009						
	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	42,346	567	297	-	-	6,547	49,757
Investments, net	17,661	10,159	30,620	2,309	-	44,095	104,844
Loans	425,421	60,857	42,945	501	34,210	-	563,934
Financial liabilities							
Deposits	330,467	143,782	34,322	-	-	16,115	524,686
Interbank and money market items	27,995	5,438	8,195	67	-	1,854	43,549
Borrowings	13,654	25,433	40,907	-	-	19	80,013

Unit : Million Baht

	Separate Financial Statements						
	2008						
	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	70,462	1,433	-	-	-	12,228	84,123
Investments, net	11,446	18,527	18,471	677	-	34,856	83,977
Loans	378,023	54,366	67,310	2,518	38,226	-	540,443
Financial liabilities							
Deposits	390,709	103,199	28,665	-	-	18,174	540,747
Interbank and money market items	4,557	3,276	9,636	67	-	1,659	19,195
Borrowings	2,030	9,643	70,122	-	-	62	81,857

Interest bearing financial instruments

The following table presents the Bank's average balance and interest amount for the years ended December 31, 2009 and 2008, as follows:

Unit : Million Baht

Consolidated Financial Statements

	2009			2008		
	Average Balance (12 months)	Interest Amount	Average Rate %	Average Balance (12 months)	Interest Amount	Average Rate %
Interest bearing financial assets						
Interbank and money market items	71,711	947	1.3	60,736	2,102	3.5
Securities purchased						
under resale agreement	-	-	-	9,408	296	3.1
Investments	51,174	1,479	2.9	57,946	2,016	3.5
Loans	510,400	35,253	6.9	503,966	34,478	6.8
Total	633,285	37,679		632,056	38,892	
Interest bearing financial liabilities						
Deposits	508,654	6,672	1.3	498,244	10,792	2.2
Interbank and money market items	18,738	814	4.3	53,221	899	1.7
Borrowings	84,456	3,396	4.0	61,901	2,904	4.7
Total	611,848	10,882		613,366	14,595	

Unit : Million Baht

Separate Financial Statements

	2009			2008		
	Average Balance (12 months)	Interest Amount	Average Rate %	Average Balance (12 months)	Interest Amount	Average Rate %
Interest bearing financial assets						
Interbank and money market items	68,279	961	1.4	60,210	2,082	3.5
Securities purchased						
under resale agreement	-	-	-	9,408	296	3.1
Investments	50,945	1,454	2.9	57,904	2,014	3.5
Loans	532,036	26,144	4.9	503,220	28,227	5.6
Total	651,260	28,559		630,742	32,619	
Interest bearing financial liabilities						
Deposits	512,825	6,878	1.3	501,639	10,812	2.2
Interbank and money market items	23,868	712	3.0	15,814	366	2.3
Borrowings	84,036	3,344	4.0	61,890	2,592	4.2
Total	620,729	10,934		579,343	13,770	

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, 2009 and 2008, as follows:

Unit : Million Baht

Consolidated Financial Statements

2009

	Call	0-3 Months	Greater than 3-12 Months	Greater than 1-5 Years	Greater than 5 Years	Non-Performing Loans	No Maturity	Total
Financial assets								
Interbank and money market items	10,308	42,326	608	297	-	-	129	53,668
Investments, net	-	11,356	10,952	36,282	2,324	-	7,149	68,063
Loans	25,263	146,456	87,638	164,374	127,697	52,080	-	603,508
Financial liabilities								
Deposits	199,312	143,099	143,766	34,338	-	-	-	520,515
Interbank and money market items	4,341	25,237	6,216	11,554	67	-	-	47,415
Borrowings	-	13,654	25,436	45,595	2	-	-	84,687

Unit : Million Baht

Consolidated Financial Statements

2008

	Call	0-3 Months	Greater than 3-12 Months	Greater than 1-5 Years	Greater than 5 Years	Non-Performing Loans	No Maturity	Total
Financial assets								
Interbank and money market items	12,893	70,452	535	905	-	-	69	84,854
Investments, net	-	7,774	18,318	22,147	883	-	8,001	57,123
Loans	22,083	138,677	68,766	186,468	85,946	55,137	-	557,077
Financial liabilities								
Deposits	179,173	226,317	103,197	28,667	-	-	-	537,354
Interbank and money market items	4,036	1,762	1,111	13,027	67	-	-	20,003
Borrowings	-	2,030	6,984	72,841	2	-	-	81,857

Unit : Million Baht

	Separate Financial Statements							
	2009							
	Call	0-3 Months	Greater than 3-12 Months	Greater than 1-5 Years	Greater than 5 Years	Non-Performing Loans	No Maturity	Total
Financial assets								
Interbank and money market items	6,418	42,346	567	297	-	-	129	49,757
Investments, net	-	11,356	10,907	36,163	2,323	-	44,095	104,844
Loans	38,745	141,475	100,486	124,379	124,639	34,210	-	563,934
Financial liabilities								
Deposits	203,414	143,168	143,766	34,338	-	-	-	524,686
Interbank and money market items	4,372	24,876	5,438	8,796	67	-	-	43,549
Borrowings	-	13,654	25,436	40,921	2	-	-	80,013

Unit : Million Baht

	Separate Financial Statements							
	2008							
	Call	0-3 Months	Greater than 3-12 Months	Greater than 1-5 Years	Greater than 5 Years	Non-Performing Loans	No Maturity	Total
Financial assets								
Interbank and money market items	12,162	70,452	535	905	-	-	69	84,123
Investments, net	-	7,774	18,318	22,147	883	-	34,855	83,977
Loans	28,290	137,637	63,947	146,384	125,959	38,226	-	540,443
Financial liabilities								
Deposits	182,566	226,317	103,197	28,667	-	-	-	540,747
Interbank and money market items	4,248	1,368	576	12,936	67	-	-	19,195
Borrowings	-	2,030	6,984	72,841	2	-	-	81,857

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, 2009 and 2008, is as follows :

Unit : Million Baht

	Consolidated Financial Statements			
	2009		2008	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets:				
Cash, interbank and money market items	73,758	73,758	105,274	105,274
Current investments, net	22,780	22,796	27,151	27,151
Long-term investment, net	44,640	44,729	29,300	29,179
Loans and accrued interest receivable, net	567,050	567,050	526,453	526,416
Customers' liabilities under acceptances	681	681	665	665
Customer liabilities under collateral	7,090	7,090	-	-
Financial liabilities:				
Deposits	520,515	518,864	537,354	535,566
Interbank and money market items	47,415	49,095	20,003	20,168
Liabilities payable on demand	1,752	1,752	1,673	1,673
Borrowings	84,687	85,591	81,857	82,385
Bank's liabilities under acceptances	681	681	665	665
Liabilities under collateral deliver	7,090	7,090	-	-
Accrued interest payable	1,525	1,525	2,229	2,229

Unit : Million Baht

	Separate Financial Statements			
	2009		2008	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets :				
Cash, interbank and money market items	69,837	69,837	104,539	104,539
Current investments, net	22,742	22,758	27,151	27,151
Long-term investment, net	44,402	44,492	28,687	28,550
Loans and accrued interest receivable, net	540,545	540,545	518,297	518,297
Customers' liabilities under acceptances	681	681	665	665
Customer liabilities under collateral	7,090	7,090	-	-
Financial liabilities:				
Deposits	524,686	523,035	540,747	538,959
Interbank and money market items	43,549	43,844	19,195	19,390
Liabilities payable on demand	1,752	1,752	1,673	1,673
Borrowings	80,013	80,719	81,857	82,385
Bank's liabilities under acceptances	681	681	665	665
Liabilities under collateral deliver	7,090	7,090	-	-
Accrued interest payable	1,441	1,441	2,226	2,226

Off-balance sheet financial instruments

Unit : Million Baht

	Consolidated and Separate Financial Statements					
	2009					
	Notional < 1 year	Market Value	Fair Value	Notional > 1 year	Market Value	Fair Value
Spot and Forward Bought Foreign Exchange Contracts	65,599	65,304	(295)	2	2	-
Spot and Forward Sold Foreign Exchange Contracts	72,147	72,502	355	-	-	-

Unit : Million Baht

	Consolidated and Separate Financial Statements					
	2008					
	Notional < 1 year	Market Value	Fair Value	Notional > 1 year	Market Value	Fair Value
Spot and Forward Bought Foreign Exchange Contracts	53,907	54,745	838	-	-	-
Spot and Forward Sold Foreign Exchange Contracts	58,719	59,641	922	3	3	-

The Bank and subsidiaries have estimated the fair value of the above instruments by estimating from notional amount less market value at the end of year.

Methods and assumptions in estimating fair value of financial instruments

The following methods and assumptions were used by estimating fair value of financial instruments as disclosed herein:

Cash, interbank and money market items

The carrying amounts of cash and interbank and money market items presented in the balance sheet approximate fair value.

Current investments, net

Fair value for current investments, net, is as disclosed in note 3.2 to the financial statements.

Long-term investments, net

The determination of fair value for long-term investments, net, is as disclosed in note 3.2 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 and accrued interest receivables

The Bank's loans 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. As at December 31, 2009 and 2008, the fair value is the outstanding balance of loans and accrued interest receivables less allowance for doubtful accounts per book.

Customers' liabilities under acceptances

The carrying amount of customers' liabilities under acceptances presented in the balance sheet approximates fair value.

Customers' liabilities under collateral

The carrying amount of customers' liabilities under collateral presented in the balance sheet approximates fair value of the collateral under the private purchase agreement and the customers use that securities to enter into another transaction.

Deposits

The carrying amount of deposits presented in the balance sheet 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 balance sheet approximates fair value, except for floating rate certificates of deposit (FRCD) which fair values are based on quoted market prices.

Liabilities payable on demand

The carrying amount of liabilities payable on demand presented in the balance sheet approximates fair value.

Borrowings

The carrying amount of borrowings presented in the balance sheet approximates fair value, except for subordinated and senior securities floating rate notes which fair values are based on the actual market price.

Accrued interest payable

The carrying amount of accrued interest payable presented in the balance sheet approximates fair value due to its short term of maturity.

Bank's liabilities under collateral deliver

The carrying amount of the Bank' liabilities under collateral deliver presented in the balance sheet approximates fair value of the collateral under the private purchase agreement and the Bank uses that securities to enter into another transaction.

Derivative financial instruments

Derivative financial instruments 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.

4.29 Transfer of Sub-quality Assets to Thai Asset Management Corporation

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

The Bank, its subsidiary and TAMC agreed to allocate any profits or losses from managing the sub-quality assets at the end of the fifth and the tenth year starting from July 1, 2001. In addition, pursuant to the TAMC Decree, in case when profits are realized, the first portion of the profits, not exceeding 20% of the transfer price of the sub-quality assets transferred to TAMC, will be allocated equally between TAMC and the Bank/subsidiary. The second portion of the profits will be allocated in full to the Bank/subsidiary. The two portions of the profits combined together shall not exceed the difference between the book value and the transfer price of the sub-quality assets transferred to TAMC. The residual amount of the profits after allocation of the second portion will be given to TAMC. In case when losses are realized, this will be shared between TAMC and the Bank/subsidiary. The Bank and subsidiary will absorb the first portion of the losses, not exceeding 20% of the transfer price of the sub-quality assets transferred to TAMC. For the second portion of losses which is the residual amount of the first portion, an amount not exceeding 20% of the transfer price of the sub-quality assets transferred to TAMC will be shared equally between the Bank and its subsidiary. The residual amount of the losses after allocation of the second portions 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, 2009 and 2008, the provisions for possible losses were set up amounting to Baht 1,400 million and Baht 1,200 million, respectively, which were presented under other liabilities in the balance sheet.

4.30 Reclassifications

The reclassifications have been made in the subsidiaries' balance sheet as at December 31, 2008 and statements of income for the year ended December 31, 2008, to comply with the Bank's accounting treatment in the consolidated financial statements. The reclassifications in the separate financial statements have also been made to comply with the classifications used in the balance sheet as at December 31, 2009 and the statement of income for the year ended December 31, 2009 as follows:

Unit : Million Baht

	Consolidated Financial Statements		Separate Financial Statements	
	Previous classifications	Current classifications	Previous classifications	Current classifications
BALANCE SHEETS				
AS AT DECEMBER 31, 2008				
ASSETS				
Long-term investment, net	29,301	28,946	29,041	28,686
Intangible assets, net	11,340	11,030	1,460	1,150
Deferred tax assets	-	1,266	-	-
Other assets	7,060	5,737	4,600	4,910
LIABILITIES				
Other liabilities	18,169	17,447	12,578	12,223

Unit : Million Baht

	Consolidated Financial Statements		Separate Financial Statements	
	Previous classifications	Current classifications	Previous classifications	Current classifications
STATEMENT OF INCOME				
FOR THE YEAR ENDED DECEMBER 31, 2008				
Interest and Dividend Income				
Interest on loan	25,900	25,901	-	-
Hire-purchase and financial lease income	10,440	10,439	-	-
Interest expenses				
Short-term borrowings	689	521	378	209
Long-term borrowings	2,215	2,383	2,214	2,383
Bad debt and Doubtful Accounts	5,422	7,153	-	-
Non-Interest Income				
Gain (loss) on sales of properties foreclosed	(742)	952	-	-
Other income	524	585	292	231
Non-Interest Expenses				
Other expenses	2,927	2,951	2,317	2,257

4.31 Approval of Financial Statements

These financial statements were approved for issuance by the Bank's authorized directors and the Bank's Audit Committee on February 11, 2010.

Auditor's Fee

1. Audit fees*

The Bank and its subsidiaries paid audit fees as the following:

- To the Bank and its subsidiaries' auditors, 20,089,000 Baht.
- To auditing firms, individuals or businesses whom the Bank's auditors employed, 1,247,769 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 760,000 Baht, and in the future, an additional sum of 450,000 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 180,711 Baht, and in the future, an additional sum of 560,748 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.

General Information

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, Bankok 10120
Telephone :	0-2296-2000
Facsimile :	0-2683-1304
KRUNGSRI Call center :	1572
Website :	www.krungsri.com

Nature of Business

The Bank engages in businesses as given by Commercial banking Act, Securities Act, Securities and Exchange Commission's regulations, the Stock Exchange of Thailand, and related notices. The Bank's services are classified into 3 core categories :

1. Deposit service – The Bank accepts deposits from ordinary persons and business organizations which are divided into 4 types :
   - Current account
   - Savings account
   - Time deposit
   - Foreign currency deposit
2. Loan service – The Bank provides different loan services as follows.
   - Overdraft (O/D)
   - Loan including promissory notes and term loans to business customers
   - Housing loan and personal loan to retail customer
   - Loans in a foreign currency
   - Trade finance credit
   - Other loan 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-channel
   - Domestic money transfer services
   - International money transfer services
   - International trade electronic banking service "Krungsri Trade Link"
   - Automatic account debit and credit (Auto payment), life insurance and non-life insurance
   - Investment banking service
   - Securities business service
   - Cash management service
   - Foreign currency purchase/sale in advance and financial tools for risk management, exchange rate and interest rate
   - Government bonds, treasury bills, and state enterprise bonds

Bank's securities

(a) **Ordinary share**

Registered capital	As of December 31, 2009 amount: Baht 70,893,927,550 Number of shares: 7,089,392,755 shares, Par value: 10 Baht
Issued and Paid-up capital	As of December 31, 2009 amount: Baht 60,741,437,470 Number of Shares: 6,074,143,747 shares, Par value: 10 Baht

(b) **Debt Instruments or Convertible Securities**

Type of Debentures	Interest Rates (p.a.)	Maturity	Unredeemed amount and Value as of December 31, 2008	Debentures Rating (Moodys / TRIS / Fitch)
1. Subordinated Debentures No. 5 (BAY13NA)1/ Amount : THB 12,000.00 mm Issue Date : November 5, 2003	1–5 yrs: 4.00% 6–10 yrs: 4.75%	November 5, 2013 (10 years)3/	THB 12,000.00 mm	- / A-
2. Long-Term Bond Project 1) No.1/2007 First Issue : (BAY10OA)1/ Amount : THB 8,206.30 mm Issue date : October 26, 2007	4.25%	October 26, 2010 (3 years)	THB 8,206.30 mm	A+/-
2) No.1/2007 Second Issue : (BAY11OA)1/ Amount : THB 5,788.20 mm Issue date : October 26, 2007	4.50%	October 26, 2011 (4 years)	THB 5,788.20 mm	A+/-
3. Long-Term Bond Project 1) No.1/2008 First Issue : (BAY103A)2/ Amount : THB 10,500.00 mm Issue date : March 18, 2008	3.85%	March 18, 2010 (2 years)	THB 10,500.00 mm	A+/-
2) No.1/2008 Second Issue : (BAY113A)2/ Amount : THB 5,500.00 mm Issue date : March 18, 2008	4.00%	March 18, 2011 (3 years)	THB 5,500.00 mm	A+/-
3) No.1/2008 Third Issue : (BAY123A)2/ Amount : THB 4,000.00 mm Issue date : March 18, 2008	4.25%	March 18, 2012 (4 years)	THB 4,000.00 mm	A+/-
4. Long-Term Bond Project 1) No.2/2008 First Issue : (BAY106A)2/ Amount : THB 16,844.60 mm Issue date : June 5, 2008	4.25%	June 5, 2010 (2 years)	THB 16,844.60 mm	A+ / A+
2) No.2/2008 Second Issue : (BAY116A)2/ Amount : THB 5,049.00 mm Issue date : June 5, 2008	4.50%	June 5, 2011 (3 years)	THB 5,049.00 mm	A+ / A+
5. Long-Term Bond Project No.3/2008 (BAY11DA)2/ Amount : THB 11,745.00 mm Issue date : December 2, 2008	5.10%	December 2, 2011 (3 years)	THB 11,745.00 mm	AA- / -
6. Bills of Exchange Amount : THB 16,486,600.00 mm Issue date : 2 Mar – 30 Dec 2009	1.00%–2.30%	Depending on the date of purchase (3–20 Months)4/	THB 6,700,600.00 mm	-

Remark:

TSD is the Registrar for the Bank's ordinary share

1/ Corporate Secretariat Department is the Registrar for BAY13NA and Subordinated Debentures BAY10OA, BAY11OA Long Term Bond

2/ Securities Services Department is the Registrar for BAY103A, BAY113A, BAY123A, BAY106A, BAY 116A, BAY11DA and Bill of Exchange

3/ 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 Bank of Thailand

4/ Non-negotiable Bearar B/E. Early Redemption is not allowed.

(c) **Binding obligations for future share issuance**

The Bank is obliged to issue 3 billion new ordinary shares with Baht 10 par value following the resolution of the 92nd Annual General Meeting dated April 27, 2004 as follows:

1) Allocation of 2 billion new ordinary shares to offer to specific investors or institutional investors or in private placement in accordance with related announcements of Securities and Exchange Commission.

   In this connection, the Extraordinary General Meeting No. 1/2549 dated on September 20, 2006 approved the Bank to offer 2,000 million newly issued ordinary shares to GE Capital International Holdings Corporation (GECIH). The Bank hereby reports that as of September 18, 2007 GECIH holds 2,000 million shares of the Bank, representing 32.93% of total issued shares of the Bank.

2) Allocation of 1,000 million 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 31 December 2008, the Bank had not made any allocation in this regard.

Dividend Payout Policy

1)**The Bank's Dividend Payout Policy**

The Bank's Board of Directors has resolved to change the Dividend Payout policy in which the Bank shall pay dividends to its shareholders at the rate not less than 30% of the Bank's net profit as to be determined by the Bank's Board of Directors. This new Dividend Payout policy shall come into effect from the next payment onwards.

The latest dividend payment prior to the aforesaid change is payment of interim dividend year 2009. Such payment is in compliance with Article 41 of the Bank's Articles of Association that states: "Dividends shall not be paid from sources other than profit. The company shall allocate as reserves a portion of 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, after approval from the shareholders' meeting.

The Board of Directors may from time to time pay to the shareholders such interim dividends, if the directors believe that the profits of the Company justify such payment. The payment of interim dividends shall be reported to the shareholders at the next general meeting of shareholders.

The payment of dividends shall be made within the period prescribed by the Laws, starting from the date that a resolution is passed by the general meeting of shareholders or the Board of Directors, as the case may be. A written notice shall also be sent to shareholders and a publication of the notice of such payment of dividends shall be made in a newspaper."

2)**The Bank's Subsidiaries' Dividend Payout Policy**

All dividends payments by the Bank's subsidiaries must be approved by a resolution of a shareholders meeting. In each case, the company must allocate not less than one-twentieth of 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 Company Limited The Stock Exchange of Thailand Building 62 Rachadapisek Road, Klongtoey, Bangkok 10110 Telephone 0 2229 2800 Facsimile 0 2359 1259
• Subordinated debenture No. 5 • Long-term debenture No. 1/2007 (2 tranches) • Long-term debenture No. 1/2008 (3 tranches) • Long-term debenture No. 2/2008 (2 tranches) • Long-term debenture No. 3/2008 (1 tranche)	: Bank of Ayudhya Public Company Limited 1222 Rama III Road, Bang Phongphang Yan Nawa, Bangkok 10120 Telephone 0 2296 4442-3, 4453, 4455 and 5960 Facsimile 0 2683 1460

Agent

• Subordinated debenture No. 5 • Long-term debenture No. 1/2007 (2 tranches) • Long-term debenture No. 1/2008 (3 tranches)	: Bangkok First Investment & Trust Public Company Limited 23rd Floor, Bangkok Insurance Building, 25 Sathon Tai Road, Thung Mahamek, Sathon, Bangkok 10120 Telephone 0 2677 4300 ext. 370 Facsimile 0 2677 4303
• Long-term debenture No. 2/2008 (2 tranches) • Long-term debenture No. 3/2008 (1 tranche)	: TMB Bank Public Company Limited 393 Silom Road, Soi 7, Silom, Bangrak, Bangkok 10500 Facsimile 0 2266 9779
Auditors	: Dr. Suphamit Tachamontrikul Certified Public Accountant Registered No. 3356 : Mr. Niti Cheungnitnirun Certified Public Accountant Registered No. 3809 : Mr.Chawala Tienprasertkit Certified Public Accountant Registered No. 4301 Deloitte Touche Tohmatsu Jaiyos Audi Company Limited 25th floor, Rajanakarn Building, 183 South Sathorn Road, Yannawa, Sathorn, Bangkok 10120 Telephone 0 2676 5700 Facsimile 0 2676 5757
Legal Advisors	: Mr. Chotechuong Thapvongse : Mr. Kanok Indrambarya Bank of Ayudhya Public Company Limited 1222 Rama III Road, Bang Phongphang Yan Nawa, Bangkok 10120 Telephone 0 2296 3871-2 Facsimile 0 2683 1466

Group of Companies

• Subsidiaries and Associated Companies

1. **Ayudhya Asset Management Co., Ltd.**
   Bank of Ayudhya Plc. Head Office, Floor 11
   1222 Rama III Road, Bang Phongphang, Yan Nawa, Bangkok 10120
   Telephone : 0-2296-4129 Facsimile : 0-2683-1400
2. **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
3. **Ayudhya Capital Auto Lease Plc.**
   87/1 Capital Tower, Floor 3 and 87/2 CRC Tower, Floor 30 All Seasons Place,
   Wireless Road, Lumpini, Pathumwan, Bangkok 10330
   Telephone : 0-2627-6010, 0-2627-6060 Facsimile : 0-2627-8211
4. **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
5. **Ayudhya Card Services Co., Ltd.**
   968 U Chu Liang Building, Floor 20, Rama IV Road, Silom, Bangrak, Bangkok 10500
   Telephone : 0-2697-8811 Facsimile : 0-2697-8800
6. **CFG Services Co., Ltd.**
   52/53,54,59,60 Pathumthani-Samkok Road
   Bangprok, Muang-Pathumthani, Pathumthani 12000
   Telephone : 0-2581-2226-7 Facsimile : 0-2581-2235
7. **GE Capital (Thailand) Limited**
   87/1 Capital Tower, Floor 1-6, 8-11, All Seasons Place,
   Wireless Road, Lumpini, Pathumwan, Bangkok 10330
   Telephone : 0-2627-8690 Facsimile : 0-2627-8662
8. **General Card Services Limited**
   87/1 Capital Tower, Floor 1-6, 8, All Seasons Place,
   Wireless Road, Lumpini, Pathumwan, Bangkok 10330
   Telephone : 0-2345-3202 Facsimile : 0-2627-6449
9. **Krungsriayudhya Card Co.,Ltd.**
   87/1 Capital Tower, All Seasons Place, Floor 1-6, 8-11
   Wireless Road, Lumpini, Bangkok 10330
   Telephone : 0-2646-3000 Facsimile : 0-2646-3001
10. **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
11. **Total Services Solutions Plc.**
    87/1 Capital Tower and 87/2 CRC Tower, All Seasons Place,
    Wireless Road, Lumpini, Pathumwan, Bangkok 10330
    Telephone : 0-2627-8554 Facsimile : 0-2627-8301
12. **Ayudhya Total Solutions Plc.**
    990 Abdulrahim Building, Floor 7, Rama IV Road, Silom, Bangrak, Bangkok 10500
    Telephone : 0-2687-9999 Facsimile : 0-2687-9988
13. **Ayudhya Auto Lease Plc.**
    898 Ploenchit Tower, Floor 3, Ploenchit Road, Pathumwan,Bangkok 10330
    Telephone : 0-2209-8333 Facsimile : 0-2209-8388
14. **Ayudhya Securities Plc.**
    999/9 The Offices at Central World, Floor 12
    Rama I Road, Pathumwan, Bangkok 10330
    Telephone : 0-2659-7000 Facsimile : 0-2646-1100
15. **Ayudhya Fund Management Co., Ltd.**
    898 Ploenchit Tower Floor 12, Ploenchit Road, Pathumwan, Bangkok 10330
    Telephone : 0-2657-5757 Facsimile : 0-2657-5777
16. **Primavest Asset Management Co., Ltd.**
    900 Tonson Tower, Floor 18, B Zone, Ploenchit Road, Pathumwan, Bangkok 10330
    Telephone : 0-2257-0555 Facsimile : 0-2257-0360

17. **Tesco Card Services Co., Ltd.**
87/1 Capital Tower, Floor 1-6, All Season Place,
Wireless Road, Lumpini, Pathumwan, Bangkok 10330
Telephone : 0-2627-4130 Facsimile : 0-2627-4774
18. **Tesco Life Assurance Broker Co., Ltd.**
87/1 Capital Tower, Floor 10, All Season Place,
Wireless Road, Lumpini, Pathumwan, Bangkok 10330
Telephone : 0-2627-4472 Facsimile : 0-2627-4409
19. **Tesco General Insurance Broker Co., Ltd.**
87/1 Capital Tower, Floor 10, All Season Place,
Wireless Road, Lumpini, Pathumwan, Bangkok 10330
Telephone : 0-2627-6090 Facsimile : 0-2627-4409
20. **Quality Life Assurance Broker Co., Ltd.**
87/1 Capital Tower, Floor 11, All Season Place,
Wireless Road, Lumpini, Pathumwan, Bangkok 10330
Telephone : 0-2627-8029 Facsimile : 0-2627-4117
21. **Quality General Insurance Broker Co., Ltd.**
87/1 Capital Tower, Floor 11, All Season Place,
Wireless Road, Lumpini, Pathumwan, Bangkok 10330
Telephone : 0-2627-8028 Facsimile : 0-2627-4117
22. **Metro Designee Co., Ltd.**
189 Rama IX Road, Huaykwang, Bangkok 10320

• The Companies under Dissolution and Liquidation Process

1. **K.S. Law Office Co., Ltd.**
Bank of Ayudhya Building, Ploenchit Office, Floor 5,
550 Ploenchit Road, Pathumwan, Bangkok 10330
Telephone : 0-2208-2607 Facsimile : 0-2251-6581
2. **Ayudhya Capital Lease Co.,Ltd.**
898 Ploenchit Tower, Floor 16, Ploenchit Road, Pathumwan, Bangkok 10330
Telephone : 0-2627-6010, 0-2627-6060 Facsimile : 0-2627-8211
3. **Ayudhya Derivatives Co., Ltd.**
999/9 The Offices at Central World, Floor 11
Rama I Road, Pathumwan, Bangkok 10330
Telephone : 0-2659-7000 Facsimile : 0-2646-1100

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

1. **The Ayudhya Insurance Plc.**
898 Ploenchit Tower, Floor 7, Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330
Telephone : 0-2263-0335 Facsimile : 0-2263-0589
2. **P.P. Parawood Co., Ltd.**
111/1 Moo 1 Tambonbanchang, Phanatnikom, Chonburi 20140
Telephone : (038) 464-268-80 Facsimile : (038) 464-261-2
3. **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

1. **Siam Bangkok Port Limited**
51/1 Moo 3 Poochao Samingphrai Road, Bang Ya Phraek
Phra Pradaeng, Samutprakan 10130
Telephone : 0-2384-2876
2. **Lenso Phonecard Co., Ltd.**
292 Srinakarin Road, Huamark, Bangkapi, Bangkok 10240
Telephone : 0-2351-8116 Facsimile : 0-2351-8009
3. **Wongpaitoon Group Plc.**
70/19 Moo 6 Ekkachai Road, Bang Bon, Bangkok 10150
Telephone : 0-2416-4647-9, 0-2415-8680 Facsimile : 0-2416-1850
4. **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

Senior Executive Officers

As of January 12, 2010

Name	Position	Function Group
1. Mr. Mark John Arnold	President and Chief Executive Officer	
2. Mrs. Janice Rae Van Ekeren	Chief Financial Officer	Finance Group
	Acting Head of Treasury	Treasury Group
3. Mr. Charly Madan	Head of Corporate Banking	Corporate Banking Group
4. Mr. Poomchai Wacharapong	Head of SME Banking	SME Banking Group
5. Mr. Roy Agustinus Gunara	Head of Consumer Banking	Consumer Banking Group
6. Mr. Piriyah Wisedjinda	Head of Distribution	Distribution Group
7. Mr. Chandrashekar Subramanian Krishoolndmangalam	Chief Risk Officer	Risk Management Group
8. Mrs. Wanna Thamsirisup	Head of Operations	Operations Group
9. Miss Phawana Niemloy	General Counsel	Legal and Compliance Group
10. Mr. Sudargo Harsono	Chief Marketing Officer	Corporate Marketing Group
11. Miss Nopporn Tirawattanagool	Head of Human Resources	Human Resources Group
12. Dr. Yaowalak Poolthong	Head of Corporate Communications and Investor Relations	Corporate Communications and Investor Relations Group
13. Mrs. Voranuch Dejakaisaya	Head of Information Technology	Information Technology Group
14. Miss Puntipa Hannoraseth	Head of Audit	Audit Group
15. Mr. Nuttawit Boonyawat	First Executive Vice President	Risk Management Group
16. Mr. Sansrit Yenbamrung	First Executive Vice President	Risk Management Group
17. Mrs. Preeprame Seriwongse	First Executive Vice President	Operations Group
18. Mr. Kheeseng Anansiripapha	Executive Vice President	Corporate Banking Group
19. Mr. Kriengkrai Viriyaatthakit	Executive Vice President	SME Banking Group
20. Mr. Pisuthi Amyongka	Executive Vice President	SME Banking Group
21. Mrs. Sirinthip Silapacharanan	Executive Vice President	SME Banking Group
22. Mr. Tak Bunnag	Executive Vice President	Treasury Group
23. Miss Maleewan Phongsathorn	Executive Vice President	Risk Management Group
24. Miss Montira Arayangkoon	Executive Vice President	Risk Management Group
25. Miss Pitakul Pakchotanon	Executive Vice President	Risk Management Group
26. Mr. Suchin Srisurangkul	Executive Vice President	Distribution Group
27. Miss Duangdao Wongpanitkrit	Executive Vice President	Finance Group
28. Mr. John Howard Harker	Executive Vice President	Finance Group
29. Mr. Sindre Ulvund	Executive Vice President	Finance Group
30. Mr. Tanyapong Thamavaranukupt	Executive Vice President	Corporate Marketing Group
31. Miss Salisa Hanpanich	Executive Vice President	Corporate Marketing Group
32. Mrs. Krongthip Suthasoonthorn	Executive Vice President	Operations Group
33. Mrs. Siriporn Ambhanwong	Executive Vice President	Operations Group
34. Mr. Saengchart Wanichwatphibun	Executive Vice President	Legal and Compliance Group
35. Mr. Thodsaporn Rattanamastip	Executive Vice President	Legal and Compliance Group

Directory of the Distribution Network

As of January 19, 2010

Bank of Ayudhya Public Company Limited	No.	Branch	Telephone

Head Office

1222 Rama III Road, Bang Phongphang,
Yan Nawa, Bangkok 10120
Telephone : 0-2296-2000
Fascimile : 0-2683-1304
KRUNGSRI Call Center : 1572
Website : www.krungsri.com

Branch and Financial Services Center

Number of branches in Thailand	576 branches
Greater Bangkok and vicinity	272 branches
Upcountry	304 branches
Number of branches outside Thailand	4 branches
Foreign Currency Exchange Booth	65 booths
Greater Bangkok and vicinity	9 booths
Upcountry	56 booths
International Business Center	24 centers
Greater Bangkok and vicinity	16 centers
Upcountry	8 centers
Exclusive Banking Center	3 centers
Exclusive Banking Zone	19 centers

Domestic Branches

BANGKOK

No.	Branch	Telephone
1	ALL SEASONS PLACE	0-2250-1240-1 0-2250-1244 0-2685-3032-3
2	ARUN-AMARIN	0-2412-6186-8
3	ASSUMPTION UNIVERSITY(HUA MARK)	0-2300-4452-3
4	BANG BON	0-2416-8010-1
5	BANG MOT	0-2428-4389-90
6	BANG SU	0-2587-0635-6
7	BANGKAPI	0-2377-1724 0-2377-5352
8	BANGKHAE	0-2454-2947-50
9	BANG-KHEN	0-2561-3017 0-2579-1619
10	BANGKOK NOI	0-2424-0599 0-2424-0600
11	BANGKRABUE	0-2243-3256 0-2243-3262
12	BANGLAMPOO	0-2282-8253-4
13	BANG-O	0-2424-0948 0-2435-2257
14	BANGRAK	0-2237-7177 0-2237-7148
15	BITEC BANGNA	0-2389-9834-5, 0-2398-9837
16	CENTRAL LAT PHRAO *	0-2541-1176-7
17	CENTRAL PINKLAO *	0-2433-4830-1, 0-2433-4836
18	CENTRAL RAMA II	0-2872-1478-80
19	CENTRAL WONGSAWANG	0-2585-9990-1 0-2585-7352
20	CENTRAL WORLD	0-2264-5078-82
21	CENTURY PLAZA *	0-2245-9517-9
22	CHAENG WATTHANA 14	0-2574-6174-6
23	CHAKKRAWAT	0-2222-1677 0-2222-1848
24	CHAKRAPHATPHONG	0-2280-1757-8
25	CHARU MUANG	0-2214-2352-3
26	CHOK CHAI 4	0-2530-1696 0-2530-3790
27	CHULALONG KORN 42 *	0-2219-1624-6
28	DAO-KHANONG	0-2476-0036 0-2476-5369
29	DIN-DAENG	0-2245-4241-2 0-2642-8839
30	DONMUANG (NEW BRIDGE)	0-2972-5644-7
31	EKAMAI	0-2714-0082-5
32	EMPIRE TOWER *	0-2670-1648-50
33	ENERGY COMPLEX	0-2537-0130-1 0-2537-0156
34	ESPLANADE RATCHADA	0-2660-9120-2
35	ESPLANADE RATCHADA 2	0-2660-9217-9
36	FASHION ISLAND *	0-2947-5140-2
37	FORTUNE TOWN	0-2248-3380-3
38	FUTURE MART RAMA III	0-2292-0673-4 0-2289-1141
39	GEMOPOLIS INDUSTRIAL ESTATE *	0-2727-0420-1
40	HOME PRO PETCHKASEM *	0-2421-1628 0-2421-1638 0-2421-1663
41	HOME PRO RAMA II *	0-2895-4204-6
42	HOME PRO RAMKHAMHAENG	0-2370-1160-2
43	HUAMARK	0-2314-6746-7
44	J J MALL *	0-2265-9544-6
45	J- AVENUE THONG LO *	0-2381-9507-9
46	KASEMRAD PRACHACHUEN HOSPITAL*	0-2587-4240-1
47	KASETSART	0-2561-3490-1
48	KING MONGKUT'S INSTITUTE OF TECHNOLOGY LADKRABANG*	0-23264715-7
49	KLONG PRAPA	0-2270-0829 0-2271-3171
50	KLONGSARN	0-2437-1377 0-2437-2646
51	KLONGTEOI	0-2249-8012-4
52	LAT KRABANG	0-2326-8815-8
53	LAT PHRAO 101	0-2375-5553 0-2375-5196
54	LAT PHRAO 102	0-2539-4508-11

No.	Branch	Telephone	
55	LUMPINI	0-2285-6696-9	
56	MIN BURI	0-2517-9897-9	
57	MU BAN NAKKILA LAEMTHONG *	0-2368-2437	0-2368-2471
		0-2368-2474	
58	NEIGHBOUR CENTRE VACHARAPHOL*	0-2791-9782-4	
59	NONG KHAEM	0-2444-2958-9	
60	ON NUJ 23	0-2332-2737	0-2332-2837
61	ON NUJ 69	0-2726-0475-8	
62	PAKKLONG TALAD	0-2223-0530	0-2222-6937
63	PETCHBURI NEW EXT.ROAD	0-2308-0041-5	
64	PETCHKASEM AVENUE *	0-2809-2961-2	0-2809-2403
65	PHAHURAD	0-2221-1604	0-2221-7740
66	PHRAN NOK	0-2411-4543	0-2418-2515
67	PLOENCHIT OFFICE	0-2208-2194-5	0-2208-2027
68	PLOENCHIT TOWER	0-2263-0667-9	
69	PRACHA NIWET 1	0-2954-3880-2	
70	PRAI-SANEE KLANG	0-2233-4372-3	
71	PRATUNAM	0-2251-3277	0-2253-8963
72	PTT BANG NA EXPRESS WAY (OUT BOUND) *		
		0-2311-5460	0-2311-5470
73	PTT BANG NA EXPRESS WAY (IN BOUND) *		
		0-2311-5012	0-2311-5014
		0-2311-5016	
74	PTT PRAKHA NONG OIL TERMINAL *	0-2249-2853	0-2249-2859
75	PTT SUKHUMWIT 62 *	0-2311-5890-2	
76	PTT THANON CHALONG KRUNG *	0-2360-5213-5	
77	PTT THANON KANCHANA PHISEK *	0-2455-9316-8	
78	PTT THANON KANCHANA PHISEK 2		
79	PTT THANON KASETNAWAMIN *	0-2553-2031-3	
80	PTT THANON LATPLAKHAO *	0-2570-2169	0-2570-2172
81	PTT THANON PRADIT MANUTHAM *	0-2538-3772	0-2538-3511
82	PTT THANON PHATTHA NAKAN *	0-2322-1278-80	
83	PTT THANON RAM INTHRA KM.11 *	0-2540-5044-5	0-2540-5066
84	PTT THANON RATCHAPHRUEK *	0-2432-2223-5	
85	PTT THANON THANON SERI THAI *	0-2379-8910	0-2379-8914
		0-2379-8916	
86	PTT THANON VIBHA VADI RANGSIT*	0-2279-9322-4	
87	PTT THANON VIBHA VADI RANGSIT 32*	0-2513-1290	0-2513-1298
88	Q.HOUSE CONVENT *	0-2234-5475-7	
89	Q.HOUSE LUMPINI *	0-2343-8791-3	
90	QUEEN SIRIKIT NATIONAL CONVENTION CENTER	0-2229-5592-3	
91	RAJAMANGLA UNIVERSITY OF TECHNOLOGY KRUNGTHEP*		
		0-2286-0324	0-2286-0341
92	RAJAVAT	0-2241-3978	0-2241-4143
93	RAJWONGSE	0-2224-5510	0-2224-5626
94	RAMA II (KHEHA THON BURI 3)	0-2451-4094-8	
95	RAMA III OFFICE	0-2296-4206	0-2296-4218
96	RAMA IX-SRINAKARIND	0-2300-1642	0-2300-1645
97	RATBURANA	0-2464-1445-6	
98	RATCHADA PHISEK (HUAI KHWANG)	0-2275-4906-10	
99	RATCHADA PHISEK (THAPHRA-TAKSIN)	0-2477-9692-4	
100	RATCHATHEVI	0-2653-6720-2	
101	ROBINSON BANGRAK (TOPS) *		
102	SALA DAENG	0-2237-7143-4	
103	SAM LIAM DIN DAENG	0-2642-4020-1	
104	SAM YOD	0-2223-7855-7	
105	SAMRAY	0-2438-6811-2	
106	SAMYAEK	0-2221-1520-7	
107	SANAM PAO	0-2615-0198-9	
108	SAO-CHINGCHA	0-2222-5206	0-2224-8805
109	SAPAN-KWAI	0-2272-2993-4	
110	SAPHAN LUANG	0-2215-4593-4	
111	SAPHAN PHA PINKLAO	0-2443-0085-8	
112	SAPHAN PHRACHAO TAKSIN	0-2437-0230	0-2438-7726
113	SIAM PARAGON	0-2129-4560-5	
114	SIAM SQUARE	0-2255-1116-7	
115	SIYAEK ASOK	0-2261-8119-21	
116	SIYAEK SAPAN KRUNGDHON	0-2424-0125	0-2424-5023
117	SIYAEK SUAPA	0-2223-5334-5	
118	SIYAEK WANG HIN	0-2570-5584-5	
119	SIYAEK WISUTKASAT	0-2282-4688-9	
120	SOI CHARAN SANITWONG 13	0-2864-0977-8	
121	SOI THONGLO	0-2392-2838	0-2381-6428-9
122	SRINAKARIND-ON NUJ	0-2321-1584	0-2321-8838
123	SUAN DUSIT RAJABHAT UNIVERSITY *	0-2241-8325-7	
124	SUAN MALI	0-2223-5413	0-2223-7305
125	SUAN-PHLU	0-2287-3011-3	
126	SUKHUMWIT 101/1 (PIYAROM PLACE)	0-2730-5549-51	
127	SUKHUMWIT 103 (UDOM SUK)	0-2383-8793-7	
128	SUKHUMWIT 23	0-2261-1914-7	
129	SUKHUMWIT 35	0-2259-0020-3	
130	SURAWONG	0-2631-4050-9	
131	SUTTHISAN	0-2270-0164-5	
132	TALAT MIN BURI	0-2517-1022-3	0-2517-1025
133	TALAT PHLU	0-2466-9766	0-2466-9672
134	TALAT WONGSA KORN *	0-2563-5341-2	0-2563-5350
135	TAO PUN	0-2587-1318	0-2911-2132-3
136	TESCO LOTUS WATCHARAPHON *	0-2509-0043	0-2509-3206
137	THA DINDAENG	0-2437-2509	0-2437-3359
138	THA PHRA	0-2457-0067	0-2457-0534
139	THAI SUMMIT TOWER *	0-2251-3114-6	
140	THANON BANG KHUN THIAN	0-2416-3481-2	
141	THANON BANG KHUN THIAN-CHAI THALE *	0-2894-6537-8	
142	THANON BANG NA-TRAT (CENTRAL CITY)	0-2361-0625-6	
143	THANON BANG NA-TRAT (NATION TOWER)	0-2751-4036-9	
144	THANON BOROMARAJA JONANI (PINKLAO)	0-2433-1468	0-2433-4985
145	THANON BOROMARAJA JONANI (TALING CHAN)		
		0-2433-3417	0-2433-6910
146	THANON CHAN	0-2287-4384-8	
147	THANON CHAROEN NAKHON SOI 35	0-2439-1104	0-2439-6448
148	THANON CHAROEN NAKHON SOI 4	0-2437-9978-9	
149	THANON CHOM THONG	0-2468-5740	0-2468-8096
150	THANON KHEHA ROMKLAO *	0-2557-1033-5	
151	THANON NANG LINCHI	0-2678-3016-8	
152	THANON PHAHON YOTHIN 26 (ELEPHANT TOWER)		
		0-2937-4983-4	
153	THANON PHATTHANAKAN	0-2319-9282	0-2314-7700
154	THANON PHETKSEM 55	0-2454-6969	0-2454-9966
155	THANON PHETKASEM (FUTURE PARK PLAZA)	0-2454-8700-7	
156	THANON PHRARAMTHI 4 (KLONG TOEI)	0-2260-9506-8	
157	THANON PRACHAUTHID	0-2427-1041	0-2427-1415
158	THANON PRA CHARAT SAI 1	0-2585-2610	0-2586-8897
159	THANON RAM INDRA KM.2	0-2971-6678-82	
160	THANON RAM INDRA KM.8	0-2509-5880-3	
161	THANON RAM INDRA -VACHARAPHOL	0-2509-5071	0-2509-5095
162	THANON RAMKHAMHAENG 19	0-2718-9302-3	0-2718-9139
163	THANON RATBURANA (BANG PAKOK)	0-2428-4534	0-2428-4537-8
164	THANON RATCHADAPHISEK (CENTRAL RAMA III)	0-2673-6309-14	
165	THANON RATCHADAPHISEK (OLYMPIA THAI TOWER)	0-2513-8731-4	
166	THANON SATHON NUA (A.I.-CENTER)	0-2637-7276-8	
167	THANON SATHUPRADIT	0-2295-1104-5	
168	THANON SONG PRAPHA (DON MUANG)	0-2566-4291-3	
169	THANON-SRINAKARIND (SERI CENTER)	0-2746-0194-9	
170	THANON -KRUNG THEPKRITHA	0-2375-1249	0-2375-5503
171	THANON SUKHAPHIBAN 1	0-2375-5801-2	
172	THANON SUKHAPHIBAN 2	0-2374-1935-8	
173	THANON SUKHAPHIBAN 3	0-2373-4740-2	
174	THANON SUKHUMWIT 63	0-2711-4600-5	
175	THANON SUKHUMWIT 71	0-2390-1936	0-2381-2171
176	THANON THIAM RUAM MIT	0-2274-4008-10	

No.	Branch	Telephone	
177	THANON VIBHAVADIRANGSIT (DONMUANG)		0-2533-4590-2
178	THANON VIBHAVADIRANGSIT (SUNTOWERS)		0-2617-6486-90
179	THE AVENUE CHAENG WATTHANA*	0-2573-8106-8	
180	THE GOVERNMENT COMPLEX COMMEMORATING (BUILDING B)	0-2143-9636-8	
181	THE MALL BANG KAPI *	0-2374-6177-8	0-2374-6294
182	THE MALL BANGKHAE *	0-2455-3930-1	0-2455-3921
183	THE THAI BAR ASSOCIATION *	0-2448-3413	0-2448-3526
184	THONGLOR (SUMMERSET SUKHUMVIT)		
185	TOPS RAMA III *	0-2213-0796-7	
186	UNION MALL LAT PHRAO	0-2511-3149	0-2511-1698
187	URUPHONG	0-2215-7000-1	
188	VORACHAK	0-2221-7678	0-2223-7118
189	WONGWIEN 22 KARAKADA	0-2222-7585	0-2223-0760
190	WONGWIENYAI	0-2439-6186-7	0-2437-0174
191	YAOWARAT	0-2223-5336-7	
192	ZUELLIG HOUSE	0-2233-5134-6	
	ANG THONG		
193	ANG THONG	0-3562-5150-1	
	AMNAT CHAROEN		
194	AMNAT CHAROEN	0-4551-1731-4	
	BURI RAM		
195	BURI RAM	0-4461-4128-30	
196	BURI RAM RAJABHAT UNIVERSITY*	0-4460-1519	0-4461-4159
197	NANG RONG	0-4462-4318-22	
198	PHUTTHAISONG	0-4468-9114-5	
	CHACHOENGSAO		
199	BAN PHO CHACHOENGSAO*	0-3857-8685-7	
200	BANG PAKONG	0-3853-1250-1	
201	CHACHOENGSAO	0-3851-4272-3	
202	PHANOM SARAKHAM	0-3855-1840-1	0-3855-1843
203	WELLGROW INDUSTRIAL ESTATE *	0-3857-1820-1	0-3884-2253
	CHAINAT		
204	CHAINAT	0-5641-2696	0-5641-1064-5
	CHAIYAPHOOM		
205	CHAIYAPHOOM	0-4482-1339	0-4482-1340
	CHANTABURI		
206	CHANTABURI	0-3934-6385-8	
207	SIYAEK KHAO RAI YA	0-3933-5398-9	
	CHIANG MAI		
208	CENTRAL AIRPORT CHIANG MAI*	0-5328-1660-2	
209	CHIANGMAI	0-5325-1811-2	
210	FANG	0-5338-2813-4	
211	HANG DONG*	0-5344-1986-7	
212	MAE RIM	0-5329-9916-9	
213	NONG PRATHP CHIANG MAI	0-5324-0241-3	
214	PRATU CHANG PHUAK	0-5321-1700-1	
215	SAN KAMPHAENC	0-5339-2592-6	
216	SIYAEK SANAM BIN CHIANG MAI	0-5328-0525-7	
217	THANON CHANG KHLAN CHIANG MAI	0-5327-0431-2	
218	THANON CHOTANA CHIANG MAI	0-5340-9420-4	
219	THANON HUAI KAEO CHIANG MAI*	0-5321-9805-6	
220	THANON MAHIDOL (SI YAEK NONG HOI)*	0-5380-1700-3	
	CHIANG RAI		
221	CHIANG RAI	0-5374-4641-3	
222	CHIANGRAI RAJABHAT UNIVERSITY*	0-5377-6038	0-5377-6066

No.	Branch	Telephone	
223	HA YAEK PHOKHUN MENGRAI*	0-5371-1292	0-5371-1793
224	MAE FAH LUANG UNIVERSITY*	0-5391-2121-3	
225	MAE SAI	0-5364-0770-5	
226	PHAN	0-5372-1251-2	
227	PTT RIMKOK CHIANG RAI*	0-5371-8383	0-5371-8830
	CHONBURI		
228	AMATA NAKORN INDUSTRAL	0-3845-8950-2	
229	AO UDOM	0-3835-2466-9	
230	BAN BUNG	0-3844-4019-20	
231	BAN RONG PO	0-3824-1031-4	
232	BANGKOK PATTAYA HOSPITAL *	0-3842-2514	0-3842-2526
233	BANGSAEN*	0-3838-5353-5	
234	CENTRAL CHONBURI		
235	CENTRAL FESTIVAL PATTAYA BEACH	0-3804-3250-2	
236	CHONBURI	0-3879-2318-9	0-3879-2320
237	DON HUALO (AMATA NAKHON CHON BURI) *		0-3845-3049-51
238	HARBOR MALL LAM CHABANG	0-3849-3673-5	
239	HOME PRO CHON BURI *	0-3838-7901-3	
240	KO PHO CHON BURI *	0-3820-9787-9	
241	LAM CHABANG*	0-3849-3542-3	0-3849-3556
242	LAM CHABANG INDUSTRIAL ESTATE (FREE ZONE 2)		0-3849-1270-2
243	NOEN TENG	0-3826-1101-3	
244	PATTAYA	0-3842-6907-8	
245	PHANAT	0-3846-1378-9	
246	PINTHONG INDUSTRIAL ESTATE*	0-3834-8184-6	
247	PTT THANON THEPPRASIT PATTAYA*	0-3890-6623-5	
248	ROBINSON SRIRACHA *	0-3832-2067	0-3832-2322
		0-3832-2107	
249	SAHA GROUP INDUSTRIAL PARK SIRACHA*		0-3848-2325
		0-3848-2334	
250	SATTAHIP	0-3843-7781-3	
251	SIRACHA	0-3831-1375	0-3831-1852
252	SI YAEK PAK RUAM*	0-3833-7245-6	
253	SOI BOONSAMPAN PATTAYA*	0-3840-6683-7	
254	SOI BUAKHAO PATTAYA*	0-3841-5873-5	
255	SOI KHAO TA LO PATTAYA *	0-3833-3255-7	
256	SOI NAKLUEA 16 PATTAYA *	0-3841-6617-9	
257	SOI NOEN PLUB WAN PATTAYA*	0-3840-6272-3	
258	TESCO LOTUS PATTAYA (NORTH) *	0-3842-3399	0-3842-3044
259	THANON CHALOEM PHRA KIAT SAI 3*	0-3841-3485-7	
260	THANON PATTAYA TAI	0-3842-5524-5	
261	THANON PHRAYASATCHA CHON BURI*		0-3827-2319-20
262	THANON SUKHUMWIT CHOLBURI	0-3827-4520-1	
263	THANON SUKHUMWIT PATTAYA*	0-3842-4376	0-3842-4722-3
264	THANON SURASAK 1 SIRACHA	0-3832-4272-6	
265	THE AVENUE PATTAYA *	0-3805-2003-5	
	CHUMPHON		
266	OCEAN CHUMPHON	0-7751-1491	0-7751-1493
267	LANG SUAN	0-7758-2513-5	
268	THANON SALADAENG CHUMPHON*	0-7750-5032	0-7750-5069
	KALASIN		
269	KALASIN	0-4381-1556-7	
	KAMPHAENG PHET		
270	KAMPHAENG PHET	0-5571-3013-4	
	KANCHANABURI		
271	BO PHLOI	0-3458-1055-6	
272	KANCHANABURI	0-3451-5058-9	
273	LUK KAE	0-3456-6423-4	
274	THA MUANG	0-3461-1412-3	
275	THA RUA PHRA THAEN	0-3456-2005-6	

No.	Branch	Telephone	
	KHON-KAEN		
276	BANPHAI	0-4327-2108	0-4327-2680
277	CENTRAL KHON KAEN		
278	CHUM PHAE	0-4331-1309-10	
279	HOMEPRO KHON KAEN*	0-4327-1624-6	
280	KHON KAEN UNIVERSITY*	0-4320-2260-1	0-4334-2388
281	KHON-KAEN	0-4322-1293	0-4322-1711
282	NAM PHONG	0-4343-1341-2	
283	PHU WIANG	0-4329-1290-2	
284	THA PHRA KHON KAEN*	0-4326-1661-5	
285	THANON BANKOK KHON KAEN*	0-4327-0455-7	
286	THANON KLANGMUEANG KHON KHEN*	0-4322-2588	0-4322-2799
287	THANON MALIWAN	0-4323-7952	0-4324-2565
288	THANON MITTRAPHAP KHON KAEN	0-4332-5411-5	
	KRABI		
289	AO NANG KRABI*	0-7569-5429-31	
290	KRABI	0-7562-1258-61	
291	PHI PHI ISLAND*	0-7560-1010-1	
	LAMPANG		
292	LAMPANG	0-5432-3270-2	
293	LAMPANG RAJABHAT UNIVERSITY*	0-5431-7950-2	
294	THANON BOONYAWAT LAMPANG*	0-5422-8184-6	
	LAMPHUN		
295	LAMPHUN	0-5351-0246-7	
296	NORTHERN REGION	0-5358-2112-4	
	LOEI		
297	LOEI	0-4281-2619-20	
	LOP BURI		
298	LAM NARAI	03646-1994-5	
299	LOP BURI	0-3641-1599	0-3641-1600
300	PHATTHANA NIKHOM SOI 12 *	0-3643-6066	0-3643-6114
301	WONG WIEN SA KAEO LOP BURI *	0-3642-2601-2	
	MAE HONG SORN		
302	MAE HONG SORN	0-5361-1868-9	
303	PAI*	0-5369-9062	0-5369-9097
	MAHA SARAKHAM		
304	MAHA SARAKHAM	0-4372-2227-8	
	MUKDAHAN		
305	MUKDAHAN	0-4261-3035-6	
	NAKHON NAYOK		
306	NAKHON NAYOK	0-3731-2644-5	
307	ONGKHARAK	0-3732-2268-9	
	NAKHON PATHOM		
308	KAMPHAENG SAEN	0-3435-1706	0-3435-1809-10
309	NAKHON CHAISI	0-3433-3640	0-3433-3642-4
310	NAKHON PATHOM	0-3425-1155-7	
311	PHRAPRATHON	0-3424-2826-7	
312	PTT THANON PHUTTHAMONTHONSAI 4 *	0-2429-2051	0-2429-2104
313	SAM PHRAN	0-3432-2796-9	
314	SILPAKORN UNIVERSITY (SANAM CHANDRA PALACE CAMPUS) *	0-3427-1133	0-3427-1484
315	TESCO LOTUS SARAYA *	0-2482-2100-1	
316	THANON RATCHAWITTHI NAKHON PATHOM *	0-3427-5020-1	0-3428-0282
	NAKHON PHANOM		
317	NAKHON PHANOM	0-4251-3082-5	
318	PHON SAWAN*	0-4259-5119	0-4259-5091

No.	Branch	Telephone	
	NAKHON RATCHASIMA		
319	HUA THALE NAKHON RATCHASIMA	0-4426-6042-6	
320	KRUNGTHEP RATCHASIMA HOSPITAL	0-4434-1975-7	
321	NAKHON RATCHASIMA RAJABHAT UNIVERSITY		0-4424-8405-6
322	NAKORNRAJSIMA	0-4425-1340-2	0-4424-2388
323	NON SUNG	0-4437-9111-2	
324	PAKCHONG	0-4431-3908-9	
325	PTT THANON SURANARAI NAKHON RATCHASIMA		0-4425-7061-3
326	SIKHIU	0-4441-2465-6	
327	THANON MITTRAPHAP (NAKHON RATCHASIMA)	0-4425-6866	0-4425-6899
328	THANON MITTRAPHAP YAEK PAK THONG CHAI *		0-4427-7324-5
329	TALAT SAVE ONE NAKHON RATCHASIMA *	0-4422-2131	0-4422-2158
330	TALAT SURA NAKHON NAKORN RATCHASIMA		0-4434-2828-30
	NAKHON SAWAN		
331	NAKHON SAWAN	0-5622-8017-8	
332	TAKHLI	0-5626-1249	0-5626-1530
333	THANON SAWAN WITHI NAKHON SAWAN		0-5622-7866-7
334	THANON SAI ASIA NAKHON SAWAN	0-5622-8188-90	
	NAKHON SI THAMMARAT		
335	NAKHON SI THAMMARAT	0-7534-2789	0-7534-6125
336	THANON PHATTHANAKAN KHU KWANG		0-7531-7841-5
337	THUNG YAI	0-7548-9004-5	
338	TUNGSONG	0-7541-2684-5	
	NAN		
339	NAN	0-5477-2584-6	
	NARATHIWAT		
340	NARADHIWAAS	0-7351-1202-3	
341	SUNGAI KOLOK	0-7361-5741-3	
	NONG BUA LAM PHU		
342	NA KLANG	0-4235-9023-4	
343	NONG BUA LAM PHU	0-4231-2536-9	
	NONG KHAI		
344	NONG KHAI	0-4242-0743-4	
345	SRI CHIENGMAI	0-4245-1336-8	
	NONTHABURI		
346	BANG BUA THONG	0-2571-3530-4	
347	BANG YAI	0-2594-0608-9	
348	CENTRAL CHAENG WATTHANA	0-2193-8081-3	
349	CENTRAL RATTANATHIBET *	0-2525-4546-8	
350	GRAND CANAL *	0-2575-2163-4	
351	HOME PRO CHAENG WATTHANA *	0-2584-1411	0-2584-1432
352	HOME PRO RATCHAPHRUEK *	0-2423-3645-8	
353	IMPACT MUANG THONG THANI	0-2504-5162-4	
354	KASEMRAD RATTANATIBETH HOSPITAL *		0-2594-0937-9
355	NICHADA THANI	0-2582-2668-9	0-2582-3015
356	NONTHABURI	0-2967-2000-1	0-2526-4059
357	PAK KRET	0-2960-7961-2	
358	PTT THANON TIWANON *	0-2584-5501-3	
359	SAPHAN PRANANGKLAO	0-2527-0241-4	
360	SOCIAL SECURITY OFFICE *	0-2526-9610-2	
361	THANON CHAENG WATTHANA (SOFTWARE PARK)		0-2962-3104-5
362	THANON NGAMWONG WAN	0-2951-8403-4	0-2591-6676
363	THANON PHUTTHAMONTHON SAI 5 *	0-2420-7715 0-2420-7723	0-2420-7720
364	THANON RATCHAPHRUEK	0-2423-0181-3	
365	THANON TIWANON (KHLONGBANG TALAT)	0-2580-6622	0-2580-6611
366	THE MALL NGAMWONG WAN *	0-2550-0630-1	0-2550-0905
367	TIWANON (KHAERAI)	0-2588-3986	0-2588-4638

No.	Branch	Telephone	
	PATHUM THANI		
368	MAJOR RANGSIT	0-2567-5010	0-2567-5046
369	BANG PHUN *	0-2581-8545-7	
370	NAVA NAKHON INDUSTRAL PROMOTION ZONE *	0-2529-1295	0-2529-3266
371	NAVA NAKHON	0-2529-2076-8	
372	PATHUM THANI	0-2581-3908-10	
373	PTT LAT LUM KAEO *	0-2598-3932-5	
374	PTT RATCHAPHRUEK-RATTANATHIBET *	0-2191-9864-6	
375	PTT THANON RANGSIT-NAKHON NAYOK (KHLONG 7) *	0-2577-4636-8	
376	RAJAMANGALA UNIVERSITY OF TECHNOLOGY THANUABURI	0-2577-4504	0-2927-4744
377	RANGSIT	0-2958-0245-9	
378	TALAAD THAI *	0-2529-1121	0-2529-1960
379	TALAT SI MUMMUANG	0-2536-8154-6	
380	THANON LAM LUK KA (KLONG 2)	0-2523-3933-5	
381	THANON RANGSIT-NAKHON NA YOK (KLONG 2)	0-2966-0916-8	
	PATTANI		
382	PATTANI	0-7333-2772-3	
	PHANGNGA		
383	KHAOLAK PHANG-NGA*	0-7648-5425-7	
384	PHANGNGA	0-7641-1989	0-7641-2444
385	THAP PUT	0-7644-2228-30	
	PHATTHALUNG		
386	PHATTHALUNG	0-7461-1365-6	
387	SI BANPHOT*	0-7468-9164-6	
	PHAYAO		
388	PHAYAO	0-5448-1863-4	
	PHETCHABUN		
389	LOM SAK	0-5670-2009-11	
390	NONG-PHAI	0-5678-1411-5	
391	PETCHABOON	0-5672-2572-3	
392	THANON SUEKSA CHAROEN PHETCHABOON	0-5674-4154-5	
	PHETCHABURI		
393	CHA-AM	0-3247-2047-8	0-3247-2050-1
394	KHAO YOI	0-3256-2057-8	0-3243-9811-3
395	PHETCHABURI	0-3242-8611-2	
396	SAPHAN CHOM KLAO PHETCHABURI*	0-3241-3185-7	
397	THA YANG	0-3246-1826-7	
	PHICHIT		
398	BANG MUN NAK	0-5663-1844-7	
399	PHICHIT	0-5661-2512-4	
400	TAPHAN-HIN	0-5662-2312-4	
	PHITSANULOK		
401	NARAESUAN UNIVERSITY	0-5526-1125-6	
402	PHITSANULOK	0-5530-2533	0-5530-2600-3
403	THANON AKATOSAROT PHITSANULOK*	0-5522-5173-7	
	PHRAE		
404	PHRAE	0-5451-1595-6	
	PHRA NAKHON SRI AYUTTHAYA		
405	AYUDHYA	03524-5718	0-3524-5720
406	BANG PA-IN	0-3522-1071-2	0-3522-1074
407	BANG SAI	0-3574-1111-5	
408	BIG C AYUTTHAYA *	0-3574-7152-4	
409	HI - TECH INDUSTRIAL ESTATE*	0-3531-4337-9	
410	LAT BUA LUANG	0-3537-9350-1	
411	ROJANA INDUSTRIAL PARK*	0-3533-0515	0-3533-0525
412	SENA	0-3520-2009	0-3520-2279
413	THA RUA	0-3534-1969-70	
414	WANG NOI	0-3527-1882-3	
415	PHATUNAM PHRA - IN	0-3521-9851-4	
	PHUKET		
416	BAN SAI YUAN(RA WAI)*	0-7638-8804-6	
417	CENTRAL FESTIVAL PHUKET*	0-7636-7005-7	
418	CHOENG THALAE PHUKET*	0-7632-5062	0-7632-5139
419	HA YAEK CHALONG PHUKET*	0-7638-4034-6	
420	TESCO LOTUS PHUKET*	0-7652-4235-8	
421	JUNGCEYLON PHUKET *	0-7636-6029-31	
422	KAMALA BEACH PHUKET*	0-7627-8113-4	0-7638-6126
423	KATA*	0-7633-3518-20	
424	PA TONG	0-7634-0809-10	
425	PHUKET	0-7621-1592	0-7621-1811
426	PA KHLOK PHUKET *	0-7637-9851-3	
427	PTT THANON THEPKRASATTRI PHUKET*	0-7637-7514	0-7637-7584
428	SAM KONG PHUKET *	0-7652-3200-2	
429	THANON CHALOEM PHRAKIAT PHUKET*	0-7637-6001-2	
430	THANON CHAO FA (EAST) PHUKET *	0-7652-5071-3	
431	THANON NA NAI PATONG*	0-7634-5161	0-7634-5163-4
432	THANON PATAK(KARON)*	0-7639-8249-53	
433	THANON PHANGNGA PHUKET	0-7622-0508-10	
434	THANON PHRABARAMI PHUKET *	0-7632-2179-81	
435	THANON POON PHOL PHUKET	0-7622-1284-6	
436	THANON THEPKRASATTRI PHUKET	0-7623-6337-8	
	PRACHIN BURI		
437	304 INDUSTRIAL PARK PRACHIN BURI *	0-3727-4300-1	0-3720-8314
438	KABIN BURI	0-3720-3015-9	
439	KABIN BURI INDUSTRIAL ZONE *	0-3745-5334	0-3745-5502-3
440	PRACHIN BURI	0-3721-3217-8	
	PRACHUAP KHIRI KHAN		
441	BANG SAPHAN	0-3254-8404-7	
442	HUA HIN	0-3251-1120	0-3251-1442
443	NONGKAE HUAHIN	0-3251-6546-8	
444	PRACHUAP KHIRI KHAN	0-3261-1980-1	
445	PRANBURI	0-3254-4105-6	
446	PTT KUI BURI*	0-3268-2700	0-3268-1087
447	THANON CHOMSIN HUA HIN*	0-3251-5370-1	0-3251-5406
448	THANON PHET KASEM HUAHIN*	0-3251-3927	0-3251-3932
	RANONG		
449	RANONG	0-7781-1777	0-7782-1205
	RATCHABURI		
450	BAN PONG	0-3220-1949-50	
451	HUAI KRA BOK*	0-3229-1091-3	0-3229-1237-8
452	PHOTHARAM	0-3235-4317-8	
453	RATCHABURI	0-3232-5650-2	
454	THANON ROTFAI RATCHABURI*	0-3232-2388-9	
	RAYONG		
455	BAN CHANG	0-3860-4771-3	
456	EASTERN SEABOARD INDUSTRIAL ESTATE *	0-3865-6256-7	0-3895-4704
457	EASTERN SEABOARD INDUSTRIAL ESTATE 2*	0-3865-6446-8	
458	KACHET*	0-3864-8295-6	
459	KLAENG	0-3867-4427-8	
460	MAP TA PHUT	0-3860-8891-4	
461	NIKHOM PHATTHANA	0-3863-7585-6	0-3889-7504
462	RAYONG *	0-3861-6072	0-3861-1534
463	SIAM EASTERN INDUSTRIAL PARK*	0-3866-0000-2	
464	STAR PLAZA RAYONG*	0-3862-3842-4	
465	TPI RAYONG *	0-3862-3839-41	

No.	Branch	Telephone	
	ROI ET		
466	PHANOM PHRAI	0-4359-1141-2	
467	PHON THONG	0-4357-1035-7	
468	ROI ET	0-4351-1615-6	
469	THANON HAISOKE ROI ET*	0-4351-5002	0-4351-3307
	SA KAEO		
470	SA KAEO	0-3724-1810-3	
	SAKON NAKHON		
471	KASETSART UNIVERSITY (SAKON NAKHON)*		0-4275-4228-30
472	SAKNONAKHON RAJABHAT UNIVERSITY*	0-4271-4303	0-4271-6887
473	SAKON NAKHON	0-4271-3001-2	
474	WANON NIWAT	0-4279-1165-6	
	SAMUT PRAKAN		
475	ASSUMPTION UNIVERSITY (THANON BANGNA-TRAD KM.26)	0-2707-0350-4	
476	BANG BO	0-2708-5395	0-2708-5419
477	BANG PU	0-2323-9838-9	0-2323-9842
478	BANG SAO THONG *	0-2313-4547-9	
479	HOME PRO BANG NA *	0-2325-1167-9	
480	HUA CHIEW CHALERMPRAKIET UNIVERSITY *	0-2312-6719	0-2312-6625 0-2312-6765
481	IMPERIAL WORLD SAMRONG	0-2380-6214-6	
482	OPERATION CENTER,THAI AIRWAYS INTERNATIONAL PUBLIC COMPANY LIMITED	0-2134-1795-7	
483	PHRA-PRADAENG	0-2463-5230	0-2463-1012
484	PTT THANON BANGNA-TRAD KM.14 *	0-2312-5915-7	
485	PTT THANON THEPHARAK *	0-2385-5986-8	
486	SAMRONG	0-2384-3623-4	
487	SAMUT PRAKAN	0-2387-1814-5	
488	SOI MONGKORN SAMUTPRAKAN	0-2334-3334-6	
489	SUVARNABHUMI AIRPORT (BUS TERMINAL) *		0-2134-1868-70
490	SUVARNABHUMI AIRPORT (FREE ZONE) *		0-2134-2467-9
491	THANON MUEANGMAI BANGPHLI 2 *		0-2315-1112-4
492	THANON PHRAEKSA SAMUTPRAKAN	0-2387-0081-2	
493	THANON SRINAKARIND-SUKHUMWIT	0-2389-1443	0-2389-1465
494	THANON SRINAKARIND-THEPHARAK	0-2385-7120-1	0-2385-7923-4
495	THANON SUKSAWAT 53	0-2463-2510	0-2463-2920
496	THANON THEPHARAK	0-2385-0975-9	
497	THANON THEPHARAK KM.22.5 (YES BANG PHLI) *		0-2315-2984-6
498	THANON WAT KINGKAEO	0-2316-9495-6	
499	THANON WAT KINGKAEO (RACHA TEWA)		0-2312-4795-7
	SAMUT SAKHON		
500	KHLONG KHRU SANMUT SAKHON *	0-3442-8916-7	0-3442-8930
501	KRATHUMBAEN	0-3447-2580-1	
502	OM NOI	0-2431-0131-6	
503	PTT THANON EKKACHAI *	0-3441-8190-2	
504	SAMUT SAKHON	0-3441-1986-7	
505	THANON KIJMANEE SAMUT SAKHON *	0-3445-5120	0-3445-5122
506	THANON RAT BANCHOP SAMUT SAKHON		0-3442-8126-7
	SAMUT SONGKHRAM		
507	SAMUT SONGKHRAM	0-3471-3039-40	
	SARABURI		
508	DONPHUT *	0-3638-5112-4	
509	HIN-KONG	0-3637-9013-4	0-3637-1634
510	KAENG KHOI	0-3624-5320-3	
511	MUAKLEK	0-3634-1076-7	
512	NONG DON	0-3639-7225-8	
513	NONG KHEA	0-3632-6400-3	
514	PHRABUDHABATH	0-3626-8022-4	
515	SARABURI	0-3622-2277	0-3622-2279
516	THANON PHAHON YOTHIN SARABURI		0-3631-8401-4

No.	Branch	Telephone	
	SATUN		
517	KHUAN DON*	0-7473-5271-5	
518	SATUN	0-7472-2500-2	
	SING BURI		
519	KHAI BANG RACHAN*	0-3659-7050-2	
520	SING BURI	0-3652-0697-8	
	SI SA KET		
521	SI SA KET	0-4561-2293-4	
	SONGKHLA		
522	HAADYAI	0-7424-3051	0-7424-4715
523	SONGKHLA	0-7432-1077-9	
524	THANON KANCHANAWANIT HAT YAI	0-7421-7111-3	
525	THANON KANCHANAWANIT SONGKHLA*		0-7432-5806-8
526	THANON PHETKASEM HAT YAI	0-7423-0557-8	
527	THANON PHUWANAT HAT YAI	0-7422-1003-5	
	SUKHOTHAI		
528	SUKHOTHAI	0-5561-2671-2	
	SUPAN BURI		
529	BANG PLA MA	0-3558-7088	0-3558-7624
530	SONGPHINONG	0-3553-1491-2	
531	SUPHANBURI	0-3552-3961-3	
532	THANONPHRAPHANVASA SUPHANBURI*		0-3552-5128-32
533	U THONG	0-3555-1080	0-3555-2108
	SURAT THANI		
534	BANGKOK SAMUI HOSPITAL*	0-7741-4033	0-7741-4058-9
535	BEACH ROAD(CHAWENG)*	0-7741-3464	0-7741-3468
536	BOPHUT*	0-7742-7540-2	
537	CHAWENG BEACH	0-7741-3736-8	
538	CHOENGMON BEACH*	0-7748-4223	
539	KANCHANADIT	0-7737-9028-30	
540	KANCHANAVITHI SURAT THANI	0-7791-0133-5	
541	KOH PHA-NGAN*	0-7737-7276	0-7737-7627
542	KO SAMUI	0-7742-0176-7	
543	LAMAI BEACH*	0-7741-9017-8	0-7723-0821
544	MAE NAM*	0-7742-7787-9	
545	MAKHAM TIA	0-7728-8750-3	
546	PHUNPHIN	0-7731-1523	0-7731-1967
547	SURAT THANI	0-7728-3116-9	
548	THANON THAVEERATPHAKDEE (CHAWENG) *		0-7748-4451-3
549	WIANG SA	0-7736-1958	0-7736-1960
	SURIN		
550	SURIN	0-4451-5061-2	
	TAK		
551	BAN TAK*	0-5559-1249-50	
552	MAE SOT	0-5553-3781-3	
553	TAK	0-5551-3511-3	
	TRAD		
554	KO CHANG*	0-3955-1431-3	
555	THANON SUKHUMWIT TRAD	0-3952-0969	0-3952-0993
556	TRAD	0-3952-1151-3	
	TRANG		
557	TRANG	0-7522-2461-7	
	UBON RATCHATHANI		
558	DET-UDOM	0-4536-1001-2	
559	MUANG SAMSIP*	0-4548-9004-5	
560	PHIBUN MANGSAHAN	0-4544-1400-1	
561	PTT WARIN CHAMRAP*	0-4532-3770	0-4532-3772-3

No.	Branch	Telephone	
562	TALAD NONG BUA UBON RATCHATHANI		0-4531-6804-5
563	THANON CHAYANGKUN UBOLRAJDHANI		0-4524-4594-5
564	UBOLRAJDHANI	0-4524-4885	0-4525-4064
565	UBOLRAJDHANI RAJABHAT UNIVERSITY*	0-4525-5537	0-4525-5416
566	WARIN CHAMRAP	0-4526-9470-4	
	UDON THANI		
567	BIG C UDON	0-4221-2733	0-4220-4920
568	HOMEPRO UDON THANI*	0-4224-6000	0-4224-6733
569	NONG BUA UDON THANI	0-4224-3434	0-4224-8494
570	THANON PHO SI UDON THANI	0-4224-9736-7	
571	UDORNDHANI	0-4224-6511	0-4222-1497
	UTHAI THANI		
572	UTHAI THANI	0-5651-2561-2	0-5651-2564
	UTTARADIT		
573	UTTARADIT	0-5541-1357	0-5541-1457
	YALA		
574	YALA	0-7321-1688-9	
575	BETONG	0-7324-5861-2	
	YASOTHON		
576	YASOTHON	0-4571-2954-6	

* domestic sub-branch

OVERSEAS BRANCHES

No.	Branch	Telephone
1	VIENTIANE BRANCH	(856-21) 214575-7 (856-21) 213520
2	CAYMAN ISLANDS BRANCH	(345) 949-2001 (345) 949-7097 (02) 296-4426
3	HONG KONG BRANCH	(852) 2525-7398-9 (852) 2525-4445
4	SAVANNAKHET BRANCH	

FOREIGN EXCHANGE OFFICES

No.	Branch	Telephone
	BANGKOK	
1	BANG LAM POO BRANCH	0-2282-8253-4
2	FORTUNA	0-2254-4650
3	GOLD PLACE PLAZA	0-2254-6476
4	PRATUNAM BRANCH	
5	SIAM PARAGON (MAIN LEVEL)	
6	SUKHUMVIT 14	0-2229-5865-6
7	SUKHUMVIT 22	0-2258-5668
8	THANON PHRA ATHIT	0-2281-2277
9	TOP CHAREONKRUNG	
	CHIANGMAI	
10	CHIANGMAI BRANCH	0-5325-1811-2
11	CHIANGMAI NIGHT BAZAAR	0-5323-4657-8
12	THANON CHANG KHLAN BRANCH	0-5327-0431-4
13	THANON LOIKROH 2	0-5328-0322-3
14	THANON MOON MUANG	0-5327-7266
	CHONBURI	
15	CENTRAL PATTAYA	0-3842-0905
16	NA KLUEA	
17	PATTAYA SOI 13	0-3842-0274
18	PATTAYA SOI 13/3	
19	SOUTH PATTAYA	0-3842-7484
20	SOI BUA KAOW	
21	THANON PATTAYA SAI 2	
22	THANON PATTAYA TAI BRANCH	
23	THE AVENUE PATTAYA SUB BRANCH	
	KALASIN	
24	KALASIN PLAZA	0-4381-6401
	KHONKAEN	
25	KHONKAEN AIRPORT	0-4324-7597
	KRABI	
26	AO-NANG	0-7563-7771-2
27	PHI PHI ANDAMAN	0-7560-1150
28	PHI PHI ISLAND SUB BRANCH	0-7560-1010-2
	MAE HONG SORN	
29	PAI SUB BRANCH	0-5369-9062
	PHETCHABURI	
30	CHA AM	0-3247-2274
	PHANGNGA	
31	KHOLAK PHANGNGA SUB BRANCH	0-7642-5022-4
	PHUKET	
32	ABSOLUTE SEAPEARL PATONG	0-7634-5771
33	BAN SAI YUAN (RAWAI) SUBBRANCH	
34	KAMALA BEACH PHUKET SUB BRANCH	0-7627-8113-4
35	KATA SUB BRANCH	0-7633-3518-20
36	PATONG BRANCH	0-7634-0809-10
37	PATONG 3	0-7634-5054
38	PATONG OTOP	0-7634-0793
39	SOI TON TARN KATA BEACH	0-7633-0119
40	THANON NANAI PATONG SUB BRANCH	0-7634-5163-4
41	THANON PATAK (KARON)	0-7639-8305
	PRACHUAP KHIRI KHAN	
42	DAMNERN KASEM	0-3251-2408
43	HUA HIN BRANCH	0-3251-1120
44	HUA HIN COMPLEX	0-3251-1386
45	THANON NARESDAMRI	0-3251-1715
	SURATTHANI	
46	BANGRAK	0-7743-0223
47	BEACH ROAD (CHAWENG) SUB BRANCH	0-7741-3464
48	CHAWENG BEACH	0-7742-2493
49	CHAWENG BEACH 2	0-7742-2203
50	CHENGMON BEACH SUB BRANCH	0-7748-4223
51	LAMAI BEACH	0-7742-4386
52	LAMAI BEACH 2	0-7741-8656
53	HAD RIN	0-7737-5551
54	HAD YAO	0-7734-9291-2
55	IT COMPLEX	0-7745-8170-1
56	KHAO YAI NOI	0-7741-3419
57	KO PHA-NGAN SUB BRANCH	
58	LIVING SQUARE	0-7741-3851
59	THANON THAVEERATPAKDEE (CHAWENG)	
60	THONGSALA KOH PANGAN	0-7737-7044
	TAK	
61	MAE SOD	
	TRAD	
62	BANG BAO	0-3955-8091
63	KO CHANG SUB BRANCH	0-3955-1431-3

No.	Branch	Telephone	
UBON RATCHATHANI			
64	UBON RATCHATHANI AIRPORT	0-4525-6137	
UDORNDHANI			
65	UDORNDHANI AIRPORT	0-4224-0802	

FOREIGN BUSINESS CENTERS

No.	Branch	Telephone	
BANGKOK			
1	HEAD OFFICE	0-2296-2222	0-2296-4650
2	BANGNA-TRAD	0-2751-4043-4	
3	BANG PU	0-2324-3885-6	
4	BANGRAK	0-2235-5968	0-2237-7182-3
5	CHAROEN NAKHON	0-2437-0936	0-2438-3389
6	CHAENG WATTANA (SOFTWARE PARK)		0-2583-7206-7
7	CHOKCHAI 4	0-2539-8615-6	0-2538-9492
8	GEMOPOLIS INDUSTRIAL EATATE	0-2727-0425-6	
9	NONG KHAEM	0-2444-4336-7	
10	PLOENCHIT	0-2208-2133-6	
11	PRATUNAM PHRA-IN	0-2451-4540-1	
12	RAMA II	0-2451-4540-1	
13	SAMUT SAKHON	0-2221-1528-9	
14	SAMYAEK	0-2221-1528-9	
15	SUKHUMVIT 63	0-2390-1013-4	
16	SUKSAWAT 53	0-2463-5080-1	
17	THANON VIBHAVADI RANGSIT (SUN TOWER)		0-2273-8856-7
PROVINCES			
18	AMATA NAKHON INDUSTRIAL ESTATE	0-3845-8336-7	
19	CHONBURI	0-3828-9137-8	0-3879-0378
20	HATYAI	0-7423-7690-1	
21	LAEM CHABANG	0-3849-4905-6	
22	MAP TA PHUT	0-3860-8906-7	
23	PHUKET	0-7621-3899	
24	SIYAEK SANAM BIN CHIANGMAI	0-5320-0150	0-5328-5347-8

EXCLUSIVE BANKING CENTER

No.	Branch	Telephone
BANGKOK		
1	ALL SEASONS PLACE	0-2250-7575
2	THONGLOR (SUMMERSET SUKHUMVIT)	0-2381-6448
PROVINCES		
3	PHUKET	0-7621-1110 Ext. 9

EXCLUSIVE BANKING ZONE

No.	Branch	Telephone	
BANGKOK			
1	BANG KHEN	0-2579-1619	0-2561-3017-8
		0-2579-9930	
2	BANG RAK	0-2235-5524	
		0-2237-7177 Ext. 104	
3	ENERGY COMPLEX	0-2537-0130	0-2537-0156
4	LUMPINI	0-2286-5668-9	0-2285-6696-9
5	PLOENCHIT TOWER	0-2263-0667-9	0-2263-0159-60
6	RATCHADA PHISEK (THAPHRA-TAKSIN)	0-2248-4661	
7	RAMA II (KHEHA THONBURI 3)	0-2451-4094-8	
8	SAMYEAK	0-2912-9245	
9	SAMRONG	0-2331-5251	
10	SANAM PAO	0-2615-0198-9	0-2615-1074-6
11	SAPHAN KWAI	0-2278-0236	0-2272-2990-1
		0-2270-1134	
12	SIAM PARAGON	0-2899-5325	
13	SIYAEK SUAPA	0-2225-9502	0-2223-5310
		0-2223-5334-5	
14	THANON NANG LINCHI	0-2678-3016-8	0-2286-8842
		0-2286-5892	
15	THANON PHATHANAKAN	0-2726-2166	
16	THANON THEPHARAK	0-2385-0975-9	
17	WONGWIEN 22 KARAKADA	0-2222-7585	0-2221-9610
		0-2223-0760	
18	YAOWARAT	0-2518-2257	
PROVINCES			
19	THANON SUKHUMVIT CHONBURI	0-3827-2653-5	0-3827-4521
		0-3828-9097	

Summary of Specified Items per Form 56-2

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