



krungsri
กรุงศรี

A member of  MUFG
a global financial group

Connecting ASEAN

Realizing Regional and Global Opportunities

Emerging ASEAN Financial Powerhouse





IN REMEMBRANCE OF
HIS MAJESTY KING BHUMIBOL ADULYADEJ

Board of Directors, Management, and Staff of
Bank of Ayudhya Public Company Limited and Subsidiaries



LONG LIVE THE KING

Board of Directors, Management, and Staff of
Bank of Ayudhya Public Company Limited and Subsidiaries











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KRUNGSRI MISSION

To be a leading regional financial institution with global reach, committed responsibly to meeting the needs of our customers and serving society through sustainable growth

KRUNGSRI VISION

Highly-qualified team of professionals providing innovative products and services, dedicated to becoming our customers' number one preferred financial group

KRUNGSRI CORE VALUES

Customer Centricity: We put our customers first, understanding and anticipating their needs and expectations and responding with best solutions.

Integrity: We are fair and professional, inspiring trust and work with transparency, legalism and ethics.



Team Spirit: We work together as a team for the benefit of our customers and Krungsri with open hearts and open minds to reach our goals.

Passion for Excellence: We are committed to instill in ourselves the expectation of excellence in delivering our work and services.

Embracing Changes: We intend to do better everyday by opening ourselves to changes and new experiences that will fairly benefit Krungsri and our customers.

Global Awareness: We challenge ourselves as a valued member of a global financial group, supporting the growth of our customers both within and outside of Thailand.

MESSAGE FROM THE CHAIRMAN AND THE VICE-CHAIRMAN



2016 was a historical year for Thailand when the entire Kingdom mourned the passing of His Majesty King Bhumibol Adulyadej, one of Thailand's and the world's great kings. The grief we experienced was tempered by the ascension to the throne of His Majesty King Maha Vajiralongkorn Bodindradebayavarangkun as King Rama X. Thus 2016 will be remembered as an extraordinary year for all Thais as we have lived under the gracious reigns of two revered kings. His Late Majesty's boundless benevolence is and forever will be in our hearts: We will follow in His Late Majesty's footsteps by committing ourselves to good deeds.

Krungsri continued to deliver robust business performance although the financial industry as a whole encountered a challenging operating environment due to various factors throughout 2016, including moderate economic growth and the rise of financial technology, or FinTech. The Bank achieved its goals

as laid out in our Mid-Term Business Plan, a strategic framework to guide our business undertaking over three years (2015-2017) to build sustainable growth.

During the past year both Krungsri and MUFG maximized the potential of our partnership to ensure closer collaboration, thus cementing our position as a leading Thai bank. Krungsri, with its local insights and wide range of product offerings, is able to tap into MUFG's global network, international expertise and strong financial portfolio. This unique combination of Krungsri and MUFG is highly complementary, particularly in our common commitment to providing our clients with exceptional expertise. This is the key to our success in supporting major corporate customers to increase their presence in the global market.

In 2016 Krungsri also acquired Hattha Kaksekar Limited, a leading microfinance institution in Cambodia, marking another milestone for Krungsri toward becoming 'a major ASEAN financial powerhouse.' These achievements are the fruits of Krungsri's strength in our vision, business strategy, local expertise, extensive global network, and professional teamwork. Krungsri has formed a digital innovation team to develop financial products and services that better serve changing needs in an era when the role of digital technology is becoming ever more important. This parallels Krungsri's sponsorship of FinTech startups by sharing knowledge, expertise, and financial resources. The Bank's efforts have underscored its position as a leading bank and as a leader of financial innovation. Krungsri and MUFG professional teams are working together to further develop innovative financial technology to capture new business opportunities.

As we advance to the next phase of the digital banking era, we continue to attach significance to our branch network: It is our strong belief that service with the human touch of friendliness, hospitality, and understanding is irreplaceable by any technology. Despite changes in banking business models, Krungsri people constantly adhere to our commitment to deliver products and services with the highest standards of integrity and responsibility. The Bank's determination to conduct business ethically with good corporate governance remains steadfast. The Board of Directors is grateful to all our valued customers, shareholders, management, employees, and all stakeholders for their continued trust and support throughout 2016 and beyond.



Veraphan Teepsuwan
Chairman



Takayoshi Futae
Vice-Chairman

MESSAGE FROM THE PRESIDENT AND CHIEF EXECUTIVE OFFICER




In 2016 Krungsri was able to deliver robust operating results amidst a fragile and challenging operating environment stemming from both internal and external drivers. Export sector contraction due to both structural issues and weak external demand, Brexit and the US presidential election results were among some surprising developments. Krungsri progressed with robust growth, increased assets and non-interest income, and lower cost of fund, guided by our 3-year Mid-Term Business Plan launched in 2015. The robust financial performance was attributed to assets reaching 1.88 trillion baht, driven largely by notable loan growth of 11.2 percent, outperforming industry peers. Meanwhile, net profit set a new record of 21.4 billion baht – a solid growth of 14.9 percent over 2015. Concurrently, asset quality continued to improve as non-performing loans stood at 2.2 percent, the lowest since the Asian Financial Crisis.

With constant progress and innovation in financial technology together with potential disruption of the financial sector landscape, Krungsri advanced with our digital banking services to enhance the customer experience with maximum efficiency and security. In addition, Krungsri launched the Krungsri Uni Startup and Krungsri RISE projects to support FinTech startups by providing funding and management know-how that supported startups and helped sustain their business growth. Within our organization, we are instilling an innovative culture at all levels by actively supporting and encouraging our employees' innovative ideas and projects. We are also actively and constantly improving our operational efficiency by adopting digital and automated processes.

Under our customer-centric operating model, throughout 2016, Krungsri emphasized greater collaboration between employees within the Bank, the Krungsri Group, and MUFG to respond to customer needs with superior solutions. Leveraging MUFG's strong global network and relationships and Krungsri's local expertise, significant services and enhanced solutions including acquiring Hattha Kaksekar Limited (HKL), a leading microfinance institution in Cambodia, underscored our concrete steps forward toward our CLMV aspirations. Other regional highlights included supporting leading Thai corporate customers to expand their footprints in ASEAN and a business matching event with more than two hundred participating companies from Thailand, Japan, and the CLMV countries. These regional achievements demonstrated the unrivalled combined strength of the Krungsri-MUFG partnership in providing financial services for the Greater Mekong Subregion. Our commitment and responsible practices in providing financial products and solutions to customers have been recognized and applauded as reflected in our winning a wide range of industry accolades and awards across economic, social, and governance categories both domestically and internationally.

We will continue to apply our customer-centric strategy in 2017 to develop financial products and services for our customers. The Krungsri team will continue working together seamlessly to deliver an exceptional customer experience at every touchpoint. At the same time we will continue to innovate and enhance our internal processes to deliver our brand promise of Make Life Simple aiming to become our customers' number one preferred financial group.

I thank our valued customers, shareholders, employees, and all stakeholders for your continued support. On behalf of Krungsri's management, we are fully committed to strictly adhering to best practices in governance and to ethically conducting our businesses efficiently and responsibly based on our aspiration to be 'a major ASEAN financial powerhouse' with a global reach.



Noriaki Goto

President and Chief Executive Officer

BOARD OF DIRECTORS



1. Mr. Veraphan Teepsuwan
Chairman

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

7. Mr. Hirotake Taguchi
Director

2. Mr. Takayoshi Futae
Vice-Chairman
Nomination and Remuneration
Committee Member

5. Miss Potjaneer Thanavarant
Independent Director
Chairman of the Audit
Committee

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

3. Mr. Noriaki Goto
Executive Director
Chairman of the Executive
Committee

6. Mr. Takeshi Ogasawara
Director
Risk and Compliance
Committee Member

9. Mr. Phong-adul Kristnaraj
Independent Director
Audit Committee Member
Chairman of the Risk
and Compliance Committee



10. Miss Nopporn Tirawattanagool

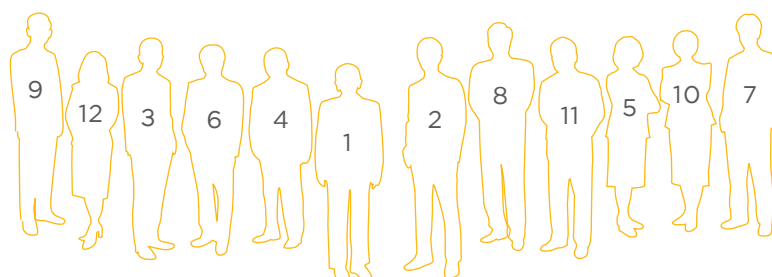
Director
Nomination and Remuneration
Committee Member
Risk and Compliance
Committee Member

11. Mr. Pornsanong Tuchinda

Executive Director
Executive Committee Member

12. Miss Duangdao Wongpanitkrit

Executive Director
Executive Committee Member



SENIOR MANAGEMENT



1. Mr. Noriaki Goto
President and
Chief Executive Officer

2. Mr. Pornsanong Tuchinda
Head of Commercial Banking

3. Mr. Masaaki Suzuki
Head of JPC/MNC Banking

4. Mr. Sudargo Harsono
Head of Retail
and Consumer Banking

5. Miss Phawana Niemloy
General Counsel

6. Miss Duangdao Wongpanitkrit
Chief Financial Officer

7. Mr. Phonganant Thanattrai
Head of Retail Banking
and Distribution Group

8. Mr. Sayam Prasitsirigul
Head of SME Banking Group

9. Mr. Tak Bunnag
Head of Global Markets Group

10. Mr. Rohit Khanna
Head of Corporate Strategy
and Planning Group

11. Mrs. Voranuch Dejakaisaya
Chief Information
and Operations Officer

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



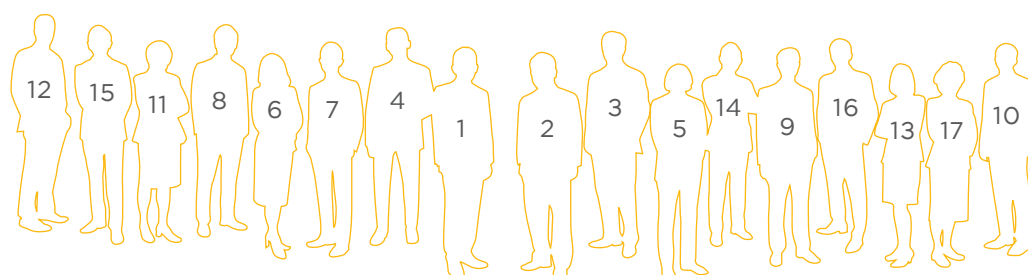
13. Miss Puntipa Hannoraseth
Head of Audit Group

16. Mr. Wittapon Jawjit
Head of Human Resources Group
(Effective February 1, 2017)

14. Mr. Pairote Cheunkrut
Head of Krungsri Auto Group

17. Mrs. Wanna Thamsirisup
Chief Information
and Operations Officer
(Until December 31, 2016)

15. Mr. Thakorn Pigapan
Head of Krungsri Consumer
Group
Head of Digital Banking
and Innovation Division



SENIOR MANAGEMENT: SUBSIDIARIES



1. Mrs. Kittiya Srisanit
Managing Director
Ayudhya Capital Auto
Lease PCL

5. Mr. Udomkarn Udomsab
Managing Director
Krungsri Securities PCL

8. Mr. Atis Ruchirawat
Managing Director
General Card Services Ltd.

2. Miss Nayanee Peaugkham
Managing Director
Ayudhya Capital Services
Co., Ltd.

6. Mr. Nick Smart
Chief Executive Officer
Tesco Card Services Ltd.
Tesco Life Assurance
Broker Ltd.
Tesco General Insurance
Broker Ltd.

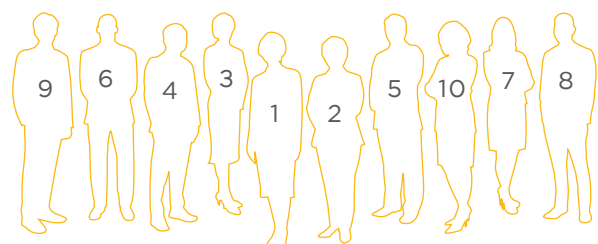
9. Mr. Piyasak Ukritnukun
Managing Director
Ngern Tid Lor Co., Ltd.

3. Miss Siriporn Sinacharoen
Managing Director
Krungsri Asset Management
Co., Ltd.

7. Mrs. Porawan Rungsang
Managing Director
Ayudhya Development Leasing
Co., Ltd.

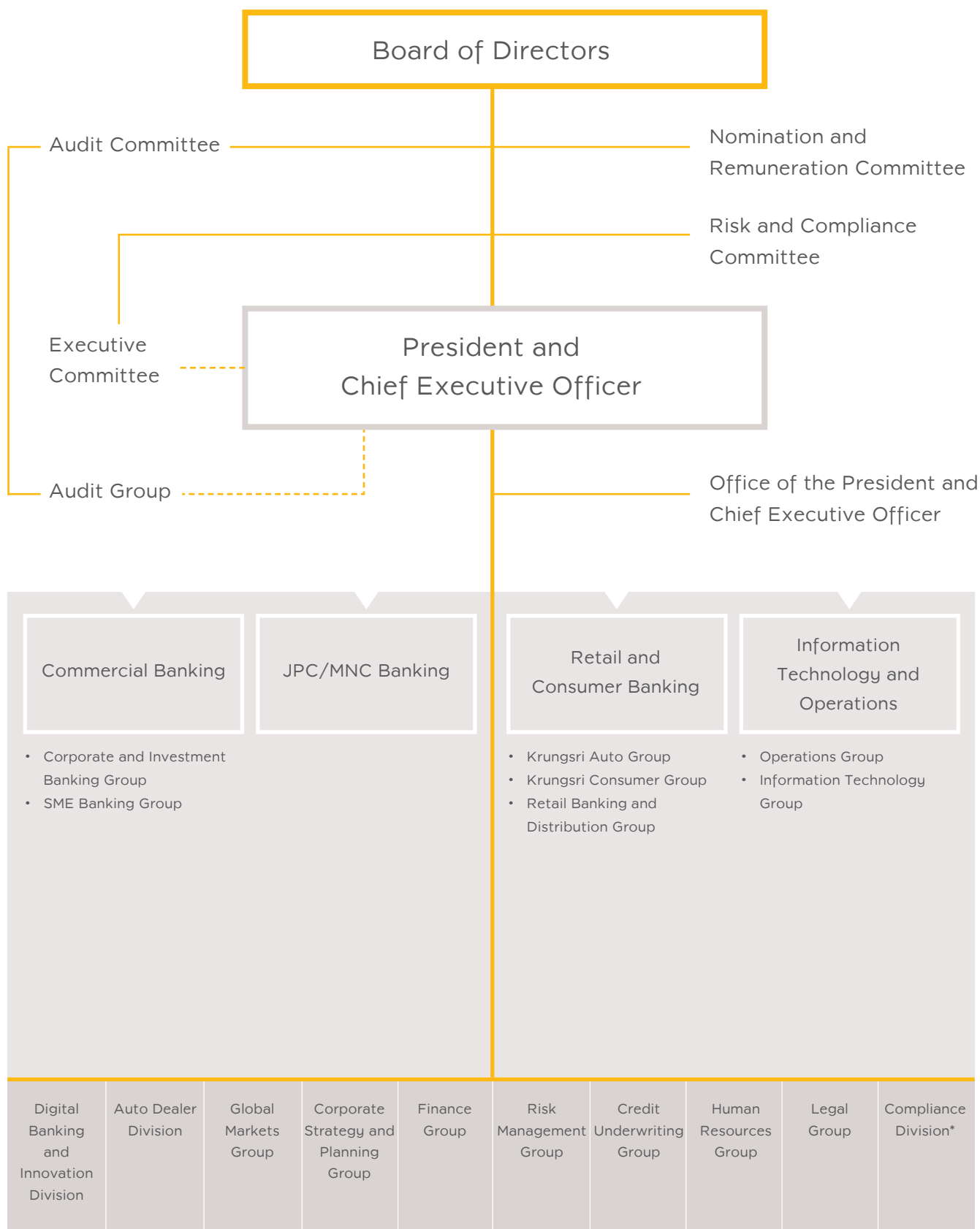
10. Miss Wanvimol Kanoktanaporn
Managing Director
Krungsriayudhya Card Co., Ltd.
(Until December 31, 2016)

4. Mr. Hout Ieng Tong
President & CEO
Hattha Kaksekar Limited



ORGANIZATION STRUCTURE

(as of January 1, 2017)



* Compliance Division reports directly to the Risk and Compliance Committee





Realizing Global Potential

We are committed to developing employees' full potential while upholding the principles of good governance, aiming to become a major ASEAN financial powerhouse.

ABOUT OUR CORPORATE GOVERNANCE

The Board of Directors recognizes that good corporate governance principles are a vital foundation for sustainable organizational growth in the international arena and important for facilitating effective business operations. Krungsri and companies in Krungsri's financial business group strive to continually develop and support good corporate governance, fostering and encouraging employees to perform their duties according to international good corporate governance principles. Doing so creates confidence among the shareholders, investors, and all stakeholders as well as adding value to Krungsri's business in the long run. Krungsri takes into account the risks and liabilities to stakeholders and every related party fairly and at the same time supports sustainable development for the economy, society, and environment.

The Board of Directors established **'Good Corporate Governance Principles'** (the Principles) in writing which cover shareholder rights and equitable treatment of shareholders, information disclosure and transparency, composition, qualifications, roles and responsibilities of the Board of Directors and the committees reporting

to the Board of Directors, internal control and internal audit systems, Krungsri's business philosophy, and roles towards the stakeholders including sustainable growth and social responsibility. The Principles also state Krungsri's Mission, Vision and Core Values, Employee's Code of Conduct and their compliance. In addition, Krungsri stipulates that the Principles be reviewed on an annual basis or without delay in case of any significant change. This is to ensure the appropriateness of the Principles against dynamic situations which may change from time to time, Krungsri's organizational structure, environmental situation of corporate governance of the Group and relevant regulations.

In 2016, the Board of Directors reviewed the Principles, with the roles and responsibilities of the Chairman of the Board and a minimum quorum of at least two-thirds for board decisions at the time of voting were added. The content of quality assessment of internal audit and the testing of audit's quality were revised to be up-to-date and in line with regulations and Krungsri's organizational structure.



Krungsri continuously disseminates and promotes the Principles via various channels, i.e. Krungsri's website under corporate governance topic, various activities to promote comprehensive understanding amongst employees, including training courses via Krungsri Learning Companion (KLC) to ensure that the Principles are communicated, adhered to, and complied.

Additionally, Krungsri drew up **'The Spirit & The Letter' (S&L)**, outlining key principles of integrity under applicable laws and good governance. Its main purpose is to encourage transparency of Krungsri's business operation as well as its accountability to stakeholders. The matters that employees should know and practice as well as matters that they should be aware of, are stated in writing. Punitive measures are also specified in cases of violations. Krungsri makes this document available on its website and activities including an annual S&L Week to enhance knowledge and understanding of the performance of work under the 'The Spirit & The Letter' are also arranged every year. In addition, each business function must appoint Compliance Champion to serve as the center for communication, knowledge enhancement, promotion of understanding of compliance with Krungsri's compliance issues, including rules and regulations of the regulators as well as policies, operational policies or requirements of corporate governance stipulated by Krungsri for employees in each particular function.

Good Corporate Governance Award

In 2016, Krungsri received the following Good Corporate Governance awards:

- Asia's Icon on Corporate Governance from the 12th Corporate Governance Asia Recognition Award 2016, the award presented to outstanding organizations that have continuously committed to the highest corporate governance standards and practices.
- The Asset Corporate Award-Platinum 2016, the top award granted to the organization with complete excellence in three aspects namely Corporate Governance, Social Responsibility, and Investor Relations by The Asset Magazine
- Asia's Best CEO (Investor Relations) and Asia's Best CFO (Investor Relations) from the 6th Asian Excellence Recognition Awards 2016. These awards reflect Krungsri's commitment and dedication to creating excellent communication with investors and corporate governance.
- Best Investor Relations Company (Thailand) and Asia's Best CSR from Corporate Governance Asia Magazine, reflecting Krungsri's management that emphasizes not only business success but also a dedication to excellence in corporate governance and a role model as an outstanding corporate citizen.
- Investors' Choice Award from Thai Investors Association. Krungsri is one of 47 companies receiving

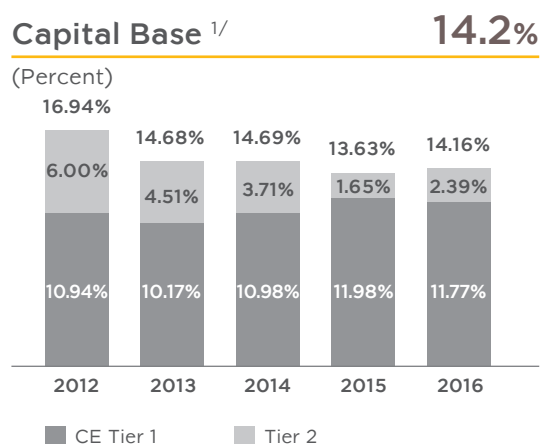
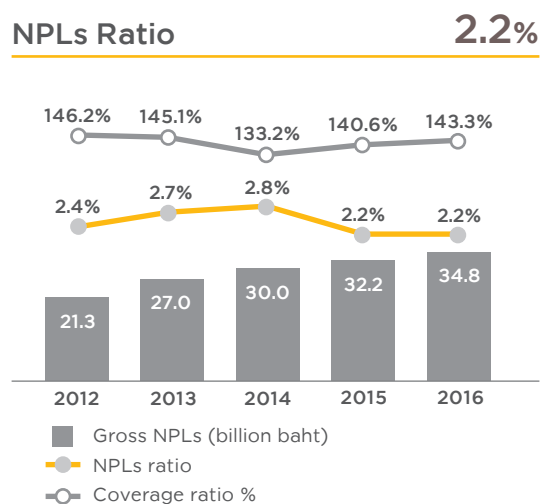
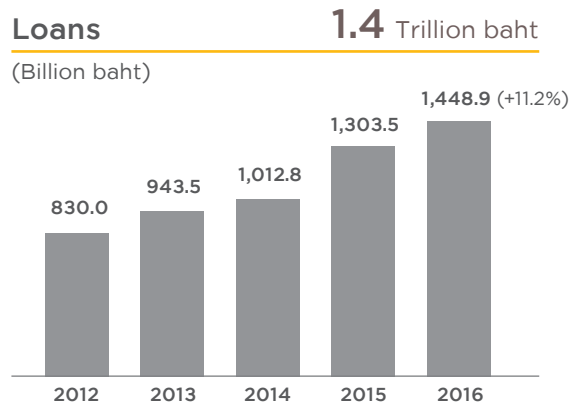


excellent full scores on the Annual General Meeting of Shareholders quality assessment for four consecutive years (2013-2016).

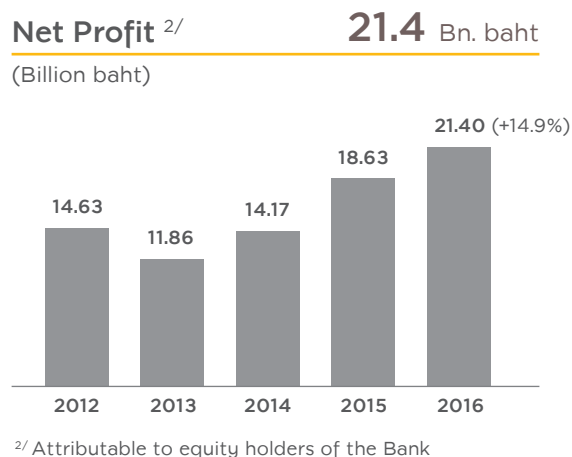
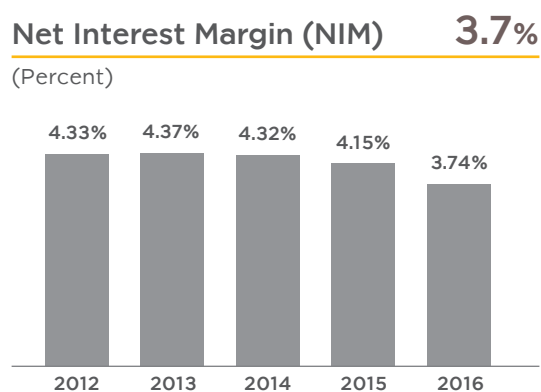
- Sustainability Report Award 2016 in the 'Outstanding' category from the Thai Listed Companies Association (Thai LCA). Krungsri is one of 23 companies receiving this honorable Outstanding Award. This is the first year that Krungsri receives the award and it clearly reflects Krungsri's progress in improving sustainability performance disclosure.
- Krungsri is one of 49 listed companies that passed ESG Assessment of the Stock Exchange of Thailand and listed on the Thailand Sustainability Investment (THSI) 2016. Krungsri is categorized among listed companies with market capitalization of more than 100,000 million baht which is considered to be a preferred stock that reflects distinguished environmental, social and governance (ESG) performance.

FINANCIAL HIGHLIGHTS

(Consolidated)



^{1/} Bank only (BASEL III effective in January 2013)
CAR requires by BOT at 8.5% for 2012-2015
and at 9.125% for 2016



Consolidated Financial Statements

	2016	2015	2014	2013 (Restated)	2012
Financial position information (Million baht)					
Total assets ^{1/}	1,883,188	1,705,517	1,211,362	1,179,606	1,071,965
Loans to customers ^{2/}	1,448,882	1,303,454	1,012,761	943,502	830,008
Allowance for doubtful accounts	49,462	44,944	39,776	38,986	31,029
Net NPLs	15,653	14,919	14,818	13,308	11,835
Gross NPLs	34,834	32,239	29,988	27,014	21,292
Total liabilities ^{1/}	1,674,420	1,514,769	1,079,692	1,058,052	958,479
Deposits	1,108,288	1,046,290	837,556	764,050	687,159
Total shareholders' equity	208,768	190,748	131,670	121,553	113,486
Operating performance (Million baht)					
Interest income	85,925	81,947	74,609	71,381	64,640
Interest expense	23,948	25,596	26,665	26,442	24,687
Interest income, net	61,977	56,350	47,943	44,939	39,953
Fees and service income, net	18,175	17,230	14,770	14,327	12,735
Non-interest and non-fee income	11,335	9,193	8,046	9,010	8,501
Other operating expenses	43,080	38,947	34,300	33,392	30,798
Impairment loss of loans and debt securities	21,315	20,186	18,107	18,959	11,385
Net profit ^{3/}	21,404	18,634	14,170	11,864	14,625
Financial ratios					
Return on average assets ^{1/} (%)	1.19	1.28	1.19	1.05	1.45
Return on average equity (%)	10.74	11.59	11.22	10.12	13.53
Net profit per share (Baht)	2.91	2.54	2.33	1.95	2.41
Cost / income ratio (%)	47.09	47.05	48.47	48.91	50.33
Capital adequacy ratio ^{4/} (%)	14.16	13.63	14.69	14.68	16.94
CE Tier 1 capital to risk weighted assets ratio ^{4/} (%)	11.77	11.98	10.98	10.17	10.94
Book value per share (Baht)	28.38	25.93	21.68	20.01	18.68
Loan to deposit ratio (%)	130.73	124.58	120.92	123.49	120.79
Loan to deposit plus debenture and bills of exchange ratio (%)	116.90	114.38	106.10	104.40	102.87
Net NPLs / loan ^{5/} (%)	1.00	1.05	1.40	1.33	1.34
Gross NPLs / loan ^{6/} (%)	2.21	2.24	2.79	2.67	2.39
Coverage ratio (%)	143.25	140.55	133.24	145.05	146.19

^{1/} Reclassified deferred tax 2014, presented for comparison

^{2/} Loans to customers less deferred revenue

^{3/} Attributable to equity holders of the Bank

^{4/} Bank only (BASEL III) for 2013-2016 and Bank only (BASEL II) for 2012

^{5/} Represents percentage of net NPLs divided by loans including money market loans less NPLs reserves

^{6/} Represents percentage of gross NPLs divided by loans including money market loans

AWARDS AND RECOGNITION



AWARDS AND RECOGNITION

Our customer-centric approach has enabled us to deliver a wide range of financial products and solutions by anticipating our customers' needs and serving them through innovation and technology. Our excellence in delivering these services has been recognized by a wide range of domestic and international professional organizations with numerous outstanding awards across categories such as good corporate governance, outstanding performance and management, digital and innovation, product initiatives, strategic branding, and leading-edge marketing initiatives.

CORPORATE GOVERNANCE

Krungsri places utmost importance on adhering to the best corporate governance and practices as we consider this an important fundamental supporting our sustainable growth. We continue our efforts to ensure a strong culture of corporate governance excellence. We have been recognized for outstanding leadership with a visionary and experienced team to

attain and maintain outstanding financial performance as well as the highest standards of corporate governance, business ethics, and corporate social responsibility, receiving numerous accolades for this:

- **Asia's Icon on Corporate Governance Award** (3rd recognition) Corporate Governance Asia
- **Asian Corporate Director Recognition Award** for Mr. Noriaki Goto (3rd recognition) Corporate Governance Asia
- **Asia's Best CEO** (Investor Relations) for Mr. Noriaki Goto (2nd recognition) Corporate Governance Asia
- **Asia's Best CFO** (Investor Relations) for Ms. Duangdao Wongpanitkrit (2nd recognition) Corporate Governance Asia
- **Best Investor Relations Company** (Thailand) (3rd recognition) Corporate Governance Asia
- **The Asset Corporate Award – Platinum 2016:** In recognition of Krungsri's excellence in Corporate Governance, Corporate Social Responsibility, and Investor Relations The Asset.





CORPORATE SOCIAL RESPONSIBILITY (CSR)

As a financial institution, we recognize our role in fostering inclusive growth and development through our core business activities. We also recognize the importance of sustainable development. Thus we adhere to the principles of good citizenship in conducting our business, committed to sustainable development by delivering economic, social, and environmental benefits for all stakeholders. We take pride in being recognized for our CSR policies and practices:

- **Asia's Best CSR** (2nd recognition) Corporate Governance Asia
- **Corporate Social Responsibility Excellence Recognition** (4th recognition) under the Thai-US Creative Partnership American Chamber of Commerce in Thailand (AMCHAM)

- **Listed in Thailand Sustainability Investment (THSI) 2016** – Krungsri has been added to THSI 2016 as a listed company with outstanding performance on environmental, social, and governance (ESG) issues. The Stock Exchange of Thailand (SET)
- **Sustainability Report Award 2016** – **Outstanding:** Krungsri is one of 23 companies receiving this honorable outstanding award. Thai Listed Companies Association.
- **SDG-Enhanced Sustainability Report 2016** – In recognition of Krungsri's disclosures of economic, social, and environmental issues aligned with the United Nations' Sustainable Development Goals 2030 (SDG2030) Thaipat Institute

OUTSTANDING PERFORMANCE AND MANAGEMENT

Driven by our customer-centric approach, we are committed to delivering excellent financial products and services to our valued customers. We anticipate our customers' needs and serve them through innovation and technology. Our strength in both our commercial and retail businesses and the fruit of our passion to deliver excellent products and services to customers have been recognized in these markets:

- **The Asset Best CEO in Banking and Finance** for Mr. Noriaki Goto-First recipient from Thailand in banking and finance sector to receive this accolade.
The Asset
- **Best Commercial Bank Thailand 2016**
The Global Business Outlook
- **Best Retail Bank Thailand 2016**
The Global Business Outlook.

DIGITAL AND INNOVATION

Riding the wave of the digital revolution, Krungsri is pursuing digital transformation in many forms, focusing on and end-to-end customer experience. Many digital initiatives provide new ways to engage with employees and customers to deliver enhanced value. Krungsri has been recognized for our digital and innovation achievements:

- **Social Media Initiative of the Year – Thailand**
Asian Banking & Finance
- **Thailand Domestic Technology and Operations Bank of the Year**
Asian Banking & Finance



- **Best Branch Automation Project in Thailand**
The Asian Banker
- **Best Social Media Bank Thailand 2016**
Global Banking and Finance Review.

PRODUCT INITIATIVES

Product initiatives are important in financial services and ours have made us an industry leader, focusing on satisfying consumer needs. Krungsri has been praised for various innovative products:

- **Consumer Finance Product of the Year 2016**
The Asian Banker
- **Best Consumer Finance Product in Thailand**
The Asian Banker
- **Best Deposit Product in Thailand**
The Asian Banker
- **Mortgage and Home Loan Product of the Year – Thailand**
Asian Banking & Finance
- **Automotive Lending Initiative of the Year – Thailand**
Asian Banking & Finance
- **Best Auto Leasing Award**
Grand Prix International.

STRATEGIC BRANDING & MARKETING

Well-executed branding and marketing strategies give us important competitive advantages and create a clear identity and brand strength. We're dedicated to creating outstanding marketing solutions by innovative and leading-edge creative work and results-based effectiveness. In 2016 Krungsri was recognized for strategic branding and marketing:

- **Advertising Campaign of the Year – Thailand**
Asian Banking & Finance
- **Efma – Accenture Global Distribution & Marketing Award (Gold medal)**
Efma
- **Thailand's Most Admired Brand (4th recognition)**
BrandAge Magazine Thailand
- **Superbrands Award (5th recognition)**
Superbrands Thailand Council.





Financial Technology Advancement

We innovate the most cutting-edge ASEAN financial technologies offering the utmost efficiency and security to meet diverse customer needs.

OPERATING ENVIRONMENT



THE THAI ECONOMY IN 2016 AND THE 2017 OUTLOOK

2016 GOVERNMENT, TOURISM, AND CONSUMER SPENDING SUPPORT THE ECONOMY

The Thai economy grew by 3.2 percent in 2016, up from 2.8 percent in 2015, the highest growth rate in four years. In addition to the effects of rebounding private expenditure, this was achieved through high levels of government expenditure and ongoing growth in the tourism sector. Providing the assurance of continuity following the August constitutional referendum, the Government played an extended role in supporting the economy by direct spending, improving financial support for low-income earners, making nationwide small-scale public investments, stimulating the property market, and using quasi-fiscal tools such as arranging low-interest loans to farmers and SMEs. In the tourism sector, despite a temporary slowdown in the wake of the bombings in the Southern provinces, the suppression of 'zero-dollar' tours, and the period of

mourning following October 13, total foreign tourist arrivals grew robustly by 8.9 percent.

The economy also benefited from a greater-than-anticipated expansion in consumer spending aided by tax cuts that stimulated spending and boosted domestic tourism in addition to abating problems caused by drought in the agricultural sector. Problems persisted, though. Private sector investment remained sluggish due to slow progress with government infrastructure projects and ongoing export sector weakness. In 2016, value of exports rose only by 0.5 percent, caused by both falling demand from important trade partners and several structural problems, including a lack of competitiveness and barriers to international trade.

The country's improving financial state also helped to bolster the economy. Commercial banks reduced their lending rates at the start of the year, lowering costs for indebted customers. The Bank of Thailand also maintained low interest rates (1.5 percent) throughout the year



to help underpin the recovery. Strengthening demand and the increasing price of crude oil on world markets increased inflationary pressure, though this remained at a low of only 0.2 percent. As with other regional currencies, the baht weakened against the dollar during the year, although a positive current account balance and strong international reserves helped somewhat to ameliorate the impacts of external disruptions, including the increasing use of negative interest rates by central banks in major economies, Brexit, and the uncertainties arising from the US presidential election, including its effects on US interest rates.

2017 A MORE BALANCED, BROADER-BASED ECONOMIC RECOVERY

The economy is forecast to grow by 3.3 percent in 2017, with expansion driven by four factors.

First, growth in private consumption is expected to be similar to that of 2016, aided by the continuing recovery in farm income as the effects of the 2016 drought dissipate; minimum wage increases; and personal income tax decreases. At the same time household debt incurred under the first-car scheme will begin to be paid off: this too will help increase consumer purchasing power.

Second, government measures aimed at stimulating the economy will continue to bear fruit, including increased liquidity for agricultural operations and SME; increased mid-year central government funding by almost 200 billion baht for disbursement as

provincial and village-level pump-priming; government spending on major infrastructure development, with expenditures starting to flow after the bidding process for several projects is complete; and long-term government plans to build confidence and attract private sector investment by, for example, granting special tax status and developing the Eastern Economic Corridor.

The third economic driver will be the export sector, which hopefully will continue to grow, but at low levels: 2017 forecasts call for a 1.8 percent expansion – partly due to price factors, improved exports to trade partners, and an expanding global economy which the International Monetary Fund (IMF) anticipates a growth of 3.4 percent, up from 3.1 percent in 2016.

Finally, tourism will remain vitally important for the Thai economy, and once the effects of suppressing illegal tours have worked their way through the system, new tourist sites have been opened, and low-cost carriers have opened new routes, this sector should expand by 8 to 10 percent in 2017, bringing with it a steady stream of foreign earnings.

The overall picture, then is of an economic recovery that is both more

balanced and broader-based throughout the country. Monetary policy should remain accommodative, helping to nurture economic growth, while the Bank of Thailand is expected to maintain its policy of low interest rates throughout the year. Despite the threat of increasing inflationary pressures stoked by strengthening consumer demand and rising oil prices following OPEC's decision to cut production for the first time in eight years, inflation is nevertheless expected to remain within the official target range. That said, the economy will still face challenges – both domestic and international. The political future of the country and the prospect of upcoming elections will affect domestic confidence, while internationally the new US President might signal considerable uncertainties for international trade and monetary policy and the unfolding of Brexit and elections in many European nations may have additional consequences for Thailand. Meanwhile, curbing risks in China's financial and property markets will continue with the potential to affect its economic growth and trade in the region, including Thailand. However, despite the possibility of turbulence, the country's still-sound economic fundamentals and external stability should serve as a buffer against shocks to the Thai economy.



THAILAND'S COMMERCIAL BANKS IN 2016 AND OUTLOOK FOR 2017

2016 SECTOR OVERVIEW

As the Thai economy recovered gradually with limited growth in some sectors, commercial banks were more cautious about providing loans amid concerns about rising bad debt. That resulted in a slow rate of lending growth at 2.0 percent in 2016. Loans from business sector grew 0.6 percent, mostly driven by a 1.8 percent growth from small and medium-sized enterprises (SME). Retail lending rose 4.9 percent, driven by growth from every segment. Auto loans increased 1.3 percent, while housing loans grew 6.9 percent, mainly due to the government's property incentives (a reduction on transfer and mortgage registration fees). Credit card and personal loans rose 5.9 percent and 3.8 percent respectively, while growth was outstanding in the fourth quarter thanks to spending demand during the festive season at year-end and the government's stimulus measures. (spending stimulus for personal income tax deduction from spending no more than 15,000 baht during December 14-31, 2016).

Deposits grew 2.7 percent, in line with a slowdown in lending, while bills of exchange rose 1.7 percent from 2015. The banking sector's liquidity remained satisfactory in 2016 with a loan to deposit ratio including bills of exchange at 96.3 percent, compared to 97.0 percent in 2015. Although commercial banks were under pressure from a reduction in lending rates in April, net interest margins (NIM) slightly increased to 2.6 percent from 2.5 percent in 2015, thanks to prudent cost management.

Asset quality has deteriorated continuously especially lending to SME. The ratio of non-performing loans (NPLs) increased to 2.83 percent of total lending from 2.55 percent in 2015. To cope with rising non-performing loans and future risk of deterioration in asset quality, commercial banks set aside higher provisions, pushing up loan loss coverage ratio to 159.6 percent in 2016 from 156.3 percent in 2015.

Despite economic uncertainty and an increase in loan-loss provisions, Thai commercial banks recorded a combined net profit of 199 billion baht, rose by 3.6 percent from a year earlier.

An increase in net profit mainly driven by their successful deposit portfolio management by raising the proportion of current and saving accounts (CASA). As a result, return of assets (ROA) was stable at 1.1 percent.

The Thai banking sector had strong capital position at 2,363.2 billion baht, up 134.6 billion baht from 2015, mostly from accumulated profits. As a result, the capital adequacy ratio (BIS) increased to 18.0 percent and the tier-1 capital ratio and the tier-2 capital ratio rose to 15.1 percent and 3.0 percent respectively.





In 2016, leading commercial banks opened branches in neighboring countries which had robust economic growth such as Cambodia, Lao PDR, Myanmar and Vietnam (CLMV) in a bid to expand business opportunity to boost growth. Thai banks were also active in acquiring assets at home and overseas. Among them included Krungsri's acquisition of Hattha Kaksekar Limited, a microfinance institution in Cambodia, and a recently-announced plan by TISCO Bank to buy retail business from Standard Chartered (Thai) Limited.

2016 was the first year of the third phase for Thai financial sector development plan for 2016 to 2020. This is in accordance with the master plan developed by the Bank of Thailand and the Finance Ministry for the first phase (2004-2008) and the second phase (2010-2014). The plan is aimed

at strengthening the competitiveness, promoting access to financial services, developing infrastructure, and maintaining stability of the Thai financial sector. The launch of digital banking via electronics channels is part of the third phase and it is a priority to encourage the government, business sector and people to widely use financial services via electronics channels.

The Bank of Thailand and the government have joined hands to create a strategic plan to develop the national infrastructure for electronic payment (National e-Payment Master Plan) and PromptPay will be the first project to be materialized under the master plan. PromptPay is a new system that allows users to transfer money by registering their citizen identification numbers or mobile phone numbers linked with a bank account. So far, 21 banks have participated in the project. PromptPay is scheduled to

begin services in the first quarter of 2017. The swift change in new technology has led to advance development for banking services. Technology has played a major role in supporting businesses especially financial services or so called Financial Technology (FinTech). In line with the global trend, FinTech is a major catalyst that drives changes to financial services. It enables consumers to have fast and multiple access to funding and financial services. For banks, FinTech will not only help boost efficiency and reduce operating costs, but also increase the competitiveness in domestic and overseas markets. Commercial banks have prepared their readiness for FinTech in several ways such as setting up internal research and development teams to create new types of services and investments in FinTech Startup through venture capitals or business cooperation between banks and FinTech.



2017 BUSINESS OUTLOOK

The Thai banking sector is likely to perform better in 2017 on expectations of improved loan demand and economic outlook. The country's economic growth will be driven by the government's infrastructure investment, recovery in private consumption, exports and tourism sector. Private consumption is expected to receive a boost from pickup in farm income in the agriculture sector while the ending of debt burden for first-car buyers should encourage some consumers to buy new cars. As a result, the sector's loan is expected to grow 5-6 percent in 2017.

Deposits are likely to increase in line with lending demand and the growing economy. Banks are expected to launch new deposit products to offset

those maturing in 2016, which should help boost liquidity.

However, Thai banks are still facing challenges to maintain interest income and fee income and control quality of its assets while the overall economy is in the phase of recovery. Net interest income and fee income may be affected by the launch of PromptPay, which will reduce fees from money transfer. Banks have to be well-prepared for any possible changes from regulatory fronts such as Basel III and accounting standards as well as a rapid change in technology. While banks have adopted strategies for electronics banking, providing services at physical branches is still important and the main focus will be on lending, financial planning and investment advisory services. Finally, all preparation will ensure that banks will be able to cope with changes in regulatory and financial technology with utmost efficiency.

The Thai banking sector is likely to perform better in 2017 on expectation of improved loan demand and the economic outlook.

COMPETITIVE CAPABILITY



OUR STORY

Bank of Ayudhya Public Company Limited (BAY or Krungsri) officially opened its doors on April 1, 1945, finding immediate public favor, growing rapidly, and eventually listed on the Stock Exchange of Thailand on September 26, 1977. The Bank has grown steadily to the present day: As of year-end the Krungsri Group boasted total registered capital of 75,741 million baht and 73,558 million baht in paid-up capital.

The Krungsri Group is Thailand's fifth largest universal bank by assets, loans, and deposits and is a strategic member of the Mitsubishi UFJ Financial Group (MUFG), Japan's largest financial group and one of the world's largest financial groups.

Krungsri constantly strives to meet the ever-changing needs of our broad customer base by offering a comprehensive range of universal banking products and services to key target groups: commercial banking (Thai, Japanese, multinational corporations, and SMEs) and retail customers. We also provide related

financial services through our subsidiaries and associated companies, which include wealth management, credit cards, non-life insurance, asset management, securities trading, auto hire purchase, equipment leasing, factoring, microfinance, and installment loans.

Throughout 2016 we made considerable progress in delivering our strategic priorities including progress on our Mid-Term Business Plan, synergy with MUFG, and regional expansion. In addition, as banking becomes more digitized, shaping the banking business landscape going forward, in 2016 Krungsri established the E-Business Division which will transform into the Digital Banking and Innovation Group in 2017.

MID-TERM BUSINESS PLAN

During 2014, Krungsri created its first Mid-Term Business Plan (MTBP) – a strategic framework to guide Krungsri's business operations over the period between 2015 and 2017.



Our aspiration "To be a top-tier financial group in Thailand" is aligned with MUFG's vision to "Be the world's most trusted financial group". The plan includes strategies and initiatives to turn this aspiration into reality, and was created following the assessment of global and domestic developments, regulatory trends, and growth opportunity trends while accounting for their possible impact on Krungsri. The plan serves as the roadmap towards our goal while assuring group-wide alignment.

KEY STRATEGIC THEMES

Our plan identified three key strategic themes:

- **Grow assets**
- **Increase non-interest income, and**
- **Reduce cost of funds**

We are aware that as a financial institution, we must maintain safety and soundness for the Krungsri Group. Therefore, in addition to the three business-related key strategic themes, we have also identified four themes to strengthen governance that support our business endeavors.

- Strengthen internal controls
- Align robust processes
- Operate productively and efficiently, and
- Ensure talent management along with a great working environment.

These Key Strategic Themes will be the center of our business strategy, going forward.

9 Core Business Strategies & 5 Management Platform Strategies

Under these Key Strategic Themes, we have identified 9 Core Business Strategies and 5 Management Platform Strategies as follows:

9 Core Business Strategies

1. Maintain Leading Position in Consumer/Auto Hire Purchase
2. Become a Tier 1 Mortgage Player
3. Core Banking Strategy
4. Enhance Transaction Banking
5. Strengthen FX Business
6. Enhance Funding Capabilities
7. Expand Customer Base through Customer-Centric Approach
8. MUFG/BTMU Synergy Strategy, and
9. Corporate and Retail Collaboration

5 Management Platform Strategies

1. Enhance Financial Management
2. Enhance Risk Management
3. Best-in-Class Legal, Compliance, and Fraud Management
4. Enhance Operational Excellence/Best-in-Class IT Platform, and
5. OneKrungsri HR Platform

To carry out these strategies, each business unit established targets and plans to help transform their efforts into tangible results. Details of these targets and plans vary with each business unit, while we strive for alignment across the Group.

MID-TERM BUSINESS PLAN PROGRESS

We run our PDCA (plan-do-check-action) cycle against these strategies and initiatives under the MTBP to confirm that we are in line with the plan, and we consider adjustments and take action based on our progress and market conditions. 2016 saw a challenging environment for the banking industry, but we believe we have navigated our organization successfully through this. We were able to achieve significant progress on each initiative as reflected in our financial performance.

We believe we have navigated our organization successfully in 2016. We were able to achieve significant progress in initiatives under the MTBP. In 2017, we will continue our efforts to assume further progress on our strategies and initiatives.

2017 will be the third and last year of our first MTBP. We will continue our efforts to assure further progress on our strategies and initiatives while also formulating our next mid-term plan for 2018–2020 to continuously meet the expectations of our various stakeholders.

CUSTOMER CENTRICITY – COLLABORATING FOR CUSTOMERS

Our Mid-Term Business Plan includes some transformative initiatives, but customers will always remain at the center of our business strategy and initiatives – Customer Centricity. We collaborate for our customers as OneKrungsri, which entails collaboration not only among front, middle, and back offices, but also between branches and Group subsidiaries. We also strive to combine the OneKrungsri and Make Life Simple philosophies to deliver integrated financial solutions that best match the needs of our customers.

LEVERAGING SYNERGIES WITH MUFG

SYNERGY HIGHLIGHTS

Our focus on leveraging both the Krungsri and MUFG complementary strengths showed steady progress throughout 2016. Various success cases demonstrated the power of synergy between Krungsri and MUFG, greatly enhancing our competitive advantage and our ability to offer superior products and services.

- **Payroll account acquisition:** We acquired more than 23,000 payroll accounts and promoted cross-

selling retail banking services such as credit cards and personal loans to employees at Japanese corporate clients.

- **Supply chain financing:** We promoted end-to-end solutions from supplier financing to dealer financing, leveraging Japanese manufacturers and their supply chains. Using MUFG's long-term relationship with Japanese car manufacturers, Krungsri saw considerable business opportunities in the auto dealer segment and cross-sold to substantial wallet share in the hire purchase business.
- **Business matching:** In November 2016 Krungsri and MUFG jointly organized the Business Matching Fair for the third time in Thailand, attracting 180 Thai, Japanese and the CLMV countries companies and recording over 400 business matches. This created opportunities for Thai companies to expand into the Japanese market, while providing a platform for MUFG customers to connect with Thai entrepreneurs.
- **Investment banking:** We enhanced cross-sell investment banking products, focusing on the debt capital market, project financing, and securitization where we could leverage MUFG's global product capabilities and Krungsri's domestic investment banking services. Successful investment banking cases in 2016 included developing and concluding the securitization business in Thailand for a Japanese company.
- **Transaction banking:** We leveraged products and process know-how from MUFG to close market product gaps and successfully promoted products such as regional cash-pooling and structured trade finance.



- **Cross-border business:** We used MUFG's global network to support local corporates and other customers in Thailand who are becoming increasingly globalized and in need of effective global banking services as they venture abroad, whether within ASEAN or further afield. Successful cases of cross-border business in 2016 included Krungsri and BTMU providing financing support for one of Thailand's largest cement companies to expand their business in Asia and for one of Thailand's largest retail groups to expand their business in Southeast Asia.

MUFG synergies during 2016 have empowered Krungsri to better respond to our clients' financial needs. Looking forward to 2017 Krungsri will continue to enhance our service capabilities for our customers by synergizing MUFG's global platform and networks with Krungsri's local expertise and strengths.



REGIONAL BUSINESS EXPANSION – ACQUISITION OF MICROFINANCE INSTITUTION IN CAMBODIA

In 2016, Krungsri achieved another milestone achievement for regional footprint expansion from our successful acquisition of all registered and issued shares (100 percent) of Hattha Kaksekar Limited (HKL), the fourth largest microfinance institution in Cambodia in September 2016. As a result of this acquisition, HKL became a Krungsri Group subsidiary. This acquisition is another step forward in our regional expansion to capture growth opportunities by leveraging our strength in retail banking and microfinance. In addition, Krungsri's current presence in the rapidly growing CLMV countries (Cambodia, Lao PDR, Myanmar and Vietnam) includes two branches, a joint venture business in

Lao PDR, and a representative office in Myanmar, all of which move Krungsri closer to the vision of becoming 'A Major ASEAN Financial Powerhouse'.

DIGITAL BANKING AND INNOVATION

Aspiring to become the leader in digital services, Krungsri ceaselessly introduces new products and services to meet the digital needs of clients in various target groups. With the 2016 establishment of the E-Business Division and its upcoming transformation into the Digital Banking and Innovation Division in 2017, we aim to enhance customer and employee experience with a comprehensive range of services to increase interactions with external customers and to further strengthen our service infrastructure so as to accommodate future services. In creating perfect digital-age financial services with maximum efficiency, we are guided by the Seven Pillars of Digital and Innovation Strategy and the Eleven Boxes for Technological Innovation and Investment.

THE SEVEN PILLARS OF DIGITAL AND INNOVATION STRATEGY

1. Multi-channel and Omni-channel

The priority of customer service is the imperative to comprehend data and customer behavior through all our existing channels i.e. online channels, Call Center, and branches. This will help us understand and take care of customers better. At the same time, Krungsri can build on such insights for the development of sales, marketing, and services by focusing on channels that customers can easily access such as mobile phones and online channels.

2. Branch Transformation

We constantly review our branch model as well as our approach to offer products and services to ensure they suit the needs and lifestyles of today's consumers. In the future, we will shift toward a more technology-oriented approach that aligns with customer behaviors specific to each area while streamlining transactions or creating self-service stations. Furthermore, our employees will be provided with tools facilitating our teams' customer insight to assist them in selecting the best products and services for each customer.

3. Process Digitization

To improve operating processes in line with our 'Make Life Simple' brand promise, Krungsri has adopted state-of-the-art technology to enhance service efficiency and boost customer satisfaction as well as digitalizing financial transactions to meet the demand of the new generation who prefer financial self-services.



4. Digital Marketing and Social Media

Online customers are of great importance to us: We have developed an effective structure of online content and displays to maximize customer knowledge of our products as well as personalized website content to suit customers in each defined segment. In addition, Krungsri leverages social media so that customers gain the correct financial knowledge presented in easy-to-digest formats. Social media serves as a medium for real-time interaction between the Bank and customers, broadening our opportunity to increase sales as well as to study consumer behavior for optimal marketing effect.

5. Innovation Culture

To be an organization of innovation, Krungsri pays close attention to the views of all employees. We also adjust operating methods to foster creativity in the organization by providing forums for employees to share new ideas anytime and anywhere with the Krungsri IGNITE application. These ideas will be collected by the IGNITE Core Team, who select brilliant ideas and turn them into practical solutions. What we search for are ideas that fix customer or employee pain points because we believe that happy employees equal happy customers.

6. StartUp/FinTech Experiments

In 2016, Krungsri set up a subsidiary named Krungsri Finnovate to invest in startups and FinTech businesses. Up to 2015, the Bank organized the Krungsri Uni Startup program as incubator for startups owned by university students. In 2016, Krungsri RISE FinTech Accelerator was launched to nurture FinTech startups with potential to enjoy robust growth. The objective of this project is to support participating teams with advice and guidelines from experts as well as business opportunities. In addition, we have discussed FinTech with both local and international entities to seek the best solutions and platforms for integration with those of the Bank to accelerate the pace of Krungsri's innovation.

7. National e-Payment

To facilitate the National e-Payment Master Plan, Krungsri has developed an infrastructure to serve the transactional needs of customers, including online tax payment linked to the PromptPay system using mobile phone numbers or citizen ID numbers instead of account numbers. We are also developing a system to support PromptPay money transfers that will reduce transfer fees, expected to be operational in early 2017.

THE ELEVEN BOXES FOR TECHNOLOGICAL INNOVATION AND INVESTMENT

1. Artificial Intelligence (AI) and Machine Learning

Applying artificial intelligence to the banking business for service provision and system improvement through machine learning of customers' demand. This will expedite operating processes e.g. customer service, credit underwriting, and investment consultancy.

2. Big Data/Data Analytics

The use of big data and data analytics to analyze available information and identify individual customers' preferences in an accurate and timely manner, including designing of operating procedures based on the obtained insights.

3. Block-chain

Leveraging the right technology for the right purpose to speed up data updating and increase transactional transparency for accountability as well as security.

4. Smart Application Programming Interface (API)

Using application programming interface (API) to connect Krungsri



with service providers in order to meet unique demands of service users, providing them with quality and fast service through online channels seamlessly.

5. Super Mobile App

We are committed to creating the best mobile banking application in Thailand, with core development to turn mobile phones into a payment platform that will accommodate various types of payments, including PromptPay, m-Payments, and QR code scanning.

6. Biometric Authentication

Building biometric technologies such as retinal scanning, fingerprint scanning, voice authentication for online transactions, and identity verification in other operating processes to assure customers of Krungsri's strengthened transaction security.

7. Social Lending Platform

Building an alliance between Krungsri and FinTech firms in various forms of cooperation to invent and select comprehensive and reliable services.

8. Insurance Technology

Building on existing businesses to

enable clients to purchase insurance policies anytime and anywhere using Krungsri's online platform, which operates based on a model that calculates and offers premiums according to individual customer behavior.

9. Wealth Management

As technology progresses rapidly, we act as financial consultant providing financial advice to clients to enable them to enjoy our services which are compatible with different lifestyles, to generate income, and to ultimately achieve life-long financial security with the right technology.

10. e-Commerce

Developing digital competence in terms of platforms and payment technologies to establish a sound ecosystem that meets the needs of Thai SMEs, enabling them to thrive in the online marketplace.

11. Cross-Border Money Transfer

Krungsri fully supports FinTech developments to facilitate and reduce cross-border transaction costs – especially for the CLMV countries – by adopting the ISO 2022 standards.

OUR PHILOSOPHY

Our mission is to become a leading regional financial institution with sustainable growth achieved through confidence in the organization from all stakeholders. We consider good governance an essential ingredient in the recipe for sustainable growth and adhering to the very best in good governance practices is part of our core philosophy. Thus we have devoted great care and effort to comprehensively develop a strong culture of solid corporate governance. In addition, our focus on corporate governance aligns us with the Krungsri Group's role in the Mitsubishi UFJ Financial Group (MUFG) whose corporate vision is "Be the world's most trusted financial group". This mission obliges us to ensure that we continually adopt and adhere to corporate governance excellence.

When it comes to putting our vision into practice, customers will always be at the heart of all our undertakings using a customer-centric approach that we apply to all our financial products and services. In addition, the Bank's Make Life Simple philosophy has been combined with this customer-centric approach to deliver integrated financial solutions that best match our customers' needs.

Combined, these approaches enable us to deepen our engagement and relationships with customers, as evidenced by the numerous recognitions and awards conferred on Krungsri by various national and international and organizations as well as professional associations throughout 2016.

CORPORATE GOVERNANCE EXCELLENCE

Krungsri is determined to achieve sustainable growth and increase long-term business value through legitimate, transparent, and auditable operations. In addition, we are committed to integrity as an important foundation considering risks, responsibilities and fair treatment to stakeholders and all relevant parties together with supporting sustainable economic, social and environmental development.

Our Board of Directors has instituted Good Corporate Governance Principles in alignment with the ASEAN Corporate Governance Scorecard to be used as a framework for business conduct and enrichment of our international standard practices. These Principles also serve as the behavior framework to be strictly adhered to by all directors, executives and employees in performing their duties.

Our adherence to the highest standards of Good Corporate Governance Principles which cover guidelines on various areas i.e. roles and responsibilities of Board of Directors; shareholders' rights and equitable treatment; internal control and internal audit system; disclosure of information and transparency as well as investor relations practices and corporate social responsibility (CSR) projects has been recognized with the **ICON on Corporate Governance Award** from Corporate Governance Asia for 3 consecutive years (2014-2016) and **The Asset Corporate Awards -Platinum** in Governance, CSR and Investor Relations, from The Asset last year.

In 2016, Krungsri was one of 49 listed companies that passed ESG Assessment of the Stock Exchange of Thailand and was listed on Thailand Sustainability Investment (THSI) 2016, reflecting Krungsri's distinguished environmental, social and governance (ESG) performance.

OUR PEOPLE

Krungsri strongly believes that our success and growth couldn't have been achieved without our most valuable assets – our people. Our Customer Centricity core value is the basis of our business and we continually foster a culture that promotes teamwork, cultivates ethical behavior, and encourages our people to give their best efforts to serve our valued customers. Furthermore, we groom our people in various aspects to steer Krungsri toward becoming a leader locally, across Asia, and globally.

OUR PRODUCTS

Developing and delivering integrated financial solutions that best match the needs of our customers along with simple yet innovative market-leading products has led to our customer-centric strategy and consistent delivery of our brand promise to Make Life Simple. In 2016 we continued our undertaking to launch innovative products that respond to customer needs. We also continue investing in technology to optimize operations, simplify our processes, and develop efficient procedures across all channels, thus enhancing the customer experience across every segment. Parallel with this we are also strengthening our brand and widening our distribution channels.



COMMERCIAL BANKING

Krungsri Commercial Banking serves large Thai corporates and SMEs in various industries. Our Commercial Banking comprises both Corporate and Investment Banking Group and SME Banking Group under the same umbrella, allowing us to better serve their businesses by employing our customer-centric approach.

In 2016, Krungsri Commercial Banking became more proficient in serving our customers' needs as we gained better insights into and a deeper understanding of our customers. Krungsri's aspiration to be the most trusted bank in the commercial market is embedded in our core strategies by offering our customers 'Total Financial Solutions' and by supporting their business

expansions through the synergy between Krungsri and MUFG, business advisory, business matching, and customer relationship management.

Furthermore, the strong collaborative framework between internal business units and across MUFG/BTMU allows us to anticipate our customers' needs and work with them to expand their onshore and offshore businesses.

CORPORATE AND INVESTMENT BANKING GROUP

The Krungsri-MUFG synergy helps strengthen our business connections and makes global financial services available to customers in several areas such as offshore funding, project financing, and bridge-loan underwriting

facilities. Krungsri also supports customers in their business expansion into countries that are part of the MUFG global network and acts as a business partner. Following our remarkable success in supporting the Central Group to acquire three department stores in Germany in 2015, we also arranged the largest-ever asset acquisition for the Central Group to acquire Big C Vietnam. This acquisition was an important step in expanding the group's footprint in Asia and in becoming a leading multinational conglomerate. In addition, we supported Thai Union Group in international investment in US seafood restaurant chain Red Lobster which shall support the Group as global seafood business leader.

Domestically, despite gradual economic recovery, the Corporate and Investment Banking Group marked another





successful year in alignment with our Mid-Term Business Plan. The Corporate Banking lending portfolios grew 8.0 percent in 2016 driven mainly by loan demand in transportation, retail, hospital, and construction materials. Krungsri's investment banking also provided advisory service for leading corporations in Thailand as well as various financial solutions, namely project finance, syndicated loans, debt market capital mobilization, and securitization.

SME BANKING GROUP

Despite a challenging operating environment, our SME portfolio grew by 6.5 percent in 2016, underpinned by government policies such as the SME soft-loan program launched in July, with a 4.0 percent annual interest rate for

seven years to be used for upgrading machines or renovating production facilities and large deals for medium-sized SME customers.

For smaller SME customers, our collaboration framework for branch managers, SME relationship managers, and Krungsri Exclusive relationship managers enabled them to effectively work together as one team, focusing on customer centricity. With this project rolling out nationwide in 2016, customers are better served with a wide range of products and services that fulfill their business and individual needs.

With our aspiration to genuinely understand SME customers, the supply-chain financing products, along with process and methodology, continued to be developed to deliver on our brand promise **'Make Life Simple'** to our customers. This also helped us

continuously grow our SME portfolio. In 2016, we successfully provided our e-Payment service to IRPC Public Company Limited (IRPC) dealers. With Krungsri's commercial digital technology, connected to a global data network, the service will help IRPC's dealers make direct payments faster, more conveniently, and more securely. Additionally, Krungsri Biz Online, an internet banking service to serve SME entrepreneurs' needs, has been implemented to help SME better manage all financial transactions around the clock via www.krungsribizonline.com.

Customer centricity is one of Krungsri's core values. Our aspiration to provide **'total financial solutions'** and **'business expansion opportunities'** for both corporates and SME is being achieved through various activities.

- Knowledge seminar:** This event includes professional speakers from various fields and our MUFG partners from around the world providing knowledge and insights on issues that benefit our customers, for example, economic analysis and offshore business opportunities. In 2016, we organized the seminar **'Krungsri Business Talk: CLMV Opportunity'** for SME customers recognizing Krungsri's strong overseas network and partners who provided advice and financial support for CLMV business expansion. Krungsri also broadened corporate and SME customer perspectives on Thailand and the global economic outlook by organizing a large business-oriented seminar **'Krungsri Business Forum 2016: Thailand's Opportunities'**.
- Additionally, **'Krungsri Leadership Academy Wave 6'**, a training course tailored to help young business successors and new-generation leaders keep abreast of the highly competitive and volatile business environment in the digital age, was conducted to steer their businesses toward sustainable success. The program uses a holistic approach to teach with the combined knowledge and expertise of Krungsri, Assumption University (ABAC), and the National Institute of Development Administration (NIDA). It also offers extensive networking along with opportunities to exchange business-related ideas and knowledge for customers.
- Business matching:** Various business matching events were held exclusively for Krungsri's customers to create opportunities for SME to present their products and extend their channels to

international markets. In addition to business matching events in Thailand, we also launched one in Lao PDR, **'Krungsri Business Journey: The Opportunity in Lao PDR'**. This event resulted from studying customer needs and foreseeing ASEAN Economic Community (AEC) business expansion opportunities, then using the event to support Thai SME customers expanding into Lao PDR. The highlight of this business matching was giving buyers and sellers an upper hand when they conduct preliminary due diligence and negotiations directly while enhancing business partnership opportunities. Another large business-matching fair outside Japan held by BTMU was the **'Krungsri-MUFG Business Matching Fair 2016'**. This business matching fair covered a wide range of industries, with numerous companies from Japan invited to meet Thai, Laos, and Vietnamese companies. We also continued to support our customers' business expansion online. Our online business matching allowed SME customers to connect with top retailers and trading companies such as Loxley Public Company Limited and CP ALL Public Company Limited.

2017 Commercial Banking Plan

The commercial banking priority will be to understand customer needs so that we can provide them with integrated solutions that best meet these needs, including onshore and offshore investment. With Krungsri's strength and the MUFG global network, our financial and non-financial services capability deliver solutions that best match customers' potential needs and help unlock customers' opportunities. Furthermore, new products and services



Our aspiration to provide 'total financial solutions' and 'business expansion opportunities' for both corporates and SME is being achieved through various activities.



will continue to be developed to meet the changing business environment that is becoming more digitized. The Commercial Banking Group recognizes that the upcoming changes to the National e-Payment Master Plan will transform our customers' landscape for payment and collection. Nevertheless, this change will also give us opportunities to provide solutions that make life simpler for our corporate customers as they cope with the changing business environment.

We will continue to deepen these relationships and to cultivate strong teamwork between Krungsri and our customers as we believe in the power of collaboration towards common goals: business growth and opportunities. These synergies will help us achieve our goals as we aspire to become the most trusted bank in the commercial banking business in the near future.

JAPANESE CORPORATE AND MULTI-NATIONAL CORPORATE (JPC/MNC) BANKING

JPC/MNC Banking has made a strong start in serving the financial needs of Japanese corporations and multi-national corporations in Thailand. MUFG's global network and sophisticated financial services have created a close relationship between the parent companies and BTMU, enabling us to build a strong and trusting relationship with their group companies in Thailand as well. This is the strength of JPC/MNC Banking.

Throughout 2016, JPC/MNC Banking has comprehensively served our customers in these ways:

Business Matching

Krungsri-MUFG Business Matching Fair 2016 was organized in Bangkok for the third consecutive year jointly by Krungsri and BTMU, inviting not only Thai and Japanese customers but also customers from the MUFG network in CLMV countries. We also widened the scope of industries to healthcare, auto parts, and online and TV shopping industries. As a result, the 2016 fair set a new record with over 400 business matches in one day, marking the largest business matching fair organized by MUFG outside Japan. Besides this business matching event, we actively matched up Thai companies with both Japanese and multinational corporates, and successfully brought in a number of businesses new to Thailand; for example, food and beverage, logistics, and digital businesses. With business matching activities, customers benefited from MUFG's network in expanding their business opportunities globally.

As a strategic member of MUFG, we used our strong MUFG group partnerships to support CLMV offshore investment. We helped customers increase business opportunities by bringing leading Thai firms to join the July MUFG Business Matching Fair in Hanoi with excellent collaboration between MUFG members including Krungsri, BTMU, and Vietnam's VietinBank. Approximately 100 companies participated, with more than 200 matches arranged in a single day. This was the first opportunity for Thai firms to participate in business matching in Vietnam. Moreover, apart from the hosting countries (Japan and Vietnam), Thailand was the only other country joining this event.

Business Link

Business Link is Japan's largest annual business matching fair held by MUFG,

Krungsri-MUFG Business Matching Fair 2016 set a new record with over 400 business matches in one day, marking the largest business matching fair organized by MUFG outside Japan.

helping companies of all sizes to meet and match. In February 2016, Krungsri helped customers grow business opportunities by bringing Thai firms to join Business Link in Nagoya.

Collaboration with Japanese Organizations

In 2016, Krungsri and BTMU signed a Memorandum of Understanding (MOU) with three Japanese organizations: the Osaka Prefectural Government; the Yokohama Industrial Development Corporation; and the Japan External Trade Organization (JETRO) Bangkok Office to promote greater trade and investment ties between Thailand and Japan. Krungsri and BTMU are the first private organizations to achieve an official agreement with JETRO. Based on these MOUs, we have acted as facilitator and advisor to support Thai companies doing business in Japan while promoting Japan-Thailand trade and investment opportunities. Key business promotion events included our annual business matching fair as well as seminars to disseminate information and business consultation on opportunities both in Thailand and Japan.

Securitization

As a comprehensive universal bank providing a wide range of products for corporate and retail customers in both local and international markets, we have, for example, been fulfilling the requirements of automobile manufacturers and their comprehensive value chains. To facilitate such businesses and provide better solutions, all related internal Krungsri functions collaborate closely. Consequently, in July 2016 we underwrote an asset-backed securities (ABS) transaction in Thailand with a Japanese corporate that became the largest-ever such transaction here – the result of four years of collaboration



by various Krungsri and MUFG/BTMU departments. We believe this transaction will contribute to further developing the Thai capital market and can be leveraged for other captive financing customers who also seek opportunities for diversifying funding sources.

Retail Products

Having a large number of Japanese and multi-national corporations operating in Thailand as customers of Krungsri provides an opportunity for us to offer various retail banking products such as payroll account, auto hire purchase, mortgage, and unsecured loans to employees of these companies. We successfully provided over 23,000 payroll account services with major Japanese corporate clients in 2016.

GLOBAL MARKETS GROUP

2016 was the year that the Global Markets Group emphasized applying one of Krungsri's core values with a customer-centric approach to not only provide our clients with best solutions, but to

also expand our product and service coverage to serve a broader range of fast-moving customer needs. Extensive collaboration remains one of our key tools for achieving this.

In alliance with BTMU's Global Markets Division, the Global Markets Group delivered effective, tailor-made risk management solutions to our clients in a wide range of areas such as project finance, merger-and-acquisition financing, securitization, and leasing finance. Throughout the year, we continued our efforts to help clients overcome business obstacles, meet their hedging requirements, and achieve their financial goals.

In addition, the Global Markets Group extended collaboration with Krungsri's subsidiaries to better serve customer needs. For instance, the group successfully collaborated with Ayudhya Development Leasing Company Limited to provide cost-effective funding alternatives with hedging solutions to the client and collaborated with Krungsri Securities Public Company Limited to expand its service for foreign investment flows from offshore clients.



MORTGAGE LOANS

2016 was another year when mortgage loans grew our assets per our Mid-Term Business Plan. We recorded strong mortgage loan growth of 22.6 percent, with new loan booking recorded at 60 billion baht - an increase of 20 percent over 2015. This notable growth was fuelled by consumers speeding up their purchase and transfer of housing between January and April 2016 when the government's stimulus measures on property expired. This, coupled with Krungsri's strategies in partnering with top developers, including top local developers in the key economic provinces and innovative campaigns (5-year and 7-year fixed-rate mortgages), supported our mortgage-loan growth through year-end.

Mortgage loans are among the Bank's core products. They underwent several improvements and modifications, namely the processes and service teams, to align our procedures with our customer-centric strategy. These included focusing on collaborating for customers, improving the loan approval process, and increasing the efficiency of our services.

- Focusing on collaborating for customers:** We continue driving our business with a customer-centric strategy and delivering our brand promise to 'Make Life Simple', which led to our focus on 'Collaborating for Customers' — enhanced coordination between functions. With this in mind, we reached out to collaborate with Corporate Banking and JPC/MNC Banking to organize business matching between well-known Japanese property developers interested in joint investment with leading domestic property developers. This led to improving services we could

With MUFG's strong product capabilities and global reach, the Global Markets Group has partnered with MUFG Securities EMEA plc who has extensive expertise and capabilities in sourcing foreign assets, including bonds and structured notes, to provide our clients with a vast range of investment alternatives across all major asset classes in foreign exchange, interest rates, credit, and equity. Internally the group has been working with the Investment Product Management Team to deliver offshore investment products to Krungsri Exclusive (KSE) clients.

Furthermore, BTMU's strong global network facilitated Krungsri's mission to serve customer needs in emerging currencies hedging. With close BTMU collaboration in 2016, the Global Markets Group expanded into the emerging currencies market to meet our client demands for cross-border investment and trade flows in emerging countries. Along with increasing new currency needs in tandem with the recent ASEAN establishment of the AEC, we continue to establish strong emerging-currency platforms and expand our product line-up to ensure good coverage and capability to accommodate such demands.

As the renminbi (RMB) became the eighth most-traded currency in the world in 2016, the Global Markets Group collaborated with MUFG affiliates,

Bank of Tokyo-Mitsubishi UFJ (China) and Bank of Tokyo Mitsubishi UFJ (Hong Kong) to organize a seminar on **'Chinese Yuan – Your New Trade Currency'** in July to share with our clients the prospects for RMB Internationalization.

Finally, in an increasingly dynamic market landscape, our Global Markets Analysis Section's comprehensive collaboration with the macroeconomic team at Krungsri Research along with BTMU/MUFG's global research expertise continued to enrich our analytical perspectives. The country-specific and in-depth knowledge across major and emerging markets we received from our extensive network has helped us maintain the top position in the local market in providing outlook and analysis for major currencies such as the yen, the euro, the pound sterling, and the renminbi. This strong, active alliance gives us a consistent house view and enables us to proactively serve customers' needs beyond expectations.

All in all, through these extensive collaborations across organizations within MUFG, our Global Markets Group provided clients with one-stop financial market solutions using our in-depth market analysis. This helped empower them to globally expand their businesses and investments with cost-effective and professional risk management. We are proud to be part of our clients' greater success.

provide to leading Thai property developers. In addition, we achieved better collaboration between branches and mortgage loan teams through joint site visits in Bangkok and in the provinces to strengthen relationships with business operators and gather feedback which contributes to our product and process improvement.

- Improving the loan approval process:** Our business process improvement has been divided into short term and long-term phases. In the short term, we developed an operating system facilitating different facets of internal data management such as sales management, marketing cost management, and project management. Developing this particular management system was affirmed by the Core Process Improvement Award from the Thailand ICT Excellence Awards 2016. Our operating systems were also streamlined to eliminate redundancy in the collateral valuation process and loan contract preparation aimed at lowering turnaround time. Thus, by the time the property sector stimulus measures ended in April 2016, the Bank managed to remain competitive in the mortgage loan business as reflected in new loans booked, which exceeded our target. For long-term improvement, the Bank plans to improve the business continuously by introducing a credit underwriting pilot program called the 'Retail Origination System' (ROS) and establishing working groups for every function to jointly steer process engineering. This is to improve critical points for each function so that we can offer tailor-made services that best suit our customers' needs.



- Increasing efficiency of services:**
 The Bank places great importance on customer service. We promoted understanding about mortgage loans among customers. The Bank introduced a loan calculator for customers to aid financial planning before buying a house. After a customer buys a house, the Bank offers a welcome call service where a phone call is made to welcome the customer, who will be informed of important mortgage loan information, including the privileges for a Krungsri customer.

2016 marked the midpoint of our journey for the Mid-Term Business Plan. Compared to the original target, our performance was deemed breakthrough growth as reflected in the robust increase in new loans booked from 36 billion baht in 2014 to 50 billion baht in 2015, and 60 billion baht in 2016. Going forward, we estimate robust new loan bookings in the range of 50 to 70 billion baht a year. However, the Bank continues to apply strict loan approval criteria to maintain loan quality while acquiring qualified new loan accounts. Using this framework, our performance was recognized with **Mortgage and Home Loan Product of the Year (Thailand)** from the Asian Banking and Finance Awards 2016.

2016 was another year when mortgage loans grew our assets per our Mid-Term Business Plan. We recorded strong mortgage loan growth of 22.6 percent, with new loan booking recorded at 60 billion baht - an increase of 20 percent over 2015.



KRUNGSRI AUTO

Market and Competition

2016 was another challenging year for the auto finance industry. Nevertheless, Krungsri Auto achieved its loan growth target. Despite lackluster domestic car sales, Krungsri Auto moved ahead with robust infrastructure, innovative thinking, and marketing campaigns throughout the year. Krungsri Auto has maintained its leading position in the industry and developed innovative products and services for an optimal customer experience across all touchpoints. In 2016, Krungsri Auto pushed forward with a Customer Experience strategy focusing on digitization to develop products, services, and marketing campaigns to meet their needs by integrating social media and online channels to provide easier and more convenient access to our products and services.

Krungsri Auto was also able to leverage the strength of our corporate customer base with MUFG/BTMU by offering automotive financial solutions to original equipment manufacturers (OEM) and major dealers using BTMU's network. Moreover, we have supported marketing campaigns and offered hire-purchase service for new cars.

In addition, Krungsri Auto focused on strengthening relationships with car manufacturers, used-car dealers, and motorcycle dealers around the country by introducing innovations to sustain growth, together with an expanded portfolio of over 1,900 new-car dealers, 5,900 used-car dealers, and 1,500 motorcycle dealers. Krungsri Auto has operated in Lao PDR through Krungsri Leasing Services Company Limited, a joint venture owned by a Krungsri Group affiliate and a local company, to provide automotive and personal

finance options to Lao PDR customers. Krungsri Auto continues looking forward to expansion possibilities in these markets. At the end of 2016, Krungsri Auto had achieved 134 billion baht in new loans, a 7 percent increase from the previous year, and total assets of 279 billion baht, a 10 percent increase from 2015. Consequently, Krungsri Auto remained the market leader as a total automotive financial solutions provider and the frontrunner in used-car financing, secured auto-loans (Car for Cash), and motorcycle financing.

In addition, TRIS Rating Company Limited upgraded the company rating of Ayudhya Capital Auto Lease Public Company Limited (AYCAL) to AA with a 'Stable' outlook. The rating truly reflected that AYCAL, a strategic subsidiary of Bank of Ayudhya Public Company Limited, had strong and stable performance in managing its motorcycle finance portfolio, enhancing the Bank's integrated automotive financing provider position.

Awards and Recognition

In 2016, Krungsri Auto remained customers' top-of-mind brand, with several awards from various organizations including:

- The **Superbrands Award** from the Superbrands Thailand Council for five consecutive times (2011-2012, 2013, 2014, 2015, and 2016), highlighting Krungsri Auto as customers' top-of-mind brand, with Krungsri Auto being the only automotive finance provider in Thailand receiving this award.
- The **Best Auto Leasing Award** from Grand Prix International for three consecutive years (2014-2016), in recognition of the best auto loan service in all customer segments.

Krungsri Auto has maintained its leading position in the industry and developed innovative products and services for an optimal customer experience across all touchpoints.

- **Thailand's Most Admired Brand Award** from BrandAge Magazine for four consecutive years (2013-2016) — for the best brand in automotive finance and Car for Cash for auto loan category.
- The **Automotive Lending Initiative of the Year — Thailand Award** from Asian Banking and Finance in recognition of Krungsri Auto's initiative in automotive refinancing, with launch of www.car4cash.com
- The **Efma Accenture Global Distribution & Marketing Innovation Award (Gold medal)** in 'Digital Marketing' category, in recognition of 'Big Daddy Form' on www.krungsrismarket.com for the world's entertaining loan application form.
- **The Midas Awards 2016** for 2 Gold and 3 Silver medals in recognition of 'Big Daddy Form' on www.krungsri.com

Innovative Services

In the second quarter of 2016, Krungsri Auto elevated digitized customer experience through its online channel offering an interactive electronic application, available through www.car4cash.com and www.krungsrismarket.com to cater to customers in the digital era. This latest online service strengthens the company's market-shaper position by emphasizing its digital marketing strategy that better serves digital consumer needs.

Preferred Brand

Customer accessibility is the priority under Krungsri Auto's digital marketing strategy. Integrated marketing communication channels are deployed to present products and services, while advertising campaigns and promotions are tailored to meet target



customers' needs and lifestyles. The products, services, campaigns, and promotions reach customers through various online and offline channels. For example, the Krungsri Auto Facebook Page is a tool to satisfying customers with speedy responses to enquiries; KrungsriAutoTV via YouTube displays high-quality advertising video content; the Krungsri Auto Call Center handles inbound and outbound calls; Krungsrismarket.com answers the needs of used-car buyers and sellers; and Krungsri Big Bike offers innovative loan services for big-bike customers. These channels not only match customer needs, but also reinvigorate the brand engagement.

Corporate Social Responsibility

Krungsri Auto places great emphasis on responsibility to all stakeholders such as customers, dealers, and society using our 'Responsible Lending' approach. Krungsri Auto has continued the following social contribution campaigns.

- **Krungsri Auto \$mart Finance** is one of our flagship corporate social responsibility projects. Started in 2009, the project aims at educating entrepreneurs on financial literacy and financial management. The project offered

a seminar on personal finance for individuals and small community enterprises (2009-2012), then moved on to enhance business and financial management for small local entrepreneurs in border areas to prepare them for the AEC in 2014-2015. The focus for 2016 was on small SME in need of new knowledge of digital competency. In the digital era, they need to learn how to respond to customers' needs. Krungsri Auto \$mart Finance: Digitized Small SME was kicked off in Ayutthaya Province.

- **Krungsri Auto Library** was launched in 2010 to improve educational quality and provide a learning center and intelligence archive for children and the community. Krungsri Auto has to date presented a total of thirteen Krungsri Auto libraries nationwide.
- **'LET'sponsible'** is a new initiative that encourages individual responsibility for the general public. During the past two years, more than fourteen LET'sponsible short films have been produced and shown on the KrungsriAutoTV YouTube channel to inspire and instill a sense of responsibility about the importance of good citizenship in society.

KRUNGSRI CONSUMER

CREDIT CARDS AND PERSONAL LOANS

Krungsri Consumer offers credit cards, sales financing (merchandise installment financing), personal loan businesses, and insurance brokerage services. The Group's credit card portfolio includes: the Krungsri Credit Card; the HomePro Credit Card; the AIA Credit Card; the Central Credit Card; the Simple Credit Card; the Tesco Credit Card; and the First Choice Credit Card (3-in-1). Krungsri Consumer also leads the sales financing and personal loans sector, with a market share of 25 percent at year-end 2016. The sales financing and personal loan business flagship brands are the First Choice Card (2-in-1) and the Power Buy Card.

2016 Business Overview

Despite challenging operating environment in 2016, Krungsri Consumer achieved its business expansion target and continues to lead the market. Our combined customer portfolio stood at 7.8 million accounts with total customer spending of 319 billion baht. The value of our assets rose by 5.5 percent, while our non-performing loans (NPLs) were lower than the industry average.

Krungsri Consumer also continued to forge strong strategic partnerships with leading businesses, including:

- **Central Department Store**, Thailand's first and largest department store chain. Krungsri Consumer has been entrusted by Central Retail Corporation Limited to continue its service as the main financial service provider for another

eight years, a testament to Krungsri Consumer's leadership and its expertise in the consumer finance industry which is expected to help Krungsri Group expand its customer base substantially.

- **Home Product Center**, a leader in retail DIY home improvement stores with 80 branches.
- **AIA Thailand**, the largest life insurer in Thailand with more than 50,000 active agents.
- **Tesco Lotus**, a leading hypermarket chain with 1,978 branches nationwide.
- **Power Buy**, a leading distributor of electrical appliances with 90 branches nationwide.
- **Krungsri First Choice and Krungsri Installment Loans**, with a network of more than 18,000 key business partners.

Collaborating for Customers

As a customer-centric organization, Krungsri Consumer has earned its longstanding success through its commitment to offer product and service excellence to benefit our customers. By leveraging the strengths of all business functions within the Krungsri Group, the company continues to innovate to offer better product and service capabilities, maximize the efficiency of its business processes, and adopt new digital technologies to help improve the customer experience. All of these reflect our commitment to delivering customer-centric products and services and thus ensure that Krungsri Consumer continues to be a preferred consumer-finance brand in the mind of customers.

- **Collaborating to offer greater product capabilities using customer segmentation**

Krungsri JCB Platinum Card – exclusive benefits for the ultimate Japanese-related experience

With an increasing number of Thais travelling to Japan every year, Japanese culture and product preferences have an enormous impact on Thai everyday life: in February 2016 Krungsriyudhya Card Company Limited partnered with JCB International Company Limited (JCB) to introduce the Krungsri JCB Platinum Card. The launch of this co-branded credit card, reflects our focus on optimal customer experience.

Featuring the concept the Ultimate J-Experience, the card offers exclusive benefits in Japanese-related activities ranging from dining and traveling to shopping in both Thailand and Japan, targeting working adults aged around 25-40 who love the Japanese lifestyle. The company also offers various promotions with partner merchants for targeted customers' favorite brands. The results: strong growth both in new cardholders and spending. Since the launch through year-end 2016 the number of new cards issued exceeded 90,000.

Tao Kae Tan Jai Credit – the first Krungsri Consumer nano-finance product

Tao Kae Tan Jai Credit was launched in September 2016 as the first Krungsri Consumer nano-finance product. It targets small business owners who have operated businesses for at least one year with permanent business locations. Tao Kae Tan Jai's key differentiation point is its simple application process, 'Easy approval without financial documents': customers can apply without any financial documents such as bank



statements or guarantors with a maximum loan amount of 100,000 baht.

Tao Kae Tan Jai helps small retail entrepreneurs to access working capital loans in the financial system in line with government policy. During the initial launch phase, the company operated in the Greater Bangkok Metropolitan Area and Chonburi Province as high-potential areas. The company plans to expand the service area in major provinces in each region in 2017.

'UP with Signature' Campaign – exclusive privileges for premium customers

In 2016 Krungsriyudhya Card Company Limited relaunched a campaign called 'UP with Signature' for Krungsri Exclusive Signature Credit Card and Krungsri Signature Credit Card members. Targeting premium customers with high income, the company revised the card's core features and benefits to match the needs of the premium segment, with unique privileges, yet practical and more accessible for cardholders. Under a promotion called 'UP Taste' with Krungsri Signature, the company has

leveraged its strong partnership network in Japan to offer special privileges at a total of 50 upscale Japanese restaurants in both Thailand and Japan. The privileges include a maximum discount of 50 percent, complimentary dishes, and five times bonus points when spending with Krungsri Signature Card at participating restaurants. The promotion has been very popular among those who love premium Japanese cuisine.

Cross Border Promotion – leveraging MUFG's global network to offer special privileges

Krungsri Consumer has leveraged MUFG's strong partnership network to promote international spending volumes through a promotion called the 'Cross Border' campaign: The company partners with leading department stores in Japan to offer special discounts and privileges to our cardholders. The campaign has been very successful: In 2016 Krungsri Consumer increased the number of partners to more than forty merchants with more than two hundred locations in Hokkaido and Tokyo prefectures as well as Chubu and Kansai regions.

By leveraging the strengths of all business functions within the Krungsri Group, the company continues to innovate to offer better product and service capabilities, maximize the efficiency of its business processes, and adopt new digital technologies to help improve the customer experience.

- **Introducing new technologies and innovations to enhance the customer experience:**

'U CHOOSE' – the credit card mobile application for everyone

In late 2016 Krungsri Consumer initiated a pilot project to introduce a new mobile application called 'U CHOOSE' for iOS mobile users to better serve all Krungsri Consumer Group cardholders. Designed as a one-stop service, the application offers a variety of functions including: checking spending transactions; checking and redeeming bonus points; registering to participate in promotional campaigns; and tracking spending under particular campaigns. With this mobile application, customers can also apply for a new e-Pay credit card – a secured, convenient virtual card for online shopping – and can apply for a notification service to send an alert message for new spending transactions. The application is available for download for both iOS and Android mobile users in February, 2017.

Samsung Pay – a new milestone in mobile payment technology

To allow our cardholders to enjoy greater convenience using the latest mobile payment service, Krungsri Consumer has partnered with Samsung to offer 'Samsung Pay' for all Krungsri Consumer credit cards. To enjoy this service, Krungsri Consumer cardholders, whether Visa or MasterCard, simply need to register Krungsri Consumer credit cards using the 'Samsung Pay' application. Our customers can then use their compatible Samsung phones to make payments at participating stores worldwide. Payment can be made easily either by tapping or waving their compatible Samsung phones at contactless payment

machines or by placing the phones next to the EDC (Electronic Data Capture) machines. To prevent fraud, Tokenization Security Technology has been deployed, changing a credit card number into a token for Samsung Pay transactions to ensure the highest security for our customers. The pilot project for Samsung Pay was implemented in December 2016.

Financial Technology and applications for optimal customer benefits

In collaboration with RISE, an expert in startups and the first corporate accelerator in Thailand, Krungsri launched the 'Krungsri RISE Fintech Accelerator' in May 2016. The project reflects Krungsri's vision of collaboration between the banking sector and the financial technology industry for optimal benefits to customers and consumers. Krungsri RISE expands the know-how and investment opportunities for financial technology innovation or FinTech startups and unleashes growth opportunities for financial digital business advancement.

Following the success of Krungsri RISE, two FinTech teams from this program – ChomCHOB and Piggipo – partnered with Krungsri Consumer, allowing Krungsri Consumer's customers to benefit from new technologies.

The ChomCHOB application allows users to consolidate all Thailand credit card reward points and convert them into ChomCHOB points which can then be used to purchase an extensive range of products and services. ChomCHOB has connected with Krungsri Consumer's point-redemption system, with a number of ChomCHOB users rating Krungsri Consumer's system positively as timely and convenient.

Krungsri launched the 'Krungsri RISE Fintech Accelerator' in May 2016. The project reflects Krungsri's vision of collaboration between the banking sector and the financial technology industry for optimal benefits to customers and consumers.



The Piggipo application consolidates and summarizes credit card transactions from all cards in one single application, with payment due dates for each card, making it easier to track expenses and to efficiently manage credit card spending. Krungsri Consumer is the first financial institution to connect API (Application programming interface) with Piggipo, allowing customers to check their transactions faster.

'My IVR' – customized Interactive Voice Response (IVR) menu based on usage history

To enhance our service standard, Krungsri Consumer has introduced 'Big Data' technology for customer data analytics. The project boasts various functions including 'My IVR', launched in September 2016. 'My IVR' is a calculating function to customize the best IVR menu for each customer by analyzing the customer's IVR usage history. As a result, each customer will hear one's own favorite IVR menu as the first announcement, instead of having to wait for the IVR system to start the standard announcement from 'Press 1'. Consequently, waiting time for each call is shortened, with improved IVR efficiency, resulting in enhanced customer satisfaction.

Personalized Marketing – right promotions communicated to individual customer

Our use of Big Data has brought in a new innovative technology called 'Machine Learning' to promote our Personalized Marketing approach. Machine Learning is a mathematical and statistical algorithm to analyze customers' spending histories and predict their preferences for various merchants. Thus only appropriate promotions are communicated to each customer. Consequently, customers do not receive unwanted promotions and messages. Machine Learning was introduced in November 2016.

- **Improving process efficiency**

Premium Inventory Management – providing better customer service standards

The project centralizes gift inventory management, promotional items, and customer vouchers for all Krungsri Consumer product promotional campaigns to maximize efficiency and provide better service for our customers. Using a new IT system for premium inventory management, the project lessens the amount of manual work required and improves management

efficiency. Key functions include: notification when stock lasts; an automated process for gift and promotional item delivery; and track-and-trace functions allowing customer service staff to track the progress of premium item deliveries and respond to customer enquiries. This new system helps ensure timely delivery of gifts and vouchers to customers, with higher customer satisfaction. Moreover, this also improves internal control with efficient accounting and inventory management.

Integrated Merchant Operations Management – a more convenient service for merchant partners

With this project Krungsri Consumer has streamlined its merchant operations management using new technology and a single centralized working team and system. Documentation needed for new merchant applications was minimized, with a single contract used for all merchants who want to partner with us for any credit cards and personal loan products under Krungsri Consumer. A new system called 'Integrated Merchant Operations Management' was developed to manage all processes related to new merchants and merchant database management. Turnaround time was cut from approximately two-to-four weeks to within three days, with faster, more convenient service for Krungsri Consumer partner merchants.

To deliver the best possible customer experience, all Krungsri Consumer and Krungsri Group business functions will continue to collaborate to further improve our product and service standards and maximize operational efficiency.

Awards and Recognition

Our market-leading innovations and business strategies won Krungsri Consumer a number of awards during the year, including:

- **Consumer Finance Product of the Year** from The Asian Banker's International Excellence in Retail Financial Services Awards 2016, for Krungsri Consumer
- **Best Consumer Finance Product in Thailand** from The Asian Banker-Thailand Country Awards 2016, for Krungsri Consumer
- **Thailand ICT Excellence Award 2016 (Outstanding Achievement)** in the Core Process Improvement Project Category from the Thailand Management Association, for Krungsri Consumer's 'Integrated Merchant Operations Management'
- **Service Quality Performance Award** for Consumer Credit Issuers Chargeback Effectiveness-Fraud Category (National) from Visa, for Krungsri Consumer
- **MAT Award-Bronze Award** from the Marketing Association of Thailand in the category of 'Best Marketing campaign' for the 'Krungsri First Choice-Zero Percent Installment Plan on Demand' Campaign
- **Top Thailand YouTube Ads Leaderboard and Sixth in Asia-Pacific:** by Google from the 'Mother's Day Campaign' by Krungsri First Choice
- **Top Thailand Facebook Posts (Social media content)** by Socialbakers Ltd – Facebook Marketing Partner 'Mother's Day Campaign' by Krungsri First Choice, and

- **2016 Thailand's Most Social Power Brand:** Ranked as the most popular brand with high customer engagement in personal finance (credit card and loan card) category, and second in the personal finance (credit card, loan card, and auto loan) category from BrandAge Social Inc., for Krungsri First Choice.

Corporate Social Responsibility

Krungsri Consumer is committed to being a responsible lender: We uphold this commitment across our business undertakings. In addition to adopting credit assessment and prudent credit risk management policies in processing customer loan and credit card applications, we inspire people to be more financially responsible. We have organized several free seminars on personal finance management to promote a better understanding of financial literacy among our employees, university students, and the general public. Employees are also encouraged to become volunteers in the company's corporate social responsibility initiatives that focus on education and environmental conservation, such as renovating libraries for schools and a reforestation program under which the company has planted 2,500 trees to mark the 84th birthday anniversary celebration of Her Majesty Queen Sirikit in 2016.

MICROFINANCE

Krungsri Microfinance by Ngern Tid Lor Company Limited (Ngern Tid Lor), the owner of the top-of-mind Ngern Tid Lor brand, is the leader in providing auto loan services using all types of automobiles as collateral, hire-purchase loans for used trucks, and nano-financing to underserved customer segments.

In addition, Ngern Tid Lor is the largest branch-based, non-life insurance broker offering various insurance products such as motor insurance, personal accident, cancer insurance, and compulsory car insurance under the Road Victim Protection Act.

In 2016, Ngern Tid Lor's service upgrades included expanding its branches to 481 in line with its plan to achieve a nationwide service network. Service speed was enhanced; for example, auto loan service was streamlined from two hours to only 30 minutes while that of motorcycle loans was accelerated from 30 minutes to only 10 minutes, making it more convenient than ever for customers. In addition, Ngern Tid Lor formulated a policy to provide complimentary personal accident insurance (PA) to all motorcycle-loan applicants to lessen the burden on customers in case of accidents. More than 280,000 PA policies were distributed during the year. In addition, Ngern Tid Lor continued its efficient and yet flexible operations, a nationwide network, strong risk management practices, state-of-the-art IT systems, and quality financial services provided at affordable prices with convenience, respect, and dignity.

Ngern Tid Lor expanded its customer base by 26 percent in 2016, reaching out to 271,000 clients with total outstanding receivables of 20,979 million baht, or 24 percent growth over 2015. In addition, non-life insurance saw continued growth at 439 million baht in 2016, or an increase of 66 percent.

Ngern Tid Lor's key goal in 2016 was to upgrade vehicle-for-cash in Thailand while delivering well-intentioned financial services. Mindful of this, the company began rebranding: a logo was introduced representing financial products that meet customer needs to

increase brand awareness among customers and the general public. The design signifies speed, easy access, and reliability. The space in the center of the logo subtly conveys a ray of hope that sheds light on the path out of financial crisis and toward a new start for financially troubled customers. The logo consists of two revolving banknotes that serve to propel customers' lives forward, symbolizing how Ngern Tid Lor addresses customers' financial issues. The red denotes passion and speed of service, while the blue suggests reliability and the comfort of using Ngern Tid Lor services. The white suggests honesty and transparency. All these concepts were captured in the 'Life Roll Onward' slogan.

Furthermore, Ngern Tid Lor branches countrywide were revamped to emphasize its higher standards for vehicle-for-cash business operators in Thailand. The business serves as a transparent financial resource for consumers, including the underbanked. Moreover, it should help to resolve the informal-loan issue and to offer customers better choices in times of financial difficulty. All Ngern Tid Lor's operations are guided by its vision "Everything we do, we strive to empower people and enrich lives. We BELIEVE that access to fair, transparent, and responsible financial services is everyone's right."

INNOVATIVE SERVICES

Other than above-the-line media (Publications, television, and radio), Ngern Tid Lor focused on brand-building through digital media in 2016 to establish brand awareness and brand engagement among a wider range of customers. NTL now has a 'Ngern Tid Lor' Facebook fanpage and was the first vehicle-for-cash service provider



to launch a LINE official account under the name of @TIDLOR, including 'Tid Lor' LINE stickers. These channels provide more convenient access for the target group to familiarize themselves with the Ngern Tid Lor brand and products. In addition, news and event updates were published using these media with positive feedback, with more than 150,000 fans following the 'Ngern Tid Lor' Facebook fanpage and more than 10,000,000 friends added via LINE. In December 2016, NTL introduced a 3-minute commercial under the concept of 'New Life', expressing the intention of NTL. This raised the bar of the auto loan commercial, with over 2 million views in just a week after the launch. The numbers testify to the company's success in communication and brand engagement with consumers.

In 2017 Ngern Tid Lor will continue to improve our customers' quality of life by offering fair and transparent financial products, a variety of affordable, non-life insurance products that meet customer needs, along with excellent customer service to ensure that 'Ngern Tid Lor' secures a brand status trusted by customers nationwide.



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RETAIL AND COMMERCIAL BANKING PRODUCTS

DEPOSITS

Through our two flagship deposit products Mee Tae Dai and Jad Hai Krungsri increased low-cost deposit or CASA balances and notably expanded the retail customer base in 2016. And in recognition of these innovative features we were voted the **Best Deposit Product in Thailand** for 2016 by The Asian Banker.

Aiming to increase the number of SME customers opting for Krungsri as their primary bank, we launched SME package tailor-made for the target group and received favorable feedbacks. Additionally, the Bank focused on customer management and offered the deposit products that suited to customers' needs such as short-term deposit for corporate customers.

We will continue our customer acquisition strategy in 2017 by focusing on market segmentation, innovative deposit products, and campaigns. Through our MUFG/BTMU partnership we plan to further penetrate the payroll segment of Japanese manufacturing, auto dealers, and supply chain businesses. And as the Bank plans to promote and motivate customers to use our digital platforms, we will offer various new products and services that correspond to customer insight.

INVESTMENT

2016 was another challenging year for investment globally given the market volatility and historically low interest rates, thus our key recommendations were to be highly diversified and to

focus on stable, income-generating products. To help customers cope with these challenges we introduced five new funds: the Krungsri Global Equity Long Short Fund; the Krungsri Global Property Dividend Fund; the Krungsri Global Brands Equity Dividend Fund; the Krungsri Global Smart Income Fund; and the Krungsri Global Collective Smart Income Fund. The first fund protects portfolio downside risk using a long-short strategy; the others share similar objectives of providing a smooth income stream to investors.

As for customer services, we strongly emphasized appropriate, reliable investment recommendations: In collaboration with Krungsri Asset Management Company Limited, we initiated a new training curriculum called Mutual Fund Master for our customer-contact employees providing in-depth knowledge of each fund with role-playing on how to recommend funds according to customers' financial goals. Most importantly, after each session we conducted one-on-one staff coaching and used a mystery shopping technique for further improvement.

KRUNGSRI EXCLUSIVE

In 2016 Krungsri Exclusive continued to move forward to expand the customer base in line with its key strategic focuses – collaborating with branches, SME banking, and Krungsri subsidiaries. Initiatives included recruiting a considerable number of relationship managers and enhanced training courses to equip them with knowledge to better serve the varied needs of our valued customers. Courses run year-round ranging from investment and financials to other skill sets. Our valued customers also have access to seminars year-round, with topics varying according to customers'

interests such as the investment outlook or the more recent topic: The Draft Land and Buildings Tax Act, explaining the effect of the new Land and Construction Tax Act effective in 2017.

Our Exclusive Health Plan was launched to meet the needs of high net-worth customers. Krungsri Exclusive Corner is also available for customers to relax with full amenities provided now with 343 Krungsri Exclusive lanes and 29 Krungsri Exclusive corners.

KRUNGSRI PRIME

Using a customer-centric approach, Krungsri is driving customer segment management across the Bank. A new customer segment was identified, starting with Krungsri Prime for the mass affluent segment which includes customers with a net worth above one million baht but less than five million baht who are considered high-potential customers, with the aim to bring these customers to their 'New Life Horizon'. We set forth to help open up new opportunities for customers and transform their ordinary way of life

into the extraordinary one. With 'Plan Your Money' service, we serve each customer's need with customized financial advice, covering full suite of financial products and services, from financial transactions, short- to long-term saving, investments, insurance, tax-saving and debt management. Privileges, both financial and lifestyle-related, are designed to maximize true enjoyment in their everyday lives with their families and friends. To deliver good customer experience, Krungsri is the first in banking industry who chose mobile application platform to provide customers access to the privileges redemption and activities registration anytime and anywhere.



ATM AND DEBIT CARD SERVICES

Krungsri has recognized the importance of government policy to change the ATM and debit card system from magnetic to chip cards to protect customers from card-skimming that can lead to customer defections due to card fraud. Chip cards can solve this problem and increase customer confidence in ATM and POS machine transactions. Krungsri started to issue chip cards in May: all cards are now debit chip cards that support the government policy of a cashless society, changing from cash to digital payments.

In 2017 Krungsri will continue to focus on developing a card system in line with the government's national e-payment policy using cards compatible with Thai bank chip card standards to support the domestic payment system. Krungsri will also launch debit cards for online spending in early 2017 to address customer needs and provide more convenience.

MONEY TRANSFER AND ATM CHANNEL SERVICE

Krungsri has developed a banking system that corresponds with the government policy supporting a digital economy and has launched sales promotion activities to motivate the channels usage of Krungsri consistently and increasingly. Key innovations and promotional activities during 2016 included:

- **Krungsri PromptPay**

Krungsri collaborated with the Bank of Thailand to develop a payment system called PromptPay aligned with the National e-Payment Master Plan:

This is a new money transfer service requiring customers to link their national ID and/or mobile phone number to their accounts without the need for their bank account details to transfer funds. It offers more convenience and saves time for customers.

The PromptPay service was started for registration in July 2016 through 6 channels (Krungsri Branch, www.krungsri.com/, PromptPay, Krungsri Online, Krungsri Biz Online, Krungsri Mobile Application and Krungsri ATM) and will start money transfer service through 4 channels (Krungsri Online, Krungsri Biz Online, Krungsri Mobile Application and Krungsri ATM) that go live in according to Bank of Thailand plan.



• Special Privileges for Foreign Tourists

Krungsri collaborated with FamilyMart (Central FamilyMart Company Limited) to offer special privileges to foreign tourists who are Visa or MasterCard cardholders to allow cash withdrawals through Krungsri ATMs. In 2016 Krungsri added special privileges for foreign tourists who are UnionPay card holders to do cash withdrawal transactions through Krungsri ATMs during a promotional period. They received free products when presenting ATM slips at any FamilyMart nationwide as well.

BANCASSURANCE

In 2016 we launched a new life insurance product called Krungsri Big Bonus 15/9 with high yield since the first policy year and a high cash rebate before the policy maturity

targeting middle-income earners with a minimum premium of 38 baht per day. Since its launch, the premium and bank fee income have grown rapidly at 34 percent and 18 percent accordingly.

To serve high net-worth customers we launched a comprehensive health insurance product called the Krungsri Exclusive Health Plan covering actual medical expenses incurred for both inpatient and outpatient treatment up to 50 million baht per disability annually. It also covers 24/7 worldwide medical emergency assistance and Schengen visa insurance certified: the insurance package provides customers peace of mind and savings and can be renewed up to age 90.

In this fast-moving world of FinTech businesses are competing to offer ever-greater convenience to customers and to speed up core processes in financial services. In 2017 we plan to launch a new digital platform called Digital for Life or e-Application to accomplish this: the new platform should boost customer satisfaction by shortening application processing turnaround time from three days to one day. Applications will be reviewed and applicants will be informed of the result of preliminary approval in case they don't require medical examinations.

SECURITIES BUSINESS

Krungsri Securities Public Company Limited (KSS) offers a comprehensive range of services including securities and derivatives brokerage, investment banking, private fund management, mutual fund agency services, and investment management.



Current Market and Competition

Overall, Stock Exchange of Thailand (SET) investments returned to an uptrend in 2016, with the SET Index ending December at 1,542 up 254 points or 19.7 percent from 1,288 at year-end 2015. For return-on-investment the SET ranked first in the region at 19.7 percent, average daily turnover in Thailand amounted to 47,649 million baht in 2016, up 18 percent from 40,225 million baht in 2015.

The SET's outstanding performance in 2016 was driven primarily by robust economic fundamentals: Thailand's GDP grew 3.2 percent in the first quarter and 3.5 percent in the second quarter, marking the strongest growth in 13 quarters. The healthy economic expansion was partly attributed to the government's economic stimulus measures introduced in late 2015, with additional stimulus in 2016. Meanwhile, the drought effects largely dissipated, while the tourism sector continued to show solid growth: tourist arrivals rose 8.9 percent to 32.58 million, reaching the government's full-year target of 32 million visitors versus 29.8 million visitors in 2015. Investors also reacted positively to the constitutional referendum outcome, where voters consented to the draft charter raising optimism that a general election could be held in 2017.

Besides positive domestic factors, the Thai bourse was also bolstered by portfolio inflows after the US Federal Open Market Committee put off a rate hike decision and reduced the number of hikes from four to one. In 2016 foreign investors were net buyers at 78,546 million baht worth of Thai shares, the first annual net-buying position in more than four years. Gainers included the large capitalization sector such as energy, banking, and



ICT counters. Energy counters posted the strongest gains and led the overall market higher because of the recovery in global crude price as the Organization of the Petroleum Exporting Countries (OPEC) tried to restore stability by capping its members' output. The West Texas Intermediate crude price fell to the year's low of 26 dollars a barrel in February before surging 42 percent to 53 dollars a barrel at year-end 2016.

We expect SET Index volatility at between 1,400 and 1,750 in 2017, with an upward bias. The market will be supported by solid economic growth thanks to accelerated public infrastructure investments, resumed export growth amid a recovering global economy, and continuous growth in Thailand's tourism sector. The anticipated election in 4Q 2017 will also be crucial to attract portfolio inflows and drive up the stock market. Based on historical trading data between coups and subsequent election dates, Thai shares gained 11 percent after the 1991 coup and 20 percent after the 2006 coup, but the SET Index has risen only 6.5 percent since the last coup in May 2014. This suggests another 5 to 17 percent upside to the SET. The uptrend will

benefit the securities brokerage business directly as higher daily turnover will lift brokerage and related fee income and offset the impact of stiff competition within the industry.

Key 2016 initiatives and achievements

Strong commitment to providing superior customer service

Since KSS was incorporated in 1975 company policy has called for proactive engagement and collaboration with customers. Our long-term customer relationships and partnerships have been our core strength and build lasting trust and confidence in our services. We will continue to strengthen our already firm commitment to providing superior services to customers as we move forward into the digital age.

Consumer-Centric and Digital Initiatives

- **Improving the KSS customer experience with improved online systems:** To further improve the customer experience, satisfaction, and communication we have

upgraded our IT infrastructure and developed a centralized customer management (CCM) system to improve the account-opening process turnaround time from two days to one day for more convenient deposit and collateral transfers, and a better customer experience for Know Your Customer (KYC), Client Due Diligence (CCD), and Suitability updates. Customers can also now use bill payment systems to transfer funds in real time using Krungsri Online and the Krungsri Mobile Application.

- **New Website Enhancements and Mobile-Tablet Applications:**

We have revamped our website to make it more user-friendly and customer-centric. In addition to securities accounts, customers can now see their mutual fund and private fund statements online through our website. The company launched its first mobile and tablet application, Krungsri Stock Expert, enabling customers to receive company information, stock trading information, fundamental and technical analyses, our awarding-winning research, and capital market updates through this new application in collaboration with Stock Radar, our preferred partner for mobile application enhancements.

- **New Research Website Access and Portal Enhancements:** As part of our enhanced research distribution we have improved and expanded our research website to incorporate research from Krungsri and MUFG for various customer groups: retail, high net worth, and institutional. Apart from daily emails, these customers can access our securities research database and search for past research.

- **Online Mutual Fund Portfolio**

Information: Customers can access their online mutual fund accounts with KSS. We are currently the main selling agent for 18 asset management companies in Thailand and are truly an open architecture platform for wealth management

KSS-MUFG Collaboration

- **Supporting Morgan Stanley**

Businesses in Thailand: Through the efforts of the KSS-MUFG partnership we worked together to increase the Group's business with Morgan Stanley and to support their businesses more efficiently and effectively.

- **Thai Corporate Roadshow Support for the MUFG Securities Group:**

KSS has also conducted non-deal roadshows with MUFG Morgan Stanley Securities in Tokyo. Companies that we have taken to meet with Japanese investors include large listed companies such as Thai Oil Public Company Limited; Indorama Ventures Public Company Limited; Krung Thai Card Public Company Limited; IRPC Public Company Limited; Central Pattana Public Company Limited; Intouch Holdings Public Company Limited; Gunkul Engineering Public Company; Kiatnakin Bank Public Company Limited; and Star Petroleum Refining Public Company Limited.

Branch and subsidiary collaboration

The company joined the SET and Krungsri in the Banker to Broker campaign to increase the number of capital market investors by rewarding bankers who introduce new customers to brokers. Contests were held and prizes awarded every two months for

Krungsri Securities PCL. plans to complete its wealth management platform by the end of 2017, including building a new platform to serve high net worth customers.

half the year, with grand prizes at the end of the year to promote accessible investments among prospective customers. These customers now have easy access to investing and can contact our investment consultants to open new accounts and buy derivatives at our branches both in Bangkok and at more than 13 provincial branches. They can also contact more than 650 Krungsri branches nationwide.

Collaborating between front, middle, and back offices

Strengthened branch and Krungsri Exclusive collaboration and networking capabilities: KSS implemented strategies that bring the securities business closer to the branches, including streamlining the branch referral process for securities using the new branch operating model and launching more campaigns and promotional activities with branches and Krungsri Exclusive.

2017 Plans

- **KSS Wealth Management Division:** KSS plans to complete its wealth management platform by the end of 2017, including building a new platform to serve high net-worth customers. These enhancements include building up new digital IT support systems. Providing new products and services and revamping customer value propositions are also part of this strategy to further grow for the next Mid-Term Business Plan.
- **Enhanced Product and Service Capabilities IT solutions:** KSS is redesigning systems to provide new products for distribution and sales, including building and implementing new IT programs to

help enhance key capabilities of the brokerage services. The new systems include developing a new private fund and selling-agent system, offshore referral processes and procedures, and using new digital technologies to help facilitate faster and more convenient fund transfers.

ASSET MANAGEMENT

Krungsri Asset Management Company Limited (KSAM) offers a comprehensive range of products and services, including mutual funds, private funds, provident funds, and investment in futures contracts.

Key 2016 Achievements

We achieved a 12.7 percent increase in assets under management (AUM) with a record of 361.6 billion baht as of year-end, while new customers acquired reached 31,517 – an 11 percent increase from 2015.

We received a consistent return and reputation in managing equity, foreign investment, and long-term equity funds, bringing us strong net flows with outstanding growth in assets under management compared to industry averages.

Achieve superior products and services capabilities/excellences

In 2016, we continue looking for investment opportunities and new products offering including maintaining investment process and fund management standards in order to provide all client segments with consistently attractive returns and various investment alternatives.

Equity Funds

- **Krungsri Thai Small-Mid Cap Equity Fund (KFTHAISM)**
This fund focuses on small and medium-sized enterprise stocks based on their business potential with growth potential and outstanding performance with net profit growth potential that is higher than overall stock market.
Investment policy: Invest no less than 80 percent of NAV in equity of companies listed in The Stock Exchange of Thailand (SET) and/or the Market for Alternative Investment (MAI) of good fundamental and/or growth potential particularly in small and medium-sized enterprises.
Risk level 6: High risk

Fixed Income Funds

- **Krungsri Active Fixed Income Fund (KFAFIX)**
The fund is a new investment alternative for investors to gain limitless returns from fixed income in government and corporate bonds and pursues active investment strategies riding out all market conditions with no limit in the duration of the invested fixed income to suit interest rate changes.
Investment policy: Invest onshore and/or offshore in debt instruments and/or deposits or deposits equivalent issued, certified, aval, or repayment guaranteed by the government, a state enterprise, a financial institution, and/or private entity, where such instruments are designated as investment grade in either the issue rating category or the issuer rating category. The fund may invest in non-investment grade debt securities or unrated securities.
Risk level 4: Medium to low risk



the world's most popular, hard-to-replicate brands such as Unilever, L'Oreal, Nestle, Microsoft, and Twenty-First Century Fox.

Investment policy: Invest in Morgan Stanley Investment Funds – Global Brands Fund (Master Fund) on average at least 80 percent of NAV.

Risk level 6: High risk

- **Krungsri Global Equity Long Short Fund (KF-GLS)**

The fund is designed to ride out volatile markets with its long/short equity strategy to generate returns even in times of market volatility and is an appropriate investment choice for those who prefer to invest in stocks. It helps reduce volatility and market timing mistakes.

Investment policy: Invest in UBS Equity Opportunity Long Short Fund (Master Fund) on average at least 80 percent of NAV.

Risk level 6: High risk

- **Krungsri Global Property Dividend Fund (KF-GPROPD)**

The fund seeks stable returns from global REITs and property stocks underpinned by rental fee cash flow and opportunities for long-term returns from rising real estate prices.

Investment policy: Invest in Standard Life Investments Global SICAV – Global REIT Focus (Master Fund) on average at least 80 percent of NAV.

Risk level 7: High risk

Long-Term Equity Funds (LTF) and Retirement Mutual Funds (RMF)

At the end of the year, we launched two new LTF and two new RMF funds to promote long-term investment, retirement savings together with tax deduction benefits, and to provide investors with more options to diversify their investment in a wide

- **Krungsri Smart Fixed Income Fund (KFSMART)**

The fund is designed to improve the potential for returns that are better than savings and money market funds.

Investment policy: Invest onshore and/or offshore in debt instruments and/or deposits or deposits equivalent issued, certified, aval or repayment guaranteed by the government, a state enterprise, a financial institution, and/or private entity, where such instruments are designated as investment grade in either the issue rating category or the issuer rating category.

Risk level 4: Medium to low risk

Foreign Investment Funds (FIFs)

2016 marked another record year for our foreign investment funds (FIFs). We collaborated with both existing and new partners, including the Morgan Stanley–MUFG affiliate, and other global asset management companies to provide a full range of products. The products stand out amidst the low interest rate environment

and volatile stock markets. The new fund launches in 2016 are as follows:

- **Krungsri Global Smart Income Fund (KF-SINCOME) and Krungsri Global Collective Smart Income Fund (KF-CSINCOM)**

Fixed income solutions for a low-interest-rate world with flexibility to invest in a broader global opportunity set across multiple fixed income sectors focusing on income as a driver of total returns. The funds also help build up higher and consistent portfolio returns over time with less reliance on shifts in economic conditions and interest rates.

Investment policy: Invest in PIMCO GIS Income Fund (Master Fund) on average at least 80 percent of NAV.

Risk level 5: Medium to high risk

- **Krungsri Global Brands Equity Dividend Fund (KF-GBRAND)**

In collaboration with MUFG affiliate Morgan Stanley Investment Management, the fund provides an opportunity for returns from stocks of the companies owning

range of assets. These new funds are as follows:

- **Krungsri All Stars Dividend LTF (KFLTFAST-D)**
This fund involves investment strategies that combine both Thai and foreign stocks. Thai stocks include dividend stocks, growth stocks, large capital stocks, and small capital stocks. The fund has a policy towards the investment in equity or Thailand Futures Exchange (TFEX) listed on the SET and/or MAI, representing at least 65 percent of NAV and the investment in the iShares Core MSCI World UCITS ETF, representing approximately 30 percent of NAV.
Risk level 6: High risk

- **Krungsri Thai Small-Mid Cap Dividend LTF (KFLTFSM-D)**
The fund invests no less than 80 percent of NAV in equity of companies listed on The Stock Exchange of Thailand and/or the Market for Alternative Investment (MAI) including IPO stocks with market capitalization of no more than 50,000 million baht.
Risk level 6: High risk

- **Krungsri Global Smart Income RMF (KFSINCRMF)**
The fund allocates at least 80 percent of NAV in each accounting year in a foreign fund titled PIMCO GIS Income Fund (Class I-Acc) (master fund).
Risk level 5: Medium to high risk

- **Krungsri Global Brands Equity RMF (KFGBRANRMF)**
The fund allocates at least 80 percent of NAV in each accounting year in a foreign fund titled Morgan Stanley Investment Funds – Global Brands Fund (Class Z) (master fund).
Risk level 6: High risk

Improving process efficiency

- **Unit-linked Insurance Plan (ULIP) – another strong sales channel**
In 2016, our FIFs namely the Krungsri Greater China Equity Hedge Dividend Fund (KF-HEALTHD), the Krungsri Collective Global Income Fund (KF-CINCOME), and the Krungsri Japan Hedge Dividend Fund (KF-HJAPAND), remained popular among investors through a unit-linked plan offered by our allied insurers: AIA Company Limited; Prudential Life Assurance (Thailand) Public Company Limited; and Muang Thai Life Assurance Public Company Limited.

- **Customized data reports for key selling agents thanks to our concrete IT system Fund Service Platform by the Stock Exchange of Thailand (SET)**
We have jointly developed a fund service platform to help broaden mutual fund channel access. This platform is not only an effective vehicle for our selling agents with higher operational standards and enhanced services from fund account-opening to payments, but also helps expand our selling-agent network.

- **Passbook Update**
We launched a new passbook procedure allowing our own clients and non-Krungsri agents to update their passbooks using automated passbook update machines at Krungsri branches in addition to the company's office.

- **Enhanced Client Service**
 - o Reduced abandoned-call rate
Our Client Service team has made significant progress in reducing the abandoned-call rate which has decreased from

7.0 percent in 2014 to 6.0 percent in 2015 and 4.25 percent in 2016 as call center employees can now handle calls more efficiently, with less time spent and improved internal processes to prevent peak period of customer calls.

- o **Client Service Email Management**
A recent enhancement for online transactions called @ccess Online Service allows customers to better adjust their profiles and access their investment portfolios by themselves in real time. This has resulted in a decreased number of enquiries regarding their investments and other information.

Collaborating to drive Krungsri toward greater success

Our cooperation with Krungsri proved to be an excellent opportunity for our expansion to juristic persons and major private customers of the Bank of Tokyo-Mitsubishi UFJ (BTMU). We have been chosen by 12 companies (seven retail Japanese customers and five Thai corporate and retail customers) to act as their provident fund manager.

Digitalization

We embrace digitalization to better serve our customers' needs:

- **Full launch of new-look corporate website**
Our website's new look has been fully launched to better serve customers and interested investors at large. Customers will find it more convenient to update news, NAV, performance, and fund information through this new user-friendly website that is compatible with all platforms whether accessing the site on a mobile phone, tablet, or desktop computer.

- **Online Application for @ccess Online Service**

@ccess Online Service has long served as an online transaction platform for simple fund transactions featuring user-friendly and easy-to-access functions. We have recently made significant progress on online applications by allowing completion of application forms through our website (www.krungsriasset.com), with a link to apply for direct debit at bank accounts online. All processes can be completed easily within a few minutes.

The 2017 Plan

- **Business expansion**

- o Increase product variety focusing on both core and satellite products for quality asset allocation to suit a variety of customers.
- o Expand the distribution network by increasing the number of selling agents and training salespersons.
- o Strengthen existing selling channels through improved product knowledge and selling efficiency for long-term customer relationships.

- **Customer base expansion (main bank and high net worth customers)**

- o Expand each customer segment by reaching through the best selling channels: High Net Worth (HNW) via Krungsri Exclusive; mass affluent via Krungsri PRIME; and mass customers via online services
- o Synergize with Krungsri by working closely with JPC/MNC teams for private fund and provident fund customer referrals.

- **Improved customer experience**

Our plan is to enhance the customer experience by using online transaction services, aligned with the Krungsri digital core strategy, focusing on mobile and online channels to introduce products and services that better serve customers and to integrate appropriate online content and channel with real-time capability to drive end-to-end customer experience. To accomplish this we plan to launch these projects:

- o A fund transactions mobile application, and
- o Enhanced online transaction services such as online account-opening and retirement planning.

MARKETING AND CUSTOMER RELATIONSHIP MANAGEMENT

MARKETING AND BRANDING

'Knowing and understanding our customers' is the basis of our communication strategy and marketing activities.

Knowing that our customers' lifestyles are changing due to the increasing importance of social media in everyday life and with more time spent on the road, we have begun to place more advertising and communication emphasis on out-of-home media and online channels such as LINE, Facebook, and YouTube to better reach our target customers.

Understanding that our customers would like to broaden their business

horizons and groom their successors to eventually take over their businesses, we have collaborated with both internal business units and external institutions to organize customer events that have helped strengthen our customer relationships. Krungsri coordinated with MUFG to arrange customer visits to leading companies in Japan such as the Glico Factory, Nippon Steel & Sumitomo Metal Corporation, and the Kikkoman Corporation to experience hands on how successful companies operate. We have continued to join hands with the National Institute of Development Administration and Assumption University to offer a three-month training program called the Krungsri Leadership Academy for descendants of SME Banking and Krungsri Exclusive customers. With this year's key concept being 'Digitalization and Mindfulness', the training program dealt with topics such as the future of business after the arrival of the online world, e-commerce and telecommunications, and nonstop creative marketing.

Going forward in 2017 we will continue to gain insights to better understand our customers, to enhance our advertising and branding strategy, and to customize the customer experience journey so as to 'Make Life Simple' for them.

CUSTOMER RELATIONSHIP MANAGEMENT

We continue our customer-centric journey while embracing digitization and innovation technology: We leverage big data analytics, machine learning, and artificial intelligence to transform massive, complex data from all customer interactions into

meaningful insights that help us better respond to customers' current needs and predict potential future needs. To make life simple for customers, we designed a customized process based on their profiles and financial goals, and delivered a series of messages with useful information, including personal financial management knowledge, financial planning tools, basic product and service information, and financial tips that can help customers achieve their financial goals. Moreover, analytics also led to more efficient process design that focuses on creating a pleasant customer journey and driving a good experience seamlessly online and offline. Our automated cross-selling and referral platforms were further enhanced to cover more products and services using more channels.



DISTRIBUTION GROUP

The Group manages all product and service channels across the Bank's nationwide network, providing channels for customers to make transactions at domestic and overseas branches, Krungsri Exclusive banking centers, currency exchange centers, and Western Union centers. We also provide services through online and mobile channels.

This was the second year of the Bank's Mid-Term Business Plan (2015-2017). Our network channels served as one of the key drivers to deliver our overall business activities based on customer centricity. Major undertakings included expanding branches, ATMs, and FX booths for customer convenience; building and developing long-term customer relationships; adapting consultative selling to help customers

meet their financial needs; and developing our team to continually improve their knowledge and skills, enabling them to deliver the best service possible.

In 2016 the Distribution Group achieved all performance targets, delivering these increases: mutual funds up by 25 percent; bancassurance up by 14 percent; and mortgage loans up by 23 percent.

We also added 22 new branches, with a total of 695 branches at year-end, including 658 banking branches and 37 auto business branches. In addition, we added 668 new ATMs and 2 new currency exchange centers, giving us a total of 6,248 ATMs and 95 currency exchange centers at year-end.

Expanding our distribution channels should better serve our customers. We also collaborate with Krungsri

Auto and Ngern Tid Lor to open branches offering both banking service and Krungsri Auto or Ngern Tid Lor services: In 2016 we had 11 such branches and plan to open more in the future.

In 2017 we also plan to initiate the digitalized branch model where customers can conduct financial transactions such as account opening and bill payments independently.

Meanwhile, we will continue with the new branch operating model launched in 2016 for our branch network collaboration with the Wealth Management Division and the SME Banking Group to better meet customers' financial requirements. Furthermore, the Bank successfully rolled out a new branch front-end system in August 2016, offering improved customer branch experience.

E-BUSINESS DIVISION

At the heart of Krungsri's business plan is our core value of customer centricity under the 'Make Life Simple' concept using technology that goes beyond banking services to address customer needs – anytime, anywhere. With this focus we will further raise our level of excellence this year – particularly for digital services and innovation – to meet our customers' needs and enhance the customer and employee experience. The goal: to become the leader in digital innovation banking in Thailand.

The successful launches of Krungsri Online and the Krungsri Mobile Application in 2015 clearly reflected the changes in consumer behavior, with markedly increased use of digital banking services. The number of digital banking users increased by 44 percent in 2016, with the number of digital transactions growing from 118 million in 2015 to 200 million in 2016 – a 70 percent increase. The volume of mobile banking transactions also increased by 90 percent, while the Krungsri Mobile Application has been downloaded more than 1.7 million times since its launch. Thus we will continue to focus on mobile banking in 2017: We aim to further develop these products and services and to become Thailand's best mobile banking application provider.

Krungsri has also launched products for SME customers to respond to the growing demand for internet banking and away from traditional banking: These include Krungsri Biz Online and Krungsri Biz Alert as well as an

easy-to-use tax payment system for corporate customers. We have also developed Krungsri Host-to-Host automatic data sending and receiving as well as the Krungsri Biz Payment Gateway for dozens of customers among Thailand's largest corporations.

In 2016 we were honored with the Asian Banking & Finance Wholesale Banking Award for **Thailand Domestic Technology and Operations Bank of the Year** for the second consecutive year. Thanks to our innovative adoption of FinTech to identify solutions for internal issues and address customer needs such as paperwork reduction and use of technology to manage databases for enterprises, we won the **2016 Thailand ICT Excellence Award** for Internal Process Improvement. Krungsri also received the **2016 Social Media Initiative of the Year Award** from the Asian Banking and Finance Magazine and was cited by Facebook as a case study in the Thai banking sector for cutting call center response time by 83 percent and doubling sales and service opportunities in 2015-2016.

2017: THE YEAR OF MARKETING AUTOMATION

In 2017 our E-Business Division will be transformed into the Digital Banking and Innovation Division to keep abreast of technological advancement and be in line with Krungsri's business direction to become the leader in digital services. Our next steps are guided by the Seven Pillars of Digital and Innovation Strategy and the Eleven Boxes of Technological Innovation and Investment to enhance the customer experience with a full

range of products and maximum efficiency. We will continue our focus on SMART marketing to increase customer interactions and respond to their individual needs using artificial intelligence (AI) to create 'smart' chat functions on our widely used social platforms. These new initiatives include, for example, LINE Business Connect using API to connect our LINE official account with other users to enable targeted communications for one-to-one marketing. We also continue to develop financial services to answer the unique needs of SME and corporate customers with a range of products and innovations to enhance the customer experience in line with our mission to 'Make Life Simple'.

INFORMATION TECHNOLOGY

Krungsri Information Technology (IT) is one of the key drivers supporting our innovation culture. We use information technology to create a better customer experience, to reduce operating costs, and to provide cutting-edge financial services to the market.

In August 2016, we successfully launched a new teller system for all branches. This user-friendly system is seamlessly integrated with our legacy systems, with an easy-to-use interface. This results in speedier turnaround time and stronger procedural controls to ensure better security and reduced operational risks at branches nationwide. For this successful launch, we are a proud recipient of the **Best Branch Automation Project in Thailand award** from The Asian Banker. Throughout the year, we also explored adopting biometric authentication to open



accounts at branches and on mobile channels. We were researching the future use of artificial intelligence (AI), machine learning, electronic document processing, and video conferencing to enhance the customer experience. We were also upgrading our mobile platform to a more powerful and secure environment with new features, ready to support new-generation mobile banking.

Customer centricity continues to be the center to our core mission of providing excellent platform solutions for other business units. This year, we continued deploying workflow automation embedded in intelligence engines by launching the new loan-origination software platforms for personal loans, mortgage loans, and SME-Retail. These platforms not only enabled us to connect to the National Credit Bureau database with a world-class scoring system, but also to connect to mobile devices and a geographic information system (GIS) providing customers with more convenience and speed. In addition, we re-engineered applications to support straight-through processing (STP) in the new release of the Krungsri e-Fund Registrar service for asset management companies and

unit holders, and automated trading confirmation to the global market customers via email with encryption using robots to eliminate manual processing.

Along with the expanding scope of businesses using our enhanced capability, Krungsri has expanded a new trade business service using the SWIFT Net Trade Services Utility (TSU) to provide timely and accurate comparisons of electronic data from underlying corporate purchase agreements and related documents. The system was developed by SWIFT (Society for Worldwide Interbank Financial Telecommunication), the global settlement network for major international banks, helping export customers optimize document processing time resulting in cost savings, and helping them compete in the face of changing market dynamics. The Bank launched this new trade business service in August. Krungsri was the first bank to launch an electronic guarantee (e-GP) service, Krungsri e-Guarantee, to support government procurement for corporate and SME customers. The Bank also launched straight-through processing to automate electronic letter of guarantee approvals in September.

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After successfully implementing cloud technology for Krungsri's employee e-learning platform, we are now working on expanding the cloud technology to other selected areas such as the procurement process using ERP (Enterprise Resource Planning). This initiative for our internal processes will be cost-effective and will boost productivity, with the new platform expected to be operational in the first quarter of 2018. With the continuous progress of the Teradata Data Warehouse implementation to support centralized information, we have further invested in big data analytics and data virtualization technology as an infrastructure foundation for customer centricity and as a building block for omni-channel and sales force management. This will enhance data analytics accuracy and improve fraud detection monitoring for online transactions.

With the rapidly developing and important digital economy, the internet channel offers business opportunities and elevates services; at the same time, it presents challenges and threats to the banking environment

and operations. Krungsri thus has emphasized the importance of both preventing and protecting our customer information and transactions from various cyber threats. We have tightened security controls for key services such as money transfers, internet banking, mobile banking, and ATM transactions.

We have also started to roll out many key IT security programs including Advanced Malware Protection, DDoS (Distributed Denial of Service) Mitigation, ATM Whitelist, Security Compromise Assessment, Data Leakage Prevention, Fraud Monitoring and Detection, Ultimate Beneficial Owner (UBO) in compliance with the Anti-Money Laundering Act, and SWIFT Security Protection. In 2017, we will continuously reinforce our commitment to uncompromised security and strengthen enforcement controls over sensitive data and services using a globally recognized cyber security framework. In line with the Bank of Thailand's regulations and the National e-Payment Master Plan, we successfully launched the Krungsri Debit Chip Card and installed a chip

card reader module at all ATMs to protect customer information and create a more secure environment in 2016. A critical initiative to support the digital economy in 2016 was PromptPay or AnyID. From July 2016, individual customers could register for the PromptPay service using their Thai ID card numbers or their mobile phone numbers tied to savings accounts through these channels: branches; Krungsri Online; the Krungsri Mobile App; and ATMs. Our platform was ready for G2C (government-to-consumer) bulk payment money transfers in December 2016, while person-to-person payments (P2P) is scheduled to commence in early 2017.

In 2016, we initiated three major IT investments for the future: a new foreign exchange system to support global market trading; a new data center slated for completion by year-end 2017; and a new financial and risk management platform supporting asset liability management, liquidity management, and fund transfer pricing. (The new platform is expected to be completed in 2018 and will support the IFRS platform aligned with Basel requirements).

A collaborative culture is critical for our IT operating model to deliver the best solutions and services to customers. In 2016, we developed an IT enterprise architecture that helped integrate and standardize our IT design among multiple platforms to support growth, avoid redundancy and duplication, and support open architecture. We have invested significantly in infrastructure to improve connectivity; for example, we doubled network bandwidth capacity; we developed our ATM network to

support our new mobile network; and we implemented an intelligence network (or network modernization) that supports multi-location data center redundancy and stability.

We continued to invest in and expand the CLMV IT regional infrastructure by establishing an IT network connection to Hattha Kaksekar Limited (HKL), a leading microfinance institution in Cambodia, which became a Krungsri subsidiary in September. We also empowered our Vientiane and Savannakhet branches in Lao PDR with SWIFT hubbing capability to improve our international banking service with standardized interbank communication in the third quarter of 2016. This initiative helps expand existing services such as letters of credit, and inward and outward remittances, while also providing new business opportunities in opening nostro accounts in foreign banks. This not only promotes our business growth, but also improves operational efficiency by reducing turnaround time and the risks associated with manual processing using automated workflow.

Customer satisfaction is our most important goal of our solutions platforms: We are upgrading our contact center systems and planning to implement solutions that support new digital channels such as Open API, Web Chat, Mobile Chat, LINE, and other social channels. In addition to enabling a culture of collaboration and empowering our people, we will also invest in technology that facilitates mobility such as O365 (Office 365), VDI (Virtual Desktop Infrastructure), WiFi expansion, BYOD (Bring Your Own Device), and MDM (Mobile Device Management).

OPERATIONS

To drive Krungsri toward greater success as a customer-centric bank, the Operations Group has improved collaboration between various functions to achieve service excellence, improve our operational efficiency, and create digital innovation. With our customer-centric approach, we work to enhance collaboration between front-, middle-, and back-office functions, including IT, to enable us to work collectively and effectively while leveraging technology to rely more on automation that can minimize human error. In 2016 we implemented automatic FX confirmation e-mail sent to our customers with automatically-generated passwords to tighten up customer information security. The bank also expanded foreign exchange business service coverage by including more currencies: the Pakistani rupee (PKR); the Bangladesh taka (BDT); ASEAN currencies; and emerging market currencies to meet customer needs and support their overseas investments. Moreover, we supported the Global Markets Group to expand the foreign currency bond business to customers (asset management companies and financial institutions) by working closely with MUFG and the Mitsubishi UFJ Securities International (MUSI) operations in Hong Kong and London to provide full-scale payment and settlement operations.

As an MUFG member, Krungsri collaborated with and moved in the same direction as the Group aiming to be a top-tier financial group in Thailand and to ensure compliance with BASEL/ISOCO's regulations under five-phase regulatory plan. The Bank is among the few top Thai

commercial banks that pioneered margin requirements for global market transactions, which not only helped us to significantly mitigate risk exposure arising from our fast-growing businesses, but also improved our competitiveness. Moreover, we would become a preferred choice over our business rivals due to our readiness with global partners.

To expedite the change and exceed customer expectations we streamlined the end-to-end account-opening process for corporate customers and simplified all relevant procedures to meet customer needs and support the front office to expand bulk and payroll-account opening.

We have also improved the Credit Approval and Operational Process Re-Engineering (CAOR) by launching the new Krungsri Collateral Valuation System, our investment project implemented in 2016 to shorten turnaround time for appraisals as part of customer centricity. Furthermore, the mobile application and Geographic Information System (GIS) improved our operational efficiency and productivity and enabled us to deliver even faster and more convenient products and services.

In 2016 we continued our focus on digitalization as we cooperated with the Bank of Thailand, the Thai Bankers' Association and the government to implement the National e-Payment Master Plan intended to transform Thailand into a cashless society, aiming to create an integrated e-payment infrastructure for the nation. We also collaborated with other functions to enhance the Krungsri PromptPay service, one of the five projects under the national e-Payment Master Plan designed to

simplify fund transfers by using citizen identification numbers or mobile phone numbers instead of bank account numbers to lower fund transfer costs for customers. In addition, the Electronic Data Capture (EDC) service nationwide has been expanded, especially for targeted groups such as SME customers. Krungsri was among six commercial banks signing the EDC Consortium, a memorandum of understanding for collaboration on EDC terminal expansion.

We also collaborated with the front and back offices to enhance the Account Pooling Service across core banking platforms by the auto sweep account service from a Thailand platform to a Tokyo platform. This global pooling service provided greater customer convenience in managing their funds globally to their mother accounts held at BTMU overseas. We will explore another project for online real-time services across platforms in the near future.

During the year the Bank of Thailand in cooperation with all Thai financial institutions stipulated service delivery standards (Service Level Agreement: SLA) to improve industry-wide financial institution services. The Operations Group has ensured full cooperation and finally announced our service standards in June. We have also expanded the scope of internal service quality control to other customer touchpoint functions such as merchant services, collateral valuation, and transactional banking to assure that services are professionally delivered at the same standard.

Digital operations are included in our 2017 plan which calls for new applications such as blockchain technology (the database technology that underpins bitcoin) for digital cheques, supply chain finance, cross-bank bill payments, and fund transfers with request-to-pay.

We have developed our people through both e-learning programs and various training sessions to further their knowledge and capabilities as professional bankers with a deep understanding of our customers' needs, ready to provide superior services in this digital banking business environment.

HUMAN RESOURCES GROUP

Customer centricity is the foundation of our business operation that drives Krungsri to success by fulfilling our customers' requirements and expectations. Krungsri also attaches great importance to our most valuable assets – our people: We strongly believe that success and growth can only be achieved with competent employees upholding values aligned with our business strategies. Mindful of this, we have continuously fostered a culture that promotes teamwork, cultivates ethical behavior, and encourages employees to do their utmost to serve our valued customers. Furthermore, we groom our people in various ways as Krungsri strives to become a leading financial institution locally, across Asia, and globally.

With this resolve to become a leading regional financial institution with

We have continuously fostered a culture that promotes teamwork, cultivates ethical behavior, and encourages employees to do their utmost to serve our valued customers.



global reach and to stay ahead of ever-changing and challenging customer needs as well as the rapidly emerging technological innovations in the financial world, the Human Resources Group has developed our executives' professionalism at all levels by providing equal development opportunities in pursuit of our core philosophy of customer centricity.

In 2016 the Human Resources Group designed learning programs and developed training calendars to drive Krungsri toward becoming a customer-centric organization, to efficiently cater to customer needs and expectations, and to promote sustainable business growth in this digital era. Examples include:

- **Krungsri Customer Centricity Training Calendar**

A program specifically designed to

extend knowledge and understanding of customer centricity values and to provide executives and employees at all levels with an opportunity to learn from the invaluable experience of other leading organizations how to successfully embed customer-centric values. The program consists of five courses, each well designed based on expected behaviors at each level. These include Developing Customer Centricity in You, Becoming a Customer-Centric Practitioner, Becoming a Customer-Centric Role Model, Driving Customer-Centric Behavior Begins with Your Team, and Leading Customer-Centric Organization and Value.

- **Annual Training Calendar for All Employees**

A training calendar is carefully designed and developed to foster

Krungsri Core Values, strengthen leadership, and enhance a variety of skills that promote customer-centric delivery of products and services. Highlights include Creative Thinking – Better Creativity for Better Ideas, Maximize Communication Skills for Success, Problem-Solving and Decision-Making, and Sparking Ideas through Creative Thinking.

The Human Resources Group also attached importance to enhancing knowledge and skills for customer point-of-contact employees so that they become highly capable of delivering a full range of customer solutions for an impressive customer experience. To achieve this, a Functional Training Calendar was designed to strengthen functional competencies for each business function. The calendar also included courses that focus on embedding customer-centric values:



- **Branch:** Focusing on providing services that best respond to customers' needs. Courses include Strategic Thinking Planning and Execution, Consultative Selling Skills, and Krungsri Service Signature Plus on how to deliver an impressive customer experience
- **SME Banking:** With courses such as a Consultative Selling Skills Workshop, Industry Knowledge, and Professional Business Etiquette
- **Corporate and Investment Banking:** With courses such as Consultative Selling Skills and Smart & Good-Looking
- **JPC/MNC Banking Program:** Consisting of courses such as Building Effective Communication, Total Solution Sales Strategy, and Smart & Good-Looking
- **Transaction Banking:** Consisting of courses such as Transaction Banking Product and Cash Management Product, and
- **Global Markets:** Consisting of courses such as Selling Skills – Professional Consultative Sales, and Industry Knowledge.

In addition to courses that focus on efficiently providing service and responding to the needs of all customer groups be it retail, SME, and corporate customers, all employees also receive continuous and unlimited access to

knowledge and self-development through a modern learning channel—the Krungsri Learning Companion (KLC), offering both domestic and international online courses carefully selected to broaden knowledge about customers' businesses and relevant tasks to improve efficiency and effectiveness as well as courses that stimulate creative financial innovations.

To cope with internal growth for the Bank and its subsidiaries, the Human Resources Group has studied, reviewed, and revised guidelines on internal job transfers and relocations as well as designing and formulating a Job Rotation Policy for human resources management to enhance employee skills and expertise and to support their career advancement both within and across functions.

In addition to developing skills and competencies, we also continuously promote good physical and mental health for our people. In 2016 health care programs were arranged with knowledge and guidelines provided by physicians and experts. Employees were given an opportunity to join seminars and workshops. The Bank's infirmary was renovated with exam rooms and patient rooms being modernized and well-equipped with necessary medical equipment as well as a team of physicians and professional

nurses available to provide immediate medical assistance and relief for employees every business day. Annual flu vaccinations were arranged as suggested by the World Health Organization (WHO). Moreover, useful knowledge was shared with employees through internal channels; for example, news on current infectious disease threats to create awareness and promote self-care and health protection, sharing of knowledge about social security, welfare loans, personal income taxes, and the provident fund to equip employees with financial know-how for more efficient financial management.

In 2016 the Krungsri Payroll Center of Excellence (CoE) was one of the highlights of our long-term plan. In addition to the payroll service currently provided to the Bank and to five subsidiaries, the Human Resources Group aims at serving all Krungsri Group companies by 2020. To achieve this, the OneKrungsri Platform and the Payroll Digitalization Project have been initiated to acquire modern information systems to provide a highly professional service. Furthermore, the Human Resources Group has developed a system to enable employees to conveniently access their provident fund data and change their savings rate on the Intranet.

A highly efficient information system is scheduled for 2017 to provide even better employee welfare management, giving employees access to all welfare-related data and information through an Employee Self-Service function enabling them to check their medical reimbursement status, learn about welfare-loan application process, etc. All these initiatives will streamline processes, reduce related costs and turnaround time, and thus facilitate faster, more convenient service for employees.

To support the Bank's strategies for CLMV business expansion and enhance employee development in our drive to become a leading CLMV financial institution, the Human Resources Group has identified talents using succession planning to make these strategic moves in the target countries. An internationally recognized systematic compensation and benefit structure has been applied for these employees to ensure that compensation and benefits for overseas assignments are aligned with BTMU compensation and benefits in the region as well as being highly competitive in the financial business sector.

Talent acquisition has always been another key focus for us: In 2016 the Human Resources Group introduced and applied technology to make recruiting and hiring more convenient for candidates. With this aim in mind, Simple Q and Application Online have been used to allow candidates to apply anywhere and anytime as well as to save time in completing applications and streamline processing.

In addition, the Krungsri @ First Sight Program has been initiated as the first attempt to build Krungsri employer branding with leading Thai universities: Krungsri representatives visit teachers and students to introduce our organization, offer career options, and share interesting and practical financial knowledge with target groups. In 2016, this outreach program successfully covered four universities with more than 1,000 students. The Human Resources Group aims at creating sustainable positive relationships and cooperation between Krungsri and these universities as well as offering career opportunities and professional knowledge to students participating in the program.

In addition to Krungsri @ First Sight, the Human Resources Group has launched Krungsri Bright Start Program to groom young talents for Krungsri. The program gives undergraduates an opportunity to gain first-hand working experience with Krungsri through internships and cooperative education. In 2016 more than thirty undergraduates joined our internship program in various functional units. In 2017 we plan to accept more than fifty interns who would be given an invaluable opportunity to gain hands-on work experience, develop their capabilities, and explore their future career options with Krungsri.

RISK MANAGEMENT

Over the past year the Risk Management Group has confronted various global and domestic challenges. We continued to improve and strengthen our procedures in cooperation with BTMU risk management functions to enhance our own risk management.

Krungsri has displayed judiciousness in risk management by using various risk management techniques. High-quality risk management is one of our active priorities. Our core risk management responsibilities are to identify, measure, control, monitor, and manage risk. We manage this with policies, measurements, and monitoring procedures guided by our internal governance principles. All our initiatives are aligned with Krungsri's strategies and business model.

Credit Risk

The Risk Management Group is primarily accountable for identifying, assessing, mitigating, and monitoring risks within acceptable limits. These functions also include analyzing risks

and preparing risk policies, procedures, and governance principles as approved by the Board of Directors.

Enterprise-wide Risk

To support sustainable growth and align ourselves with global standards, Krungsri has established the 'Enterprise-wide Risk Management Framework (ERM)' to oversee and proactively manage material risks. ERM tools such as Risk Appetite, Risk Map, Heat Map, and key risk identification procedures have been developed and implemented to dynamically identify, assess, and monitor risks using an integrated approach. Under ERM, appropriate action can be taken to ensure that the Group's risk profile is aligned with our business plan and that risk management strategies are within our risk capacity.

Market Risk

The synergies in the Krungsri-BTMU Bangkok Branch integration gives us not only products and services for our customers, but also market risk management knowledge and expertise that help our market risk team meet international standards.

In 2016 we dealt with these issues: a highly competitive market; a challenging operating environment; more customized treasury and derivative products and services offered by our global market team to meet complex customer demand; and acquiring microfinance company in Cambodia. The Market Risk Management Division has led us to become more proactive by doing flash reports to simulate the Bank's income impact before any emerging events occur, applying more advanced techniques for market risk capital charge calculation, and considering our increasing business volume and more complex foreign exchange products.

Liquidity Risk

In 2016 Krungsri officially applied the Liquidity Coverage Ratio (LCR) required by the Bank of Thailand. However, our Market Risk Management Division was aware that the LCR focus was liquidity sufficiency up to a one-month stress period only. Therefore, the team strengthened our funding liquidity risk management framework to expand the scope of the monitoring, setting the trigger for the period at 0-3 month and 0-6 month to ensure that the bank has longer-term sufficient liquidity.

The team also does flash reports on funding liquidity risk management to ensure that we have enough liquidity in Thai baht and major foreign currencies.

Operational risk

The Operational Risk Division works to ensure minimal impact to Krungsri and our subsidiaries in the event of any internal failures, external factors, or outages: The entire Krungsri Group regularly performs a Risk Control Self-Assessment, while key risk indicators developed for all departments are closely monitored. The process of reporting an operational risk incident is embedded in and implemented across the Krungsri Group. Should there be any significant incidents would be systematically analyzed by our dedicated working group. A business continuity plan has also been devised and is regularly tested and updated.

COMPLIANCE

We are determined to maintain our business operations excellence by adhering to laws and regulations as well as good corporate governance

reflecting our ethical values and integrity in transparently conducting our business, responsible to all stakeholders.

We have implemented preventive and monitoring measures along with up-to-date technology in response to rapidly changing financial innovations for effective, efficient compliance controls.

Preventive measures have included constant monitoring of regulatory changes, entrusting the Compliance Division to summarize regulatory requirements before communicating them to executives and relevant employees using our intranet as comprehensive, prompt, and efficient communications. We also organize this information in our OneKrungsri portal to facilitate research and regularly updated regulatory information. The Bank has also developed compliance courses on specific regulations using e-Learning – for example: Anti-Money laundering/Combating the Financing of Terrorism (AML/CFT); policies and measures to prevent insider trading; and conflict-of-interest protection. Employees can easily attend these training courses and achieve the course objectives.

Monitoring activities have included two types of testing: off-site monitoring, for example circulating checklists to relevant units for self-assessment and reviewing various documents and reports; and on-site monitoring, for example examining business operations at work areas, including mystery shopping. In 2016 the Bank introduced technology to review and confirm ultimate beneficial owners (UBOs) as well as evaluate customer risk using automated risk-scoring to manage KYC (Know Your Customer) and CDD (Customer Due Diligence) requirements and upgrade the financial transaction

review system to comply with regulatory requirements of the Anti-Money Laundering Office (AMLO). We believe that constantly following these measures using new technology along with teaching a compliance culture will enable us to maintain our business operations excellence by adhering to laws and regulations and applying good corporate governance principles.

CORPORATE STRATEGY AND PLANNING GROUP

The Corporate Strategy and Planning Group was established to drive our strategic transformation and manage key projects to deliver desirable outcomes aligned with our Mid-Term Business Plan. The Group is resourceful and with diversified expertise, which is necessary to drive the Bank's transformation including strategy, key infrastructure improvement, process improvement, internal governance, and front-line customer touchpoints. Krungsri focused on transformation in the following four areas in 2016.

CUSTOMER CENTRICITY

Krungsri is driven by a customer-centric strategy focusing on gaining customer insight while improving internal collaboration to deliver the best possible customer experience. As for branch operations, Krungsri's micro market concept has seen success at pilot branches, followed by a nationwide rollout to improve cross-functional collaboration to improve retail and SME customer service. For retail customers, the entire mortgage lending process underwent a major revamp to expedite our service, including a new retail lending platform called ROS for personal and mortgage loans

in 2016: the service will be available for retail SME in 2017. A new collateral valuation platform was also introduced to enable the Krungsri collateral valuation team to deliver faster and more accurate service.

The corporate and SME credit approval process was streamlined in 2016 to surpass the expectations of today's customers. Similar changes were made to our loan origination system due to be completed in the first quarter of 2017. The Commercial Banking Credit Control Department was set up to assist customer support and to act as a bridge between customers and the Bank, offering tailor-made financial solutions that spur growth, increasing efficiency for customers' businesses. The Group also streamlined the account-opening process for the Thai corporate and JPC/MNC segments introduced a more effective integration solution to deliver service excellence for JPC/MNC cash management and SWIFT services.

COLLABORATION

The PDCA (Plan-Do-Check-Act) concept was introduced in 2015 and has been a key factor in our continuous improvement bank-wide. All functional units were encouraged to reach targets, to meet goals, and to collaborate in achieving the overall Mid-Term Business Plan: our senior management team each moved toward the same goals. In addition, internal NPS (Net Promoter Scores) and KPI (Key Performance Indicators) were developed to track and ensure the continuity of internal collaboration improvement.

DIGITALIZATION

To stay ahead of the global trend we constantly quicken our pace in the digitized world, well aware of rapid changes and adopting digitalization

as key focuses for several years now. Krungsri Online, Krungsri Mobile Application, and Krungsri Biz Online have seen undisrupted improvement to update the functions for better and faster services that meet the demands of online customers. Furthermore, online business platforms and technology are updated regularly. In 2016 Bank of Thailand and Ministry of Finance expedited the program to move Thailand closer to a cashless society. Krungsri, as a key member of the Thai Bankers' Association, has strongly supported the National e-Payment program and look forward to adding value to maximize benefits and give our customers a competitive edge.

The Bank also launched faster platforms to secure our digital frontier, adopting cloud technology, with the cloud-based HR recruitment platform in use. This agile software development concept is the bedrock of our various digital solutions and services, developed both for the Bank and for our customers. FinTech is among our key areas of focus as the Bank works closely with many new partners to create innovative and noteworthy financial services.

FOUNDATION

As Krungsri moves faster and becomes increasingly digitized, we are fully aware that a stronger foundation is needed to improve scalability, expandability, stability, and reliability. This need is reinforced by new regulatory updates and new accounting standard updates.

A finance and risk analytics program was initiated comprising several projects with the goal of strengthening the Bank's foundation, set to be initiated in the second quarter of 2017 and completed in the third quarter of 2018. Amending accounting standards

and IFRS9: Financial Instruments are also planned to ensure our full compliance. Relevant projects are in process to be completed in the fourth quarter of 2018.

The Bank has complied with the global minimum standard on the margin rule in September 2016 following a reform program initiated by the G20 to reduce systemic risk from over-the-counter (OTC) derivatives, part of the market reform program of the Basel Committee on Banking Supervision and the International Organization of Securities Commissions (BCBS/IOSCO).

As for distribution operations, Simple Click (a new teller system) has been rolled out to all branches nationwide in August, followed by its use at all exchange booths in November. Furthermore, the European Master and Visa (EMV) ATM chip card fully replaced the magnetic strip ATM card in September.

We have strengthened our corporate governance using multidimensional self-assessment. Proactive steps were taken under the B-SAFE program to strengthen related policies, processes, procedures, and systems, with continuous monitoring and joint resolution across all business functions.

Krungsri has laid a solid foundation for data governance and has continued its activities to strengthen processes and control by completing the data grocery for key data elements in the Bank and also performing data cleansing activities and setting up the process to control the quality continuously.

BUSINESS MANAGEMENT OF SUBSIDIARIES, ASSOCIATES, AND JOINT VENTURES

KRUNGSRI AMC

Krungsri Ayudhya AMC Ltd.

Type of service: Purchases and accepts impaired asset (NPL and NPA) transfers for management through debt restructuring or collateral purchases for disposal. The company also undertakes NPA maintenance to ensure that they are in good condition and ready for sale.

Market and competition: None as the company only provides support services to the Bank.

Source of funds: The Bank

KRUNGSRI FACTORING

Krungsri Factoring Co., Ltd.

Type of service: Provides factoring services (domestic factoring with recourse and notification) by granting short-term revolving credit facilities through accounts receivable purchases and assigning collection rights.

Market and competition: Krungsri Factoring constantly realigns its business position with changing economic conditions, taking into account the increasingly competitive nature of the factoring market. Krungsri Factoring monitors the prevailing conditions in the industry including: 1) the current pricing

offered by key players; 2) their credit approval process; and 3) their service quality. To maintain competitiveness we recently expanded into the SME segment by offering attractive pricing to these customers.

Source of funds: The Bank

KRUNGSRI LEASING

Ayudhya Development Leasing Co., Ltd.

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

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

Krungsri Leasing is a market leader in the leasing industry focusing on medium-to-large-ticket leases as well as structured leases for a variety of industries. These activities give us a meaningful point of differentiation.

Source of funds: The Bank

KRUNGSRI AUTO

Ayudhya Capital Auto Lease PCL.

Type of services: Krungsri Auto, a leader in the automotive finance business under the Bank, continues to deliver new customer experiences through its total-solutions packages. Customers receive consultation services and enjoy a range of products covering hire purchase for new cars (Krungsri New Car), used cars (Krungsri Used Car and Krungsri Rod Baan), motorcycles (Krungsri Motorcycle, Krungsri Big Bike, and Krungsri Used Big Bike), trucks (Krungsri Truck), refinance (Car for Cash), as well as insurance services. In addition, related auto finance services for corporate clients include Krungsri Fleet and Leasing and Krungsri Inventory Finance.

As Krungsri Auto is the Market Shaper, innovation is the core of our operations. In 2016 a Customer Experience Strategy was pushed forward through digitization to meet the needs of customers in the digital era. Moreover, automotive financial solutions were added to cover our corporate customer base with support from MUFG/BTMU networks.

Stepping into the ASEAN Economic Community (AEC), our business strategy geared toward the CLMV market has been implemented as Krungsri Auto continues to look for new opportunities in these markets.

Sources of funds: Primarily the Bank and AYCAL debentures

KRUNGSRI CONSUMER

Krungsriayudhya Card Co., Ltd.

Type of Services: The Krungsri Exclusive Signature Credit Card; the Krungsri Signature Credit Card; Krungsri credit cards including Krungsri Visa Platinum, the HomePro Visa Platinum Card, the Krungsri Lady Titanium MasterCard, the Krungsri Business MasterCard, the Krungsri Manchester United Champion Card; the AIA Visa Card; and the Krungsri JCB Platinum Card. In 2016 the Krungsri credit card portfolio totaled 2 million cards.

To continually expand its customer base and ensure sustainable growth the company is committed to offering a variety of products and promotions to cater to the differing needs of various customer segments. In early 2016 the company launched a new product called the Krungsri JCB Platinum Card under the concept 'the Ultimate J experiences' covering all J-lover lifestyles: This credit card targets working adults who are fond of Japanese-related products and services, with discounts and promotions for Japanese brands, shops, and restaurants in both Thailand and Japan. With its attractive benefits, this new product has been successful, with new cards totaling more than 90,000 by year-end 2016.

At the same time, after researching the needs of the premium-customer segment, the company revised the core features of its Krungsri Exclusive

Signature Credit Card and Krungsri Signature Credit Card to make the key benefits more exclusive, yet practical for daily lifestyles. One of the highlighted privileges is the latest promotion called UP Taste with Signature for which the company has leveraged its strong partnership network in Japan to offer special privileges such as a maximum discount of 50 percent, complimentary dishes, and five times bonus points when spending at any of 50 upscale Japanese restaurants in both Thailand and Japan. The promotion has been popular among those who love premium Japanese cuisine.

The company also leveraged its relationship with MUFG to offer special discounts and privileges for our cardholders during trips to Japan through a promotion called the Cross Border Campaign: the company partners with leading department stores in Japan such as Matsuya, Odakyo, Daimaru, Matsuzakaya, Marui, Tokyu, TOBU, Kintetsu, and Takeya — more than forty merchants at more than two hundred locations in Hokkaido, Tokyo, Chubu, and Kansai.

Source of funds: The Bank

Ayudhya Capital Services Co., Ltd.

Type of service: Sales financing (merchandise installment financing) and personal loans under the brand Krungsri First Choice and a nano-finance product under the Tao Kae Tan Jai brand.

The company's sales financing service was introduced by GE Capital in 1994 under the First Choice brand. The First Choice Card initially provided retail installment financing, focusing on electrical appliances. Product coverage was then expanded to include more categories such as IT, mobile phones, home improvement, education, car accessories, and beauty products. Personal loans were added later to make the First Choice Card a 2-in-1 card. After cementing its affiliation with the Bank of Ayudhya Public Company Limited in early 2010 First Choice was rebranded as Krungsri First Choice. The Krungsri First Choice Card continued as a 2-in-1 card providing sales financing with terms of up to 48 months and personal loans with revolving features as well as installment loans with terms of up to 48 months. The card requires lower income criteria than most other credit cards. Krungsri First Choice now provides comprehensive service coverage with more than 400 service counters located in key partner areas nationwide. The company continues to maintain a high market share of 20 percent for sales financing (merchandise installment financing) and personal loans.

The card's key strength lies in its extensive partnerships: to date more than 18,000 major merchandise distributors nationwide accept the card and participate in special promotional programs. Krungsri First Choice also enjoys a solid long-term relationship with leading OEM manufacturers including Samsung, Sony, Acer, HP, Dell, Lenovo, Panasonic, Toshiba, Philips, Hitachi, BlackBerry, and HTC to develop co-promotions aimed at cardholders, with two hundred to three hundred active campaigns each month.

Krungsri First Choice offers interest-free installment terms of up to 48 months to ensure broader coverage in an array of product categories.

The Bank has also worked with Krungsri First Choice to provide credit facilities to merchandise distributors to purchase goods from OEM manufacturers as a supply chain solution. This enables Krungsri to provide financial solutions to support our partners' supply chain management from OEMs and merchant distributors to end-users.

Krungsri First Choice Visa Platinum

— Launched in 2015, the card targets customers with minimum monthly income of at least 15,000 baht.

The card's core feature is the ability to change credit card spending transactions to 0 percent, 3-month installment payments with one phone call. Customers also enjoy buying 1-get 1-free promotions from partners such as McDonald's, True Coffee, Major Cineplex, Blu O Rhythm & Bowl, and Major Bowl.

Krungsri First Choice Visa Card

— Launched in 2008 to meet demand for credit card features to be combined with sales financing and personal loan installment programs with longer payment periods, the card targeted customers who meet credit card criteria but require more liquidity through longer-term payments. It's accepted across the Visa network for normal credit card spending and is accepted by more than 18,000 partners nationwide for sales finance with normal or zero-percent interest.

Krungsri Debit First Choice Card

— This card was inspired by our brand promise Make Life Simple and was launched in mid-2011 as Thailand's

first 4-in-1 card featuring ATM and debit card services from Krungsri plus sales financing and personal loan services from Krungsri First Choice. The card can be used to withdraw cash from any ATMs, with the debit card operating on Visa's network. For sales financing, the card is accepted by more than 18,000 partners with installment financing terms of up to 48 months. Cardholders also enjoy personal loan facilities with revolving features as well as repayment periods of up to 36 months. Customer qualification requirements are the same as with the Krungsri First Choice Card (2-in-1). The card is offered through all Krungsri branches.

In addition to sales finance, Krungsri First Choice offers personal loans as a major contributor to the Group's performance. Providing easy access to cash via multiple channels, including Hello Cash (via IVR), Krungsri First Choice branches and service counters (via EDC), and all ATMs was a key growth driver for the product.

And to provide customers with greater convenience Simple Application was introduced — an innovation that helps improve the application process and allows Krungsri First Choice to issue cards to customers at application points within 30 minutes and without a paper application form.

Tao Kae Tan Jai — Launched in September 2016, the Krungsri Consumer Group's first nano-finance product targets small business owners who have operated their businesses for at least one year with permanent business locations. Tao Kae Tan Jai allows small retail entrepreneurs to access working capital loans in the financial system corresponding to

government policy. During the initial launch phase the company operated in the Greater Bangkok Metropolitan Area and Chonburi Province as high-potential areas. Plans for 2017 are to roll out service areas in major provinces in each region.

Tao Kae Tan Jai's key differentiation point is its simple application process, 'Easy approval without financial documents'. Customers can apply without financial documents such as bank statements or guarantors. The maximum loan size is 100,000 baht with convenient payment channels such as the bank payment channels and counter services and without fee.

Tao Kae Tan Jai also encourages customers to practice financial discipline by introducing a 10 percent pay-on-time-cash-back-on-interest feature for customers who pay punctually for six consecutive months. In addition, customers who have good payment records of at least one year are eligible for a revolving credit limit using their Tao Kae Tan Jai card to withdraw cash from ATMs with ATM pool network machines at anytime. They can also opt for installment finance plan payments to purchase products and services that support their businesses at special interest rates at more than twenty thousand participating Krungsri First Choice dealers nationwide.

Awards and Recognition

- Thailand ICT Excellence Award 2016 – Outstanding Achievement (Core Process Improvement Projects) by Thailand ICT Excellence Awards
- MAT Award – Bronze Award by the Marketing Association of Thailand for 'Best Marketing Campaign-Krungsri First Choice - 0 percent Installment Plan on Demand'

- Top Thailand YouTube Ads Leaderboard and number 6 in Asia-Pacific: by Google 'Mother's Day Campaign'
- Top Thailand Facebook Posts (social media content) by Socialbakers Ltd –Facebook Marketing Partner 'Mother's Day Campaign'
- 2016 Thailand's Most Social Power Brand – Ranked first as the most popular brand with high customer engagement on social media in personal finance (credit cards and loan cards) and second in personal finance (credit cards, loan cards, and auto loans) by BrandAge & Zocial Inc.

Source of funds: The Bank

General Card Services Ltd.

Type of service:

Central Credit Card – The most popular cobranded credit card for Thailand's leading department store chain was developed through a joint partnership between Central Department Store and the Krungsri Group and was established to oversee and issue exclusive credit card and personal loan products and services under the Central brand.

General Card Services (GCS) has been entrusted by the Central Retail Corporation to continue its service as the company's main financial services provider for an additional eight years, making GCS Central's financial services provider for more than twenty years: This not only covers financial services under the Central brand, but also for the Central Retail Corporation, marking a new chapter for Thailand's leading financial

services provider. This will create new opportunities for the Krungsri Group to expand its customer base and is a testament to Krungsri Consumer's leadership in the consumer finance industry.

The company was the first credit card issuer in Thailand to create special shopping experiences for Central Department Store cardholders, including Central Card Day and Preview Day as well as major sales events such as the Midnight Sale and the Private Sale. Central Credit Card offers an array of exclusive Central Department Store benefits including, but not limited to, up to 10 percent year-round discounts off normal prices. The card also offers special privileges at leading Central Retail Group outlets such as Tops Supermarkets and Power Buy. Cardholders can also enjoy ongoing promotions year-round in various categories, including dining, travel, healthcare, and many more. Long-term privileges and promotions contributed to the continuity of card usage, customer loyalty, and its attractiveness.

Central The Black and Central Black – Tailored exclusively for the super-affluent segment, these credit cards are positioned as the best and the most prestigious retailer credit card, with membership by invitation only.

Central The Black was the first-ever World Elite MasterCard in Thailand and the first-ever World Elite retail cobranded card in Asia, targeting only 300 invited cardholders, while Central Black targets 4,000 accounts from the top existing Platinum cardholders and is run on the MasterCard World

platform. Apart from special privileges at Central Department Store and the Central Retail Group the two products offer attractive cross-border privileges such as a cashback service and special reward points. Cardholders can enjoy exclusive privileges including flight upgrades from economy to business class for Thai Airways' 42 routes in Asia and Thailand; priority passes to access more than 700 airport lounges worldwide, a 50 percent discount at Central Embassy Diplomats Screens, as well as Wine & Dine programs at leading restaurants and hotels.

Central Exclusive Cash – Central Exclusive Cash is a personal loan product managed by the company. To provide our cardholders with greater flexibility and convenience existing cardholders can now withdraw cash from any Krungsri ATM nationwide under the approved cash loan credit limit without submitting additional documents to apply for the loan. Central Exclusive Cash also offers ongoing special campaigns such as low annual percentage rate (APR), zero-percent interest for three months, and many more.

Simple Visa Card – Previously called the Robinson Visa Card, the Simple Visa Card offers attractive features, benefits, and promotions such as discounts and cash back at all major Thai department stores including Robinson, Central, The Mall, The Emporium, and Siam Paragon, and is thus positioned as the best shopping card in Thailand. It also offers a number of other benefits, including cash back for everyday spending at outlets such as gas stations and supermarkets.

Power Buy Card – This sales finance card is a joint venture between the Krungsri Group and Power Buy, a major electrical appliance distributor with 90 branches nationwide. The product offers merchandise installment financing along with cash withdrawals and can only be used at Power Buy stores. Similar to other sales financing features, cardholders enjoy in-store promotions with special interest rates, including zero-percent interest with longer payment terms. The minimum income requirement for the card is lower than for normal credit cards. The card also provides personal loans with installments of up to 36 months with multiple service channels, including Interactive Voice Response (IVR), Krungsri ATMs, and the ATM Pool.

Source of funds: The Bank

Tesco Card Services Ltd.

Type of service: Tesco Card Services Ltd. (TCS) is a 50:50 joint venture between the Krungsri Group and Tesco Lotus, Thailand's largest hypermarket chain, established in 2001 to operate the Tesco Lotus Credit Card program, launching with the Tesco Lotus Private Label Credit Card and later becoming the Tesco Lotus Visa Credit Card. It further grew to include the Tesco Lotus Premier Card (merchandise installment financing and personal loans) and a wholly owned subsidiary: Tesco Insurance Broker Services. TCS continues to expand and widen its distribution through Tesco Lotus stores, with the number of in-store financial services and insurance counters increasing to 181 in 2016 and operating under the banner of Tesco Financial Services.

TCS aims to make the Tesco Visa Credit Card the preferred payment choice for Tesco Lotus customers in and out of Tesco stores by rewarding their loyalty with superior everyday privileges and offers. Customers can earn rewards everywhere they shop, up to 3.5 percent off their purchases in Tesco stores, and up to 3 percent cashback at Esso service stations nationwide. Going forward, payment options will be broadened to serve more Tesco customers better.

TCS is committed to delivering excellent service and convenience to customers whichever channel they choose to apply for their products – Tesco Lotus stores, their online channel, or their call center.

Source of funds: Shareholders (Ayudhya Capital Services and Ek-Chai Distribution System Co., Ltd.)

Tesco General Insurance Broker Ltd.

Type of service: The Company offers non-life insurance products and services to Tesco Lotus customers by partnering with well-known and trusted insurance providers, offering simple, rewarding, easy-to-apply-for products, with a wide range of choices and good value.

A range of auto, accident, and health insurance products are available at 181 Tesco locations nationwide, or through the company's call center and website. Going forward the company will strengthen insurance offers, making them more inclusive and better value for customers.

Source of funds: Shareholders (Tesco Card Services Ltd.)

Tesco Life Assurance Broker Ltd.

Type of service: The company provides life insurance products and services to Tesco Lotus customers via telephone or stores to offer a variety of life insurance products for Tesco customers, including short-term savings, long-term savings, and whole life insurance.

Source of funds: Shareholders (Tesco Card Services Ltd.)

Total Services Solutions PCL.

Type of service: Provides collection services, including litigation. Its core business is providing collection services for unsecured products including personal loans, credit cards, and sales financing. The company's customers are mainly the Bank and its subsidiaries: Ayudhya Capital Services, General Card Services Co., Ltd., Krungsriayudhya Card Co., Ltd. and Tesco Card Services Ltd.

The company has considerable expertise in the efficient collection and litigation of unsecured products using advanced auto-dialer technology to reach customers efficiently. All processes are designed with customers in mind and follow the Bank of Thailand regulations as well as practices in compliance with the Debt Collection Act. Total Services Solutions Pcl. is rated among Thailand's top collection service firms for delivering high collection efficiency with strict compliance controls. The company continually tests and implements new strategies to maximize its operational efficiency, resulting in strong results even during tough economic times.

Strategies for business growth:

to accommodate the expanding customer base, the company plans to increase manpower, develop talent, and upgrade its equipment and office space to continually improve operational efficiency. In line with its affiliates' business strategies that aim to tap into the provincial market, the company also opens branches in key provinces for better market penetration in these areas.

Throughout the year the company continually improved the efficiency of its collection service, using a customer-centric approach to enhance customer satisfaction. For example, customer risk profiles and payment history were used as criteria to determine collection methods for different customer segments to ensure more efficient collection and better service quality. The company also initiated a program to help customers with debt and repayment problems to better manage their finances.

As part of its plan to improve service quality and prepare for future business expansion, the company has provided language training for its people so that they can better communicate with foreign customers. Regular service-quality training is organized for the collection staff setting standard processes and controls to ensure superior service quality: for example, procedures for handling customer complaints and measures for handling employees who fail to follow standard collection practices.

Source of funds: The Bank

Krungsri General Insurance Broker Ltd.

Type of service: Established as a nonlife insurance broker in 2007, the company changed its name from Quality General Insurance Broker to Krungsri General Insurance Broker in 2011 and provides personal accident and auto insurance to General Card Co., Ltd., Krungsriyudhya Card Company, and Ayudhya Capital Services Co., Ltd. customers.

Since 2009, the company has focused on customer analytics to determine the characteristics of each customer segment, developing products to serve their specific needs. It has grown on the back of customer segmentation while seeking to attract new customers by increasing its product range and continues to introduce customers to a wide range of non-life products such as hospital income plans, personal accident, and other selected general insurance products. In addition, the company offers zero-percent interest installment plans for auto insurance.

To serve customers 24/7 the company now boasts a new online distribution channel (www.krungsri-insurancebroker.com) offering selected quality insurance products online and partnering with several Krungsri Consumer credit cards to offer insurance products that match the needs and lifestyles of each customer segment.

Source of funds: Shareholders (Ayudhya Capital Services Co., Ltd.)

Krungsri Life Assurance Broker Ltd.

Type of service: Established as a life insurance broker in 2007, the company changed its name from Quality Life Assurance Broker to Krungsri Life Assurance Broker to align itself with the Krungsri Group in 2011.

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

The life insurance market continued to grow in 2016, driven by a broader product range, new insurance partners, and a customer-segmentation strategy. The company introduced customers to a range of endowments, term-life products, and retirement plans, as well as IPD and OPD health insurance plans from selected life insurance partners. They also focused on customer analytics to develop appropriate products for specific customer segments.

Source of funds: Shareholders (Ayudhya Capital Services Co., Ltd.)

Krungsri Leasing Services Co., Ltd.

This is a joint venture between Ayudhya Capital Services Co., Ltd., Ayudhya Capital Auto Lease Pcl, and the Unity Capital Company, our local partner in Lao PDR starting its sales-financing operations under the Krungsri First Choice brand and its

hire purchase-leasing business under the Krungsri Auto brand in 2014. The sales-financing business initially provided merchandise installment financing focusing on mobile phone, IT, and electrical appliances to cater to local demand and later continuously expanded its dealer network and product coverage to other categories: for example car tires, car accessories, and gold. The company is committed to providing an easy-application process and fast approval times under the slogan Pay Less with Easy Installments, with approval results and merchandise collection within one day.

For the auto hire purchase business, the company provides hire purchase services for new cars (four wheels) covering all the leading brands. The company initially provided hire purchase services in Vientiane capital, and then expanded the coverage area to Vientiane and Bolikhamxay provinces: Both provinces are adjacent provinces with Vientiane and shown a high demand for auto loans. Over the past couple of years Lao PDR has shown a high rate of growth in auto loans, and the company foresees an opportunity in growing the service network to the major provinces in the near future as well as developing new products and services to meet fast-changing customer needs.

Aiming to become the number one consumer finance service provider in Lao PDR, the company has been developing several successful customer-centric and technological systems to cope with its rapid expansion, entering into a partnership with the Kolao Group, a manufacturer and sole distributor for Kia and Hyundai with a market share ranked first in Lao PDR. The company also

has other key strategic partners including Toyota Motors, with sales volume growing continuously. The company has also been rapidly expanding dealer networks and distributors under the First Choice brand, emphasizing customer engagement and connecting with customers through social media. The company launched a Krungsri First Choice Facebook page in May, with satisfactory engagement (likes, shares, and comments). Numerous loyalty campaigns were also introduced to retain customers: for example, a membership card program with privileges at participating merchants in Vientiane; a special interest rate loyalty program for customers with repeat sales financing; and cross-selling campaigns for auto hire purchase customers.

At year-end the total number of customer accounts reached 4,200, up more than 200 percent from 2015. Supported by recent strong economic growth in Lao PDR, the company's new loan amount has also grown to more than 250 percent year-on-year, with 90 percent of the company's portfolio from auto hire purchase and 10 percent from sales financing. Given the vast opportunity for future growth in Lao PDR, the company plans to expand both auto hire purchase and sales financing to other provinces in the near future.

Services: Auto hire purchase; leasing services; and sales financing services (merchandise installment financing) for consumers, SME, and large corporations in Lao PDR.

Market and competition:

The Lao PDR market is relatively small, but with high growth potential.

The company will focus on developing strong relationships with its dealers and expanding dealer networks to other product categories and major provinces outside Vientiane, striving to be a market leader by reaching potential customers in Lao PDR.

Source of funds: The Bank

KRUNGSRI MICROFINANCE

Ngern Tid Lor Co., Ltd.

Type of service: Provides sales and lease-back via hire purchase and secured loan contracts to customers who already hold titles to cars and other vehicles. In 2014 Ngern Tid Lor launched nonlife insurance brokerage services and other new product lines after entering the consumer finance segment in 2007 by acquiring a stake in a local Thai company operating since 1980. The Krungsri Group later acquired a controlling stake (99.99 percent) in the company in 2009.

Source of funds: The Bank and Ngern Tid Lor debentures

KRUNGSRI SECURITIES

Krungsri
Securities PCL.

Type of service: Brokerage services for listed securities.

Securities and derivative products

brokerage: The company serves as a securities and derivative products broker, trading equity and

derivative instruments for general and institutional investors, both domestic and overseas (member number 29 on the Stock Exchange of Thailand). Securities research and analysis are provided for customers to support their investment decisions.

Investment banking: Krungsri Securities provides financial advisory and underwriting services covering all aspects of finance, including fund-raising (both capital and loans), financial reorganization, debt restructuring, mergers and acquisitions, feasibility studies, business valuations, and other transactions in accordance with Securities and Exchange Commission and the Stock Exchange of Thailand regulations.

Personal fund management: Personal fund management is provided to customers, with each customer assigned a fund manager responsible for fund planning and management to meet their investment objectives and risk appetite.

Mutual fund sales agent services: The company acts as an agent for most Thai mutual fund companies by selling their companies' products to interested investors.

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

Source of funds: The Bank

KRUNGSRI ASSET MANAGEMENT

Krungsri Asset Management Co., Ltd.

Type of service: The company is a leading Thai asset management company licensed by the Securities and Exchange Commission. We offer a comprehensive range of products and services, including mutual funds, private funds, provident funds, and investment management in future contracts. Mutual funds consist of several types of investments such as stock funds, fixed income funds, commodity index funds, foreign investment funds (FIF), and property funds. Our investment philosophy is to generate stable and sustainable returns. With assistance from our highly experienced fund managers and precise and modern investment systems, investors can be confident that our funds will generate stable returns suitable to specified risk. Our products and services cater to the needs of all groups of investors including individual investors, juristic persons, foundations, cooperatives, and institutional investors.

Source of funds: The company

KRUNGSRI SERVICES

Siam Realty and Services Security Co., Ltd.

Type of service: Provides human resource services and vehicle rentals to the Bank and its affiliates within the scope specified by the Bank of

Thailand. Krungsri Services operates in two key business areas: providing drivers, maids, messengers, security personnel, and other essential staff to the Bank and its affiliates; and providing rental cars to the Bank and its affiliates within the scope specified by the Bank of Thailand.

Market and competition: The company has no competitor in the market because it provides support to the Bank. The company has expanded the car rental service to include the Bank's affiliates and has provided training on operating procedures for both types of service to create service excellence for our customers.

Source of funds: The Bank

HATTHA KAKSEKAR LIMITED

In September the Bank acquired all registered and issued shares (100%) of Hattha Kaksekar Limited (HKL), a leading microfinance institution in Cambodia. This underscored our concrete and accelerated step forward to becoming an ASEAN financial powerhouse. The Bank's expertise in consumer banking and microfinance will be shared to strengthen HKL's market lending position through enhanced capabilities and resources. This HKL acquisition will enable the Bank to capture growth outside Thailand in line with our growth strategy.

At year-end HKL's total assets were USD 587 million, or 21,021 million baht. The total number of accounts reached 339,117 up 2.52 percent from 2015. Total loans were USD 445 million, or 15,953 million baht, an increase of 22.49 percent. HKL has consistently

increased deposits, reaching USD 360 million, or 12,902 million baht, up 51.20 percent. HKL has 154 offices in its network, with 123 ATMs nationwide.

Type of Services: HKL is a microfinance institution that operates across Cambodia, with practices characterized by quality and transparency. HKL is committed to providing practical financial services to customers in both rural and urban areas. To meet demand from customers of different backgrounds, a wide range of products and services has been developed and rigorously promoted, including loans for micro, small, medium, and large entrepreneurs, along with deposit and other services.

Market and competition:

HKL is one of the longest-operating microfinance firms in Cambodia and retains its strong leadership in the industry with among the top five microfinance who earned a large market share in terms of loans outstanding and savings collection.

Source of fund: The company

UNDER LIQUIDATION

Ayudhya Card Services Co., Ltd.

The company registered with the Thai Ministry of Commerce to liquidate on July 24, 2013 and is currently undergoing liquidation.

INVESTMENT OF BANK OF AYUDHYA PCL IN OTHER COMPANIES

The Bank owned 10% or more of the issued shares of the following companies.

Name and Address	Business Type	Issued Shares		Ownership (%)
		Share Type	No. of Shares	
1. Hattha Kaksekar Limited	Microfinance Deposit Taking Institution (MDI)	Ordinary	6,824,594	100.00
2. Krungsri Ayudhya AMC Ltd.	Asset management	Ordinary	270,000,003	99.99
3. Krungsri Factoring Co., Ltd.	Factoring	Ordinary	30,000,000	99.99
4. Ayudhya Development Leasing Co., Ltd.	Finance (Leasing & Hire-Purchase)	Ordinary	123,499,999	99.99
5. Ayudhya Capital Auto Lease PCL.	Finance (Auto Financing)	Ordinary	2,554,500,000	99.99
6. Ngern Tid Lor Co., Ltd.	Finance (Auto Financing)	Ordinary Preferred	88,702,847 222,000	99.99
7. Ayudhya Capital Services Co., Ltd.	Finance (Credit Card & Personal Loan)	Ordinary	59,250,000	99.99
8. General Card Services Limited	Finance (Credit Card & Personal Loan)	Ordinary	245,800,000	99.99
9. Krungsriayudhya Card Co.,Ltd.	Finance (Credit Card & Personal Loan)	Ordinary	590,552,000	99.99
10.Krungsri Life Assurance Broker Limited	Finance (Life Insurance Broker)	Ordinary	920,000	99.99
11. Krungsri General Insurance Broker Limited	Finance (Non-life Insurance Broker)	Ordinary	920,000	99.99
12. Total Services Solutions PCL.	Service (Collection)	Ordinary	160,599,822	99.99
13. Siam Realty and Services Security Co., Ltd.	Service	Ordinary	1,000,000	99.99
14.Krungsri Securities PCL.	Securities	Ordinary	60,000,000	98.71
15.Krungsri Asset Management Co., Ltd.	Asset Management	Ordinary	3,500,000	76.59
16.Krungsri Leasing Services Co., Ltd.	Finance (Leasing/Hire purchase/ Sales Finance)	Ordinary	912,000	70.00
17. Tesco Card Services Limited	Finance (Credit Card & Personal Loan)	Ordinary	20,800,000	50.00
18 Tesco Life Assurance Broker Limited	Finance (Life Insurance Broker)	Ordinary	120,000	50.00
19 Tesco General Insurance Broker Limited	Finance (Non-life Insurance Broker)	Ordinary	1,070,000	50.00

COMPANIES UNDER DISSOLUTION AND LIQUIDATION PROCESS

Name and Address	Business Type	Issued Shares		Ownership (%)
		Share Type	No. of Shares	
1. Ayudhya Card Services Co., Ltd.	Finance (Credit Card & Personal Loan)	Ordinary	7,200,000	99.99

COMPANIES THAT THE BANK HOLDS SHARES OF 10% BUT LESS THAN 20% OF ITS PAID-UP CAPITAL

Name and Address	Business Type	Issued Shares		Ownership (%)
		Share Type	No. of Shares	
1. P.P. Parawood Co., Ltd.	Furniture Manufacturer	Ordinary	95,000	10.00
2. Asian Trade and Leasing Co., Ltd.	Import and Distributors (Construction machinery, trucks etc.)	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. Lenso Phonecard Co., Ltd.	International Line Public Phone Card	Ordinary	62,423,190	10.00
2. UMC Metals Limited	Manufacturing and Trading (Steel Rod)	Ordinary Preferred	95,000,000 50,000,000	10.00

INCOME STRUCTURE OF THE BANK, SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

For 2016 operating performance, the Bank, subsidiaries, associates and joint ventures had interest income and non-interest income at a ratio of 70.78% and 29.22%, respectively. Interest on loans constituted the largest proportion representing 46.53% of total income. Details are as follows:

Income structure	2016		2015		2014	
	Million baht	%	Million baht	%	Million baht	%
Interest Income						
Interest on loans	56,483	46.53	55,279	48.57	49,688	48.79
Interest on interbank and money market items	2,833	2.33	2,806	2.46	2,598	2.55
Hire purchase and financial lease income	24,322	20.03	21,313	18.73	20,193	19.83
Investments and trading transactions	139	0.12	87	0.08	174	0.17
Investments in debts securities	2,148	1.77	2,462	2.16	1,956	1.92
Total Interest Income	85,925	70.78	81,947	72.00	74,609	73.26
Non Interest Income						
Fees and service income	24,142	19.88	22,670	19.92	19,192	18.84
Gain on tradings and FX transactions	3,905	3.22	3,216	2.83	1,574	1.55
Gain on investments	599	0.49	409	0.36	1,237	1.21
Share of profit from investment for using equity method	348	0.29	358	0.31	159	0.16
Dividend income	161	0.13	171	0.15	240	0.23
Bad debts recoveries	4,711	3.88	3,042	2.67	3,054	3.00
Other income	1,611	1.33	1,997	1.76	1,782	1.75
Total Non Interest Income	35,477	29.22	31,863	28.00	27,238	26.74
Total Income	121,402	100.00	113,810	100.00	101,847	100.00

Income structure	2016		2015		2014	
	Million baht	%	Million baht	%	Million baht	%
1. Bank of Ayudhya Plc. ^{1/}						
Total interest income	59,792	69.75	57,427	72.37	49,117	68.39
Total non interest income	25,930	30.25	21,923	27.63	22,705	31.61
Total	85,722	100.00	79,350	100.00	71,822	100.00
2. Krungsri Ayudhya AMC Ltd.						
Total interest income	103	22.69	98	22.07	124	12.04
Total non interest income	351	77.31	346	77.93	906	87.96
Total	454	100.00	444	100.00	1,030	100.00
3. Ayudhya Development Leasing Co., Ltd.						
Total interest income	281	86.73	345	73.25	496	91.68
Total non interest income	43	13.27	126	26.75	45	8.32
Total	324	100.00	471	100.00	541	100.00
4. Krungsri Factoring Co., Ltd.						
Total interest income	2	66.67	2	33.33	2	66.67
Total non interest income	1	33.33	4	66.67	1	33.33
Total	3	100.00	6	100.00	3	100.00
5. Ayudhya Capital Auto Lease Plc.						
Total interest income	9,414	71.94	11,664	75.78	15,499	79.19
Total non interest income	3,672	28.06	3,728	24.22	4,072	20.81
Total	13,086	100.00	15,392	100.00	19,571	100.00
6. Ayudhya Capital Services Co., Ltd.						
Total interest income	8,895	64.99	8,191	65.38	7,557	62.27
Total non interest income	4,792	35.01	4,337	34.62	4,578	37.73
Total	13,687	100.00	12,528	100.00	12,135	100.00
7. General Card Services Ltd.						
Total interest income	2,273	59.64	2,193	60.87	2,101	62.62
Total non interest income	1,538	40.36	1,410	39.13	1,254	37.38
Total	3,811	100.00	3,603	100.00	3,355	100.00
8. Krungsriayudhya Card Co., Ltd.						
Total interest income	4,575	55.03	4,486	56.39	4,346	59.67
Total non interest income	3,739	44.97	3,469	43.61	2,937	40.33
Total	8,314	100.00	7,955	100.00	7,283	100.00

Income structure	2016		2015		2014	
	Million baht	%	Million baht	%	Million baht	%
9. Krungsri Securities Plc.						
Total interest income	53	8.91	56	10.83	55	9.82
Total non interest income	542	91.09	461	89.17	505	90.18
Total	595	100.00	517	100.00	560	100.00
10. Siam Realty and Services Security Co., Ltd. (Formerly Siam Realty and Seviles Co., Ltd.)						
Total interest income	-	-	-	-	-	-
Total non interest income	595	100.00	579	100.00	563	100.00
Total	595	100.00	579	100.00	563	100.00
11. Krungsri Asset Management Co., Ltd.						
Total interest income	24	0.82	31	1.07	31	1.54
Total non interest income	2,887	99.18	2,874	98.93	1,985	98.46
Total	2,911	100.00	2,905	100.00	2,016	100.00
12. Total Services Solutions Plc.						
Total interest income	19	1.49	10	0.82	15	1.28
Total non interest income	1,253	98.51	1,213	99.18	1,161	98.72
Total	1,272	100.00	1,223	100.00	1,176	100.00
13. Ngern Tid Lor Co., Ltd. (Formerly CFG Services Co., Ltd.)						
Total interest income	3,827	80.20	3,025	78.19	2,499	78.86
Total non interest income	945	19.80	844	21.81	670	21.14
Total	4,772	100.00	3,869	100.00	3,169	100.00
14. Krungsri General Insurance Broker Ltd.						
Total interest income	13	2.59	7	1.38	2	0.42
Total non interest income	488	97.41	500	98.62	479	99.58
Total	501	100.00	507	100.00	481	100.00
15. Krungsri Life Assurance Broker Ltd.						
Total interest income	10	2.75	6	1.65	1	0.26
Total non interest income	354	97.25	358	98.35	381	99.74
Total	364	100.00	364	100.00	382	100.00
16. Tesco Card Services Ltd.						
Total interest income	2,518	53.78	2,226	55.18	2,347	60.01
Total non interest income	1,855	46.22	1,808	44.82	1,564	39.99
Total	4,013	100.00	4,034	100.00	3,911	100.00
17. Tesco General Insurance Broker Ltd. ^{2/}						
Total interest income	4	0.92	3	0.70	2	0.52
Total non interest income	431	99.08	428	99.30	382	99.48
Total	435	100.00	431	100.00	384	100.00

INCOME STRUCTURE OF THE BANK, SUBSIDIARIES,
ASSOCIATED COMPANIES AND JOINT VENTURES

Income structure	2016		2015		2014	
	Million baht	%	Million baht	%	Million baht	%
18. Tesco Life Assurance Broker Ltd. ^{2/}						
Total interest income	1	3.70	1	4.35	-	-
Total non interest income	26	96.30	22	95.65	57	100.00
Total	27	100.00	23	100.00	57	100.00
19. Krungsri Leasing Services Co., Ltd. ^{3/}						
Total interest income	131	87.33	27	77.14	-	-
Total non interest income	19	12.67	8	22.86	-	-
Total	150	100.00	35	100.00	-	-
20. Hattha Kaksekar Limited						
Total interest income	901	96.88	-	-	-	-
Total non interest income	29	3.12	-	-	-	-
Total	930	100.00	-	-	-	-

Company Under Dissolution and Liquidation Process

Income structure	2016		2015		2014	
	Million baht	%	Million baht	%	Million baht	%
1. Ayudhya Card Services Co., Ltd.						
Total interest income	-	-	-	-	-	-
Total non interest income	-	-	-	-	-	-
Total	-	-	-	-	-	-

Remarks: Year 2016 data are unaudited financial statements

Metro Designee Company Limited completed liquidation and registered with the Ministry of Commerce on December 29, 2016.

^{1/} The Bank's statement of profit or loss and other comprehensive income of Bank of Ayudhya Public Company Limited

^{2/} Subsidiary of Tesco Card Services Company Limited

^{3/} Indirectly holding via Ayudhya Capital Auto Lease Public Company Limited of 35% and Ayudhya Capital Services Company Limited of 35%

RISK FACTORS AND RISK MANAGEMENT



Solid Krungsri-BTMU collaboration has helped strengthen our business platform and capabilities. Krungsri has pulled together BTMU's global strength with our local expertise to achieve the Bank's aspiration to be a top-tier financial institution in Thailand.

The Risk Management Group has adopted BTMU policies and procedures to improve our capabilities in identifying, assessing, mitigating, and monitoring risks within acceptable risk appetite. This collaboration across business functions has led to more efficient risk management processes. The Bank has established risk management and controls into three lines of defense, separating roles, responsibilities, and accountability for decision-making to achieve better governance and risk management:

- Front-line teams responsible for day-to-day operations to ensure that the risk and control environments are safeguarded
- The Risk Management Group with oversight, monitoring, and control over risk procedures, and

- An Internal Audit function providing strengthened independent assurance, assessing policies and procedures to ensure effective implementation

The Risk Management Group takes an integrated approach to manage four main types of risk: credit, markets, operations, and liquidity.

RISK MANAGEMENT STRUCTURE

The Risk Management Group is authorized to formulate risk management policies and procedures appropriate to each type of risk developed in accordance with our defined risk appetite, endorsed by the Risk Management Committee, and approved by the Board of Directors. They are also responsible for monitoring and reporting the portfolio quality, highlighting key risks, and strategies to manage potential portfolio and account risks to the Board and other relevant committees.





The authority and responsibilities for those involved in managing risk are allocated to seven entities:

Board of Directors

The Board defines our risk appetite, delegating approval authority for loan applications with specified amounts and credit risk ratings to the Credit Committee through the Executive Committee.

Credit Committee

Members of Credit Committee comprise of senior executives from Risk Management Group as well as senior executives from relevant functions.

Risk Management Committee

Primary responsibilities:

- Approving and recommending to the Board integrated risk management policies and procedures for Krungsri Group
- Reviewing portfolio quality for Krungsri Group
- Reviewing key market and operational risks, operational losses (such as fraud), as well as related systems and human errors, and
- Ensuring that Krungsri risk management methodology is followed.

Credit Portfolio Subcommittee

The subcommittee's primary responsibility is to ensure solid portfolio management in accordance with Krungsri's policies and procedures by:

- Monitoring the Bank portfolio credit concentration, risk trends and policies to deal with specific industries
- Considering credit policies for specific companies to eliminate credit concentration, and
- Considering the management and operation of country risks.

NPL/NPA/TDR Monitoring Subcommittee

Primary responsibilities:

- Establishing and reviewing policies, regulations, guidelines, and methods to improve of NPL/NPA/TDR
- Supervising and following up progress of NPL/NPA/TDR consistently to speed up debt restructuring and to prevent debt quality deterioration, and
- Approving principles of pricing and participating in bidding for collateral purchases from auctions for legal execution purposes or asset sales.

Collateral Valuation Committee

Primary responsibilities:

- Establishing and reviewing policies and procedures for collateral valuation submitted with loan applications and foreclosed assets or auctioned properties, in accordance with asset revaluation regulations
- Overseeing and controlling internal property appraisers to ensure that they act with integrity and accuracy in compliance with Krungsri and Bank of Thailand procedures, and

The Bank has established risk monitoring and control processes to ensure that these risks are effectively managed within acceptable limits.

- Reviewing and approving asset valuation results from internal or independent property appraisers.

Capital Management Subcommittee

Primary responsibilities:

- Supervising capital management, ensuring alignment with applicable regulations and that capital management corresponds to the Bank's risk appetite and capital demand
- Supervising review and recommendations for stress testing used as a tool for risk management, and
- Reviewing and approving capital allocation and assessing capital demand while adhering to the business plan and risk levels in both normal and crisis situations, and considering capital contingency plans whenever the Bank's capital has changed significantly.

KEY RISK FACTORS AND OUR MANAGEMENT

ENTERPRISE-WIDE RISK MANAGEMENT

To support sustainable growth and manage risk with an integrated perspective, the Bank established an enterprise-wide risk management framework (ERM) to oversee and manage all types of risk that may arise from changes in the external or internal environments using an internal capital adequacy assessment process (ICAAP) integrated into this framework.

Enterprise-wide Risk Management Framework (ERM)

Under this framework the enterprise-wide risk management tools are implemented to ensure that all material risks are identified, measured, and responded to within acceptable limits.

The Risk Appetite Framework is an overall risk governance framework including policies, procedures, controls, and systems through which risk appetite is established, communicated, and monitored: It is meant to ensure that the Krungsri group has clear guidelines for appropriate risk levels that the group can accept based on our risk capacity and group business strategies.

The Risk Map was developed to identify potential risk events with material impact on the Krungsri Group's business or risk profiles.

The Heat Map was implemented to measure and monitor the current risk status of key risk areas in an integrated manner using key risk indicators.

Top Risks are significant risks identified through the Heat Map and the Risk Map that warrant closer monitoring and require action plans within an appropriate timeframe to prevent or mitigate such risks.

The Internal Capital Adequacy Assessment Process (ICAAP) Integration

In response to ICAAP regulatory requirements the Bank has integrated this process with our ERM framework under which material risks can be dynamically identified considering the external and internal environment, our

business plan, and the complexity of the Bank's businesses. Risk appetite is established and managed to ensure that the capital position is within acceptable limits and meets regulatory requirements under normal and stress conditions. Stress tests are conducted regularly and are overseen by the Capital Management Subcommittee where timely, effective action plans can be deployed.

Organization and Structure

Enterprise-wide risk is managed under the enterprise-wide risk management policy and approved by the Board of Directors. The policy stipulates the risk management structure, roles and responsibilities, reporting lines, and broad guidelines governing enterprise-wide risk. This division manages the ERM framework including identifying and monitoring potential risk and the Krungsri Group's consolidated status for all significant risks. The division also collaborates with risk owners to capture emerging risk, assess risk levels, and establish risk mitigation and prevention plans. All risk status including risk mitigation and prevention plans are regularly reported to the Board via the Risk and Compliance Committee, the Executive Committee, and the Risk Management Committee.

Significant Risks

Under the enterprise-wide risk management framework, the Bank has identified important risks which are regulatory mandatory risks and material risks arising from external and internal factors. The Bank has established risk-monitoring and control processes to ensure that these risks are effectively managed within acceptable limits. These risks were important in 2016:

Risk Category	Risk Type
Mandatory Risk – Pillar I	Credit Risk Market Risk Operational Risk
Mandatory Risk – Pillar II	Concentration Risk Banking Book Interest Rate Risk Liquidity Risk Strategic Risk Reputation Risk
Other risk areas identified as material for 2016	

CREDIT RISK MANAGEMENT

Credit risk occurs when the borrower or counterparties fail to meet financial transaction obligations as agreed, which can negatively impact the adequacy of both the Bank's capital and loan loss reserves.

To manage such risks the Bank has developed efficient credit risk management compatible with international standards based on a commitment to maintain a balance between the business and its credit underwriters to ensure transparency and establish checks and balances between credit officers and relationship managers. These two stakeholders have a common purpose – to promote new quality credit growth and maintain existing loans effectively.

As part of this credit risk management approach, the Bank has improved its automation support. In addition to supporting Krungsri's credit operation standards, the Bank develops operational guidelines, roles, and responsibilities for loan officers at all levels and provides employees with an understanding of credit principles and practices so that all parties can communicate well on

a shared basis, with the Bank providing training courses on credit knowledge for relevant employees.

Krungsri's strategy for managing credit risk is continuously determined according to risk appetite. To identify clear goals for practitioners, the Bank establishes policies and operational plans for reference in accordance with our strategy – credit policy, credit risk management policies, and credit rating policies. Customer risk is managed under the Bank's strategy based on international standards and conforming to Bank of Thailand rules and regulations.

CREDIT RISK CONTROL

The objective of credit risk control is to avoid making unsound loans from the outset and after disbursement: Krungsri recognizes the importance of controlling credit risk. The credit risk management unit's responsibilities are divided between two teams – commercial and consumer, with these functions:

Commercial Risk Control

The commercial credit risk management division manages borrower credit risk through the Bank's internal credit risk

rating framework that has been enhanced continuously to meet BTMU's high standards. The Bank currently classifies business customers into two main groups based on their characteristics and size: Thai Global and JPC/MNC as one group and Thai corporates and SME as the other. With such classifications we can measure the probability of default (PD), loss given default (LGD), and exposure at default (EAD) more accurately and more appropriately address the unique characteristics that exist among customers of various sizes. The Bank assesses the credit quality of its Thai Global and JPC/MNC customers and assigns risk ratings based on a BTMU credit rating model, while using the internally-developed model for Thai corporates and SME.

Both BTMU and the Bank's internal credit rating models are used to assign risk rating for customers at origination or acquisition and adjusted for changes in credit quality over the life of the exposure through the Bank's credit review process. In assessing the risk rating of a particular loan or lending-related commitment, the Bank considers factors that could potentially impact customer debt capacity including customer earnings and sources of repayment, management's ability and its track record, and the industry and geography in which the customer operates. We acknowledge that each customer is different and thus the source of information used to evaluate debt repayment capacity must be tailored to each type of customer. More specifically, larger customers can be evaluated using their audited financial statements, while smaller customers can be evaluated using the Bank's internal pro forma statement. To ensure that our credit rating framework meets BTMU's high

standards the Bank has collaborated with them on enhancing its internal credit rating framework to include qualitative customer factors, for example, support from parent companies are incorporated together with risk adjustment procedures. However, special types of customers are handled with special risk-model forms. These special customers include government organizations, religious institutions, academic institutions, special-purpose companies (SPC), and project finance.

As we aim to be an IRB bank in the near future under the main principles and protocols of regulators (e.g. Japanese Financial Service Agency, Bank of Thailand) we have collaborated with BTMU to establish a new credit rating framework that will better reflect the Bank's actual credit risks by leveraging BTMU expertise and know-how. Going forward the Bank will carry out various validation tests to ensure that the new credit rating framework is fit to be implemented and if validated we will modify our internal credit rating system so that our risk management practices are of the highest international standards with our goal of becoming a truly globalized bank.

Consumer Credit Risk Control

The Consumer Credit Risk Management Division establishes product program criteria approved by delegated authorities such as the Risk Management Committee. Credit approval decisions and line assignments are based on application scorecards and credit bureau reports. Where applicable, line enhancements are based on behavior risk grade. Underwriting is carried out based on approved criteria and is

managed by the Consumer Credit Risk Management Division; past-due management is centralized and is managed by a separate unit. Procedures are automated. Development of the three models (PD, LGD, EAD) we use was completed in 2014 when they were incorporated into the automated system. These models have helped us to further strengthen our portfolio management and are a major step toward Advanced Internal Ratings-Based Approach (AIRB) and International Financial Reporting Standards (IFRS) compliance in the future.

COUNTRY RISK MANAGEMENT

To assess the impact of potential losses and take proper preventive measures Krungsri directly and indirectly monitors country risk exposure for situations that can potentially adversely affect business in any given country.

For country risk management, Krungsri determines the proper countrywide limits for granting credit to, investing in, creating contingent liabilities for, and making credit-like transactions to counterparties in each country according to the sovereign rating and external credit rating agency (ECAI) ratings. These guidelines enable us to manage country and cross-border risks, including concentration risks. Krungsri also conduct an in-depth analysis of each customer including trend analysis, industry concentration, and a financial and cash flow-to-debt-ratio analysis.

Concentrated Credit Risk

Krungsri has mitigated concentration risk from granting credit to, investing

in, creating contingent liability for, or making credit-like transaction to a particular customer or industry concentration to avoid any customer or industry likely to generate heavy losses from credit risk.

The Bank manages concentrated credit risk by determining a threshold and limit for granting credit to, investing in, creating contingent liability for, or making credit-like transactions to large-borrower groups, including related parties whose total debt exceeds ten percent of Krungsri's total capital.

Furthermore, a threshold and limit was established and adjusted for Krungsri credit risk arising from industry concentration by controlling and monitoring the outstanding balance in each industry, which must not exceed a given industry's threshold and limit.

Counterparty Credit Risk

Counterparty credit risk is associated with default by counterparties related primarily to derivative contracts. Normally, Krungsri's counterparties are customers that need to square their positions and minimize their risk exposure. To mitigate risk arising from customer transactions Krungsri may partially or fully hedge our risk exposure through offsetting agreements with other counterparties – mostly other banks. To determine each counterparty's credit risk limit we use the same approval and criteria as for other credit risks and closely monitor counterparty credit status for aggregate exposure, credit equivalent amounts, and credit valuation adjustments – information that is promptly and regularly reported to senior management.



To mitigate exposure to counterparty credit risk Krungsri enters into an ISDA Credit Support Annex (CSA) with most of these counterparties: this requires cash collateral or highly liquid securities should the fair market value of any contract exceed the risk threshold.

CREDIT RISK MANAGEMENT AND REVIEW

We rigorously monitor and review customer and portfolio risk in these ways:

Reserve Adequacy

Loan loss provisions are calculated based on Bank of Thailand regulations. Reserves are calculated by the Risk Management Group. The adequacy of reserves is reviewed and approved by the Chief Risk Officer and the Chief Financial Officer. Specific reserves are allocated to portfolios as required. Reserve adequacy is regularly stress-tested to ensure that it is sufficient at all times.

Credit Risk Audit

The Credit Audit Department is an independent department under the Audit Group responsible for examining

and reviewing Credit Risk Management Group operations, with scope and plans approved by the Audit Committee and the Board of Directors. The review covers risk ratings, covenant compliance, and compliance with bank credit policies and those of the Bank of Thailand.

Credit Monitoring and Management Information System

We regularly monitor credit outstanding along with portfolio performance and update this information to the Board, relevant committees, and senior management. Our monthly credit portfolio report includes information on portfolio quality including segmentation by facility, ratings, geography, industry, and aging.

Stress Testing

The Risk Management Group conducts stress tests based on our stress test policy on both commercial and consumer portfolios. Stress tests use past historical trends as well as future macroeconomic projections to determine how they may affect bank losses and ultimately its capital. Stress test results are reported to the Capital Management Subcommittee, the Risk Management Committee, and the Board. We have strategies and action plans in place to prevent adverse effects. In addition, Krungsri's stress test complies with both local (Bank of Thailand) and Japanese (Japanese Financial Service Agency) regulatory requirements as well as BTMU global requirements.

Subsidiary Management

These subsidiaries operate under consolidated supervision: Krungsri Ayudhya AMC Ltd (KAMC); Krungsri Factoring Co. Ltd (KSF); Ayudhya Capital Auto Lease plc (AYCAL);

Ayudhya Development Leasing Co., Ltd (ADLC); Ayudhya Capital Services Co., Ltd (AYCAP); Krungsri Life Assurance Broker Ltd (KLAB); Krungsri General Insurance Broker Ltd (KGIB); General Card Services Ltd (GCS); Krungsriayudhya Card Co., Ltd (KCC); Krungsri Securities plc (KSS); Siam Realty and Services Co., Ltd (SRS); Krungsri Asset Management Co., Ltd (KSAM); Total Services Solutions plc (TSS); Krungsri Leasing Services Co., Ltd (KLS); Tesco Card Services Ltd (TCS); Tesco Life Assurance Broker Ltd (TLAB); Hattha Kaksekar Limited (HKL); Ngern Tid Lor Co., Ltd (NTL); and Tesco General Insurance Broker Co., Ltd (TGIB).

All subsidiaries maintain independent risk organizations headed by senior risk executives. The Bank's Chief Risk Officer has oversight of subsidiary risk management activities. These subsidiary risk management units must: comply with our overall risk management strategy; ensure appropriate capacity with the required risk-related infrastructure; and comply with our risk-appetite objectives and reporting requirements. All product, policy, and procedural changes must be approved by the Chief Risk Officer and the Risk Management Committee.

Non-performing Loan Management

Non-performing loans (NPLs) are managed by a dedicated team of specialists experienced in handling past-due accounts. This department manages all high-value loans and determines the best approaches for collecting from customers and improve asset quality and minimize financial losses. The Bank's NPL department also conduct the sales of NPLs based on guidance and approval from the Board of Directors. In 2016 the Bank

completed two NPL sales transactions, reducing outstanding NPLs by 2.88 billion baht.

MARKET RISK MANAGEMENT

Strengthening and Enhancement amid Volatility in Market Risk Factors

Objective

Market risk is the threat of an adverse impact on income and capital funds caused by price fluctuations in the trading and banking books related to interest rates, exchange rates, equity instruments, and commodities.

Although movement of market risk factors are external and beyond the Bank's control, we emphasize on effective market risk management and to monitor market risk exposure closely for timely responses to changes in the business environment.

By leveraging our MUFG synergies Krungsri has started offering more new products and services to achieve our growth target, serving varied and sophisticated customer demand while meeting regulatory requirements. These complex financial products and services include the foreign currency bond business, foreign currency loans, more currencies with more options for foreign exchange (FX) forward transactions, and FX exotic options.

Throughout 2016 we continued to strengthen and enhance market risk management to align ourselves with international standards and practices, with continuous BTMU strong support and close collaboration. In addition, the concept of key risk indicators (KRIs) has been implemented to

Krungsri's Financial Business Group to ensure that the Group's overall market risk is well controlled and kept relatively low.

Principles

The Bank monitors and controls market risk under the risk appetite approved by the Board of Directors. The Bank also reviews risk policies and limits to ensure that they are commensurate with the scope, volume, and complexity of transactions and with changing business and market conditions. We have also adopted the ICAAP and ERM concepts to determine market risk – one of the key components of KRIs and merging ICAAP into the ERM process. Under this framework, the Bank assesses all material risks to develop comprehensive risk management guidelines and maintains sufficient capital for both normal and stressed business conditions. The objective: to achieve sustainable growth and returns for shareholders.

Organization and Structure

The Board of Directors is responsible for market risk appetite approval and delegates the authority to manage and control market risk consistent with bank policies to the Risk Management Committee (RMC). The Asset & Liability Management Committee (ALCO) establishes guidelines for appropriately managing assets, liabilities, and off-balance sheet items. The Bank's organizational structure clearly segregates the responsibilities and duties of the units responsible for executing transactions, operations, and risk management to avoid conflicts of interest.

Enhanced Market Risk Management Structure

In 2016 the Bank established a new Risk Analytic Regulatory Reporting Section under the Market Risk Management Division to ensure that all regulatory reports comply with regulations governing the Group and BTMU.

In addition to providing strategic risk management options and reporting risk exposure to the RMC to manage and control market risk consistent with bank policy. The Market Risk Management Division has also collaborated with relevant teams within the Bank and BTMU to promote new business and services that serve customer requirements at an acceptable market risk. The Global Markets Group executes transactions and manages positions under risk limits approved by the Board. The Strategic Assets and Liabilities Management Department provides the Asset and Liability Committee with analyses of the Bank's and competitors' balance sheet management as well as strategic risk options for more efficient market risk management.

Measurement System

Enhanced Market Risk Management Tools

To achieve more efficient market risk management, the Bank recognizes the importance of risk measurement tools appropriate to the size and complexity of transactions both on- and off-balance sheet. During 2016 two important market risk management projects were introduced to focus on continually enhancing systems that can simulate and formulate more active market risk management strategies within a risk appetite that meets regulatory requirements:

- To study for the implementation of the new system for certain treasury products that can alleviate the weaknesses to replace the existing system, and
- To upgrade the current system for interest rate risk in the banking book and market risk in the trading book to comply with revised and new regulatory reporting standards: for example, the Basel Committee on Banking Supervision's final rule for Interest Rate Risk in the Banking Book (IRRBB) and the Fundamental Review of the Trading Book (FRTB) as published by Basel Committee on Banking Supervision (BCBS).

The assessment, control, and monitoring of market risk can be divided into two parts: trading book and banking book transactions:

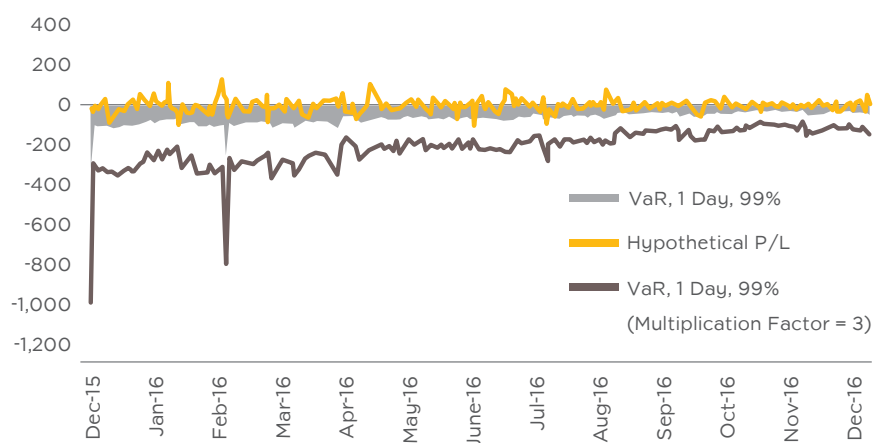
Trading Book Transaction Risks

In 2016 more advanced techniques were introduced to monitor trading book market risk exposure as we continue using Value-at-Risk (VaR) and conduct backtesting to assess the reliability of the models. We also conduct stress testing to assess risk under crisis situations. The following are definitions of market risk in trading book:

• Interest Rate Risk Management

Interest rate risk management refers to loss affecting income and/or shareholder equity due to interest rate changes that can be on- or off-balance sheet in the trading book. The Bank manages its interest rate risk exposure from debt instruments and derivatives in the trading book position according to the size and complexity of transactions under the market risk supervision policy framework in accordance with Bank of Thailand regulations.

The Bank's Total Daily Value-at-Risk (VaR) Backtesting 2016 (December) – 2015 (December)
(Million baht)



• Foreign Exchange Risk Management

Foreign exchange risk refers to loss affecting income and/or shareholder equity from exchange rate fluctuations that affect foreign currency transactions and foreign currency assets and liabilities. Bank policy is to limit its net foreign currency position. (most foreign currency transactions are mainly services provided to bank customers.)

• Price Risk Management

Price risk refers to loss affecting income and/or shareholder equity from equity price movements. Bank policy is to invest in equity securities over the medium- to long term. Price risk management requires assessing an issuer's potential.

2016 Risk Factors Affecting Trading Exposure

We focused on three key external factors in 2016: a potential rise in US interest rates; ongoing monetary easing policies in both Japan and the Eurozone; and concerns over the hard landing of the Chinese economy. Meanwhile, internal factors were volatile as financial and capital markets fluctuated – especially in the second half of the year – reflecting volatility in USD/THB and SET movements.

Introducing new financial products and services and a more active position trading by the front office created market risk for the Bank in 2016. However, these risk factors have been closely monitored and promptly reported to Management and related committees by the Market Risk Management Division to ensure that our market risk was within the risk appetite approved by the Board.

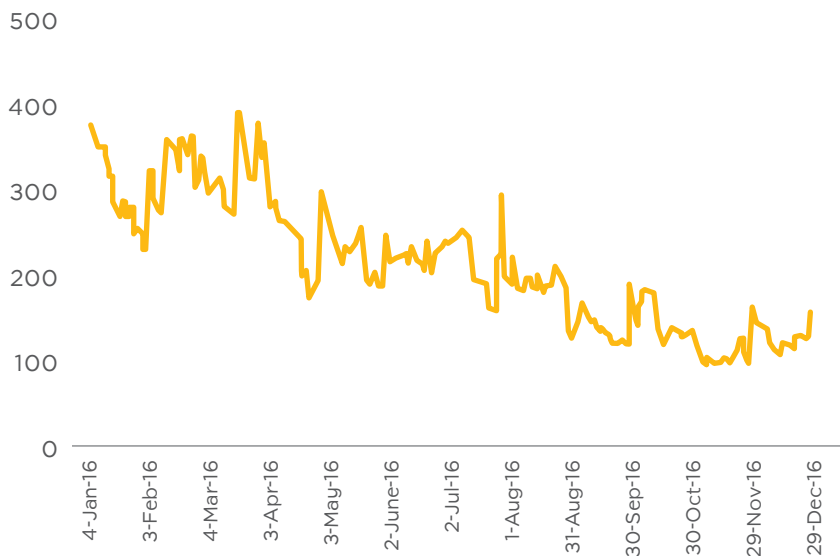
The Bank's aggregate 2016 market risk was well within acceptable levels. The VaR for a 10-day holding period, 99 percent confidence level of trading book, averaged 213.28 million baht.

Market Risk Capital Requirement

The Bank assesses and maintains a capital charge for market risk following the Basel approach at the Bank and consolidated levels based on a standardized approach (SA) that complies with Bank of Thailand's notification on the market risk supervision policy of financial institutions. In addition, the Bank has adopted a more advanced technique i.e. the contingent loss method as approved by Bank of Thailand to replace the Delta-Plus method used previously to maintain a market risk capital charge for FX option products.

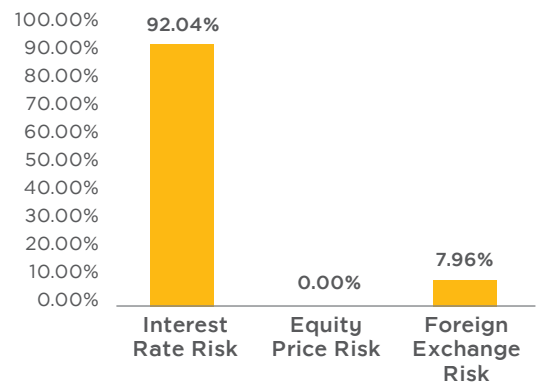
The Bank's Total Daily Value-at-Risk (VaR) Movement 2016

(Million baht)



Krungsri Group: Minimum Market Risk Capital Requirement

As of December 31, 2016



Banking Book Transaction Risks

Banking Book Interest Rate Risk Management

In 2016 more advanced techniques such as Value-at-Risk (VaR) have been considered and studied to monitor balance sheet risk arising from interest rate changes that adversely affect net interest earnings and shareholder equity. In addition, the Bank has reduced interest rate risk by rebalancing the bond portfolio in view of limited probability for policy rate cut going forward and to take

advantage of yield-curve projections as strategies proposed by the Global Markets team.

The Bank assesses the probable impact on net interest income (earnings perspective) from mismatches of the interest rate structure and on- and off-balance sheet positions. We also conduct repricing gap analysis by static simulation and dynamic simulation based on projected interest rate trends. In addition, we analyze interest rate risk which reflects the sensitivity of the economic value of shareholder equity (economic value perspective).

Krungsri Group Net Interest Income Sensitivity and 2016 Repricing Gap Profile

Our net interest income sensitivity over the next 12 months has been simulated and reported to Management and related committees by the Market Risk Management Division to ensure that the interest rate risk is within the risk appetite as approved by the Board. Results of the Group's interest rate risk assessment and repricing mismatch (assuming a 1.00 percent increase in interest rates of all types of assets, liabilities, and off-balance sheet items at their different repricing periods) are shown below:

(Unit: Million baht)

Currency	As of December 31, 2016	As of December 31, 2015
THB	-892.86	-909.81
Other Foreign Currencies	-469.78	-71.30
Total Impact	-1,362.64	-981.11
% of Total Net Interest Income	-1.984%	-1.576%

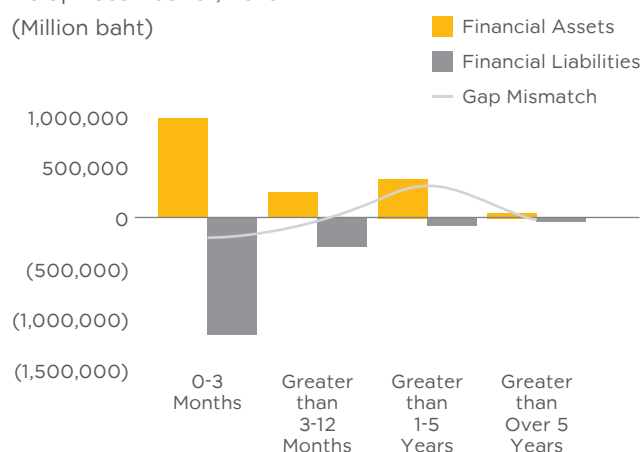
Krungsri Group's Impact on Economic Value of Equity (Economic Value Perspective)

(Unit: Million baht)

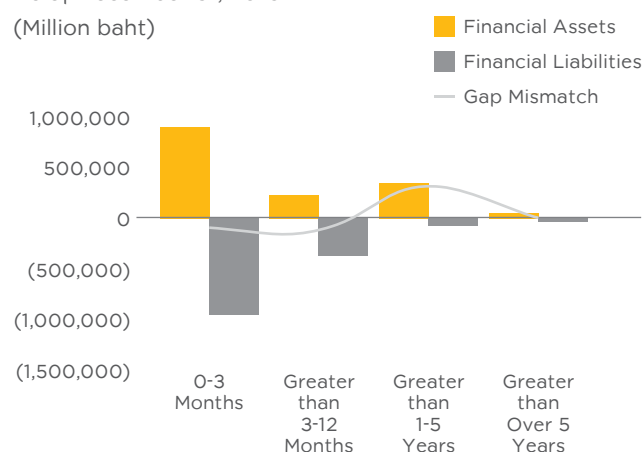
Currency	As of December 31, 2016	As of December 31, 2015
THB	-5,471.48	-6,067.75
Other Foreign Currencies	-375.73	296.89
Total Impact	-5,847.21	-5,770.86
% of Total Bank Capital	-2.669%	-2.997%

Krungsri Group Assets and Liabilities based on Next Repricing Maturity

As of December 31, 2016
(Million baht)



As of December 31, 2015
(Million baht)



Krungsri Group Assets and Liabilities Based on Next Repricing Maturity

As of December 31, 2016

(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, Net	153,200	4,003	-	-	-	43,080	200,283
Investment, Net	15,580	46,439	60,865	3,079	-	5,819	131,782
Loans to customers	805,348	193,361	333,106	16,821	34,834	65,412	1,448,882
Financial Liabilities							
Deposits	809,104	250,324	15,663	24	-	33,173	1,108,288
Interbank and money market items, Net	302,959	3,096	2,098	2,389	-	3,858	314,400
Debt issued and borrowings	46,432	23,029	65,425	25,376	-	64	160,326

As of December 31, 2015

(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, Net	155,882	7,067	200	-	-	30,945	194,094
Investment, Net	30,497	11,741	59,817	3,551	-	4,421	110,027
Loans to customers	698,200	193,963	296,548	21,273	32,239	61,231	1,303,454
Financial Liabilities							
Deposits	782,118	229,983	4,552	22	-	29,615	1,046,290
Interbank and money market items, Net	135,516	129,655	4,788	868	-	4,233	275,060
Debt issued and borrowings	37,421	13,368	42,488	14,844	-	-	108,121

LIQUIDITY RISK MANAGEMENT

Maintaining High Liquid Assets to Absorb Liquidity Volatility in Normal Business and Crisis Environments

Objective

Liquidity risk arises from failure to pay debts and contingent liabilities by the due date because of an inability to convert assets into cash; it also relates to failure to obtain sufficient funds, or finding that fund procurement comes at a higher cost, thus adversely affecting income and capital funds.

To effectively control and manage the Bank's risk and full consolidation Krungsri applies standard liquidity risk measurements such as the Basel III Liquidity Coverage Ratio (LCR) and liquidity gap to assess liquidity risk that meets international standards and Bank of Thailand guidelines. In addition, the Bank manages foreign currency liquidity risk, determines

suitable foreign currency denominated liquid assets, does balance sheet analysis in major currencies consistent with BTMU funding sources, and prepares a liquidity cushion, regularly testing liquidity contingency plans.

The official monthly LCR has been implemented in January based on Bank of Thailand regulations. The Bank maintained the LCR at a minimum of 60 percent in 2016, also setting the internal additional threshold for monitoring and controlling LCR daily. The Market Risk Management Division has also strengthened the funding liquidity risk management limit structure by expanding the time horizontal on funding liquidity risk monitoring from a one-month period to three- and six-month periods based on BTMU advice.

Principles

Krungsri emphasizes managing acceptable liquidity risk and controlling liquidity risk consistent with the Bank's risk appetite and reasonable operating costs. The Bank places great importance on effective liquidity risk management and controls by establishing liquidity risk management policies and emergency contingency plans, maintaining liquid assets in compliance with Bank of Thailand regulations, and emphasize managing excess liquidity commensurate with the current economic situation. We seek to ensure that adequate cash and other liquid assets are available for both bank and subsidiary business operations. (qualitative and quantitative approaches are used to ensure appropriate risk diversification.)

Organization and Structure

The Risk Management Committee is responsible for managing liquidity risk within the guidelines and limits approved by the Board who delegate management responsibility to the RMC with the authority to manage and control liquidity risk consistent with bank policy. The ALCO closely monitors liquidity positions and liquidity risk. Our organizational structure clearly segregates the duties and responsibilities of the units responsible for transaction execution, operations, and risk management to avoid conflicts of interest.

In 2016 the Bank established a new special section called Risk Analytic Regulatory Reporting under the Market Risk Management Division to ensure that all regulatory reports comply with applicable regulations that govern the Group and BTMU.

Liquidity Risk Management Structure

The Market Risk Management Division provides strategic options for risk management and reports risk exposure to the RMC to manage and control liquidity risk consistent with bank policy. The Strategic Assets and Liabilities Management Department provides the ALCO with analyses of the Bank's and competitors' balance sheet management including our liquidity risk and funding strategic options. The Global Markets Group is responsible for monitoring and managing daily liquidity.

Measurement System

Enhanced Liquidity Risk Management Tools

To achieve more efficient liquidity risk management the Bank recognizes the importance of risk measurement tools appropriate to the size and complexity of transactions both on- and off-balance sheet. During 2016 two major liquidity risk management projects were implemented to enhance the system. The Bank can simulate and formulate better liquidity risk management strategies to meet regulatory requirements because we:

- Upgraded the current system to comply with new Basel III reporting requirements: LCR and NSFR (Net Stable Funding) Ratio, and
- Improved behavioral assumptions for various on- and off-balance sheets using a cash flow modeling concept to measure liquidity gaps based on analyzing our data and customer profiles to better reflect actual customer behavior.

Liquidity Risk Factors

In 2016 the Bank's aggregate liquidity risk was relatively low considering our maturity mismatch and liquidity cushion. Early warning signs for monitoring liquidity risk were, also, within risk appetite.

We have also reviewed the structure of our funding sources to suit changing market conditions and liquidity trends in the commercial banking system. The Bank's funding sources are short-term deposits which are mostly less than

one year including non-matured deposits, while the use of funds for lending have maturity dates longer than the deposits. Our liquidity risk factors arise from the structure of sources and the use of funds.

The Bank realizes the importance of adequate liquidity risk measurement tools and methodologies appropriate to the size and complexity of transactions both on- and off-balance sheet, employing various liquidity risk management tools such as cash flow/liquidity projections and liquidity gap analyses by assets, liabilities, and

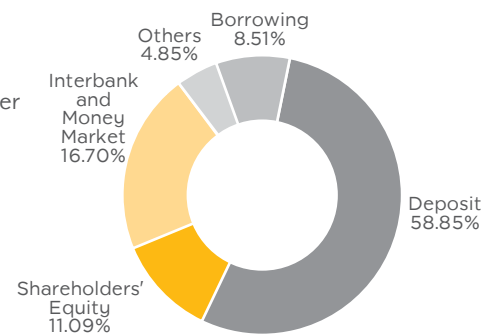
contingent liabilities based on remaining contractual maturities. We also consider, both normal and crisis situations, adjusting the results based on behavioral maturity aligned with actual behavior to ensure efficient liquidity risk reporting and monitoring.

Our major funding source is customer deposits, which are well diversified customer type, deposit type, and maturity by deposit campaigns. Other funding sources included interbank and money market items as well as debt issued and BTMU borrowings.

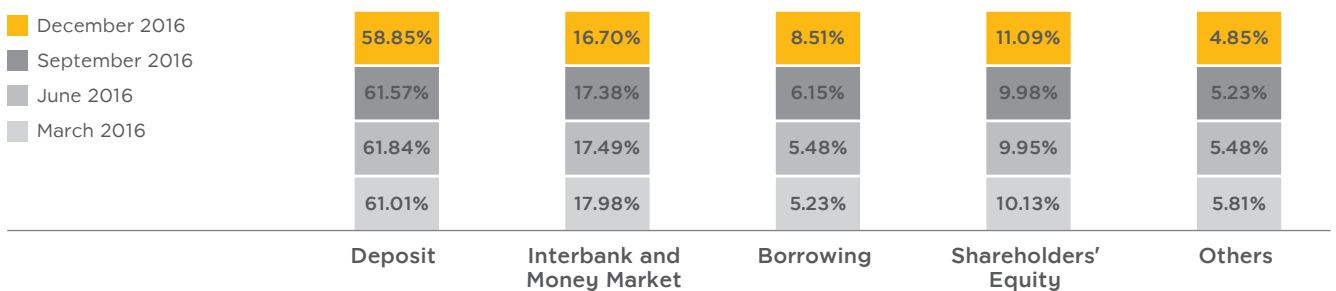
The Bank continues to focus on expanding its retail deposit customer base by offering savings products that earn appropriate yield, along with improved services to facilitate customer needs.

Krungsri Group Funding Sources

As of December 31, 2016



Krungsri Group Funding Profile Movement



Krungsri Group Assets and Liabilities Based on Remaining Contractual Maturity

As of December 31, 2016

(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, Net	60,296	123,079	14,034	1,252	1,429	-	193	200,283
Investment, Net	-	8,139	29,907	84,897	3,201	-	5,638	131,782
Loans to customers	63,613	242,882	290,699	533,367	283,487	34,834	-	1,448,882
Financial Liabilities								
Deposits	583,930	256,256	252,389	15,689	24	-	-	1,108,288
Interbank and money market items, Net	13,281	293,572	3,177	1,981	2,389	-	-	314,400
Debt issued and borrowings	-	46,500	23,338	65,450	24,998	-	40	160,326

As of December 31, 2015

(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, Net	52,475	92,208	32,417	16,729	-	-	265	194,094
Investment, Net	-	24,815	11,849	65,993	3,760	-	3,610	110,027
Loans to customers	40,896	246,764	271,708	473,129	238,718	32,239	-	1,303,454
Financial Liabilities								
Deposits	539,043	274,392	228,255	4,578	22	-	-	1,046,290
Interbank and money market items, Net	8,618	260,443	347	4,784	868	-	-	275,060
Debt issued and borrowings	-	37,421	13,368	42,488	14,844	-	-	108,121

OPERATIONAL RISK

Objectives and Key Risk Factors

The Bank's operational risk definition includes the risk of loss resulting from inadequate or failed internal procedures, technology problems, human factors, and external events; the definition also includes legal risk, but excludes strategic risk. Key risk factors can arise from the misconduct of internal and external individuals, inadequate procedural design and internal controls, noncompliance with laws or regulations, system collapse or inadequate systems that may lead to data corruption, programming errors, security breaches, and system failures. The risk factors from external events are uncontrollable such as political crises, pandemics, flooding, and other environmental impacts.

Operational risks may occur in any part of the Bank's business and can result in financial or non-financial impacts including legal and regulatory

breaches or reputational impacts. The Bank commits to effectively manage and mitigate major operational risks with a proactive approach as well as continuing to embed a culture of operational risk awareness throughout Krungsri Group.

Principles

We recognize that operational risk is a significant concern and will provide sufficient resources to manage risk by promoting sound operational risk management governance and frameworks: every employee is accountable for managing operational risk.

Organization and Structure

Operational risk is managed under the Krungsri Group's operational risk management policies, approved by the Board of Directors. Bank policy stipulates the minimum requirements for a framework that is implemented throughout the organizational structure along three lines of defense to ensure independent oversight of operational

risk management throughout the Group. All business units as primary operational risk owners and risk-takers have prime responsibility for day-to-day identifying and managing of operational risk inherent in their products, activities, procedures, and systems according to the Bank policy.

The Risk Management Committee, assigned by the Board of Directors, is responsible for formulating strategies and for oversight of the adequacy of risk and control procedures. The Committee meets monthly to review and make recommendations on operational risk profiles. The Operational Risk Management Department, an independent function reporting to the Chief Risk Officer, is responsible for designing, maintaining, and continuously developing the operational risk framework and measurement system to ensure that operational risk is well-mitigated and properly managed. In addition, the Internal Audit function provides an independent check on the proper functioning of the design, adequacy, and effectiveness of our internal controls.

2016 Measurement Achievements

We continue to strengthen and improve risk management across Krungsri Group. The Risk and Control Self-Assessment (RCSA) Program, a tool that provides a forward-looking view of key risks, is reviewed regularly based on historical loss data and changes in the business environment. Key risk indicators are collected and tracked bank-wide and for business units to provide early warning signals of deterioration in the Group's internal controls: If risk exceeds acceptable thresholds action is taken.

All departments are responsible for reporting operational risk incidents that result in losses beyond a certain threshold (both direct and indirect losses) including near-misses and nonfinancial impact events to the Operational Risk Management Department. The Bank established a Significant Incident Management Working Group: For significant incidents a root cause is analyzed and raised through working group discussion to ensure effective preventive measures and root-cause analysis and to leverage lessons learned

from significant operational risk incidents to others business processes. An ongoing process to manage and monitor potential operational risks that might stem from outsourcing or insourcing arrangements is in place: When considering outsourcing and insourcing the continuity of business operations, providing customer service, and suitable customer protection are our main benchmarks for accountability. We implemented the operational risk system to record and link RCSA, KRI and Operational Risk Loss Data where appropriate. This risk system enables a comprehensive view, analysis, and reporting of the Krungsri Group's operational risk profile.

We embedded the new product/process/system Risk Assessment Program to ensure that all new products—or significant changes to existing processes and systems—are subject to comprehensive risk evaluation and are approved by specialists before launch.

Krungsri Group recognizes the importance of business continuity management to ensure that if disruptions occur anywhere across Krungsri Group

key products and customer services can be provided or recovered within a reasonable period. Key risks and threats are periodically assessed and reviewed by senior management from a business-continuity perspective, including political crises, pandemics, technology disruptions, flooding, and other environmental impacts.

A risk-reporting process is in place within Krungsri Group, with all units and subsidiaries accountable to report their operational risks such as RCSA, KRI and data loss to the Operational Risk Management Department for analysis. Krungsri Group operational risk profiles and performance reports are then prepared and delivered to the Risk Management Committee and the Board regularly to detect early changes of key operational risks within Krungsri Group and to drive appropriate decision-making.

Capital Requirements

We currently use the Standardized Approach (SA) to calculate operational risk capital within the Bank. These capital requirements are detailed in this table.

The Bank's Risk Minimum Capital Requirements

as of December 31, 2016 and December 31, 2015

(Unit: Million baht)

Standardized Approach	2016	2015
Total Capital Charge for Operational Risk	7,437	6,211
Equivalent Risk Weighted Assets for Operational Risk	92,960	77,643

CORPORATE GOVERNANCE



Krungsri's compliance with good governance principles according to the guidelines of the Stock Exchange of Thailand and the regulators can be summarized as follows:

SECTION 1 SHAREHOLDERS' RIGHTS

1.1 Policy on and Protection of Shareholders' Rights

Krungsri places importance on equality of all shareholder's rights and does not commit any action that will violate or deprive of the shareholders' rights or restrict their opportunities to learn information about Krungsri. Concurrently, Krungsri encourages its shareholders to exercise their rights including their basic legal rights such as the right to purchase, sell or transfer shares, the right to participate in and vote at meetings of shareholders, the right to receive profits/dividends and the right to equitable treatment in share buy-backs (if any). The shareholders are entitled to take part in decision-making of meetings of shareholders on significant issues such as directors' remuneration, amendment to the Articles of Association, allocation of capital-increase shares and business acquisition where the price appraisal is done by an independent party.

In addition, the shareholders are entitled to access Krungsri's information via the Stock Exchange of Thailand's disclosure channels as well as Krungsri's website under the heading 'Investor Relations', which contains updated information on performance, shareholders and investors, exercises of rights of the shareholders and also Krungsri's activities.

1.2 Meetings of Shareholders

Krungsri organized the Annual General Meeting of Shareholders 2016 ("the AGM") No. 104 on April 28, 2016 in compliance with Krungsri's Articles of Association, applicable laws and relevant regulations in line with the quality assessment principles of the AGM Checklist, the good corporate governance standard designated by the regulators as well as the criteria for survey and assessment of good corporate governance of Thai listed companies based on the ASEAN CG Scorecard as follows:

- The minority shareholders were entitled to propose agendas and nominate qualified persons to be elected as the directors three months prior to the end of the fiscal year (September – November 2015). The criteria, procedures and methods for exercising such rights were posted on Krungsri's website. The shareholders were informed at the AGM that no shareholder had proposed any agenda or nominated any person for director election.
- The notification of the AGM was published both in Thai and English and dispatched together with the annual report in CD-ROM 28 days prior to the AGM date. It was also disseminated on Krungsri's website more than 30 days prior to the AGM date to give the shareholders adequate time to study the information.
- A request form was prepared and attached to the notification of the AGM for the shareholders to submit their questions concerning Krungsri or AGM agendas requiring replies at the AGM, including a request for a published annual report.



in and vote or authorizing a proxy to participate in the meeting and vote on their behalf. The AGM was organized at Krungsri's Head Office which is convenient to travel to and Krungsri did not make any attempt to obstruct any opportunities for the shareholders to communicate with each other.

- The notification of the AGM was posted at the Head Office and every Krungsri branch 14 days prior to the closing date of the share register and advertised in a newspaper 3 consecutive days for more than three days prior to the AGM date.
- The notification contained clear information on the date, time, venue and details of the agendas which clearly indicated for acknowledgement or approval. The details of agenda comprise of sufficient facts and reasons, adequate and clear comments provided by the Board of Directors and relevant committees to support the consideration. The agendas on the election and remuneration of directors are separated from each other. In addition, details on the registration process and a list of documents to be presented to Krungsri's officers in accordance with rules and regulations stipulated by the regulators prior to attending the AGM, both in person and by proxy, as well as meeting participation methods, Krungsri's Articles of Association on meetings of shareholders, voting procedure and method, including a map of the venue are also provided.
- Krungsri neither added any agenda nor changed any significant information without prior notice to the shareholders.
- The proxy form was prepared as prescribed by the Ministry of Commerce and enclosed with the notification of the AGM. In case a shareholder wishes the other person to present at the meeting on his/her behalf, he/she can use the proxy form to express his/her voting. Krungsri also provided duty stamps. Moreover, Krungsri clearly indicated a list of required documents and procedures with uncomplicated conditions for proxy appointment, whereby the Chairman of the Board and two independent directors with their brief profiles were nominated as options for the shareholders to appoint as their proxies.
- Krungsri appropriately supported and facilitated every shareholder including institutional investors in exercising their rights to participate in and vote or authorizing a proxy to participate in the meeting and vote on their behalf. The AGM was organized at Krungsri's Head Office which is convenient to travel to and Krungsri did not make any attempt to obstruct any opportunities for the shareholders to communicate with each other.
- The officers of the Investor Relations Department are assigned to coordinate, provide information and answer questions from the investors and shareholders.
- For the election of directors agenda, Krungsri stipulates the shareholders were able to vote on individual directors and also provided the brief profiles of those who were nominated for election/re-election as stipulated by the regulators i.e. name-surname, age, educational background and working experience which information was separated by listed and non-listed companies. This includes the selection criteria and procedures, types of directors nominated and director's holding of Krungsri's securities. For those being nominated for re-election, Krungsri detailed the number of Board meetings that the directors attended in the previous year, appointment date and other relevant and necessary information useful for the shareholders' consideration. In addition, before consideration of this agenda, the directors who retired by rotation and were nominated for re-election left the meeting room and returned to the meeting only when subsequent agendas arose, so that the shareholders could discuss and cast their votes independently. In casting votes, Krungsri collected ballots from all participating shareholders.

- For the directors' remuneration agenda, the amount and each type of remuneration i.e. remuneration, attendance fee and pension as well as remuneration for the committee members reporting to the Board of Directors, along with the policy and criteria for consideration of payments were specified.
- For the agenda on auditor appointment and auditor fee, Krungsri proposed the nominated auditor(s) to be appointed/ reappointed, including details on companies they worked for, experience and competence, independence, the number of years the auditor has been serving as Krungsri's auditor, audit fees and other relevant and necessary information as per the regulations of the regulators for the shareholders' consideration.
- For the annual dividend payment agenda, the dividend payment policy, the pay-out rate and the proposed dividend amount were stated with a comparison to those of the past 5 years. The item indicates the date of payment along with the rationale and other supporting information for consideration.

The shareholders would receive their dividend payments within 30 days after the shareholders' approval (in case of an annual dividend payment)/the Board of Directors' approval (in case of an interim dividend payment).

- For the registration and vote-count processes, Krungsri used the standardized barcode system which is able to calculate and demonstrate accurate and instant result [Remark: operated by Inventtech Systems (Thailand)

Co., Ltd., which had provided the service to listed companies via Thailand Securities Depository Co., Ltd. ('TSD'). The shareholders were entitled to register no less than two hours prior to the AGM. To save participants' time and for their convenience, Krungsri arranged for 14 registration counters for the shareholders separated into 12 counters for ordinary persons and juristic persons and 2 counters for mutual funds and custodians.

The shareholders who attended the AGM in person were able to register by presenting either their ID cards, civil servant/state enterprise officer ID cards, driving licenses or passports. After the AGM was duly convened, the shareholders were entitled to register to exercise their rights to vote on the agendas for which resolutions had not yet been passed. The shareholders who had already registered received ballots to exercise their voting rights on each agenda.

- Those attending the AGM included the Chairman of the Board, the President and Chief Executive Officer and the chairman of every committee reporting to the Board of Directors. The latter comprised the Chairman of the Audit Committee, the Chairman of the Nomination and Remuneration Committee, the Chairman of the Risk and Compliance Committee and the Chairman of the Executive Committee together with Krungsri's senior executives, auditor, representatives from Allen & Overy (Thailand) Co., Ltd., the law firm that served as the meeting's inspector to ensure transparency and compliance with law and the Bank's Articles of Association, as well as a delegate from the Thai

Investors Association, whom Krungsri invited to join the AGM as an observer. The Chairman of the Board introduced these persons to the AGM one by one and invited the shareholders who wish to observe the vote-count in agenda 8: The election of directors but it appeared that no shareholder volunteered.

- Before the meeting, the Chairman of the Board assigned the Corporate Secretary to announce the number and percentage of the shareholders participating, both in person and by proxy, in the AGM and explained the criteria and procedures for meeting, vote casting and vote counting. Before voting on each agenda, the shareholders were entitled to express their opinions or raise questions about the agenda under discussion or about Krungsri independently. After the vote counting, the results including approval, disapproval and abstention in each agenda were announced to the meeting's acknowledgement.
- Currently, Krungsri has one type of share i.e. common shares. One share is equal to one vote and a majority vote is required unless otherwise specified by law. The shareholders with special conflicts of interest on any agendas were not entitled to vote on such agendas, except for the election of directors agenda. For this agenda, the Bank's Articles of Association state that the nominated directors and shareholders who are nominated have the right to vote.
- For Krungsri's shareholding structure, none of the directors hold more than 25% of the registered and paid-up common shares.

- Krungsri video taped the entire meeting and separated the file into video clips of each agenda for dissemination on Krungsri's website.
- Subsequent to the AGM, Krungsri conveyed a summary of the meeting resolutions and the voting results on each agenda to the shareholders and the public via the Stock Exchange of Thailand's disclosure channels on the meeting date. The results of the vote were posted on Krungsri's website on the following working day. Additionally, Krungsri also enclosed the notice on appointment of director as proxy and the thank-you letter from the proxies to all shareholders for exercising their rights and entrusting the directors as their proxies.
- Krungsri prepared accurate, complete and clear the minutes of the AGM, with the name list and titles of the directors and the senior executives who attended and did not attend the meeting. Krungsri invited the inspector, the observer from the Thai Investors Association and the shareholder volunteers to witness the vote count. They also included an explanation of the method of vote casting and vote-count before the meeting, use of ballots, details of each agenda, opinions of the Board of Directors on individual agenda, opportunity to raise inquiries and comments, questions and answers, valuable observations and suggestions of the shareholders, meeting resolutions on an item-by-item basis together with the voting results for each agenda which clearly separated into approval, disapproval or abstention. The Minutes were presented to the

Chairman of the Board and all members of the Audit Committee for review of their correctness and completeness before being submitted to the Chairman of the Board to sign and then submit to the relevant government authorities within 14 days of the AGM date. Furthermore, the Minutes were also disseminated on Krungsri's website.

SECTION 2 EQUAL TREATMENT TO THE SHAREHOLDERS

All shareholders are regarded as owners of Krungsri. Thus, Krungsri places importance on all of its shareholders, minority and foreign shareholders alike. It is Krungsri's policy as part of good corporate governance principles to treat every individual shareholder equally, including protection of their rights, regardless of gender, age, nationality, religion, political opinion or physical disability.

2.1 Treatment to the Shareholders in the Meeting of Shareholders

Krungsri conducts meetings of shareholders in accordance with transparent and correct procedures e.g.

- In appointment of a director who may have a special conflict of interest in any agenda as a proxy, if a shareholder does not provide any voting mark, that director shall abstain from voting on his/her behalf on that agenda. If a shareholder appoints any person as a proxy, such proxy has the right to participate in a meeting and cast votes on the shareholder's behalf in all cases;

- An adequate amount of time for a meeting is allocated;
- Opportunities to the shareholders and proxies to express their opinions and raise questions at a meeting are provided;
- In casting votes on each agenda, the ballots which the shareholders received at the time of registration are used.

Details of the procedures under this topic are shown in Section 1 Shareholders' Rights.

2.2 Policy for Prevention of Any Transactions that May Lead to a Conflict of Interest and Any Use of Inside Information to Seek Unlawful Benefits for Themselves or Others.

- All of Krungsri' directors, executives and employees are required to strictly abide by the relevant laws, directives and policies as well as codes of conduct and ethics of Krungsri. It is prohibited to use Krungsri's inside information or undisclosed information to the public for personal benefit or others'.
- The use of inside information for stock trading is prohibited, illegal and contradicts the principles governing conflicts of interest. All of Krungsri' directors, executives and employees must comply with the relevant laws and regulations as well as the law governing financial institution business and the law on securities and exchange.
- This policy must be conveyed to all Krungsri' directors, executives and employees for their

acknowledgement and compliance. For instance, at any time Krungsri is going to disclose any important financial data to the public, it will announce a blackout period to prohibit any of Krungsri's shares from being traded by Krungsri's directors, executives and employees, normally for three working days both before and after notification to the Stock Exchange of Thailand. For those acquired during the term of office of director, executive or employee of Krungsri, the sale or transfer can be made after the first three months of the acquisition, unless permitted by the President and Chief Executives Officer or other designated persons.

- Directors and executives of Krungsri including their spouses and minor children as specified by law and Krungsri itselfs must report any changes of their holding of Krungsri's securities due to any purchase, sale, transfer or acceptance of a transfer within three business days after the date of purchase, sell, transfer or acceptance of a transfer of Krungsri's securities to the Securities and Exchange Commission and to the Board of Directors for acknowledgement.
- There have been no cases of insider trading committed by Krungsri' directors, executives and employees.

2.3 Transactions between Krungsri, Its Subsidiaries, Associated Companies or Joint Ventures and Stakeholders

- Krungsri' directors and executives with conflicts of interest will abstain from consideration and

voting on any transactions between Krungsri, its subsidiaries, associated companies or joint ventures and stakeholders or individuals having either actual or potential conflicts of interest.

- Transactions are normally executed fairly under an arms' length basis and shall be considered and approved by the authorized person and/or the Board of Directors according to the type and value of the transaction.
- The Audit Committee will provide opinions relating to the necessity of such transactions and the propriety of the pricing as well as consider the disclosure of any transaction that may incur a conflict of interest to ensure its accuracy, adequacy and transparency.
- In case of a related party transaction requiring approval from a meeting of shareholders, Krungsri will disclose details and rationale of the transaction as well as opinions of the Board of Directors to the shareholders before making the transaction.
- Krungsri has neither violated nor failed to comply with the criteria for related party transactions as well as sale and purchase of assets.
- For transactions undertaken in 2016, Krungsri showed all details in the Annual Registration Statement (Form 56-1) under the topic 'Related Party Transactions' and the Annual Report (Form 56-2) under the topic 'Related Party Transactions'. The details showed that such transactions were Krungsri's normal business activities, made at the market value on an arm's length basis.

All of Krungsri's directors, executives and employees are required to strictly abide by the relevant laws, directives and policies as well as codes of conduct and ethics of Krungsri. It is prohibited to use Krungsri's inside information or undisclosed information to the public for personal benefit or others'.

2.4 Conflict of Interest of Directors and/or Senior Executives of Krungsri

- Directors and senior executives of Krungsri are obligated to provide reports on their own and any other related persons' conflict of interest relating to the management of Krungsri or its subsidiaries in terms of holding of position, shareholding and transaction, which the reporting procedures are clearly established. The reports shall be delivered to the Chairman of the Audit Committee and the Chairman of the Board for acknowledgement, respectively.
- In any meeting of the Board of Directors, any directors who have related interest in any issues under discussion do not participate in consideration and have no right to vote on such issues. For the past practice, if any director may have had a potential stakeholding in an issue, the director would refrain from participating in consideration and would abstain from voting on that issue.
- Krungsri establishes a policy prohibiting granting of any loan, loan-like transaction or debt guarantee to its directors, senior executives and other related persons, except loans granted in the form of credit card or loan as a part of welfare loan in compliance with the regulations of the Bank of Thailand.

SECTION 3 ROLES OF STAKEHOLDERS

3.1 Treatment to the Stakeholders

Krungsri recognizes importance to and respects every group of stakeholders equally whereby the followings are incorporated in the Principles – business philosophy and roles toward all groups of stakeholders e.g. investors, shareholders, Board of Directors, executives, employees, customers, business partners, creditors, and commercial banks or related financial institutions as well as its responsibility to the society and environment. Details of which are below:

- **Investors:** Krungsri recognizes the importance of disclosure of both financial and general information that is accurate, adequate, transparent, regular, and consistent in a timely manner by releasing the information through various channels and media. Krungsri has established the Investor Relations Department to coordinate, answer enquiries, present important operating results of Krungsri and create good relationship with the investors and stakeholders.
- **Shareholders:** Krungsri gives priority and respects rights of all shareholders equally and also provides its shareholders with opportunities to consider in any important issues and provide comments or suggestions from which the useful ones will be applied to improve Krungsri's business operation for greater growth and better performance so as to bring about appropriate

returns to the shareholders in the long term. Furthermore, significant information is disclosed to the shareholders in a correct and adequate manner with transparency, accountability. In addition, facilitation to the shareholders to fully exercise their rights is also made.

- **Board of Directors:** Krungsri gives an opportunity for all directors to fully perform their duties, with independence in expressing opinions and giving recommendations on Krungsri's operations to the Management. In this regard, the Corporate Secretariat Department is responsible for supporting performance and activities of the Board of Directors in order to ensure accurateness and adequacy as stipulated by the Principles and laws. In addition, Krungsri provides the directors with a Directors' Handbook, in which the content has been regularly updated and also notifies the directors of appropriate training courses organized by the Thai Institute of Directors Association (IOD) on a quarterly basis as well as other appropriate training courses in order for the directors to consider allocating their time for participation.
- **Executives:** Krungsri gives an opportunity to the executives to perform their duties independently without any intervention as per the assigned roles and responsibilities. Moreover, in order to enhance the executives' potentiality by providing them with the training courses in various areas on appropriate and regular basis for personnel development and advancement of career path continuously.



- **Employees:** Krungsri recognizes that its employees at all levels are valuable resources and key drivers of business success. Krungsri is committed to operate the business with honesty and in compliance with the Principles and applicable laws. In this regard, Krungsri stipulates a code of conduct for business ethics, known as 'The Spirit & The Letter'. It is communicated as Krungsri's policy, to which all employees shall adhere both in the letter and the spirit.

Krungsri provides employees with appropriate and fair remuneration in accordance with their performance as measured against the goals and key performance indicators under Balanced Scorecard applicable throughout the organization by taking into account Krungsri's performances in both short and long terms. Such remuneration are comparable to those of peers.

Krungsri provides welfare higher than what is required by laws,

which includes other forms of benefits for the purpose of retaining employees and creating inducement for them to add more value to Krungsri and the shareholders in a long run. For example, establishing a provident fund for its employees, to which Krungsri is obliged to make partial contributions, and other welfare benefits to meet employees' potential needs which might have in the future. These aim to help unburden employees so that they can work free of stress. Welfare benefits are divided into three major categories: financial aid, medical expense, and employee loans. Details are conveyed to employees for their acknowledgement via the Employee Handbook and the Krungsri People online system in order to realize benefits of their own and families.

In terms of employees' healthcare, Krungsri stipulates a set of principles on the working environment, health and safety in 'The Spirit &

The Letter'. Krungsri has set up a committee specifically to oversee safety, occupational health and the working environment in order to ensure that employees' life and properties are safe all the time. For example, Krungsri provides annual influenza vaccinations, annual physical examinations, and physical examinations for respiratory and hearing vulnerable groups. Other services include a Krungsri medical room, antiseptic spraying at workplaces, and cleaning office equipment and devices to prevent the spread of contagious conditions. Also, Krungsri has created health insurance, life insurance and accident insurance programs in addition to the government's social security program. Krungsri has set up a '5 Soh' activity, and an indoor exercise area where employees can relax from work. In addition, a number of clubs including bicycling, jogging, badminton and soccer have been established. Details are shown in the Annual Registration Statement

(Form 56-1) and the Annual Report (Form 56-2) under the topic 'Social Responsibility'. In 2016, there was an employee having work-related accident, however, there was no employee having illness caused by work.

Krungsri is strongly determined to develop its employees' excellence by designing and developing learning programs to encourage their understanding and advancement to be in line with Krungsri's Vision and Mission. Above all, the programs respond to the development needs of individual employees. The emphasis is on the variety of courses and learning models, which must respond sufficiently to the employees' needs through the Krungsri Learning Companion or KLC, a new learning management approach. In this respect, Cloud Computing Technology is employed in learning and personnel development activities. This provides employees with facilities and opportunities to access a wider range of knowledge as well as the latest information on training 'anywhere and anytime' which employees are convenient. In order to drive its business toward success more effectively, Krungsri encourages knowledge sharing in every business entity as well as a self-learning culture. In 2016, all employees participated in various training courses in an average of 64.06 hours per person.

Apart from aiming to foster excellence among its personnel by encouraging employees to express themselves through Krungsri Core Values and showing strong leadership and professionalism in order to offer customers the most

satisfactory experience, Krungsri has designed learning programs that support its employees to be good citizens, including being responsible to consumers, participating in the development of their communities and society, and preserving environment. Examples of these programs such as Krungsri Preserves the World, the Good Corporate Governance courses, etc.

- **Customers:** Krungsri operates its business with honesty, integrity and fairness. It provides the customers with services and advice equally to protect their best interest and deliver maximum satisfaction with quality products and excellent services that are convenient, swift, and make life easier, in line with the brand promise 'Make Life Simple'. In addition, Krungsri provides accurate and adequate information to the customers.

Krungsri has stipulated the stringent measures for safeguarding the customers' personal information to prevent any violation of the customers' personal information rights, details of which are stated in the Employee Handbook. The measures require that the customers' information or secrets must not be disclosed, unless required by laws or authorized in writing by the customers, and the use of the customers' information for its own benefit is prohibited. In this regard, every employees and executives must review **The Spirit & The Letter** every 2 years via the Krungsri Learning Companion (KLC). The Spirit & The Letter is a part of the Code of Conduct that focuses on honesty under

Krungsri is strongly determined to develop its employees' excellence by designing and developing learning programs to encourage their understanding and advancement to be in line with Krungsri's Vision and Mission.

the scope of the laws and the Principles. Such conduct is intended to enhance transparency and responsibility to the stakeholders in carrying out Krungsri's business.

Krungsri encourages the customers to share their opinions for further improvement of its services. Krungsri assesses the customers' satisfaction and also designates a clear target by providing a customer satisfaction survey form, the results of which will be analyzed to develop and improve the quality of services provided by its employees. Moreover, the customers can file any complaints or make recommendations to Krungsri via several channels. Details are shown in the Annual Registration Statement (Form 56-1), the Annual Report (Form 56-2) under the topic 'Social Responsibility' and Sustainability Report.

- **Business Partners:** Krungsri treats each business partners with honesty, integrity and fairness, promotes mutual benefit and does not disclose business partners' confidential information. Krungsri also provides business partners with accurate and adequate information, strictly follows the provisions of contracts or conditions as agreed and promotes activities that will lead to better mutual understanding. Furthermore, Krungsri has drawn up policies and guidelines for procurement (code of conduct and procurement methods), including policies and measures for selection and screening of business partners to ensure no human-rights violations.

Krungsri has also stipulated a clear Gift and Entertainment Policy, to

which employees must adhere, for the purpose of fair treatment to all related parties, as well as transparency and accountability.

- **Creditors:** Krungsri demonstrates its awareness of the importance of its responsibility to every group of creditors by strictly follows the agreed conditions, relevant regulations and laws on the ground of honesty, equality and fairness. Krungsri does not disclose the creditors' confidential information, while providing them with accurate and adequate information as well as promoting activities that will lead to better mutual understanding.

Krungsri has stipulated a comprehensive managerial structure for business operation and has outlined a clear strategy on capital management for the organization's stability and strength to ensure that Krungsri will not fall into any financial difficulty that would eventually result in its inability to pay debts. Krungsri's liquidity management enables it to pay debts on time according to their maturity periods as well as to be ready to pay debts in an emergency situation. This managerial structure will ensure that Krungsri is capable of paying its debts even when it has to confront a liquidity crisis. In case that Krungsri is unable to comply with the agreed conditions, it will notify its creditors in advance in order that they can jointly consider the issues and find potential solutions.

Krungsri has established a clear and concrete policy on fair treatment and responsibility to the creditors, in particular with the guarantee conditions, capital

management and default of repayment. Details are shown in the Annual Registration Statement (Form 56-1), the Annual Report (Form 56-2) under the topic 'Social Responsibility' and Sustainability Report.

- **Commercial Banks or Related Financial Institutions:** Krungsri requires every employee to follow its policy on compliance with the competition law without any exception. Punitive measures will be imposed in case of violation since Krungsri has a clear intention to prevent any unfair competition. Furthermore, Krungsri's employees must treat its business competitors in line with international principles under the scope of laws relating to business competition, while also adhering to the rules of fair competition impartially.

Krungsri cooperates in any activities beneficial to the overall business to prevent any impact to the commercial banking system. Moreover, Krungsri promotes activities that foster better understanding, while competing fairly with other commercial banks under the specified rules and regulations. For example, Krungsri neither seeks any confidential information in a dishonest or inappropriate manner nor makes any accusations or disparaging comments. In addition, Krungsri also cooperates to reduce the costs and expenses of the commercial banking system and the overall economy. Details are shown in the Annual Registration Statement (Form 56-1), the Annual Report (Form 56-2) under the topic 'Social Responsibility' and Sustainability Report.



- Responsibility to the Society and Environment:** Krungsri takes into account the importance of embedding awareness of responsibility for a sustainable advancement and the growth of society as a whole to all its employees. This is because sustainability is a fundamental element for Krungsri to accomplish its mission, which is 'To be a leading regional financial institution with global reach, committed responsibly to meeting the needs of our customers and serving society through sustainable growth'. Krungsri has translated this concept into concrete actions through socially responsible business practices (so called CSR-in-process) and various social activities (so called CSR-after-process). As well, as one of the biggest commercial banks in Thailand, Krungsri strives for achievement of the mission to be a responsible financial service provider which emphasizes on 3 dimensions of sustainability development as follows:
 - Economic sustainability:** Krungsri aligning business strategies with the economic outlook and maintaining a well-balanced portfolio while serving as our customers' trusted business partner and financial advisor;

- Social sustainability:** Krungsri improving financial services access and enhancing financial literacy among Thai people and continuously engaging the Group's employees in community development initiatives and valued CSR activities;
- Environmental sustainability:** Krungsri placing importance on minimizing the negative impact to our environment through implementation of green initiatives within Krungsri business and through our prudent support of customers' eco-friendly initiatives.

Krungsri provides a training through Krungsri Learning Companion (KLC) available for its employees to apply to improve their knowledge about sustainable development including economic, social and environmental sustainability. Krungsri also encourages employees to participate in various projects/activities for society organized by Krungsri. Details of the CSR activities are shown in the Annual Registration Statement (Form 56-1), the Annual Report (Form 56-2) under the topic 'Social Responsibility' and Sustainability Report.

3.2 Adherence to Human Rights

Krungsri adheres to the international human rights principles and is bound by any laws concerning freedom of association, privacy, working time, wages and working hours, as well as non-discrimination of employment. Krungsri is determined to create an environment with attention paid to all employees wherever Krungsri

operates its business. In this regard, Krungsri has determined appropriate policies of employment, compensation and welfare including rules and guidelines on fair employment. Krungsri not only complies with the law declaring a strong intention for not violating the human rights, but also promotes a culture of mutual respect.

It is required that directors, executives and employees must respect and comply with the principles of human rights; and have no support to human rights violation. This is deemed as an implementing guideline of the good governance principles. Also, appropriate welfare to the employees; safe workplaces and environment; compliance with the relevant laws and regulations regarding the environment, health and safety; creation of working environment with non-discrimination, and protection of employees' information are all in place.

Krungsri conducts a survey to sound out employees' opinions on Krungsri via the Voice of Krungsri (VOK). These comments have been used as guidelines to further improve Krungsri's working plans.

3.3 Non-violation of Intellectual Properties or Copyright

Krungsri prohibits its employees from using intellectual properties of other people with no authorization i.e. copyright, patent, trademark, software or other proprietary data. This is to ensure that the usage of such intellectual properties does not violate any other people's rights and always complies with the laws.

Krungsri has a clear policy and guidelines on non-violation of

intellectual properties or copyright, which is attached in a document on personal commitment to Krungsri's The Spirit & The Letter. All full-time, temporary and contractual employees must sign annually in this document to acknowledge and understand their commitment to and compliance with Krungsri's policy.

3.4 Anti-fraud and Anti-Corruption, and Bribery Prohibition

Details of Krungsri Group's policy and program relating to anti-fraud and anti-corruption are shown in the Annual Registration Statement (Form 56-1), the Annual Report (Form 56-2) under the topic 'Anti-Corruption and Counter Bribery' and Sustainability Report. Krungsri is dedicated to declare its intention and continuous actions and development on the anti-fraud and anti-corruption. Krungsri realizes that being an organization with transparent operation and having no connection with fraud and corruption will help build confidence among all stakeholders and this is also in line with the good corporate governance principles.

Krungsri's operational regulations under Anti-Fraud and Anti-Corruption Program set up a system of warning and reporting, whistleblowing, and protecting the whistleblowers. In this regard, Krungsri provides easy-to-access whistleblowing channels for the employees and outsiders that they can trust and have no risk in requesting for consultation, guidance, and whistleblowing. When a suspect issue on fraud or corruption is reported, such issue must be investigated. In this regard, Krungsri shall set up a fraud and corruption investigation committee to conduct an investigation;

provide solution, feedback and report its findings to the senior executives, the Audit Committee and the Board of Directors.

Krungsri has determined anti-fraud and anti-corruption measures such as determining policies and regulations relating to giving or receiving gift and entertainment, providing knowledge and support to employees in order to create awareness of the importance of anti-fraud and anti-corruption. Krungsri has stipulated 4 compulsory courses for employees via Krungsri Learning Companion (KLC) i.e. Good Corporate Governance Principles (CG); The Spirit & The Letter (S&L) including anti-fraud and anti-corruption (CAC), Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT), and Gift and Entertainment.

3.5 Receipt of Complaints by and Communication Channels with

The Board of Directors sets up the following communication channels to ensure that all stakeholders can contact with Krungsri to ask for information, to complain in case their rights are violated, or to undertake whistleblowing conveniently and quickly:

- Whistleblowing on unlawful actions or violation of the code of conduct, incompleteness of financial data, internal control system and other matters can be made to the Audit Committee through:
 - Mail to Chairman of the Audit Committee (Miss Potjane Thanavaranit), or Audit Committee Member (Mr. Virat Phairatphiboon), or Audit Committee Member (Mr. Phong-adul Kristnaraj), or Secretary to the Audit Committee (Miss Puntipa Hannoraseth)

and send to
Bank of Ayudhya PCL,
Head Office
1222 Rama III Road, Bang
Phongphang, Yan Nawa,
Bangkok 10120

- E-mail: audit.committee@krungsri.com
- Krungsri's website under the heading 'About Us', sub-heading 'Receipt of Complaints'
- Whistleblowing or other enquiries can be made via
 - Call Center at 1572
 - E-mail: webmaster@krungsri.com
 - Krungsri's website under the heading 'Contact Us'

As for Krungsri's employees, apart from the above-mentioned channels, they can file complaints, suspect issue regarding integrity or any whistleblowing of wrongdoing or violation of the policies, rules and regulations of Krungsri via 4 channels as follows:

1. Ombudspersons: Miss Ladawan Kongkruapun and Mrs. Thidarat Sethavaravichit, Krungsri executives who are accepted by employees and executives in terms of integrity, honesty, ethics and non-discrimination behavior;
2. Branch Operational Risk Management Department;
3. Human Resources Group;
4. Audit Committee

A whistleblower may or may not give his/her name. In this respect, Krungsri will keep the name and information of the whistleblower confidential and will disclose it only if it is necessary for the responsible party to find a solution. The complaint will be solved by using the appropriate procedures.

The finding will be reported to executives or the Board of Directors, as the case may be. Krungsri strictly prohibits any counteraction against the whistleblower or intervention in the problem-solving process. Any counteractions will result in maximum disciplinary punishment, including termination of employment.

In 2016 and earlier years, Krungsri had not been under any investigation by any regulator for failure to disclose information regarding significant incidents within the period designated by such regulators.

SECTION 4 DISCLOSURE OF INFORMATION AND TRANSPARENCY

4.1 Shareholding Structure

Krungsri discloses its shareholding structure both on its website and in the annual report in which a list of names of the major shareholders and ordinary shareholders with over 0.5% of all issued shares are provided.

4.2 Information Disclosure

Krungsri is aware of the importance of information disclosure concerning both financial and general matters to its shareholders, investors, and the public. Consequently, guidelines for information disclosure have been drawn up whereby they must be disclosed in both Thai and English via easy accessible channels correctly, adequately, transparently, rapidly, in a timely manner, equally and in compliance with the relevant laws

and regulations of the government's authorities. Krungsri regularly updates important information so that it is always up-to-date.

Krungsri consolidates the information disclosure via the Stock Exchange of Thailand, the information disseminated to the shareholders, including any other information being useful for the shareholders and investors, in a separate section on its website so that it is easy to access and search for.

- **Information Disclosure of Directors and Executives' Shareholdings**

Krungsri discloses information on shareholding of directors and executives, both directly and indirectly (including spouses and their minor children) in the Annual Registration Statement (Form 56-1) and the Annual Report (Form 56-2) under the topic 'Krungsri's shareholding of directors and executives'.

- **Information Disclosure in the Annual Report:** Krungsri discloses useful information for its shareholders as follows:

1. Compliance with the good corporate governance principles as specified by the Stock Exchange of Thailand in 5 core sections: shareholders' rights; equal treatment to the shareholders; roles of stakeholders; disclosure of information and transparency; and responsibilities of the Board of Directors;
2. Krungsri's Mission and Vision for fundamental business operation, which are fundamental aim and medium-term to long-term goals of Krungsri. Details are as follows:

Mission: To be a leading regional financial institution with global reach, committed responsibly to meeting the needs of our customers and serving society through sustainable growth.

Vision: Highly-qualified team of professionals providing innovative products and services, dedicated to becoming our customers' number one preferred financial group. In addition, Krungsri has identified its Core Values which are the foundation of creating its organizational culture and makes clear to employees its expectations, which will enable Krungsri to accomplish its mission and vision.

3. Krungsri discloses its financial status and operating performance to the stakeholders as follows:

Financial Statements: Krungsri discloses its financial statements audited by a certified public accountant and endorsed by the Securities and Exchange Commission as being presented correctly in all material aspects in accordance with the generally accepted accounting principles. In the previous year, Krungsri prepared and submitted its yearly and quarterly financial statements within the prescribed timeline. The Securities and Exchange Commission has never ordered Krungsri to make any corrections to these financial statements.

Management Discussion and Analysis (MD&A): To provide information to investors for their acknowledgement and better understanding of Krungsri's performance in each quarter.

Krungsri's financial statements including financial information

being shown in the annual report of Krungsri are produced in compliance with financial reporting standards. In this regard, Krungsri chooses to apply an accounting policy based on principles of prudence, practiced on a regular basis, in addition to rational estimation methods. Essential information is adequately disclosed in the notes to the financial statements audited with unqualified opinions by an independent auditor. The financial statements reflect Krungsri's real financial status and performance, which are beneficial to the shareholders and general investors. The 2016 financial statements were certified with an unqualified opinion by an independent auditor.

4. Besides the KPI on Krungsri's financial operating performance, there are a number of rewards received by Krungsri, which reflect its success and excellence in various aspects i.e. corporate governance, business operation, employee engagement, innovation and other initiatives in marketing as well as brand building. In addition, customer satisfaction, operating performance and success of each business function are assessed in each year.
5. The nature of business and competition situation, as well as important developments in terms of government authorities' regulations, the business environment, and important advancement of Krungsri relevant to its performance in each year.
6. The information on Krungsri Group's subsidiaries, associated companies and joint ventures, types of businesses,

Krungsri's shareholding as well as income structure.

7. The important risk factors that may affect Krungsri's business operation including credit risk, market risk, liquidity risk, and operational risk. In this regard, the nature of each type of risk is specified along with the risk management practices for control of such risks.
8. The dividend payment policy as per the Bank's Articles of Association and the government authorities' regulations.
9. Roles of stakeholders whereby complaint process and communication channels with Krungsri are specified in order that different groups of the stakeholders can contact, ask for information, make complaints or whistleblowing conveniently and rapidly.
10. The names of directors as of December 31, 2016 totaling 12 directors consisting of 5 non-executive directors, 4 independent directors and 3 executive directors.
11. The Board of Directors' background such as name-surname, age, position, educational background, work experience, shareholding, etc. as well as the type of each director's i.e. non-executive director, independent director or executive director.
12. A clear and transparent policy on remuneration of directors, comparable to the industry benchmark, which must be approved by the AGM. In this regard, the directors who are assigned to

Krungsri discloses its financial statements audited by a certified public accountant and endorsed by Securities and Exchange Commission as being presented correctly in all material aspects in accordance with generally accepted accounting principles

<p>perform as members of the committees reporting to the Board of Directors i.e. the Audit Committee, the Nomination and Remuneration Committee, and the Risk and Compliance Committee will receive higher remuneration corresponding to the additional work. The remuneration is disclosed on an individual basis.</p>	<p>any significant transactions must be considered and approved by the Board of Directors. The directors and executives with conflicts of interest will not join the consideration and voting on transactions between Krungsri, subsidiaries, associated companies or joint ventures and the stakeholders or those may have potential conflicts of interest in the future. Krungsri discloses the related party transactions executed in each year.</p>	<p>notification of the shareholder meetings by post.</p>
<p>13. The number of meetings of the Board of Directors and the committees reporting to Board of Directors, and the number of meetings attended by each director.</p>	<p>18. To comply with the qualifications as stipulated by the Bank of Thailand, the Securities and Exchange Commission, Krungsri hires an independent auditor through a process of selection before submitting their names for appointment as Krungsri's auditor. The selected auditor must not be related to or have any interest with Krungsri, its executives, major shareholders or related party in any manner that may lead to any impact on his/her independence in performing work. In addition, Krungsri also discloses the auditor's remuneration (audit fee and other service fees).</p>	<ul style="list-style-type: none"> Information Disclosed on Krungsri's Website Krungsri takes into account the importance of information disclosure in accordance with the Principles. Its information disclosure is carried out correctly, adequately, equally, transparently, rapidly, in a timely manner, and in compliance with the relevant laws and regulations. Krungsri discloses important information on its website both Thai and English i.e. the nature of its business operation, financial statements, shareholding structure, organizational structure, business group structure, information relating to the committees and executives, investor relations information, Articles of Association, historical annual reports, and downloadable notifications of the shareholder meetings.
<p>14. The information on participation in development and training courses of directors in the previous year.</p> <p>15. The information on any changes in shareholding of the directors and senior executives, showing the number of shares held at the end of the previous year and the end of current year. Krungsri also discloses any increase/decrease of the shares held during the year. The directors and executives as well as their spouses and minor children must report changes in their ownership of Krungsri's shares to the Securities and Exchange Commission and the Board of Directors for acknowledgement.</p>	<ul style="list-style-type: none"> Information Disclosure Channels Krungsri has disclosed its information relating to both financial and general matters so that the stakeholders can access the information easily, thoroughly and equally. The content are publicized via various channels such as its website: www.krungsri.com, the Annual Report (publicized within 120 days from the end of the accounting period), quarterly performance report, meetings with analysts, investors, and media by all means including the delivery of 	<p>In this regard, after disclosing financial or significant information that may have an impact on Krungsri's stock price or the shareholders' benefits to the Stock Exchange of Thailand, Krungsri will also post such information on its own website.</p>
<p>16. The remuneration for executives in compliance with the principles and policies stipulated by the Board of Directors, which correspond with Krungsri's operating performance and each individual executive's performance.</p>		<p>Krungsri reviews and assesses the effectiveness of the disclosure process on a regular basis. In 2016 and the previous years, Krungsri has never received any execution or complaint from the Securities and Exchange Commission or the Stock Exchange of Thailand due to its failure to disclose any information in compliance with regulations.</p>
<p>17. A policy on screening of transactions between Krungsri, subsidiaries, associated companies or joint ventures and the stakeholders. It is stipulated that</p>		

4.3 The Unit to Foster Relationships with the Investors and Stakeholders

Krungsri has a specific unit that is responsible for disclosing information, coordinating about information dissemination and building good relationships between Krungsri and its shareholders, investors, analysts and other related parties.

- **Establishment of the Investor Relations Department:** Krungsri established its Investor Relations Department in 2002 with the key mission of investor relations' management and activity arrangements, in particular the disclosure of both financial and non-financial information of Krungsri under the Principles and in compliance with the policy governing disclosure and other relevant laws. Apart from the information concerning Krungsri Group, which cover comparative operating performance and financial status, current operations, and business competitiveness are also disclosed.

The investors and institutional shareholders are able to contact the Investor Relations Department via:

The Investor Relations Department
Bank of Ayudhya PCL, Head Office,
Floor 27

1222 Rama III Road,
Bang Phongphang, Yan Nawa,
Bangkok 10120
Tel.: 0-2296-2977
Fax: 0-2683-1341
E-mail: irgroup@krungsri.com



- **Major Stakeholders:** include the shareholders, investors, employees, securities analysts and credit rating agencies, both domestic and abroad.
- **Number of Activities and Scope of Responsibility of the Investor Relations Department:** have become far more developed and cover a wider scope since Krungsri became a subsidiary of Mitsubishi UFJ Financial Group (MUFG). The Investor Relations Department communicates Krungsri's increasing business potential to its stakeholders aside from meeting with MUFG's investor relations team to share their experience and discuss about the good practical guidelines for information disclosure and investor relations activities.
- **Engagement by Senior Executives:** both in planning and participating in investor relations activities, is an essential factor reinforcing the effectiveness of two-way communication with the stakeholders. The senior executives meet with the investors, both domestically and abroad, to exchange perspectives

on business development and strategy as well as business trends.

The participants in the investor relations activities throughout 2016 included the President and Chief Executive Officer, Chief Financial Officer, Head of Corporate Strategy and Planning Group, Executive Vice President of Corporate Communications Division, and Vice President of Investor Relations Department.

Despite changes in Krungsri's shareholding structure, the Investor Relations Department continues to organize investor relations activities continually, including meetings with the investors and analysts, participating in domestic and international conferences, and meeting one-on-one with the investors/analysts. The activities reflect the interest of the investors, securities analysts and analysts from credit rating agencies in Krungsri as the leader in retail banking and as a member of MUFG.

- In 2016, Krungsri's executives and the Investor Relations Department disclosed information via various activities, such as:
 - The President and Chief Executive Officer gave an interview to the Nikkei concerning Krungsri's success in performance and business plan. The Nikkei is the leading business newspaper in Japan which its Thailand office serves as its news center for the Asian region.
 - The President and Chief Executive Officer gave an interview to Prachachat Turakij business newspaper. Published in the 2016 ASEAN 100 special edition, the main issue focused on preparation for financial technology (FinTech) and trends in the banking business. The targeted readers included businessmen and investors. Krungsri was ranked among the top 100 commercial banks in ASEAN categorized by the highest volume of profits, earnings and assets of listed companies in the Stock Exchange.
 - The President and Chief Executive Officer gave a special interview to The Banker Magazine.
 - The Investor Relations Department gave lectures to participants from the Asian Institute of Technology (AIT) on Krungsri's Small and Medium Enterprise (SME) business outlook in Thailand, the challenges and opportunities, including Krungsri's strategies for allocating funds to SME businesses.
 - The Investor Relations Department took the analysts and investors on site visits to automobile sales agencies and microfinance business for first-hand experience of both businesses in Thailand.

Major investor relations activities in 2016 can be summarized below:

Type of Meeting	Number	Number of Companies	Number of Participants
Company visits with investors/analysts	24	46	76
Conference calls	3	7	7
Participation in domestic conferences/ meetings with domestic investors	11	65	110
Meetings with securities analysts*	1	25	30
Meeting with credit rating agencies for Krungsri Group**	4	5	14
site visit	5	16	40

Remarks

- * The President and Chief Executive Officer and Chief Financial Officer participated.
- ** Chief Financial Officer and Chief Risk Officer participated.

Krungsri employs effective communication tools and channels in disclosing important information such as details related to significant strategies, strategic developments and important information that may affect Krungsri's stock price.



- Information Reported to the Board of Directors and Senior Executives of Krungsri**

Aside from providing services to the stakeholders who are outsiders as mentioned above, the Investor Relations Department follows up Krungsri's operating performance and other factors relating to Krungsri's business operation to be regularly reported to the Board of Directors and senior executives as well as comments and perspectives of securities analysis, important developments that may have an impact on changes in Krungsri's stock price, analysts and reports of appropriate shareholding structure. In addition, the investor relations activities (participation in meetings with local and foreign investors) and the plan are reported to the Board of Directors quarterly.

- Information Reported to the Stakeholders**

Krungsri employs effective communication tools and channels

in disclosing important information such as details related to significant strategies, strategic developments and important information that may affect Krungsri's stock price. These communication channels include electronic communication to the stakeholders.

In addition, the Investor Relations Department provides historical financial information on a quarterly basis, which is regularly updated so that the investors and persons who are interested in Krungsri's financial information can download from Krungsri's website under the topic 'Investor Relations' (<http://www.krungsri.com/bank/InvestorRelations/FinancialInformationAndReports/KrungsriTimeseriesSheet.html>).

The Investor Relations Department regularly delivers information, operating performance reports and other important developments of Krungsri to the investors

continuously, so that they are constantly aware of any important information and developments of Krungsri. In addition, communication channels with a contact person is disseminated on Krungsri's website.

The Investor Relations Department's roles and responsibilities on information disclosure, support, relationship development, as well as building confidence among the shareholders, investors and analysts are to ensure that Krungsri's stock price reflects its fair value in the long term, and creating investors' confidence.

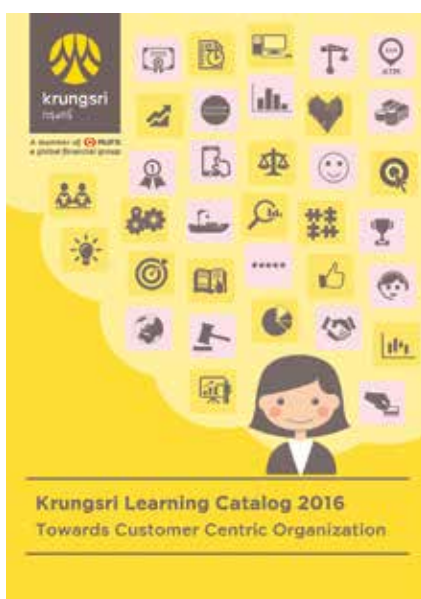
In 2016, the Investor Relations Department won the 'Best Investor Relations Company (Thailand)' from the Corporate Governance Asia Magazine for 3 consecutive years. The award reflects its excellence in adequate, correct, and transparent communication capability, and the investor relations activities.

SECTION 5 RESPONSIBILITIES OF THE BOARD OF DIRECTORS

- The Bank's Board of Directors initiated and established of the Principles to serve as part of the policy and guidelines for supervision of business operation and set up its roles and responsibilities. The Principles were reviewed by the committees overseeing corporate governance before being submitted to the Board of Directors for consideration and approval. The Principles were then disseminated to all employees and on Krungsri's website.
- To ensure the appropriateness of the Principles to changing business circumstances and conditions, the Board of Directors has assigned the Legal Group to review these Principles every year or without delay if there is any significant change before further proposing to the committees overseeing corporate governance and the Board of Directors, respectively for consideration and approval.
- The Board of Directors has established The Spirit and The Letter, which serves as the Code of Conduct and announced throughout the organization and posted on Krungsri's website. The Code serves as policy on integrity, applying to all directors, executives and employees of Krungsri who must understand and follow regularly in both literally and in its spirit of integrity. The supervisors' duties include the provision of knowledge and information on the

Code of Conduct to the employees and monitoring to ensure that all employees understand that the business performance is not important than ethics behavior and compliance with Krungsri's policy. Importantly, the employees must realize that in case of any violation, Krungsri will impose the disciplinary action, which may include employment termination.

- To ensure that every employee in the organization has knowledge and understanding on the Principles and the Code of Conduct as well as can perform duty correctly and appropriately. Compulsory course via Krungsri Learning Companion has been developed, which every employee must attend every 2 years, or when there is any significant improvement of the content thereof. The participants must pass tests with not less than 80%. Those who fail to meet the criteria must re-attend and retake the tests until they meet the designated benchmark.



- The Board of Directors clearly stipulates the organization's vision and mission, which are disseminated for all employees' acknowledgement and to be upheld as guidelines for accomplishing their work as targeted. The Board of Directors will consider these vision, mission and core values on an annual basis to correspond with any changes in circumstances. In 2016, The Board of Directors reviewed and resolved that the Krungsri's vision, mission and core values shall remain unchanged.
- Krungsri separated the roles and responsibilities of the Board of Directors and the management. The Board of Directors undertake the fiduciary duties of overseeing the management. In addition, Krungsri clearly stipulates the approval authority of the Board of Directors in respect to significant matters, such as the important policies for the Group's operations, the annual operating plan and budget etc. Details are shown in the Annual Registration Statement (Form 56-1) and the Annual Report (Form 56-2) under the topic 'Roles and Responsibilities of the Board of Directors'.
- The Board of Directors approved the Mid-Term Business Plan which is a strategic framework formulated as guideline business operations over the period of 2015–2017 and reviews the plan on an annual basis in order to correspond to prevailing conditions and monitors the plan's implementation by the management. In this regard, the management is responsible for reporting its performance in comparison to the aforementioned strategic plan to the Board of Directors for acknowledgement on a monthly basis.

- The Board of Directors prepared the Report on the Board of Directors' Responsibility for Financial Reporting and disclosed in the annual report in order to ensure shareholders' and investors' confidence that the report reflects the financial status as well as actual performance of Krungsri.
- Krungsri clearly identifies the definition of the independent director that he/she must be independent from the management and major shareholders. More stringent criteria on shareholding is set. In addition, the title and type of directorship of each individual director are clearly disclosed.

5.1 Board of Directors

- The Board of Directors comprises 12 directors: 5 non-executive directors; 4 independent directors (including one woman); and 3 executive directors. The Board of Directors plays an important role in stipulating policies, direction and strategies of business operation, and overseeing and inspecting operations to ensure transparency and compliance with the laws. It is also responsible for corporate governance to ensure overall maximum benefits of Krungsri and its shareholders.
- In selection of the directors, apart from individual qualifications and other prerequisites as stipulated in the relevant laws and regulations, the Articles of Association, and in line with the good corporate governance principles of the international practices, the Board diversity is also taken into account in terms of special skills that Krungsri may be lacking, expertise, gender and specialized proficiency beneficial to Krungsri, for example in economics, business administration, accounting and international trade, computer and laws. Details are shown in the Annual Registration Statement (Form 56-1) and the Annual Report (Form 56-2) under the topic 'Selection and Appointment of Directors and Senior Executives'.
- Details of the criteria on directors' selection and appointment are shown in the Annual Registration Statement (Form 56-1) and the Annual Report (Form 56-2) under the topic 'Selection and Appointment of Directors and Senior Executives'.
- Currently, the Board of Directors consists of qualified persons with experience in commercial banking and related businesses at the national and international levels as well as experience in management of governmental organizations. In addition, there is no executive director who is a director of other listed companies.
- The Chairman of the Board is a non-executive director, therefore performs his duties independently. Furthermore, he is not the President and Chief Executive Officer and their roles and responsibilities are clearly separated. The Chairman of the Board plays an important role in overseeing and supporting the Board of Directors so that the directors can fully perform their duties according to the designated direction and strategies. Krungsri discloses details of roles and responsibilities of the Chairman of the Board in the Annual Registration Statement (Form 56-1) and the Annual Report (Form 56-2) under the heading 'Roles and Responsibilities of the Chairman of the Board'.

5.2 Term of Offices of Directors, President and Chief Executive Officer and Senior Executives of Krungsri

The Board of Directors has specified that a director may hold the position(s) of chairman, executive director or authorized signatory director of other companies but no more than 3 business groups, in compliance with the criteria stipulated by the Bank of Thailand, to ensure that the business management of the companies in the Group is in line with Krungsri's policies, comparable to industry benchmarks, effective and accountable. Additionally, the President and Chief Executive Officer and senior executives can serve as committee members or directors in the Group, but not more than 6 committees or boards, except in case of necessity.

5.3 Board of Directors Meetings

- A Board of Directors meeting is held at least once a month, with the meeting date and important agendas for each monthly meeting stipulated in advance for the whole year. In case of necessity or urgency, an extraordinary meeting may be called from time to time as determined by the Chairman of the Board.
- The Corporate Secretary compiles and proposes the agendas endorsed by the Executive Committee and/or the relevant committees reporting to the Board of Directors to the Chairman of the Board and the President and Chief Executive Officer for joint consideration and endorsement before proposing to the Board of Directors meeting. In this regard, the directors may propose

agendas to the meeting by informing the Chairman of the Board, the President and Chief Executive Officer or the Corporate Secretary.

- The Corporate Secretary has a duty to dispatch the notification of the meeting together with the agendas and supporting documents by means of E-document to the directors for consideration and study at least 7 days prior to the meeting date. If the directors require additional information or documents, they can make their requests to the executive directors or the Corporate Secretary.
- Every director is obligated to attend every Board of Directors meeting, unless he/she has imperative business such as a meeting with a government agency, an overseas business trip, or has fallen ill. In 2016, the majority of the directors attended at least 75% of all meetings. However, in average the directors attended not less than 80% of all meetings.
- The Board of Directors encourages the non-executive directors to organize meetings among themselves to independently discuss various issues without the presence of the management and to report a summary of their opinions to the President and Chief Executive Officer for acknowledgement. In 2016, 2 meetings of non-executive directors were held on May 25, 2016 and November 23, 2016.
- Each Board of Directors' meeting takes in average of 4 hours. The Chairman of the Board provides an opportunity for all directors to

make inquiries, suggestions and to debate and express their opinions on issues fully and independently for directors prudently discretion. The senior executives and officers responsible for each issue discussed are also invited to answer questions, receive suggestions and observations made by the Board of Directors.

- The minutes of the meeting clearly and adequately identify in detail the date and time that the meeting is declared open and close, lists of absent and present directors, summary of the agendas, issues discussed and recommendations of the Board of Directors, including explanations by the management, and resolutions of the Board of Directors. The minutes of the meeting are signed by the chairman of the meeting and the minutes taker. In addition, any directors with conflicts of interest in a matter under discussion will not join the consideration and voting on that matter. In this regard, the Corporate Secretary will verify the information and notify every director prior to the meeting, which is also recorded in the minutes of the meeting.
- After the minutes of the meeting are adopted by the meeting, the Corporate Secretariat Department is responsible for dispatching copies of the minutes of the meeting to the relevant internal and external units within the stipulated time and for safeguarding the minutes of the meeting in the form of hard copy and soft file for the purpose of reference and verification. Any amendment to the minutes of the meeting cannot be made without the approval of the Board of Directors meeting.

5.4 Board of Directors Self-Assessment

- Krungsri stipulates that the Board of Directors' performance be evaluated annually to ensure that the duties of the Board of Directors is in accordance with the Principles and reflect the effectiveness and productivity of the Board of Directors and the management. In addition, the evaluation gives the Board of Directors an opportunity to review its performance, problems and any obstacles encountered during the previous year for further improvement. The regulations and procedures as follows:

Criteria

The Board of Directors self-assessment form is adopted from the guidelines of the Stock Exchange of Thailand in order to suit the characteristics and structure of the Board of Directors. The assessment form should be proposed to the Nomination and Remuneration Committee for consideration before delivery to individual directors for assessment. The assessment form covers 6 major issues as follows:

1. Structure and characteristics of the board;
2. Roles and responsibilities of the board;
3. Board meetings;
4. The board's performance of duties;
5. Relationship with management;
6. Self-development of directors and executives.

Procedures

The Corporate Secretariat Department will send the assessment form to every director in November of each year as well as gather and summarize the assessment results for submission to the Nomination and Remuneration Committee and the Board of

Directors for acknowledgement and discussion. Observations and recommendations for further improvement, which the Management can apply the same to enhance the effectiveness of the operations for ultimate benefits are also included.

In 2016, the committees reporting to the Board of Directors have assessed their performance as a whole e.g. the Audit Committee, the Risk and Compliance Committee, and the Executive Committee.

5.5 Remuneration of Directors and Executives of Krungsri

- Krungsri has established policy on remuneration of the directors to ensure that the remuneration is appropriate and commensurate with the responsibilities of directors as well as comparable to the same industry benchmark. In this regard, the Nomination and Remuneration Committee is responsible for proposing the remuneration for the directors and members of committees reporting to the Board of Directors to the Board of Directors and meeting of shareholders for consideration and approval respectively on an annual basis.
- The remuneration is based on the type of director i.e. non-executive director, independent director and executive director. The remuneration structure consists of a retainer fee, attendance fee and other annual compensation, including directors' remuneration as members of the committees reporting to the Board of Directors.
- Remuneration of the President and Chief Executive Officer and the executives of Krungsri is in accordance with the principles and

policies stipulated by the Board of Directors and relates to Krungsri's performance as well as short-term and long-term targets are also taken into account. Each individual executive's performance measured against operational indicator.

Krungsri stipulates a fair, reasonable and incentivizing remuneration to encourage effectiveness performance for keeping proficient personnel. In addition, it is aimed at creating value added for shareholders in the long run. Nonetheless, the executives who are also directors of Krungsri, members of the committees reporting to the Board of Directors, member of the committees in the executives level, including directors in any companies in Krungsri's financial business group, will not receive additional remuneration.

- Krungsri discloses related details of remuneration in the Annual Registration Statement (Form 56-1) and the Annual Report (Form 56-2) under the topic 'Remuneration for Directors and Executives'.

5.6 Board of Directors and Executives Development

- Krungsri holds orientation for every new director, senior executives who are responsible for each core business group of Krungsri e.g. Head of Commercial Banking, Chief Financial Officer, General Counsel, Head of Human Resources Group and Chief Risk Officer, will present summary explanations on the nature of Krungsri's businesses, various areas of its operations, laws that directors should be aware of, and other related information. The documentation and a Directors Manual are prepared for each directors as their information for performing their duties.



- The Board of Directors has policy that encourages the directors to continuously develop their knowledge, and to attend seminars and training courses relevant to their work, organized by IOD and the Stock Exchange of Thailand as well as other local and international training institutes. Krungsri will subsidize all the expenses. In 2016, there were directors attending training courses for enhancement of their knowledge continuously. The training courses were organized by IOD: Driving Company Success with IT Governance (ITG), Financial Statements for Directors (FSD). Other courses attended included one organized by PricewaterhouseCoopers ABAS Ltd. on International Financial Reporting Standard 9 or IFRS 9 on February 24, 2016. Details are shown in the Annual Registration Statement (Form 56-1) and the Annual Report (Form 56-2) under the topic 'Details on Directors, Executives, Persons with Managerial Authority and Corporate Secretary (as defined by the Capital Market Supervisory Board and Krungsri)'.
- In each quarter, the Corporate Secretary gathers information on available training courses organized by IOD and delivers it to the directors in advance so that they

can plan their schedules for the courses. In this regard, the Corporate Secretary will organize the training registration process and other relevant activities. The Corporate Secretary acquires books containing details on the roles and performing duties of directors are available for the purpose of further research and study.

- The Board of Directors encourages executives, the Corporate Secretary and personnel whose work relates to corporate governance to continuously attend seminars and training courses relevant to their work not only internal training course but also via Krungsri Learning Companion system e.g. Good Corporate Governance, The Spirit & The Letter and IT Security policy. It can access via computer, mobile phone or tablet which can connect to internet.

5.7 Succession and Executives Development Plan

- The Nomination and Remuneration Committee is responsible for approval of succession plans for the positions of senior executives to ensure that Krungsri has a plan and is well prepared in terms of personnel substitution for the position deemed vital to business operation. In case of a vacancy, a qualified successor can be appointed immediately without interruption and appropriately.
- Krungsri prepares succession plans and specific training and development plans by considering the employees at the executive level of Krungsri and companies in financial business group, who

achieve outstanding performance and show potential to be developed as higher-level of roles and responsibilities.

- Krungsri's succession plan is divided into 4 levels as follows:
 1. those who are ready now;
 2. those who will be ready to move up to a new position within 1-2 years (Successors);
 3. those who will be ready within 2-5 years (Future Successors);
 4. those who will be ready, which may be develop more than 5 years (Successors in Pipeline).

Krungsri also designates emergency candidates in case of any immediate change or emergency in an executive position and also serves as successor is still being prepared.

Krungsri makes career plans for successors based on roles and responsibilities necessity analysis and has a training and development plan to promote employees' self-development in line with the competency based management concept adopted in the previous year. In addition, Krungsri encourages every employee to plan the individual development plan emphasizing development of vital skills and knowledge useful for their work. Krungsri also focused on developing leadership capability in alignment with 6 areas of Krungsri Leadership Competency. Krungsri expects that its successors receive continual development of the knowledge and skills necessary for their performance, including qualifications and competency for being leader.

Krungsri encourages every employee to plan the individual development plan emphasizing development of vital skills and knowledge useful for their work.

5.8 Committees Reporting to the Board of Directors and other Sub-committees

- The Board of Directors appoints the committees reporting to the Board of Directors to assist in performing duties i.e. the Nomination and Remuneration Committee, the Audit Committee, the Risk and Compliance Committee and the Executive Committee. Their roles and responsibilities are clearly specified and disclosed the background, qualifications, composition, number of meetings attended and individual statistics on meeting attendance. Details are shown in the Annual Registration Statement (Form 56-1) and the Annual Report (Form 56-2) under the topic 'Management Structure' and 'Details on Directors, Executives, Persons with Managerial Authority and Corporate Secretary (as defined by the Capital Market Supervisory Board and Krungsri)'.
- Krungsri appointed the sub-committees such as the Risk Management Committee and the Compliance Committee to scrutinize related matters before submitting to the Board of Directors. Krungsri specifies the composition, qualifications, roles and responsibilities in the directive of each sub-committee.

5.9 Reporting of the Audit Committee

- The Audit Committee reports its performance and provide its opinions on various matters as assigned by the Board of Directors by the Audit Committee's minutes of the meeting on a regular basis.
- The Audit Committee reports on revisions of financial reports,

internal control and risk management systems, compliance with regulations. The Audit Committee considers related party transactions or transactions which may deem to be a conflicts of interest. The Audit Committee's duties include consideration, selection and nomination of independent individuals to be appointed as auditors; or determination to terminate the employment of auditor. Moreover, the Audit Committee reports its members' opinions of overall business operations. Details are shown in the Annual Registration Statement (Form 56-1) and the Annual Report (Form 56-2) under the topic 'Report of the Audit Committee'.

5.10 Internal Control and Internal Audit Systems

- Krungsri has established a clear internal audit system in line with the international practice, Three Lines of Defense which comprises the business unit, compliance unit and internal audit unit. These three units cooperate via working procedures stipulated for each level.
- Krungsri has established an independent unit responsible for assessing the adequacy and appropriateness of the internal control system, overseeing compliance with the system, and reporting to the Audit Committee and the Board of Directors for acknowledgement. In this regard, the Board of Directors appointed Miss Puntipa Hannoraseth, Head of Audit Group, to be responsible for audit work. Also, any appointment, transfer, termination of employment, remuneration and annual merit review will be considered and approved by the Audit Committee of Krungsri.

- Krungsri discloses related details in the Annual Registration Statement (Form 56-1) and the Annual Report (Form 56-2) under the topic 'Internal Control and Risk Management'.

5.11 The Risk and Compliance Committee

- The Board of Directors appointed the Risk and Compliance Committee to review and assess the overall risk management policies as well as other significant types of risk before proposing to the Board of Directors.
- The Risk and Compliance Committee has the duties to review and assess the compliance policies and determine the roles and responsibilities and scope of the Risk Management Group and the Compliance Division and conduct an evaluation of the Chief Compliance Officer. Should there be any improvement needed on the implementation of Risk and Compliance-related policies, the Risk and Compliance Committee must review and report to the Board of Directors. A report of non-compliance cases must be made to the Audit Committee for acknowledgement. The Risk and Compliance Committee must monitor the implementation of integrated risk management strategies and compliance policies to ensure coverage, effectiveness and appropriateness, provide recommendations on good corporate governance, code of conduct and The Spirit & The Letter, and perform any other tasks as assigned by the Board of Directors.

5.12 Risk Management

- The Board of Directors appoints the Risk Management Committee to manage and supervise Krungsri's overall risk management in compliance with principles of good corporate governance. The Risk Management Committee is responsible for approving and giving advice recommendations to the Board of Directors for consideration of policies and regulations relating to risk management. The Risk Management Committee reviews and assesses policies and regulations related to integrated risk management for the improvement of Krungsri's overall risk management to be more effective.
- The Risk Management Committee defines levels of key risk appetite. In addition, setting strategies that correspond to Krungsri's overall risk management policies by the Policy for Enterprise-wide Risk Management in order to assess, monitor and supervise the volume of risks to ensure that they remain at the appropriate level. The Risk Management Committee reviews risks such as strategic, operational, credit and market risk as well as any other risks that could affect the reputation of Krungsri and companies in the financial business group and proposes to the Executive Committee.
- The Risk Management Committee is responsible for setting the working scope of loan portfolio management and review of overall loan portfolio quality of Krungsri and companies in the financial business group.

- Krungsri discloses related details in the Annual Registration Statement (Form 56-1) under the topic 'Risk Factors' and the Annual Report (Form 56-2) under the topic 'Risk Factors and Risk Management'.

5.13 Corporate Secretary

The selection of the Corporate Secretary is considered on appropriate qualifications, direct work experience and graduation in laws.

The Board of Directors appointed Mrs. Thidarat Sethavaravichit, Senior Vice President, Head of the Corporate Secretariat Department, as Corporate Secretary and act as Secretary to the Board of Directors and Secretary to the Executive Committee, with the main responsibilities as follows:

1. Fulfill the duties of Corporate Secretary as stipulated by law and as assigned by the Board of Directors;
2. Ensure that various activities of the Board of Directors are in compliance with relevant laws, rules and regulations;
3. Organize meetings of shareholders and Board of Directors meetings and prepare minutes of meetings in compliance with laws and the Bank's Articles of Association, including follow up of matters arising from meeting resolutions;
4. Advise the Board of Directors on relevant legal issues, rules and Articles of Association that it has to know in performing its duties for the benefit of Krungsri;
5. Arrange for an orientation and provide information to newly appointed directors;
6. Coordinate with secretaries of the committees reporting to the Board of Directors.

Krungsri encourages the Corporate Secretary to take related training courses beneficial to the performance of duties, which are organized by IOD and other agencies, e.g. Company Secretary Program (CSP), Board Reporting Program (BRP), Director Certification Program (DCP) and Corporate Governance for Executives (CGE). In addition, the Corporate Secretary was assigned to attend seminars on 'The Demanding and Changing Role of the Corporate Secretaries' and 'Enhancing Good Corporate Governance based on CGR Scorecard', apart from field trips to learn more about corporate secretary tasks domestically and abroad for gaining more experience.

5.14 Others

Moreover, Krungsri conducts matters in compliance with the good corporate governance principles by:

- There has not been any case involving accusations due to misconduct or violation of the regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand;
- There has not been any case on fraud or violation of moral standards;
- There has not been any case of a non-executive director resigning for a reason relating to Krungsri's corporate governance;
- There has not been any case of defamation as a consequence of the failure of the Board of Directors to perform its supervisory duty;
- There have not been any case of the director or senior executive of Krungsri, who have worked for or been a partner of the outside audit company, providing its services to Krungsri during the past 2 years.

CORPORATE GOVERNANCE FOR SUBSIDIARIES AND ASSOCIATED COMPANIES

The bank has regulatory mechanisms in place for supervising and overseeing the operation of subsidiaries and associated companies across the Krungsri Group in order to maintain its best-in-class standards of corporate governance. In this regard, the Bank assigns relevant executives and company directors within the Bank's business group to supervise business operations, plans and annual budgets, and to provide the bank with important information for approval before action. The bank monitors the operation of companies within the Krungsri Group through monthly operational reports submitted to the Bank and reported to the Bank's Board of Directors. The Bank has clearly established procedures and practices for the nomination of candidates for the position of directors of companies in the Bank's financial business group. According to the procedures, the Bank shall nominate qualified executives of the Bank for appointment as directors of companies in the financial business group to ensure that the business operations of these companies are in alignment with the Bank's business directions, strategies and policies as well as in compliance with relevant laws and regulations. In so doing, executives of Krungsri Group or external candidates who are fully qualified according to regulatory requirements will be nominated for consideration of suitability by the Nomination and Remuneration Committee.

If nominated candidates possess appropriate qualifications, the

Nomination and Remuneration Committee will pass a resolution to propose the candidates to the Bank's Board of Directors for consideration and endorsement for further appointment/election as companies' directors. As for managing directors of companies in the Bank's financial business group, after the Bank's Board of Directors grants endorsement, Secretary to the Nomination and Remuneration Committee shall prepare a letter to the Bank of Thailand to request endorsement for the appointment (only for appointment of managing directors of companies under solo consolidation). Secretary to the Nomination and Remuneration Committee shall inform companies in the Bank's financial business group of the resolution of the Bank's Board of Directors and the endorsement granted by the Bank of Thailand (as the case may be) for further actions.

Roles and responsibilities are clearly stated to ensure that operations are carried out in compliance with the law and are consistent with the companies' code of conduct and good corporate governance principles. The directors of companies in the Bank's financial group shall consider and approve significant matters of the companies as stipulated by law, Articles of Association, and the Bank's direction. In addition, directors must ensure the establishment of policies and procedures important for the companies' operations and supervise management's effective and efficient implementation of the policies for the benefit of the companies and their shareholders.

The Bank disclosed information regarding the related party transactions under section 7.23 of notes to the consolidated and the Bank's financial statement for the year ended December 31, 2016.



The Bank and its subsidiaries have transactions with associates and related companies in which the Bank and/or its subsidiaries hold the shares and/or have the same major shareholders and/or the director or executive officer of the Bank and/or its subsidiaries it has appointed as director of the entity. Such related party transactions are priced at an arm's length basis during the normal course of business of the Bank and its subsidiaries with the same conditions as other customers. The allowance for doubtful accounts policy complies with the same Bank of Thailand regulations as those granted to other debtors. The details can be found in the Related Party Transactions Section.

The Bank recognizes the importance of internal controls over the Bank's financial business group. Each company is required to maintain an adequate internal control system. This should encompass the business functions unit, supervisory units and the internal audit function to ensure efficiency in promoting proper business operations in compliance with good governance principles. It also contributes to the risk management system and enables managers to formulate viable business strategies to achieve the Bank's goals. Details can be found in the Internal Control and Internal Audit System Sections.

INSIDER INFORMATION POLICY AND MEASURES

We recognize the importance of protecting against the use of insider information, and foresee that business operations may open some channels to seek benefits using undisclosed information which could be an improper and unfair taking advantage on any third party. Our internal procedures prohibit employees from disclosing material non-public information of the bank and its customers.

Thus executives and employees sign acknowledgements and agree to a code of conduct called The Spirit & The Letter prohibiting the use of insider information and preventing conflicts of interest through e-acceptance. In addition, the bank includes this code of conduct as an e-learning compulsory course that all employees must complete with a minimum 75 percent score and pass a refresher course every two years.

For any financial information affecting bank share prices, employees are prohibited from trading during 'blackout' periods before and after financial performance announcements. Moreover, we also prohibit trading bank shares specifically applied to restricted persons in certain circumstances to ensure that the use of insider information won't occur. Also, all employees are required to hold bank shares for at least three months unless otherwise approved by the President and Chief Executive Officer or authorized persons only.

Directors and executives are required to disclose their own securities holdings and those of related persons quarterly or when changes occur.

In 2016 we set up web-based electronic reporting to collect reporting information and create an information database of bank-related individuals which any business unit can access before conducting business and to comply with regulatory requirements correctly and promptly.

In addition to these measures, we also protect customer benefits by following global standard guidance – requiring business units related to certain transactions to review conflict-of-interest issues before entering into a business relationship. However, if conflicts of interest occur, the bank takes appropriate action promptly according to the Information Wall Model to prevent material non-public information disclosure that might damage bank customers.

The bank strongly believes that policies and measures to prevent the use of insider information combined with the proper use of new technology is effective in helping us protect customer benefits comprehensively and effectively.

INTERNAL CONTROLS AND INTERNAL AUDIT

INTERNAL CONTROLS

Krungsri recognizes the importance of internal controls and has adopted The Three Lines of Defense Model, an international governance standard involving the business function, the compliance supervision function, and the internal audit function. The three functions collaborate through work processes and controls applicable to each line of defense to ensure that the Bank practices good governance and applies effective internal control principles based on the COSO (The Committee of Sponsoring Organizations

of the Treadway Commission) Internal Control Integrated Framework consisting of five key components:

- **Control Environment:** The organizational structure is aligned with the nature of the Bank's business operations; Duties are segregated to achieve checks and balances; scope of authority is clearly defined; and integrity and professionalism are emphasized.
- **Risk Assessment:** Opportunities and impacts associated with possible incidents that affect achieving our goals are assessed to determine risk management and control measures.
- **Control Activities:** The Bank has established well-defined policies and procedures, effective resource maintenance and utilization processes, segregation of duties, and operations reviews.
- **Information and Communication:** The Bank has implemented information and communication systems that ensure timely responses as well as reliable, accurate, financial records and reporting.
- **Monitoring:** Continuous monitoring and assessments are conducted to ensure that the Bank's risk management is effective and appropriate.



Bank of Ayudhya Public Company Limited, as a subsidiary of Bank of Tokyo-Mitsubishi UFJ Limited (BTMU), a Japanese bank and a strategic member of the Mitsubishi UFJ Financial Group (MUFG) whose securities are listed both in the United States and Japan, must comply with the Sarbanes-Oxley Act (SOX), including US-SOX and J-SOX of Japan. The SOX laws encompass applying COSO internal control principles within the organization focusing on internal control of the financial reporting process. The Audit Group has a role in conducting reviews to ensure that internal controls for financial reporting are effective.

INTERNAL AUDIT FUNCTION

The internal audit function assesses the adequacy and appropriateness of internal control for operational processes and work systems of the Bank and companies in the financial business group as well as outsourced activities, performing its duties independently and reporting directly to the Audit Committee comprising the bank's independent directors. Internal auditors are not involved in the Bank's day-to-day business operations.

NATURE OF AUDIT WORK

Internal auditing deals with the systematic evaluation and support for improving the adequacy and effectiveness of good corporate governance, risk management, and internal control to provide reasonable assurance that they can achieve the Bank's objectives and goals.

AUDIT GROUP RESPONSIBILITIES AND GOALS

The Audit Group continually improves audit methodology to align the Bank with international audit practices covering five key areas:

1. Assurance service
2. Consulting service
3. Personnel development
4. Audit quality control and improvement; and
5. Adding value



1. Assurance Service

1.1 Annual Audit Plan

The annual audit plan is developed using a risk-based approach, collaboratively considered by senior executives and external financial auditors, and approved by the Audit Committee. During the year the audit plan is reviewed and amended to respond to new or changing risks. BTMU risk assessment guidelines are shared with the Audit Group and adapted to improve our risk assessment approach for the annual audit plan. The Audit Group meets regularly to jointly discuss and follow up on emerging risks seeking information to amend the audit plan.



1.2 Audit Process and Supporting IT

The Bank has adopted an integrated audit approach, integrating IT auditing with operational auditing to improve efficiency. Data audits or computer-assisted audit techniques (CAATs) are also integrated with operational audits to reduce sampling risks and facilitate analyzing potential irregularities from emerging risks and new products. Auditing software is also used to manage audit processes, including audit planning, resource allocation, audit data recording and archiving, and audit issue tracking. The Audit Group analyzes the root causes of audit issues to better rectify them and has also improved audit methodology by adapting several audit practices leveraged from BTMU'S Internal Audit and Credit Examination Division.

1.3 Audit Report Presentation and Audit Tracking

The results of internal control reviews are directly reported to executives of audited functional units and other relevant functional units to collaboratively consider

timely improvements and rectifications. The internal audit function monitors actions taken in response to audit recommendations and reports them to senior executives and to the Audit Committee on a monthly basis. Audit issue follow-up is done using an electronic audit tracking system enabling audited parties to report on progress and retrieve reports in various formats from the system at any time, for more efficient follow-up.

2. Consulting Service

The Audit Group also provides advice on implementing internal controls to functional units. The Audit Buddy Line is also available for advice or answers to inquiries on internal controls. In addition, the Audit Group has developed a cooperative relationship with the Branch Risk Monitoring and Control Section, a function in the second line of defense, to continually monitor branch operations emerging risks.

3. Personnel Development

In cooperation with the Human Resource Learning and Development Department, the Audit Group has developed a competency model and a career path for auditors to ensure alignment with the Audit Group's vision, mission, and international standards. This is to evaluate competency, with the results assessed to enhance auditors' capabilities, and to determine our annual training roadmap. Audit officers are provided with in-house, professional training every year such as professional training courses and certified courses on internal auditing as well as training courses on business knowledge, product knowledge, IT system knowledge, fraud risk, and audit methodology, including newly revised professional principles. Knowledge tests (E-quiz) covering new rules and regulations have been regularly

conducted through online tests. In addition, the internal audit function continuously develops E-learning courses specifically designed for audit officers to access educational material at their convenience. Every year audit officers are given opportunities to propose projects to develop and improve audit work. External consultants have been engaged to collaboratively perform audit functions and share audit knowledge. In 2016 a total of 72 audit officers received 116 audit certificates.

4. Audit Quality Control and Improvement

To control and improve audit quality the Audit Group has employed several approaches such as supervisors evaluating audit work for each task, including a post-audit satisfaction survey using an e-survey to compile opinions of key stakeholders. Audit quality is regularly reviewed by an independent functional unit within the Audit Group, with the results considered and incorporated into our audit quality improvement plan. Moreover, an independent external quality assessment of the Audit Group is performed at least once every five years, last conducted in 2014 showing total compliance with the IIA standards. As a BTMU subsidiary Krungsri underwent a peer review by their Internal Audit and Credit Examination Division in 2016 that gave us recommendations on our audit practices as well.

5. Adding Value

To support the Bank to achieve business targets while adhering to good governance and effective internal control principles, the Audit Group is developing the e-learning program Internal Control Framework under COSO Principles as a basic training course requirement for all employees to learn the principles, background, and importance of internal control. The Audit Group also

launched a Control Black Belt (CBB) Project for more effective internal control, as part of a key strategic approach to help the Bank achieve targets by developing employee competence for participants from other functional units.

Head of Audit Group

The Bank's internal audit function is the responsibility of Ms. Puntipa Hannoraseth, First Executive Vice President, who is head of the Audit Group.

Academic degrees and certificates:

- Master of Business Administration, Thammasat University
- Bachelor of Accounting (1st Class Honors), Thammasat University
- Certified Public Accountant (CPA Thailand)
- Certified Internal Auditor (CIA), and
- Advanced Audit Committee Program certificate.

Relevant work experience:

- April 2013 – Present: First Executive Vice President, Bank of Ayudhya
- September 2010 – Present, and January – September 2009: Secretary to the Audit Committee, Bank of Ayudhya
- November 2009 – March 2013: Executive Vice President, Bank of Ayudhya
- April 2009 – Present: Head of Audit Group, Bank of Ayudhya
- April – September 2009: Acting Manager, Audit Department, Bank of Ayudhya
- January – April 2009: Senior Vice President and Manager, Audit Department, Bank of Ayudhya
- 2007 – December 2008: Senior Vice President, Audit Department, Bank of Ayudhya, and

Trainings:

- Training: ACP, MIA, MFM, MFR, MIR, Thai Institute of Directors Association Secretary Program.

Appointment, transfer, employment termination, remuneration determination, and annual merit consideration for this position are considered and endorsed by the Audit Committee.

Chief Compliance Officer

At present, the Bank's compliance division is under the responsibility of Mr. Saengchart Wanichwatphibun, Executive Vice President.

Academic Degrees and Certificates:

- Master in Marketing (MIM8) : Thammasat University
- Master of Applied Finance : Monash University, Melbourne, Australia
- Bachelor of Science, Business Administration, Option in Accounting: University of California at Los Angeles, USA

Relevant work experience:

- 2015 - Present: Bank of Ayudhya Pcl., Risk and Compliance Committee Secretary, Fraud Management Committee Member, Data Governance Committee Member
- 2007 - Present: Bank of Ayudhya Pcl., Compliance Committee Member and Secretary, Risk Management Committee Member
- July 2015 - Present: Bank of Ayudhya Pcl., Chief Compliance Officer
- August 2007 - June 2015: Bank of Ayudhya Pcl., EVP Compliance Division
- May 2013 - July 2014: Krungsri Asset Management Co., Ltd., Director
- November 2008 - August 2015: Siam Realty and Services Co., Ltd., Director
- February 2006 - July 2007: BNP Paribas, Head of Compliance
- September 2005 - January 2006: GE Money Retail Bank, Assistant Vice President (Compliance)
- September 1996 - August 2005: Bank of Thailand, Senior Analyst

- January 1995 - August 1996: The Sakura Bank, Credit Officer

Trainings:

- 2015: Training Course for Head of Compliance (refresher course) by The Thai Bankers' Association and The Thai Institute of Banking and Finance Association
- 2014: Future Leader for Future Business for EVP by Assumption University (ABAC)
- 2014: Advanced Audit Committee Program (AACP) by Thai Institute of Directors (IOD)
- 2013: Anti-Corruption for Executive Program (ACEP) by Thai Institute of Directors (IOD)
- 2013: Training Course for Head of Compliance (class 1) by The Securities and Exchange Commission (SEC) and ThaiBanker Association (TBA)
- 2010: Director Accreditation Program (DAP) by Thai Institute of Directors (IOD)
- 2008: Certified Compliance Officer by American Academy of Financial Management (AAFM)

ANTI-CORRUPTION AND COUNTER BRIBERY

The Bank gives priority to anti-corruption and counter bribery in all aspects. Under good corporate principle, the Bank, as a certified member of Thailand's Private Sector Collective Action Coalition against Corruption (CAC), has established a written policy and guidelines of anti-corruption and counter bribery, which reflects our intention to uphold the spirit of the provision for sustainable development of the Bank.

Practically, every Directors, Executives and employees of Krungsri Group must sign a binding contract as per Anti-Corruption Policy and Program, with disciplinary actions imposed to

those who breaches. Moreover, the Bank had established accessible whistle blowing channels which have been being promoted via public relation news and messages from Compliance Division. In this regard, when fraud or breaching of Policies, Procedures or guidelines occurs and being reported, whistle blowers identity shall be protected. Any retaliation to whistle blowers is considered to be a breach of the Bank's policy. Moreover, information from whistle blowing shall be investigated for root cause and corrective measure, escalated to high level executives, the Audit Committee and the Board of Directors.

Moreover, the Bank enforces employees and executives to enroll compulsory E-Learning course on anti-corruption practices, every 2 years, to emphasis and enhance understandings. The Bank has been arranging anti-corruption promotions via cartoon animation, posters and staff activities which are components of The Spirit & The Letter Week activity – a campaign to promote knowledge and understandings on transparency, honesty and auditable work practices which is a key principle for completed anti-corruption.

Pertaining to society and people, Executives and employees of Krungsri Group have been participating in national anti-corruption event, On 6 September 2016, Executives and employees of Krungsri Group, with Thai Banking Association, Thai Institute of Directors and other top tier organizations in Thailand, attended Anti-Corruption Collaboration, attended 'Gum Sanong Gong' seminar, and on 11 September 2016 'Perd Fai Lai Kon Gong' event at Sanam Luang. These show Krungsri Group's intention to participate with every party to drive and form future business allies with determination to support and uphold anti-corruption policy – commitment to conduct business with loyalty, honesty, transparency and auditability.

MANAGEMENT STRUCTURE



Krungsri's management structure consists of the Board of Directors and 4 committees reporting to the Board of Directors to assist in performing duties and to ensure supervision and control of business risks. Krungsri's operations are divided into 2 parts based on the responsibilities, namely business units and support units.

Roles and Responsibilities

The roles and responsibilities of the Board of Directors and the management are clearly separated to ensure that Krungsri's operations are carried out in compliance with law and consistent with the business code of conduct and Good Corporate Governance Principles.

Currently, the Chairman of the Board is not the same person as the President and Chief Executive Officer and their responsibilities are clearly separated.

The Chairman of the Board is not an independent director, but his performance of duties is independent from the management and the major shareholders, focusing mainly on the benefits of Krungsri and its shareholders.

Board of Directors

The Board of Directors consists of 12 directors, i.e. 5 non-executive directors, 4 independent directors, and 3 executive directors.

- **Composition**

In principle, the shareholders will appoint directors in an appropriate and sufficient number for performing duties. The Board of Directors shall consist of not less than 3 independent directors or at least one third of the all directors, whichever is higher. Not less than half of all directors shall have domiciles in Thailand.

- **Qualifications**

The Board of Directors comprises the members with directorship qualifications for financial institutions as required by law. In addition, they shall have expertise, extensive knowledge and experience as prescribed, and have comprehensive understanding on their roles and responsibilities as well as nature of business, and be able devote to their time for performance as directors.



• 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 of B.E. 2535 that an every annual general meeting of shareholders, one-third of all directors who hold the longest term of office shall retire by rotation and may be re-elected. If the number of directors is not a multiple of 3, the number nearest to one-third shall retire.

Furthermore, the internal procedure is stipulated that a director shall retire when reaching the age of 72 years. If a director reaches the age of 72 years while holding the directorship position, the director is allowed to hold the office until the end of the term of office. If a director has yet not reached the age of 72 years at the time of nominating for election, the director may be re-elected for another term.

Besides, for the case of Mr. Veraphan Teepsuwan who has reached 72 years old and would retire on the Annual General Meeting of Shareholders No.102 (year 2014) under the said internal procedure, the Bank of Tokyo-Mitsubishi UFJ, Ltd. (BTMU), the new major shareholder of Krungsri at that time, has proposed to consider re-electing Mr. Veraphan Teepsuwan as director for another term. This is to ensure that the performance of the Board of Directors during the transition period of the management structure is efficient and effective, and the Ratanarak Group has endorsed the proposal. Therefore, this matter was

proposed to the Board of Directors and the Annual General Meeting of Shareholders No.102 respectively and was already agreed as proposed.

• Roles and Responsibilities of the Chairman of the Board

1. Ensure proper structure of the Board of Directors, including oversee and monitor their performance is balanced in terms of corporate governance and achieving key objectives and goal of the organization.
2. Encourage all directors to ensure effective implementation of policies and decision making of the Board of Directors.
3. Summon Board of Directors meetings, consider and determine meeting agendas together with the President and Chief Executive Officer.
4. Preside over the Board of Directors meetings, oversee the allocation time for the management to complete each agenda presentation and encourage all directors to ask questions, express opinions or recommendations in order to exercise due consideration before casting their votes freely.
5. Encourage the non-executive directors to have meetings without presence of executive directors.
6. Preside over the meetings of shareholders and conduct the meetings in compliance with the Bank's Articles of Association and follow a sequence of meeting agenda stipulated in the notification of the meeting, unless the meeting of shareholders resolves otherwise.

7. Encourage the directors to attend seminars and training courses relating to their duties and good corporate governance for knowledge development.
8. Promote and be a role model of compliance in accordance with Good Corporate Governance Principles as well as to ensure that the directors perform their duties in line with the same.
9. Promote activities of good corporate governance as well as environment and corporate social responsibility in order to encourage the awareness and compliance among the directors, executives and all employees.
10. Be a role model to promote good relationship between the Board of Directors and the management.

• Roles and Responsibilities of the Board of Directors

The Board of Directors must have independence in making decisions for the best interest of the Bank and its shareholders and must undertake the fiduciary duties of overseeing the management of the Group as follows:

1. Duty of Care, which requires a director to be diligent and prudent in managing the Group's affairs.
2. Duty of Loyalty, which dictates that a director must act in good faith and must not allow his/her personal interest to prevail over the interest of the Group.
3. Duty of Obedience, which requires a director to comply with the laws, the Bank's objectives and Articles of Association, the resolutions

of the Board of Directors and shareholders' meetings and the Good Corporate Governance Principles.

4. Duty of Disclosure, which requires a director to reveal the information that is accurate, adequate, transparent and timely.

In addition, the Board of Directors must perform the following duties:

- 1) Consider and set the overall business direction and strategic goals for the Group.
- 2) Consider and approve the annual business plan and budget proposed by the management.
- 3) Consider and approve significant matters of the Group as stipulated by laws, the Bank's Articles of Association and direction.
- 4) Ensure the establishment and communication of the corporate governance policy to the directors, executives, and employees, with regular review.
- 5) Ensure the establishment of policies required for the Group's operations and supervise the management to implement the approved policies effectively and efficiently for the benefit of Krungsri and its shareholders.
- 6) Ensure the establishment and performance of the Group's responsibilities towards the stakeholders as well as adherence to the code of conduct and ethics of the directors, executives and employees.

- 7) Ensure the effective internal control and internal audit systems.
- 8) Ensure the establishment of the policy relating to prevention of use of insider information and the formation of the system for monitoring conflicts of interest and related party transactions.
- 9) Ensure the establishment of the policy and program relating to anti-fraud and anti-corruption.
- 10) Ensure the implementation of risk management process and regular reviews of the policies and strategies.
- 11) Ensure the implementation of succession plans for senior executives.
- 12) Ensure the formation of the clear and transparent process for selection of the directors.
- 13) Ensure the formation of the clear and transparent process for determination of director remuneration and a general meeting of shareholders' approval of the remuneration for directors.
- 14) Ensure the formation and effectiveness of the process for providing sufficient information from the management to the Board of Directors to ensure full performance of their roles and responsibilities.
- 15) Establish appropriate and necessary committees reporting to the Board of Directors to support the Board of Directors' performance of duties.

- 16) Ensure proper, adequate, clear and transparent disclosure of important information, both financial and non-financial, to government agencies, shareholders, investors and general public, within a reasonable period of time.

The Board of Directors' approval authority, in brief, is the approval of significant matters of the Group, the matters as stipulated by law, regulations of the regulators as well as the Articles of Association and direction of Krungsri including the important policies for the Group's operations, the annual operating plan and budget, the interim dividend payment, the related party transactions having specific transaction type and value, the appointment and change of the authorized signatory directors, the appointment and determination of the authority of the committees reporting to the Board of Directors, the appointment, transfer and/or change of positions of senior executives as well as the appointment of Krungsri's executives to serve as the directors of the companies in the Group.

• Members of the Board of Directors

As of December 31, 2016, the Board of Directors consists of 12 directors as seen below:

Name - Surname	Position
Non-Executive Directors	
1. Mr. Veraphan Teepsuwan	Chairman
2. Mr. Takayoshi Futae ^{1/}	Vice-Chairman (Authorized Signatory) / Nomination and Remuneration Committee Member
3. Mr. Takeshi Ogasawara	Director / Risk and Compliance Committee Member
4. Mr. Hirotake Taguchi ^{2/}	Director
5. Miss Nopporn Tirawattanagool	Director (Authorized Signatory) / Nomination and Remuneration Committee Member / Risk and Compliance Committee Member
Independent Directors	
6. Mr. Karun Kittisataporn	Independent Director / Chairman of the Nomination and Remuneration Committee
7. Miss Potjanee Thanavarant	Independent Director / Chairman of the Audit Committee
8. Mr. Virat Phairatphiboon	Independent Director / Audit Committee Member / Nomination and Remuneration Committee Member
9. Mr. Phong-adul Kristnaraj	Independent Director / Audit Committee Member / Chairman of the Risk and Compliance Committee
Executive Directors	
10. Mr. Noriaki Goto	Director (Authorized Signatory) / Chairman of the Executive Committee
11. Mr. Pornsanong Tuchinda	Director (Authorized Signatory) / Executive Committee Member
12. Miss Duangdao Wongpanitkrit ^{3/}	Director (Authorized Signatory) / Executive Committee Member

Mrs. Thidarat Sethavaravichit serves as the Secretary to the Board of Directors.

- Remarks:** ^{1/} Appointed as the director who shall act as the Vice-Chairman (Authorized Signatory) in replacement of Mr. Go Watanabe who resigned, effective May 1, 2016.
- ^{2/} Appointed as the director in replacement of Mr. Atsushi Murakami who resigned, effective July 27, 2016.
- ^{3/} Appointed as the director in replacement of Mrs. Janice Rae Van Ekeren who resigned, effective March 28, 2016.



The last updated profile of directors are as per the Attachment 1.

The directors authorized to sign on behalf of Krungsri are that Mr. Takayoshi Futae and Mr. Noriaki Goto jointly sign and affix the Company's seal; or either Mr. Takayoshi Futae or Mr. Noriaki Goto co-sign with either Ms. Nopporn Tirawattanagool or Mr. Pornsanong Tuchinda or Ms. Duangdao Wongpanitkrit, a total of two directors, jointly sign and affix the Company's seal.

• Meetings of the Board of Directors

In 2016, there were a total of 12 ordinary meetings as scheduled in advance with details below:

Members of the Board of Directors	Number of Meetings Attended / Total Number of Meetings Held				
	Board of Directors	Nomination and Remuneration Committee	Audit Committee	Risk and Compliance Committee	Executive Committee
Non-Executive Directors					
1. Mr. Veraphan Teepsuwan	12/12				
2. Mr. Takayoshi Futae	8/8	9/10			
3. Mr. Takeshi Ogasawara	7/12			6/12	
4. Mr. Hirotake Taguchi	5/6				
5. Miss Nopporn Tirawattanagool	12/12	19/19		12/12	
Independent Directors					
6. Mr. Karun Kittisataporn	12/12	19/19			
7. Miss Potjanee Thanavarani	11/12		22/23		
8. Mr. Virat Phairatphiboon	12/12	18/19	22/23		
9. Mr. Phong-adul Kristnaraj	12/12		23/23	12/12	
Executive Directors					
10. Mr. Noriaki Goto	12/12				43/43
11. Mr. Pornsanong Tuchinda	12/12				38/43
12. Miss Duangdao Wongpanitkrit	9/9				39/43

Additionally, 2 meetings among only the non-executive directors were held on May 25, 2016 and November 23, 2016.

Nomination and Remuneration Committee

• Composition

The Board of Directors appoints the Nomination and Remuneration Committee which consists of not less than 3 non-executive directors (currently, 2 independent directors and 2 non-executive directors), provided that the Chairman of the Committee shall be an independent director, and the Head of Human Resources Group shall act as the Secretary to the Committee by position.

• Qualifications

The Nomination and Remuneration Committee members shall have extensive knowledge, capability and experience, and thorough understanding of their roles and responsibilities.

• Term of Office

The Nomination and Remuneration Committee members shall have term of office concurrent with their directorship term of office. In case of vacancy in the committee due to any reason other than completion of term, the Board of Directors shall appoint a fully qualified person to fill up

the vacancy. Such person shall hold office concurrent with his/her directorship term. Upon completion of a term, the member may be re-appointed to the Committee.

• Scope of Authority and Responsibility

1. Determine policies with clear and transparent principles for submission to the Board of Directors for consideration and approval and for submission to the Bank of Thailand upon request as follows:

1.1 The policies, rules and procedures of nomination

- of directors, members of sub-committee and senior executives of the Bank at the level of Executive Vice President and above.
- 1.2 The policies, rules and procedures of nomination as well as selection and/or screening of the names of the suitable candidates as the case may be for directors, managing director or persons holding equivalent positions regardless of title of entities in which the Bank holds 50% or more of shares. Such selection and/or screening are also applicable to internal candidates suitable for appointment to these positions.
- 1.3 The policies, rules and procedures for payment of remuneration and other benefits to directors, sub-committee members and senior executives of the Bank at the level of Executive Vice President and above including directors, managing directors or persons holding equivalent positions regardless of title of entities in which the Bank holds 50% or more of shares.
2. Select and/or screen candidates for appointment to the following positions for submission to the Board of Directors or the shareholders meeting for consideration and approval, as the case may be:
- 2.1 Directors of the Bank
- 2.2 Members of the various sub-committees reporting to the Board of Directors
- 2.3 Senior executives at the level of Executive Vice President and above
- 2.4 Directors and managing directors or persons holding equivalent positions regardless of title of entities in which the Bank holds 50% or more of shares
3. Determine remuneration and other benefits commensurate with roles and responsibilities towards the Bank and/or companies in its financial business group comparable to other commercial banks based on the Bank's regulations.
- 3.1 Determine remuneration and other benefits for directors, members of the various sub-committees and senior executives of the Bank at the level of Executive Vice President and above for submission to the Board of Directors or the shareholders meeting for consideration and approval, as the case may be.
- 3.2 Determine remuneration and other benefits for directors, managing directors or persons holding equivalent positions regardless of title of entities in which the Bank holds 50% or more of shares for submission to the Board of Directors for consideration and approval.
- 3.3 Ensure that Bank directors, managing directors and directors of entities in which the Bank holds 50% or more of shares, and senior executives of the Bank at the level of Executive Vice President and above who are assigned additional roles and responsibilities shall receive additional remuneration commensurate with the additional assignments.
4. Ensure that the size and composition of the Board of Directors are suitable for the organization and modify them as appropriate in consideration of the changes in the environment. The Board of Directors shall, as a rule, be endowed with members who are knowledgeable, competent and experienced in a variety of fields.
5. Ensure that the evaluation of the performance is undertaken uniformly across all companies in Krungsri Group taking into account the increase in the valuation of shareholders' equity in the long-term based on duties, responsibilities and risks involved.
- 5.1 Consider performance evaluation guidelines and endorse performance evaluation forms prepared by the Bank for use in evaluating performance of duties of the entire Board of Directors.
- 5.2 Endorse performance evaluation guidelines, goals & objectives and performance targets of senior executives of the Bank at the level of Executive Vice President and above as well as directors, managing directors or persons holding equivalent

- positions regardless of title of entities in which the Bank holds 50% or more of shares in order to consider the annual remuneration.
- 5.3 Consider and provide opinions regarding the performance of the highest executive position of the Bank or a person holding equivalent position regardless of title in order to consider the annual remuneration prior to submission of the matter to the Board of Directors for consideration and approval.
- 5.4 Consider and endorse the performance of senior executives of the Bank at the level of Executive Vice President and above as well as directors,
- managing directors or persons holding equivalent positions regardless of title of entities in which the Bank holds 50% or more of shares in order to consider the annual remuneration prior to submission of the matter to the Board of Directors for consideration and approval.
6. Develop a succession plan for the highest executive position of the Bank or a person holding an equivalent position regardless of title for submission to the Board of Directors for consideration and approval. Also, to consider and approve a succession plan for the various functional group heads.
7. Consider appropriateness of the Bank's organization chart restructuring.
8. Perform other tasks assigned by the Board of Directors and/or the Chairman of the Board of Directors.
9. Disclose relevant policies and present a summary of the operations of the Nomination and Remuneration Committee in the Bank's Annual Report.
10. The Committee may seek advice from external consultant experts (independent) such as for salary surveys, selection of directors and senior executives, etc., as needed, with the Bank being responsible for the expenses incurred.

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

In 2016, there were a total of 19 ordinary meetings as scheduled in advance with details below:

Members of the Nomination and Remuneration Committee	Position	Number of Meetings Attended/ Total Number of Meetings Held
1. Mr. Karun Kittisataporn	Chairman	19/19
2. Mr. Virat Phairatphiboon	Member	18/19
3. Miss Nopporn Tirawattanagool	Member	19/19
4. Mr. Takayoshi Futae ^{1/}	Member	9/10
Members who resigned or whose term of office ended during the year		
1. Mr. Go Watanabe ^{2/}	Member	6/9

Secretary to the Nomination and Remuneration Committee is Mr. Pornsanong Tuchinda

Remarks: ^{1/} Appointed as the Nomination and Remuneration Committee member by the Board of Directors, effective May 1, 2016, in replacement for Mr. Go Watanabe who resigned.

^{2/} Resigned from the Bank's director position, effective May 1, 2016.

Audit Committee

- **Composition**

The Board of Directors appoints the Audit Committee which consists of no less than 3 independent directors.

- **Qualifications**

The Audit Committee members shall have the qualifications as per regulations stipulated by the Capital Market Supervisory Board, and not being a director who has been assigned by the Board of Directors to make decisions regarding business operations of the Bank, subsidiary company, associated company, same-level subsidiary company, major shareholders or control person of the Bank, and not being a director of listed companies which are subsidiary company or same-level subsidiary company.

The Audit Committee members shall possess knowledge, experience as well as a thorough understanding of their duties and responsibilities as well as the nature of business operations and risk management of the Bank. Besides, at least 1 Audit Committee member shall possess knowledge and experience at a level sufficient to review the reliability of financial statements.

- **Term of Office**

The Audit Committee members shall have term of office concurrent with their directorship term of office. In case of vacancy in the committee due to any reason other than completion of term, the Board of Directors shall appoint a fully qualified person to fill up the vacancy. Such person

shall hold office concurrent with his/her directorship term. Upon completion of a term, the member may be re-appointed to the Committee.

- **Scope of Authority and Responsibility**

- **Financial Reports and External Auditor**

1. Review and cooperate with the senior management, internal audit team, and external auditor in overseeing internal control over financial reporting ("ICFR") to ensure that internal controls and financial reporting preparation process was designed effectively, and the Bank's financial reports and any disclosed documents relating to the financial performance of the Bank and its group companies is accurate, adequate, reliable and reflect the true and fair view of the financial status of the Bank and its group companies while complying with accounting standards and practices.
2. Consider, select, propose the independent persons to the Board of Directors, candidates for appointment or termination of the external auditor, including their remunerations prior to submit to the Bank of Thailand for endorsement before proposing them to the shareholders' meeting of the Bank. Hold at least one meeting a year with the external auditor without the presence of management.
3. Review the process in relation to non-audit services from the audit firm of the external auditor and give consent to the engagement of such service

and related fees to ensure that it will not impair the independence of the external auditor.

- **Internal Control, Risk Management System, Compliance System, and Internal Audit**

4. Review internal control, risk management system and compliance system of the Bank and its group companies, to ensure that they are suitable, adequate and efficient and that internal audit practices comply with internal audit standards and ensure internal audit unit's independence, as well as approve the appointment, transfer, dismissal, remuneration and annual merit review of the Head of Audit Group of the Bank.
5. Consider internal control, risk management, and compliance with relevant laws and regulations by considering minutes of meetings of Risk and Compliance Committee, Risk Management Committee, and Compliance Committee.
6. Consider and approve Internal Audit's plan as well as consider the Internal Audit Charter, Internal Audit Policy, and Policy for reviewing of credits, credit-like transactions and contingent liabilities, and give consent to the amendment onto annual Credit Review Plan after being approved by the Bank's Board of Directors.
7. Ensure that relevant appropriate and sufficient actions are in place for the review of procedure in relation to the Self-Evaluation Tool for Countering Bribery of the Bank under the anti-corruption

- policy. In addition, review the report on Self-Evaluation Tool prepared by internal audit for Countering Bribery of the Bank and certain group companies which have not established audit committees, to ensure correctness and completeness before submission to the Bank's Board of Directors and/or concerned board of directors of the group companies.
8. Review and cooperate with the senior management and internal audit team in reviewing and examining irregular, errant or suspicious matters to establish corrective methods and finalize solutions to rectify such matters.
 - **Related Parties Transactions or Transactions that May Create Conflicts of Interest**
 9. Consider the accuracy and completeness on the matters relating to connected transactions or transactions with possible conflict of interest, to ensure compliance with the regulations of the SET including reasonableness and highest benefit to the Bank as well as the disclosure of such information as necessary.
 - **Good Governance**
 10. Arrange for a procedure on receiving traces from the employee regarding the unqualified of financial statement report or other matters while ensuring to such employee the independence of investigation and monitoring appropriate actions to resolve such matter. Receive and consider complaint or other information from interested parties and acknowledge the result of complaint
 - resolution from the responsible department through internal audit team.
 - **Compliance with Regulatory Requirements**
 11. Oversee and monitor the operations, business undertaking or actions taken by the Bank to ensure compliance with Securities and Exchange Act, the Stock Exchange of Thailand regulations or laws, announcements and regulations pertaining to commercial banking business including internal policies and procedures.
 - **Others**
 12. Ensure that preliminary investigation is carried out after receiving the external auditor's report on behavior suspicious of fraud or violation of laws by the Bank's board members and management. The Audit Committee shall report the results of such investigation to the Securities and Exchange Commission and the external auditor under Section 89/25 of the Securities and Exchange Act within 30 days from the date they are notified by the external auditor. The further detailed investigations shall be carried out as appropriate and report the result to the Bank's Board of Directors to rectify within appropriate timeline.
 13. Consider inviting the management of internal control, risk management and compliance function for meeting as necessary to assure the appropriateness of internal control, risk management and compliance with relevant laws and regulations.
 14. Prepare the Audit Committee's report and disclose the same in the Bank's Annual Report, comprising of at least the following information:
 - (1) Opinion on the accuracy, completeness and creditability of the Bank's financial report;
 - (2) Opinion on the adequacy of the internal control system;
 - (3) Opinion on the compliance with the laws on securities and exchange, the Stock Exchange of Thailand's regulations, or laws pertaining to commercial banking business;
 - (4) Opinion on the suitability of an auditor;
 - (5) Opinion on the transactions that may lead to conflict of interest;
 - (6) The number of audit committee meetings and the attendance of such meetings by each committee member;
 - (7) Opinion or overall observation of the audit committee from its performance of duties in accordance with its charter; and
 - (8) Other matters which, according to the audit committee's opinion, should be revealed to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Bank's Board of Directors.
 15. Where there is a material change in the composition or in the duties of the audit committee, review the duties of Audit Committee's and term of office and present the same to the Board of Directors to consider amendments as deemed appropriate.



16. Ensure clear written announcement of the Audit Committee's scope of duties and any material change which may affect the audit committee's performance and disclose the same to the shareholders in the Bank's Annual Report.
17. Submit timely reports to the Board of Directors for remedial action upon the audit committee finding or suspects any misconduct in the following areas:
 - Any transaction with conflict of interest.
 - Any fraud or irregularity or material defect in the internal control system.
 - Any breach of the Bank's rules and regulations, the

Articles of Association as well as laws governing the banking business.

If the Board of Directors or the senior management does not take remedial action within the timeline determined by the Audit Committee, the Audit Committee shall disclose such failure in the Annual Report and report to the Office of the Securities and Exchange Commission and the Bank of Thailand.

18. Obtain outside counsel or other professional advice as the committee deems appropriate.
19. Perform any other tasks as assigned by the Bank's Board of Directors as consented by the Audit Committee.

• Names of Members and Meetings of the Audit Committee

In 2016, there were a total of 23 meetings, i.e. 12 ordinary meetings as scheduled in advance and 11 special meetings, 2 out of 11 meetings were made with the external auditors without the management. Details are shown below:

Members of the Audit Committee	Position	Number of Meetings Attended/ Total Number of Meetings Held
1. Miss Potjaneer Thanavarant	Chairman	22/23
2. Mr. Virat Phairatphiboon	Member	22/23
3. Mr. Phong-adul Kristnaraj	Member	23/23

Secretary to the Audit Committee is Miss Puntipa Hannoraseth

Remarks: All the 3 members are competent and experienced in the review of Krungsri's financial statements.

Risk and Compliance Committee

• Composition

The Risk and Compliance Committee shall be appointed by the Board of Directors and consist of no fewer than a total of 3 non-executive directors. Chairman of the Risk and

Compliance Committee shall be an independent director.

• Qualifications

The Risk and Compliance Committee members shall possess knowledge, experience as well as a thorough understanding of their duties and responsibilities, including good judgments to

ensure benefits to the Bank and/or companies in the financial business group.

• Term of Office

The Risk and Compliance Committee members shall have term of office concurrent with their directorship term of office. In case of vacancy in the

committee due to any reason other than completion of term, the Board of Directors shall appoint a fully qualified person to fill up the vacancy. Such person shall hold office concurrent with his/her directorship term. Upon completion of a term, the member may be re-appointed to the Committee.

• Scope of Authority and Responsibilities

- Review, assess and propose to the Board of Directors, in timely manner, annual compliance report and a policy/policies for overall risk management which shall include major risks but not limited to credit risk, market risk, liquidity risk, operational risk, legal risk, reputational risk, compliance risks.
- Determine and review compliance policies including seek approval on principles and practices for effective compliance measures, set Risk Management Group and Compliance Division's duties and scope of work commensurate to the complexity of commercial banking business and in accordance with this Charter.
- Formulate and monitor implementation of strategies for integrated risk management and compliance policy to ensure coverage, effectiveness and appropriate level of the Bank's risk appetite.
- Continuously review the adequacy of the overall risk management and compliance policy and system, the effectiveness of system and policy implementation in order to improve the level of awareness, control level and effectiveness of the same.
- Review and regularly report to the Board of Directors on improvements needed to ensure effectiveness of the risk and compliance policy and measures and inform the Audit Committee on non-compliance issue for acknowledgement.
- Review and monitor all pending/overdue issues from Bank of Thailand, National Credit Bureau Co., Ltd., Securities and Exchange Commission, Anti-Money Laundering Office, etc. and compliance related issues to ensure that they are rectified per the specified timeline.
- Evaluate the performance of Chief Compliance Officer to ensure independency and prevent possible conflict of interest.
- Provide recommendations on best practices, development and improvement plans and information communicated to the public regarding Good Corporate Governance.
- Determine/review recommendations on Code of Business Conduct and The Spirit & The Letter including business ethics and good practices of the Bank's senior management and employees, ensure publication and communication to all staff for acknowledgement and use as guidelines.
- Perform any other tasks as assigned by the Board of Directors as agreed by Risk and Compliance Committee.

• Names of Members and Meetings of the Risk and Compliance Committee

In 2016, there were a total of 12 ordinary meetings as scheduled in advance with details below:

Members of the Risk and Compliance Committee	Position	Number of Meetings Attended/ Total Number of Meetings Held
1. Mr. Phong-adul Kristnaraj	Chairman	12/12
2. Miss Nopporn Tirawattanagool	Member	12/12
3. Mr. Takeshi Ogasawara	Member	6/12

Secretary to the Risk and Compliance Committee is Mr. Saengchart Wanichwatphibun

Executive Committee

• Composition

The Board of Directors appoints the Executive Committee consisting of no less than 11 members namely President and Chief Executive Officer as the Chairman of the Executive Committee, Head of Commercial Banking, Head of JPC/MNC Banking, Head of Retail and Consumer Banking, Head of Global Markets Group, Chief Information and Operations Officer, Head of Corporate Strategy and Planning Group, Chief Financial Officer, Chief Risk Officer, General Counsel, Head of Human Resources Group and other suitable executives.

• Qualifications

The Executive Committee members shall have extensive knowledge, capability, experience, and thorough understanding of their duties and responsibilities, with good judgment in acting for the benefit of the business.

• Term of Office

The term of office is 2 years in accordance with the directive of the appointment of the Executive Committee.

• Scope of Authority and Responsibility

1. Be in charge of the Bank's operations to ensure compliance with all relevant laws and the Bank's regulations.
2. Be in charge of the Bank's business management to achieve the set goals, policies, strategies and business plans.
3. Assist the Board of Directors in setting optimal policies and plans by providing full and accurate information.

4. Screen strategic plans, annual business plan, capital expenditure budgets, operational objectives and other project plans, including income/non-interest expenditure controls before submitting to the Board of Directors.
5. Assign the management committees and sub-committees to consider matters which occur from the Bank's ordinary operations.
6. Prepare reports as assigned by the Board of Directors.
7. Review policy and business plans prepared by the President and Chief Executive Officer, which have been reviewed by the Financial Management Committee and propose the business plans which have been review to the Board of Directors for approval.
8. Consider policy and business plans endorsed by the Board of Directors on a quarterly basis and present views relating to the policy and business plans to the Board of Directors.
9. Consider, approve and monitor the following operations:
 - 9.1 High cost investment.
 - 9.2 Launching of new product or cessation of providing service or adjustment of prices which have been approved.
 - 9.3 Venture by capital investment, share investment, business partnership or contracts or agreements.
 - 9.4 Provision of credits or guarantee apart from the Bank's ordinary operations.
 - 9.5 Any actions resulting in property rights or right over the Bank's assets.
 - 9.6 Liability payment or liability payment before due date.
 - 9.7 Changes of remuneration or employee benefit policy.
 - 9.8 Changes of strategies relating to the provision of credit and acceptance of deposits.
 - 9.9 Credit limits opening and closing.
 - 9.10 Enter into agreements or the setting of policy relating to agreements with the departments monitoring the Bank's business operations in cases other than those which the Bank's high-level executives have been empowered to do.
 - 9.11 Credit requests and also relevant operations relating to credit within its scope of authorizations delegated from the Board of Directors in accordance with the credit policy and based on acceptable risk in accordance with the risk policy of the Bank.
10. Monitor operations of the Bank's departments to ensure compliance with plans and goals in an efficient and effective manner.
11. Review, monitor, provide suggestions and directions to ensure that the management system and operational process of various departments are modern, up-to-date and correspond to the fast changing economic situation.
12. Have the authority to examine the Bank's documents and data and summon relevant employees for questioning so that the Committee may fulfill its objectives.

13. Have the authority to appoint and set the roles and responsibilities of sub-committees and/or individuals as deemed appropriate to assist the management of the Bank.
14. Undertake assignments from the Board of Directors.
15. Report the Bank's operations and various activities that have major implications to the Board of Directors.
16. Operate matters relating to the Bank's overall businesses or operations.
17. Monitor operations of the committees and sub-committees reporting to the Executive Committee.
18. Approve quarterly (reviewed) financial statements after review by the Audit Committee.

• Names of Members and Meetings of the Executive Committee

In 2016, there were a total of 43 ordinary meetings as scheduled in advance with details below:

Members of the Executive Committee	Position	Number of Meetings Attended/ Total Number of Meetings Held
1. Mr. Noriaki Goto	Chairman	43/43
2. Mr. Pornsanong Tuchinda	Member	38/43
3. Miss Duangdao Wongpanitkrit	Member	39/43
4. Mr. Sudargo (Dan) Harsono	Member	37/43
5. Mr. Masaaki Suzuki	Member	24/43
6. Mrs. Wanna Thamsirisup *	Member	36/39
7. Miss Phawana Niemloy	Member	34/43
8. Mr. Chandrashekar Subramanian Krishoolndmangalam	Member	37/43
9. Mr. Rohit Khanna *	Member	32/39
10. Mr. Tak Bunnag	Member	41/43

Secretary to the Executive Committee is Mrs. Thidarat Sethavaravichit

Remark: *Appointed as the Executive Committee member ex officio, effective January 27, 2016.

Selection and Appointment of Directors and Senior Executives

Selection of Directors

Krungsri, by the Nomination and Remuneration Committee (NRC), has established the criteria for the selection of the directors as follows:

• Qualifications of the Directors

1. A director shall have the following characteristics:

- (1) Demonstrate integrity and accountability.
- (2) Make decisions based on informed judgment.
- (3) Be mature and stable, a good listener and willing to provide different and independent opinions.
- (4) Work in accordance with principles.
- (5) Spend sufficient time dedicating oneself to performing duties as a director.
- (6) Attentively perform duties within his/her scope of responsibilities.
2. A director shall have the knowledge and expertise as well as experience which are beneficial to business operations such as determination of visions and strategies, knowledge about banking industry, international trade, risk management, accounting and finance, organization and human resources management, and crisis management.

In addition to the aforementioned characteristics, knowledge and expertise, a director shall possess qualifications in compliance with the requirements of government authorities, i.e. the Bank of Thailand, the Securities and Exchange Commission and the Stock Exchange of Thailand.

- **Method for the Selection of the Directors**

1. Selection

There are several methods stipulated by Krungsri for the selection of appropriate persons to serve as a director such as (1) Nomination made by a director, (2) Nomination made by the NRC, (3) Nomination made by an outsource firm hired by Krungsri, (4) Nomination made by a minority shareholder.

2. Consideration process

The Secretary to the NRC proposes the names of the candidates to the NRC for further selection/screening of the persons who possess all the required characteristics and qualifications before proposing the results of the consideration of the NRC to the Board of Directors for consideration and appointment or for further proposing to the shareholders' meeting for election, as the case may be.

- **Voting on Election/Appointment of Directors: There are two voting approaches as follows:**

1. Election of the directors

by a general meeting of shareholders' resolution such as election of new director

to replace a director whose term of office expires and/or election of additional director (new director) will be in accordance with the procedures in the Krungsri's Articles of Association as follows:

- (1) Each shareholder shall have one vote for each share held.
- (2) Candidates for directors are elected on an individual basis, and the shareholders must cast all their votes and may not divide their votes among more than one of the candidates.
- (3) The election of candidates is decided by a majority vote, and in the event of a tie of votes, the Chairman of the meeting shall be entitled to a casting vote.

2. Appointment of replacement directors for reasons other than retirement by rotation by the Board of Directors meeting's resolution passed by not less than three-quarters of the remaining directors. The replacement director shall serve only the remaining term of the director whom he/she replaces.

Every year Krungsri entitles the shareholders to nominate persons to be elected as the directors 3 months before Krungsri delivers the notification of annual general meeting of shareholders. In this respect, notice is given to the shareholders via the the Stock Exchange of Thailand's system and the selection criteria are disclosed on Krungsri's website.

- **Qualifications for Independent Directors**

Krungsri has established the

following qualifications for independent directors which conform to the notification of Capital Market Supervisory Board, with a more stringent provision on shareholding in order to bolster investor confidence and maintain the balance of sound management as detailed below:

1. Holding not more than 0.5 percent of the total voting shares of the Bank, parent company, subsidiary company, associated company, major shareholder or control person of the Bank. Any shares held by related persons must also be counted.
2. Within 2 years prior to the appointment, not being or having never been an executive director, contract staff, employee, salaried advisor or control person of the Bank, parent company, subsidiary company, associated company, same-level subsidiary company, major shareholder or control person of the Bank.
3. Having no family blood or legitimate registration relationship as father, mother, spouse, brother, sister, child and child's spouse with other director (s), any executive, major shareholder, control person or any person nominated as a director, executive or control person of the Bank, subsidiary company or associated company.
4. Within 2 years prior to the appointment, not having or having never had business relationship with the Bank, parent company, subsidiary company, associated company, major shareholder or control person of the Bank in the

manner that may obstruct the independent discretion. Also, not being or having never been a principal shareholder or control person of those having business relationship with the Bank, parent company, subsidiary company, associated company, major shareholder or control person of the Bank.

5. Within 2 years prior to the appointment, not being or having never been the auditor of the Bank, parent company, subsidiary company, associated company, major shareholder or control person of the Bank including principal shareholder, control person or partnership of an audit firm which employed the auditor of the Bank, parent company, subsidiary company, associated company, major shareholder or control person of the Bank.
6. Within 2 years prior to the appointment, not being or never been the professional service provider including legal advisor or financial advisor obtaining more than THB 2.0 million annual service fee from the Bank, parent company, subsidiary company, associated company, major shareholder or control person of the Bank, including a principal shareholder, control person or partnership of such professional firm.
7. Not being the director who was appointed as the representative of the Bank's directors, major shareholder or other shareholder related to the 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 principal partnership or executive director, contract staff, employee, salaried advisor, or holding more than 0.5 percent of the total voting shares of other company/ partnership which operates the same business and is in competition of the business of the Bank, subsidiary company or associated company.
9. Not having any other characteristics which may cause incapability to provide independent opinions relating to the business operation of the Group.

However, consideration of the above relationship period must be in accordance with the notification of the Capital Market Supervisory Board.

Independent directors who have qualifications under items 1-9 may be assigned by the Board of Directors to make collective decision relating to business operations of Krungsri, parent company, subsidiary company, same-level subsidiary company, or any juristic persons which may have a conflict of interest with Krungsri. In this regard, it shall not be deemed that such independent directors participate in the management.

Selection of Senior Executives

Krungsri, by the NRC, has established the criteria for the selection/promotion/appointment of executives at the level of Executive Vice President and above as follows:

- **Qualifications of executives**

1. Characteristics
 - (1) Demonstrate integrity and accountability.
 - (2) Make decisions based on informed judgment.
 - (3) Be mature and stable, a good listener and willing to provide different and independent opinions.
 - (4) Work in accordance with principles.
2. Have knowledge and expertise as well as experience relating to the banking industry.
3. Possess qualifications in compliance with the requirements of government authorities, i.e. the Bank of Thailand, the Securities and Exchange Commission and the Stock Exchange of Thailand.

- **Method for the Selection/Promotion/Appointment of Executives at the Level of Executive Vice President and above**

Human Resources Group considers the succession plan and selects appropriate executives as candidates for the vacancies. In cases where there are no appropriate internal candidates, the Human Resources Group will consider external candidates who possess appropriate qualifications and propose their names to the NRC for consideration and endorsement. The names of the persons who have been endorsed by the NRC will be further proposed to the Board of Directors for consideration and approval.

Shareholding of Directors and Executives in Krungsri

(As defined by the Capital Market Supervisory Board and Krungsri)

Name-Surname	December 31, 2016			December 31, 2015			Total Shares Increase / (Decrease) During the Year (shares)
	No. of Shares (shares)		Total Shareholding (%) ^{1/}	No. of Shares (shares)		Total Shareholding (%) ^{1/}	
	Directors/ Executives	Spouse and Child who has not yet reached adulthood		Directors/ Executives	Spouse and Child who has not yet reached adulthood		
Non-Executive Directors							
1. Mr. Veraphan Teepsuwan	1,960	251,901	0.0035	1,960	251,901	0.0035	-
2. Mr. Takayoshi Futae	-	-	-	-	N.A. ^{2/}	-	N.A. ^{2/}
3. Mr. Takeshi Ogasawara	-	-	-	-	-	-	-
4. Mr. Hirotake Taguchi	-	-	-	-	N.A. ^{2/}	-	N.A. ^{2/}
5. Miss Nopporn Tirawattanagool	-	-	-	-	-	-	-
Independent Directors							
6. Mr. Karun Kittisataporn	-	-	-	-	-	-	-
7. Miss Potjaneer Thanavaranit	-	-	-	-	-	-	-
8. Mr. Virat Phairatphiboon	-	-	-	-	-	-	-
9. Mr. Phong-adul Kristnaraj	-	-	-	-	-	-	-
Executive Directors							
10. Mr. Noriaki Goto	-	-	-	-	-	-	-
11. Mr. Pornsanong Tuchinda	-	-	-	-	-	-	-
12. Miss Duangdao Wongpanitkrit	-	-	-	-	-	-	-
Executives							
13. Mr. Sudargo (Dan) Harsono	-	-	-	-	-	-	-
14. Mr. Masaaki Suzuki	-	-	-	-	-	-	-
15. Mrs. Wanna Thamsirisup	-	-	-	-	-	-	-
16. Mrs. Voranuch Dejakaisaya	-	-	-	-	-	-	-
17. Miss Phawana Niemloy	-	-	-	-	-	-	-
18. Miss Puntipa Hannoraseth	-	-	-	-	-	-	-
19. Mr. Chandrashekar Subramanian Krishoolndmangalam	-	-	-	-	-	-	-
20. Mr. Rohit Khanna	-	-	-	-	-	-	-
21. Mr. Tak Bunnag	-	-	-	-	-	-	-
22. Mr. Sayam Prasitsirigul	-	-	-	-	-	-	-
23. Mr. Phonganant Thanattrai	-	-	-	-	-	-	-
24. Mr. Pairote Cheunkrut	-	-	-	-	-	-	-
25. Mr. Thakorn Piyapan	-	-	-	-	-	-	-
26. Mr. Nuttawit Boonyawat	1	-	0.0000	1	-	0.0000	-
27. Mr. Masashi Onodera	-	-	-	-	-	-	-
28. Mr. Kazuhiro Sudo	-	-	-	-	N.A. ^{2/}	-	N.A. ^{2/}
29. Mr. Tsutomu Kamagata	-	-	-	-	N.A. ^{2/}	-	N.A. ^{2/}
30. Mr. Kenji Fukaya	-	-	-	-	-	-	-
31. Mr. Suratun Kongton	-	-	-	-	N.A. ^{2/}	-	N.A. ^{2/}
32. Mr. Dharittee Kritsernvong	-	-	-	-	N.A. ^{2/}	-	N.A. ^{2/}
33. Mrs. Katchariya Chongpaisansakul	-	-	-	-	N.A. ^{2/}	-	N.A. ^{2/}
34. Mr. Wirote Chuenratanakul	-	-	-	-	N.A. ^{2/}	-	N.A. ^{2/}
35. Mr. Yuzo Nakada	-	-	-	-	-	-	-
36. Mr. Hironori Okada	-	-	-	-	-	-	-
37. Mr. Masashi Nimura	-	-	-	-	-	-	-
38. Mrs. Porawan Rungsang	-	-	-	-	-	-	-
39. Miss Suwanna Jakraworavudh	-	-	-	-	-	-	-
40. Mr. Udomkarn Udomsab	-	-	-	-	-	-	-

Name-Surname	December 31, 2016			December 31, 2015			Total Shares Increase / (Decrease) During the Year (shares)
	No. of Shares (shares)		Total Shareholding (%) ^{1/}	No. of Shares (shares)		Total Shareholding (%) ^{1/}	
	Directors/ Executives	Spouse and Child who has not yet reached adulthood		Directors/ Executives	Spouse and Child who has not yet reached adulthood		
41. Mrs. Kittiya Srisanit	-	-	-	-	-	-	-
42. Miss Siriporn Sinacharoen	-	-	-	N.A. ^{2/}			N.A. ^{2/}
43. Mr. Congsin Congcar	-	-	-	-	-	-	-
44. Miss Pisara Pattanasiri	-	-	-	-	-	-	-
45. Mr. Kriangsak Jongsukkiparnich	-	-	-	-	-	-	-
46. Miss Jiraporn Popairoj	2,374	-	0.0000	2,374	-	0.0000	-
47. Mrs. Varabhorn Achakornlak	-	-	-	-	-	-	-
48. Miss Pornnapa Patarasatienkul	-	-	-	-	-	-	-
49. Mrs. Akanit Mattison	-	-	-	-	-	-	-
50. Mr. Khomson Adunwitthayakorn	-	-	-	-	-	-	-
51. Mr. Jamorn Phianphrom	2	-	0.0000	2	-	0.0000	-
52. Miss Somjai Pattanakitpairoj	-	-	-	-	-	-	-
53. Mrs. Orawan Julapol	-	-	-	-	-	-	-
54. Miss Sukanda Thawilwang	-	-	-	-	-	-	-
55. Mr. Tetsuya Yoshimura	-	-	-	-	-	-	-
56. Miss Wimol Sivarorosakul	-	-	-	-	-	-	-
57. Mr. Vatchara Pumnoi	-	-	-	-	-	-	-
58. Mr. Teerasak Nimnaparaj	-	-	-	-	-	-	-
59. Miss Soamkulaya Pinkayan	-	-	-	-	-	-	-
60. Miss Siriporn Sribooncharoen	-	-	-	-	-	-	-
61. Mrs. Samanporn Chantanahom	-	-	-	-	-	-	-
62. Miss Porntip Sae Lor	-	-	-	-	-	-	-
63. Mrs. Kamoltip Jittimaporn	-	-	-	-	-	-	-
64. Miss Rattaporn Pornprasit	-	-	-	-	-	-	-
65. Miss Benjawan Surachutikarn	-	-	-	-	-	-	-
66. Mrs. Anantaya Padanupong	-	-	-	-	-	-	-
67. Mr. Takashi Kanai	-	-	-	-	-	-	-
68. Miss Thatsaphin Cholsuwat	-	-	-	-	-	-	-
69. Miss Sunan Pimsawang	-	-	-	-	-	-	-
70. Mr. Montien Jangsutimon	-	-	-	-	-	-	-
71. Miss Porntip Undamrongkarn	-	-	-	-	-	-	-
72. Miss Darunee Laiphukham	-	-	-	-	-	-	-
73. Miss Thitiporn Kittipiyakul	-	-	-	-	-	-	-
74. Mr. Vichai Kolsonvoravattanakul	-	-	-	-	-	-	-
75. Mrs. Suchavalee Srisarakorn	-	-	-	-	-	-	-
76. Mr. Suwit Eurpiyachart	-	-	-	N.A. ^{2/}			N.A. ^{2/}
77. Mrs. Tatsawan Dumrisomkul	-	-	-	-	-	-	-
78. Miss Thanawan Santananont	-	-	-	-	-	-	-
79. Miss Chanida Kwansanerthechin	-	-	-	-	-	-	-
80. Miss Chavakorn Chavalerdpanyakul	-	-	-	N.A. ^{2/}			N.A. ^{2/}

Newly appointed executives after December 31, 2016 in the total of 3 persons i.e. 1) Mr. Wittapon Jawjit 2) Mr. Somwang Toraktrakul

3) Miss Sujinda Ninatkiattikul do not hold any Krungsri shares as at the appointment date.

Remark: ^{1/} Includes spouse and child who has not yet reached adulthood. As of December 31, 2015 and December 31, 2016, Krungsri had a total of 7,355,761,773 of all issued shares.

^{2/} In 2015, he/she was not the director and/or the executive falling under the definition of the Capital Market Supervisory Board and Krungsri.

Details of Directors, Executives, Persons with Managerial Authority and Corporate Secretary

(As defined by the Capital Market Supervisory Board which is prescribed by Krungsri)

• Board of Directors

Name – Surname Age and Position (Appointment Date)	Education and training	Work Experience in the last 5 years		
		Period	Position	Name of Companies/ Organizations
Non-Executive Directors				
1. Mr. Veraphan Teepsuwan Age 75 years - Chairman (Jan 3, 2007) % Shareholding^{1/} 0.0035% (253,861 shares) Family Relationship with Directors and Executives -None-	- MBA., Northeastern University, USA - Bachelor of Economics, Boston University, USA - Training on International Financial Reporting Standard 9 (IFRS 9), PwC Thailand, Year 2016 - Certificate of training and seminar, Thai Institute of Directors Association (IOD) • Role of the Chairman Program (RCP), Year 2008	Jan 3, 2007 – Present <u>Other Listed Companies</u> 2002 – Present Nov 2006 – Present 2003 – Present <u>Other Companies/ Organizations</u> Sep 2010 – Dec 2016 1983 – Mar 2014 1995 – Jan 2011	Chairman Chairman Chairman Vice-Chairman Director (Authorized Signatory) Director Chairman	Bank of Ayudhya PCL Sri Ayudhya Capital PCL Siam City Cement PCL Eastern Star Real Estate PCL Exclusive Senior Care International Co., Ltd. Bangkok Broadcasting & T.V. Co., Ltd. Allianz Ayudhya Assurance PCL
2. Mr. Takayoshi Futae Age 55 years - Vice-Chairman (Authorized Signatory) (May 1, 2016) - Nomination and Remuneration Committee Member (May 1, 2016) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None- Remark: Appointed as the director, effective May 1, 2016	- Master of Business Administration, The University of Chicago, Booth School of Business - Bachelor of Art in Economics, Osaka University	May 1, 2016 – Present May 1, 2016 – Present <u>Other Companies / Organizations</u> May 2016 – Present May 2014 – May 2016 May 2011 – May 2014 Jun 2010 – May 2011 Apr 2016 - Present	Vice-Chairman (Authorized Signatory) Nomination and Remuneration Committee Member Managing Executive Officer, Chief Executive Officer for Asia & Oceania Managing Executive Officer in charge of Japanese Credit Executive Officer and General Manager, Corporate Banking Credit Division Executive Officer and General Manager, Global Corporate Banking Division Director	Bank of Ayudhya PCL The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Tokyo, Japan) Security Bank Corporation, Makati, Philippines

Name – Surname Age and Position (Appointment Date)	Education and training	Work Experience in the last 5 years		
		Period	Position	Name of Companies/ Organizations
3. Mr. Takeshi Ogasawara Age 63 years - Director (Jan 2, 2014) - Risk and Compliance Committee Member (Jan 1, 2015) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None-	- Bachelor of Law (LL.B.), Faculty of Law, Kyoto University, Japan - Training on International Financial Reporting Standard 9 (IFRS 9), PwC Thailand, Year 2016	Jan 1, 2015 – Present	Risk and Compliance Committee Member	Bank of Ayudhya PCL
		Jan 2, 2014 – Present	Director	
		Jan 2, 2014 – Jan 4, 2015	Compliance Review Committee Member	
		<u>Other Companies/ Organizations</u>		
		Jun 28, 2016 – Present	Advisor	
		May 2012 – Jun 27, 2016	Deputy President, Central Region of Japan	The Bank of Tokyo-Mitsubishi UFJ, Ltd., (Tokyo, Japan)
4. Mr. Hirotake Taguchi Age 49 years - Director (Jul 27, 2016) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None- Remark: Appointed as the director, effective July 27, 2016	- Bachelor of Economics, The University of Tokyo, Japan - Certificate of the Executive Education program, Columbia University Graduate School of Business, USA, Year 2011 • General Management Leadership Program • Customer Centricity • Strategic Marketing Management - Certificate in Business Excellence, Columbia Business School, USA, Year 2011	May 2011 – May 2012	Senior Managing Director, Chief Compliance Officer in charge of Corporate Risk Management, Credit Policy & Planning, non-Japanese Credit	
		Jan 2010 – May 2011	Managing Director, Chief Compliance Officer in charge of Corporate Risk Management, Credit Policy & Planning	
		Jul 27, 2016 – Present	Director	Bank of Ayudhya PCL
		<u>Other Companies/ Organizations</u>		
		May 2016 – Present	General Manager, Retail Business Promotion Division	The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Tokyo, Japan)
		May 2015 – May 2016	General Manager, Retail Banking Planning Division, Asian Retail Banking Strategy Office	
		Nov 2011 – Feb 2012	Senior Manager, Global Planning Division	
		Jun 2009 – Jul 2011	Chief Manager (for commercial banking), Kanda Branch (one of large branches in Tokyo)	
		Mar 2013 – May 2015	General Manager, Corporate Planning Division (Secondment)	JCB Co., Ltd.
		Feb 2012 – Mar 2013	Senior Manager (for planning business strategy in EMEA), Planning Division for Europe Middle East, and Africa	The Bank of Tokyo-Mitsubishi UFJ, Ltd. (London, United Kingdom)
		Jul – Nov 2011	Executive Trainee for leadership management	The Bank of Tokyo-Mitsubishi UFJ, Ltd. (New York, USA)

Name – Surname Age and Position (Appointment Date)	Education and training	Work Experience in the last 5 years		
		Period	Position	Name of Companies/ Organizations
5. Miss Nopporn Tirawattanagool Age 62 years - Director (Authorized Signatory) (Jan 2, 2014) - Nomination and Remuneration Committee Member (Apr 28, 2010) - Risk and Compliance Committee Member (Jan 1, 2015) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None-	- Master of Accounting, Faculty of Commerce and Accountancy, Thammasat University - Bachelor of Business Administration (in Accounting), Thammasat University - Training on International Financial Reporting Standard 9 (IFRS 9), PwC Thailand, Year 2016 - CG Forum 2/2016 'Honest, Cautious, Protective for the director', Year 2016 - Seminar on 'Cyber Security Awareness Training for Senior Executive', Year 2016 - Certificate of training and seminar, Thai Institute of Directors Association (IOD) • Director Accreditation Program (DAP), Year 2003 • Role of the Compensation Committee (RCC), Year 2009 • Audit Committee Program (ACP), Year 2010 • Director Certification Program (DCP), Year 2010 • Financial Institutions Governance Program (FGP), Year 2011 • Anti-Corruption for Executive Program (ACEP), Year 2013 • Risk Management Program for Corporate Leaders (RCL), Year 2015	Jan 1, 2015 – Present	Risk and Compliance Committee Member	Bank of Ayudhya PCL
		Jan 2, 2014 – Present	Director (Authorized Signatory)	
		Apr 28, 2010 – Present	Nomination and Remuneration Committee Member	
		Apr 8, 2010 – Jan 1, 2014	Director	
		<u>Other Listed Companies</u>		
		Apr 20, 2016 – Present	Director	Grand Canal Land PCL
		May 6, 2015 – Apr 19, 2016	Director (Authorized Signatory)	
		Oct 17, 2014 – Present	Director	Srivichaivejvivat PCL
		Jul 22, 2014 – Present	Director of Nomination and Compensation Committee	Siam City Cement PCL
		Jul 22, 2014 – Present	Director of Governance, Risk and Compliance Committee	
		Apr 2012 – Present	Director	
		May 14, 2013 – Present	Nomination and Remuneration Committee Member	Sri Ayudhya Capital PCL
		Apr 22, 2013 – Present	Director	
		<u>Other Companies/ Organizations</u>		
		May 8, 2015 – Present	Director (Authorized Signatory)	CKS Holding Co., Ltd.
		May 8, 2015 – Present	Director (Authorized Signatory)	Super Assets Co., Ltd.
		May 8, 2015 – Present	Director (Authorized Signatory)	C.K.R Co., Ltd.
		May 8, 2015 – Present	Director (Authorized Signatory)	The Bangkok Lighters Co., Ltd.
		May 8, 2015 – Present	Director (Authorized Signatory)	The Thai Tapioca Flour Produce Co., Ltd.
		May 8, 2015 – Present	Director (Authorized Signatory)	Cyber Venture Co., Ltd.
		Apr 9, 2015 – Present	Director (Authorized Signatory)	Khao Kheow Country Club Co., Ltd.
		Apr 9, 2015 – Present	Director (Authorized Signatory)	Siam Puri Engineering Co., Ltd.
		Apr 9, 2015 – Present	Director (Authorized Signatory)	Siam Purimongkol Co., Ltd.
		Dec 15, 2014 – Present	Director	Belle Development Co., Ltd.
		Dec 1, 2014 – Present	Director (Authorized Signatory)	Grand Fortune Co., Ltd.

Name – Surname Age and Position (Appointment Date)	Education and training	Work Experience in the last 5 years		
		Period	Position	Name of Companies/ Organizations
5. Miss Nopporn Tirawattanagool (Cont')		Apr 21, 2014 – Present	Director	Bangkok Broadcasting & TV Co., Ltd.
		Apr 21, 2014 – Present	Director (Authorized Signatory)	BBTV Satelvision Co., Ltd.
		Apr 21, 2014 – Present	Director (Authorized Signatory)	GL Asset Co., Ltd.
		Apr 21, 2014 – Present	Director (Authorized Signatory)	Mahakij Holdings Co., Ltd.
		Apr 21, 2014 – Present	Director (Authorized Signatory)	BBTV Productions Co., Ltd.
		Jan 10, 2014 – Present	Director (Authorized Signatory)	BBTV Alliance Ltd.
		Jan 10, 2014 – Present	Director (Authorized Signatory)	BBTV Bond Street Building Ltd.
		Aug 2012 – Present	Director (Authorized Signatory)	ITBC Business Consultant Group Co., Ltd.
		Apr 2011 – Present	Director (Authorized Signatory)	Exclusive Senior Care International Co., Ltd.
		Sep 2010 – Present	Director (Authorized Signatory)	BBTV International Holdings Co., Ltd.
		Sep 2010 – Present	Director (Authorized Signatory)	Sunrise Equity Co., Ltd.
		Sep 2010 – Present	Director (Authorized Signatory)	BBTV Equity Co., Ltd.
6. Mr. Karun Kittisataporn Age 69 years - Independent Director (Apr 9, 2008) - Chairman of the Nomination and Remuneration Committee (Apr 9, 2008) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None- Remark: * Last update information in January 2017	- MA., (International Trade), Syracuse University, NY, USA (USAID Scholarship) - BCA., Victoria University of Wellington, New Zealand (Colombo Plan Scholarship) - Degree from the National Defense College Class 8, (Joint State - Private Sector) - Certificate of Commercial Policy Course, GATT, Geneva - Training on International Financial Reporting Standard 9 (IFRS 9), PwC Thailand, Year 2016 - Seminar on 'Cyber Security Awareness Training for Senior Executive', Year 2016	Apr 9, 2008 – Present Apr 9, 2008 – Present	Independent Director Chairman of the Nomination and Remuneration Committee	Bank of Ayudhya PCL
		<u>Other Listed Companies</u> Jun 26, 2013 – Present	Corporate Governance Committee Member	Khon Kaen Sugar Industry PCL
		Nov 2012 – Present	Audit Committee Member	
		Feb 2010 – Present Feb 2010 – Present	Independent Director Nomination and Remuneration Committee Member	Central Pattana PCL
		Apr 2015 – Present	Chairman of the Nomination and Remuneration Committee	
		Jan 2011 – Present	Audit Committee Member	
		Apr 2009 – Present Apr 2009 – Apr 2015	Independent Director Nomination and Remuneration Committee Member	

Name – Surname Age and Position (Appointment Date)	Education and training	Work Experience in the last 5 years		
		Period	Position	Name of Companies/ Organizations
6. Mr. Karun Kittisataporn (Cont')	<ul style="list-style-type: none"> - Certificate of training and seminar, Thai Institute of Directors Association (IOD) • Director Certification Program (DCP), Year 2006 • Role of the Compensation Committee (RCC), Year 2008 • Audit Committee Program (ACP), Year 2009 • Financial Statements for Directors (FSD), Year 2009 • Financial Institutions Governance Program (FGP), Year 2011 • Monitoring the Quality of Financial Reporting (MFR), Year 2011 • Monitoring the Internal Audit Function (MIA), Year 2013 • Anti-Corruption for Executive Program (ACEP), Year 2013 	Nov 2008 – Present	Audit Committee Member	Sahamit Machinery PCL
		<u>Other Companies/ Organizations</u>		
		Jan 2017 – Present*	Member	ASEAN Association - Thailand
		Apr 28 2016 – Present	Member	Committee on International Economic Policy
		May 2008 – Present	Chairman of the Executive Committee	The SUPPORT Arts and Crafts International Centre of Thailand (Public Organization)
		Nov 2006 – Present	Member of the Council of State	Office of the Council of State
		Aug 13 – Sep 2014	Election Committee Member	Election Committee for National Reform Council
		Oct 2007– Sep 2014	Commissioner	Insurance Commission
		Nov 2009 – Feb 2011	Director	Securities and Exchange Commission
		Jan 2008 – Feb 2011	Commissioner	Public Sector Development Commission
7. Miss Potjanee Thanavaranit Age 70 years - Independent Director (Apr 8, 2010) - Chairman of the Audit Committee (Apr 25, 2012) % Shareholding ^{1/} -None- Family Relationship with Directors and Executives -None-	<ul style="list-style-type: none"> - MBA, Syracuse University, NY, USA (USAID Scholarship) - Bachelor of Accountancy, Chulalongkorn University - Certificate of Advanced General Insurance Program, Swiss Insurance Training Center, Switzerland (Swiss Re Scholarship) - Certificate of Advanced Management Program, Australian Management College, Australia (COLOMBO Scholarship) - Certificate of Executive Development Program (EDP.1 Class 18), Institute of the Civil Service Commission - Degree from the National Defense College, Class 42 	Apr 25, 2012 – Present	Chairman of the Audit Committee	Bank of Ayudhya PCL
		Apr 8, 2010 – Present	Independent Director	
		Apr 28, 2010 – Apr 24, 2012	Audit Committee Member	
		<u>Other Listed Companies</u>		
		May 3, 2016 – Present	Chairman of the Audit Committee	Big C Supercenter PCL
		Apr 25, 2016 – Present	Independent Director	
		May 2014 – Present	Chairman of the Remuneration Committee	Oishi Group PCL
		May 2014 – Present	Chairman of the Good Corporate Governance Committee	
		Feb 2009 – Present	Independent Director	
		Feb 2009 – Present	Audit Committee Member	
		Apr 2014 – Present	Audit Committee Member	Thai Reinsurance PCL
		May 2007 – Present	Independent Director	
		Jun 2012 – Apr 2014	Nomination and Remuneration Committee Member	
		Apr 2007 – Present	Independent Director	Bangkok Insurance PCL

Name – Surname Age and Position (Appointment Date)	Education and training	Work Experience in the last 5 years		
		Period	Position	Name of Companies/ Organizations
7. Miss Potjanee Thanavarant (Cont')	- Certificate of Top Executive Program, Capital Market Academy, Class 8	Apr 2007 – Present	Audit Committee Member	Bangkok Insurance PCL
	- Certificate of Top Executive Program in Commerce and Trade, Commerce Academy, Class 3	2007 – Present	Chairman of the Board (Independent Director)	Univentures PCL
	- Certificate of Advanced Security Management Program, The National Defense College Association of Thailand, Class 2	2007 – Present	Audit Committee Member	
	- Training on International Financial Reporting Standard 9 (IFRS 9), PwC Thailand, Year 2016	2007 – Present	Chairman of the Compensation and Nomination Committee	
	- CG Forum 2/2016 'Honest, Cautious, Protective for the director', Year 2016	Jun 2009 – Mar 21, 2016 <u>Other Companies/ Organizations</u>	Independent Director	Berli Jucker PCL
	- Seminar on 'Cyber Security Awareness Training for Senior Executive', Year 2016	2007 – Present	Qualified member of the Committee	The Federation of Thai Insurance Organization
	- Certificate of training and seminar, Thai Institute of Directors Association (IOD)	Oct 2006 – Present	Member of the Council of State	Office of the Council of State
	• Director Certification Program (DCP), Year 2002	Oct 2, 2014 – Sep 6, 2015	Member of National Reform Council	National Reform Council
	• Role of the Chairman Program (RCP), Year 2006	Apr 2010 – Jul 2013	Director	BJC Logistics and Warehouse Co., Ltd.
	• Role of the Compensation Committee (RCC), Year 2007	Nov 2008 – Mar 2013	Chairman of the Audit and Evaluation Committee of Ministry of Commerce	Ministry of Commerce
	• Audit Committee Program (ACP), Year 2010	Sep 2007 – Apr 2012	Member and Treasurer	Bhumirajanagarindra Kidney Foundation
	• Financial Institutions Governance Program (FGP), Year 2011			
	• Advanced Audit Committee Program (completed ACP, MIA, MFM, MFR, MIR), Year 2013			

Name – Surname Age and Position (Appointment Date)	Education and training	Work Experience in the last 5 years		
		Period	Position	Name of Companies/ Organizations
9. Mr. Phong-adul Kristnaraj Age 66 years - Independent Director (Apr 24, 2012) - Audit Committee Member (Apr 25, 2012) - Chairman of the Risk and Compliance Committee (Jan 1, 2015) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None-	<ul style="list-style-type: none"> - MBA., Management, Sasin Graduate Institute of Business Administration of Chulalongkorn University - Bachelor of Accountancy in Banking and Finance, Chulalongkorn University - Training on International Financial Reporting Standard 9 (IFRS 9), PwC Thailand, Year 2016 - Certificate of training and seminar, Thai Institute of Directors Association (IOD) • Director Certification Program (DCP), Year 2012 • Audit Committee Program (ACP), Year 2013 • Advanced Audit Committee Program (completed ACP, MIA, MFM, MFR, MIR), Year 2013 • Financial Institutions Governance Program (FGP), Year 2013 • Anti-Corruption for Executive Program (ACEP), Year 2013 • Risk Management Committee Program (RMP), Year 2014 • Director Certification Program Update (DCPU), Year 2015 • How to Develop a Risk Management Plan (HRP), Year 2015 • Role of the Nomination and Governance Committee (RNG), Year 2015 • Role of the Chairman Program (RCP), Year 2016 • Financial Statements for Directors (FSD), Year 2016 • Driving Company Success with IT Governance (ITG), Year 2016 	Jan 1, 2015 – Present	Chairman of the Risk and Compliance Committee	Bank of Ayudhya PCL
		Apr 25, 2012 – Present	Audit Committee Member	
		Apr 24, 2012 – Present	Independent Director	
		Jun 24, 2013 – Jan 4, 2015	Chairman of the Compliance Review Committee	
		<u>Other Companies/ Organizations</u>		
		Oct 2012 – Present	Audit Committee Member	Thai Public Broadcasting Service
		2010 – Present	Advisor	Tangthanasin Co., Ltd.
		2010 – Apr 2012	Member of the Asset Management Working Team	Sukhumvit Asset Management Co., Ltd.
		2009 - 2011	President	Bank of Thailand Employee's Thrift and Credit Co-Operative Ltd.
		2009 - 2011	Director	The Institute of Internal Auditors of Thailand

Name – Surname Age and Position (Appointment Date)	Education and training	Work Experience in the last 5 years		
		Period	Position	Name of Companies/ Organizations
9. Mr. Phong-adul Kristnaraj (Cont')	<ul style="list-style-type: none"> National Director Conference 2016: 'Enhancing Growth Through Governance in Family – Controlled Business', Year 2016 Audit Committee Forum 'New Auditor's Report: What is it for you?', Year 2016 			
10. Mr. Noriaki Goto Age 54 years - Director (Authorized Signatory) (Jan 2, 2014) - President and Chief Executive Officer (Jan 5, 2015) - Chairman of the Executive Committee (Jan 2, 2014) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None-	- Master of Business Administration, Graduate School of Business, The University of Chicago, USA - Bachelor of Arts (Law), School of Law, Waseda University, Japan - Training on International Financial Reporting Standard 9 (IFRS 9), PwC Thailand, Year 2016 - Seminar on 'Cyber Security Awareness Training for Senior Executive', Year 2016 - Certificate of training and seminar, Thai Institute of Directors Association (IOD) • Director Certification Program (DCP-English), Year 2015	Jan 5, 2015 – Present Jan 2, 2014 – Present Jan 2, 2014 – Present Jan 2, 2014 – Jan 4, 2015 Jan 2, 2014 – Jan 4, 2015 Jan 2, 2014 – Jan 4, 2015 <u>Other Companies/ Organizations</u> May 28, 2015 – Jun 23, 2016 May 14, 2014 – May 27, 2015 Aug – Dec 2013 Jul 2012 – Aug 2013 Feb 2009 – Jun 2012 Jul 2011 – Aug 2013 Oct 2010 – Aug 2013	President and Chief Executive Officer Director (Authorized Signatory) Chairman of the Executive Committee Chief Executive Officer Chairman of the Risk Management Committee Advisor to the Compliance Review Committee Chairman Director Executive Officer & General Manager, Global Planning Division Executive Officer & General Manager, Americas Holdings Division Executive Officer & General Manager, Corporate Governance Division for the U.S. Executive Officer & General Manager, Americas Holdings Division Executive Officer & General Manager, Planning Division for the Americas	Bank of Ayudhya PCL Krungsri Asset Management Co., Ltd. The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Tokyo, Japan) Mitsubishi UFJ Financial Group, Inc. (New York, USA) The Bank of Tokyo-Mitsubishi UFJ, Ltd. (New York, USA)

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Name – Surname Age and Position (Appointment Date)	Education and training	Work Experience in the last 5 years		
		Period	Position	Name of Companies/ Organizations
12. Miss Duangdao Wongpanitkrit Age 48 years - Director (Authorized Signatory) (Mar 28, 2016) - Chief Financial Officer (Jan 1, 2013) - First Executive Vice President, Finance Group (Apr 1, 2013) - Executive Committee Member (Jan 1, 2013) % Shareholding ^{1/} -None- Family Relationship with Directors and Executives -None- Remark: Appointed as the director, effective March 28, 2016	- MBA. (Financial Accounting), Chulalongkorn University - Bachelor of Business Administration (Accounting), Thammasat University - Certified Public Accountant (CPA Thailand) - Certificate of training and seminar, Thai Institute of Directors Association (IOD) • Financial Institutions Governance Program (FGP), Year 2011 • Director Certification Program (DCP), Year 2013 • Corporate Governance for Capital Market Intermediaries (CGI), Year 2015 • Board Matter and Trenda (BMT), Year 2017	Mar 28, 2016 - Present	Director (Authorized Signatory)	Bank of Ayudhya PCL
		Apr 1, 2013 – Present	First Executive Vice President, Finance Group	
		Jan 1, 2013 – Present	Chief Financial Officer	
		Jan 1, 2013 – Present	Executive Committee Member	
		Feb 1, 2013 – Jan 6, 2015	Acting Executive Vice President, Financial Planning and Analysis Division, Finance Group	
		Jan 1, 2013 – Jan 4, 2015	Risk Management Committee Member	
		Jan 1, 2013 – Jan 4, 2015	Compliance Review Committee Member	
		Jun 2007 – Dec 31, 2012	Executive Vice President, Financial Planning and Analysis Division, Finance Group	
		<u>Other Companies/ Organizations</u>		
		Sep 12, 2016 – Present	Director	Hattha Kaksekar Limited Krungsri Factoring Co., Ltd. Ayudhya Development Leasing Co., Ltd. Ngern Tid Lor Co., Ltd. Krungsri Ayudhya AMC Ltd. Ayudhya Capital Services Co., Ltd. Ayudhya Capital Auto Lease PCL Ayudhya Card Services Co., Ltd. Ayudhya Total Solutions PCL
		May 4, 2016 – Present	Director (Authorized Signatory)	
		Nov 26, 2015 – Present	Director (Authorized Signatory)	
		May 29, 2015 – Present	Director	
		Apr 21, 2015 – Present	Director	
		Nov 2009 – Present	Director (Authorized Signatory)	
		Jan 2013 – Feb 29, 2016	Director (Authorized Signatory)	
		Apr 2009 – Jul 2013	Director (Authorized Signatory)	
		Apr 2009 – Jun 2012	Director	

Remark: ^{1/} Including spouse and child who has not yet reached adulthood.

- Executives and Persons with Managerial Authority of Krungsri

Name – Surname Age and Position (Appointment Date)	Education and training	Work Experience in the last 5 years		
		Period	Position	Name of Companies/ Organizations
1. Mr. Sudargo (Dan) Harsono Age 56 years - Head of Retail and Consumer Banking (Jul 1, 2015) - Senior Executive Vice President (Sep 1, 2015) - Executive Committee Member (Jul 1, 2015) % Shareholding ^{1/} -None- Family Relationship with Directors and Executives -None-	- Master of Business Administration in Finance and Marketing, Indiana University, Bloomington, IN, USA - Bachelor of Science Cum Laude, Biomedical and Electrical Engineering (Honors Program), University of Southern California, LA, USA - Certificate of training and seminar, Thai Institute of Directors Association (IOD) • Director Certification Program (DCP-English), Year 2008	Sep 1, 2015 – Present	Senior Executive Vice President	Bank of Ayudhya PCL
		Jul 1, 2015 – Present	Head of Retail and Consumer Banking	
		Jul 1, 2015 – Present	Executive Committee Member	
		Jul 1, 2015 – Jan 31, 2016	Acting Head of Personal Loan Division	
		Jan 7, 2015 – Jan 31, 2016	Acting Head of E-Business Division	
		Jul 1 – Dec 31, 2015	Acting Head of Krungsri Consumer Group	
		Jul 1 – Sep 30, 2015	Acting Head of Krungsri Auto Group	
		Aug 3, 2007 – Aug 31, 2015	First Executive Vice President	
		Jan 5 – Jun 30, 2015	Head of Marketing and Branding Group	
		Oct 1, 2013 – Jan 4, 2015	Head of Marketing and International Business Development	
		Apr 2010 – Sep 2013	Head of Marketing and Cross Sell	
		<u>Other Companies/ Organizations</u>		Hattha Kaksekar Limited
		Sep 12, 2016 – Present	Chairman	
		Jul 7, 2016 – Present	Chairman	Krungsri Asset Management Co., Ltd.
		Sep 28, 2015 – Present	Chairman (Authorized Signatory)	Krungsri Securities PCL
		Sep 8, 2015 – Present	Chairman (Authorized Signatory)	Tesco Card Services Ltd.
		Sep 30, 2015 – Present	Chairman (Authorized Signatory)	Ngern Tid Lor Co., Ltd.
		May 29 – Sep 29, 2015	Director	General Card Services Ltd.
		Nov 2009 – May 28, 2015	Chairman (Authorized Signatory)	
		Dec 24, 2015 – Present	Chairman (Authorized Signatory)	
		Dec 3 - Dec 23, 2015	Chairman	
		Feb 24 – Dec 2, 2015	Director	
		Nov 2009 – Feb 23, 2015	Director (Authorized Signatory)	
		Sep 29, 2014 – Present	Chairman (Authorized Signatory)	Krungsri Leasing Services Co., Ltd.
		Aug 25, 2014 – Present	Director (Authorized Signatory)	Dan Siam Co., Ltd.
		Aug 25, 2014 – Present	Director (Authorized Signatory)	Sam Siam Co., Ltd.
		May 11 – Dec 30, 2015	Director	Krungsriayudhya Card Co., Ltd.
		Jan 2008 – Apr 2011	Director	
		Jan 2008 – Apr 23, 2015	Director (Authorized Signatory)	
				Ayudhya Capital Auto Lease PCL

Name – Surname Age and Position (Appointment Date)	Education and training	Work Experience in the last 5 years		
		Period	Position	Name of Companies/ Organizations
2. Mr. Masaaki Suzuki Age 51 years - Head of JPC/MNC Banking (Jul 13, 2015) - Senior Executive Vice President (Jul 13, 2015) - Executive Committee Member (Jul 13, 2015) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None-	- Bachelor of Economics, Yokohama National University	Jul 13, 2015 – Present	Head of JPC/MNC Banking	Bank of Ayudhya PCL
		Jul 13, 2015 – Present	Senior Executive Vice President	
		Jul 13, 2015 – Present	Executive Committee Member	
		<u>Other Companies/ Organizations</u>		
		Aug 2013 – Jul 12, 2015	General Manager Osaka Corporate Banking Division No. 3	The Bank of Tokyo- Mitsubishi UFJ, Ltd. (Osaka, Japan)
		Dec 2011 – Aug 2013	Deputy General Manager	The Bank of Tokyo- Mitsubishi UFJ, Ltd., Singapore Branch
3. Mrs. Wanna Thamsirisup Age 60 years - Chief Information and Operations Officer (Oct 1, 2015 – Dec 31, 2016) - First Executive Vice President (Sep 20, 2007 – Dec 31, 2016) - Executive Committee Member (Jan 27, 2016 – Dec 31, 2016) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None- Remark: Retired from Krungsri, effective January 1, 2017	- Diploma in Auditing, Thammasat University - BA. in Accounting, Faculty of Commerce and Accountancy, Thammasat University - Certified Public Accountant (CPA Thailand) - Certificate of training and seminar, Thai Institute of Directors Association (IOD) • Director Accreditation Program (DAP), Year 2008 • Director Certification Program (DCP), Year 2008 • Role of the Chairman Program (RCP), Year 2010 • Financial Institutions Governance Program (FGP), Year 2011 • Risk Management Committee Program (RMP), Year 2013 • Corporate Governance for Capital Market Intermediaries (CGI), Year 2015 • Driving Company Success with IT Governance (ITG), Year 2016	Apr 2009 – Dec 2011	Senior Vice President and Manager, Japanese Corporate Banking Department	The Bank of Tokyo- Mitsubishi UFJ, Ltd. (New York, USA)
		Jan 27, 2016 – Dec 31, 2016	Executive Committee Member	Bank of Ayudhya PCL
		Oct 1, 2015 – Dec 31, 2016	Chief Information and Operations Officer	
		Sep 20, 2007 – Dec 31, 2016	First Executive Vice President	
		Oct 1 – Dec 31, 2015	Acting Head of Operations Group	
		Jan 1, 2008 – Sep 30, 2015	Head of Operations Group	
		Mar 25, 2009 – Jan 4, 2015	Compliance Review Committee Member	
		Jan 1, 2008 – Jan 4, 2015	Executive Committee Member	
		<u>Other Companies/ Organizations</u>		
		May 20, 2015 – Present	Director (Authorized Signatory)	Siam Realty and Services Security Co., Ltd. (Formerly Siam Realty and Services Co., Ltd.)
		Feb 2009 – May 19, 2015	Chairman (Authorized Signatory)	National ITMX Co., Ltd.
		Jul 28, 2015 – Present	Chairman of the Audit and Risk Committee	
		Jan 2014 – Present	Director	Krungsri Securities PCL
		May 2011 – Present	Chairman of the Audit Committee	
		May 2011 – Present	Director	Total Services Solutions PCL
		Jun 2010 – Present	Director (Authorized Signatory)	
		Nov 2009 – Jun 2010	Chairman	Ayudhya Capital Services Co., Ltd.
		May 12, – Dec 31, 2015	Director	
		Nov 2009 – May 11, 2015	Director (Authorized Signatory)	
		Apr 2009 – Jun 2012	Director (Authorized Signatory)	Ayudhya Total Solutions PCL

Name – Surname Age and Position (Appointment Date)	Education and training	Work Experience in the last 5 years		
		Period	Position	Name of Companies/ Organizations
4. Mrs. Voranuch Dejakaisaya Age 56 years - Chief Information and Operations Officer (Jan 1, 2017) - First Executive Vice President (Jul 8, 2009) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None- Remark: * Last update information as of January 1, 2017	- MBA., Chulalongkorn University - BA. in Statistics, Faculty of Commerce and Accountancy, Chulalongkorn University - Certificate of training and seminar, Thai Institute of Directors Association (IOD) • Director Certification Program (DCP), Year 2006 • Finance for Non-Finance Director (FND), Year 2006	Jan 1, 2017 – Present* Jul 8, 2009 – Present Jan 1, 2016 – Dec 31, 2016* Jan 1, 2016 – Dec 31, 2016* Jan 7 – Dec 31, 2015 Jul 8, 2009 – Dec 31, 2015 <u>Other Companies/ Organizations</u> Apr 21, 2015 – Present and Nov 2009 – Apr 2011 Apr 3, 2015 – Present Nov 2009 – Present Nov 2009 – Feb 12, 2015	Chief Information and Operations Officer First Executive Vice President Deputy Chief Information and Operations Officer Acting Head of IT Strategic and Program Management Office Division Acting Head of IT Service Governance and Program Management Division Head of Information Technology Group Director Director Director (Authorized Signatory) Director (Authorized Signatory)	Bank of Ayudhya PCL Ayudhya Capital Services Co., Ltd. Krungsri Securities PCL Total Services Solutions PCL General Card Services Ltd.
5. Miss Phawana Niemloy Age 57 years - General Counsel (May 18, 2007) - First Executive Vice President (Jan 3, 2007) - Executive Committee Member (Jun 27, 2007) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None-	- LL.M., Harvard Law School, USA - Bachelor of Law (Gold Medal), Chulalongkorn University - Certificate of training and seminar, Thai Institute of Directors Association (IOD) • Director Certification Program (DCP), Year 2006 • Finance for Non-Finance Director (FND), Year 2006	May 18, 2007 – Present Jun 27, 2007 – Present Jan 3, 2007 – Present Jul 11, 2007 – Jan 4, 2015 <u>Other Companies/ Organizations</u> Sep 2002 – Present	General Counsel Executive Committee Member First Executive Vice President Vice-Chairman of the Compliance Review Committee Director Executive Director and Secretary to the Board	Bank of Ayudhya PCL Mae Fah Luang Foundation under Royal Patronage

Name – Surname Age and Position (Appointment Date)	Education and training	Work Experience in the last 5 years		
		Period	Position	Name of Companies/ Organizations
7. Mr. Chandrashekar Subramanian Krishoolndmangalam (Cont')		Nov 2011 – Mar 19, 2014 Apr 21, 2015 – Present May 2008 – Apr 20, 2015 Apr 2008 – Present Nov 2009 – Dec 2011	Director (Authorized Signatory) Chairman (Authorized Signatory) Director (Authorized Signatory) Director Director	Krungsri Factoring Co., Ltd. Krungsri Ayudhya AMC Ltd. Ayudhya Capital Auto Lease PCL Total Services Solutions PCL
8. Mr. Rohit Khanna Age 43 years - Head of Corporate Strategy and Planning Group (Jul 1, 2015) - First Executive Vice President (May 1, 2012) - Executive Committee Member (Jan 27, 2016) % Shareholding ^{1/} -None- Family Relationship with Directors and Executives -None-	<ul style="list-style-type: none"> - Master in Business Management, XLRI, India - Bachelor of Engineering, Mangalore University, India - Certificate of training and seminar, Thai Institute of Directors Association (IOD) • Director Certification Program (DCP-English), Year 2012 	Jan 27, 2016 – Present Jul 1, 2015 – Present May 1, 2012 – Present Jan 7, 2015 – Mar 31, 2016 Mar 15 – Jun 30, 2015 Jan 5 – Mar 14, 2015 May 1, 2012 – Jan 4, 2015 Mar 2010 – Apr 30, 2012 <u>Other Companies/ Organizations</u> Sep 12, 2016 – Present Oct 13, 2015 – Present Aug 2012 – May 11, 2015 Oct 2010 – Apr 29, 2015	Executive Committee Member Head of Corporate Strategy and Planning Group First Executive Vice President Acting Head of Business Transformation Division Head of Corporate Planning Group Co-Head of Corporate Planning Group Head of Business Transformation First Executive Vice President, Back Office Integration Division, Transformation Group Director Chairman (Authorized Signatory) Director (Authorized Signatory) Chairman (Authorized Signatory)	Bank of Ayudhya PCL Hattha Kaksekar Limited Siam Realty and Services Security Co., Ltd. (Formerly Siam Realty and Services Co., Ltd.) Krungsriayudhya Card Co., Ltd. Total Services Solutions PCL

Name – Surname Age and Position (Appointment Date)	Education and training	Work Experience in the last 5 years		
		Period	Position	Name of Companies/ Organizations
11. Mr. Phonganant Thanattrai Age 52 years - Head of Retail Banking and Distribution Group (Jan 1, 2017) - Acting Head of Metropolitan Branch Business Division (Jul 1, 2015) - Acting Head of Provincial Branch Business Division (Jan 7, 2015) - First Executive Vice President (Apr 1, 2012) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None- Remark: * Last update information as of January 1, 2017	- Master of Business Administration, Thammasat University - Bachelor of Business Administration, Assumption University	Jan 1, 2016 – Present*	Head of Retail Banking and Distribution Group	Bank of Ayudhya PCL
		Jul 1, 2015 – Present	Acting Head of Metropolitan Branch Business Division	
		Jan 7, 2015 – Present	Acting Head of Provincial Branch Business Division	
		Apr 1, 2012 – Present	First Executive Vice President	
		Jul 1, 2015 – Dec 31, 2016*	Head of Distribution Group	
		Jan 5 – Jun 30, 2015	Head of Retail Banking and Distribution Group	
		Nov 1, 2011 – Jan 4, 2015	Compliance Review Committee Member	
		Nov 1, 2011 – Jan 4, 2015	Head of Distribution Executive Vice President	
		Nov 2011 – Mar 2012	Executive Vice President, Branch Metropolitan Business Division, Distribution Group	
		Jul 2010 – Nov 2011		
		<u>Other Companies/ Organizations</u> Apr 20, 2015 – Present	Director	Krungsriayudhya Card Co., Ltd.
		Aug 4, 2014 – Present	Director (Authorized Signatory)	Krungsri Asset Management Co., Ltd.
		Dec 2010 – Aug 3, 2014	Director	Krungsri Securities PCL
		Apr 3 – Sep 15, 2015	Director	
12. Mr. Pairote Cheunkrut Age 51 years - Head of Krungsri Auto Group (Oct 1, 2015) - First Executive Vice President (Oct 1, 2014) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None-	- Master of Business Administration, Oklahoma City University, USA - Bachelor of Accounting, Bangkok University	Oct 1, 2015 – Present	Head of Krungsri Auto Group	Bank of Ayudhya PCL
		Oct 1, 2014 – Present	First Executive Vice President	
		Jan 5 – Sep 30, 2015	First Executive Vice President, Office of the President and CEO	
		Oct 1, 2014 – Jan 4, 2015	First Executive Vice President, Krungsri Auto Group	
		<u>Other Companies/ Organizations</u> Apr 3, 2014 – Present	Director	
		Aug 19, 2015 – Present	Chairman (Authorized Signatory)	
		Nov 10, 2008 – Aug 18, 2015	Director (Authorized Signatory)	
		May 2007 – Sep 30, 2015	Managing Director	

Name – Surname Age and Position (Appointment Date)	Education and training	Work Experience in the last 5 years		
		Period	Position	Name of Companies/ Organizations
13. Mr. Thakorn Piyapan Age 45 years - Head of Krungsri Consumer Group (Jan 1, 2016) - Head of Digital Banking and Innovation Division (Jan 1, 2017) - First Executive Vice President (May 1, 2012) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None- Remark: * Last update information as of January 1, 2017	- Master of Finance, University of Colorado at Denver, USA - Bachelor of Economics Thammasat University	Jan 1, 2017 – Present* Jan 1, 2016 – Present May 1, 2012 – Present Feb 1, 2016 – Dec 31, 2016* Feb 1, 2016 – Dec 31, 2016* May 1, 2012 – Dec 31, 2015 Jul 1, 2010 – Apr 30, 2012 		

Name – Surname Age and Position (Appointment Date)	Education and training	Work Experience in the last 5 years		
		Period	Position	Name of Companies/ Organizations
14. Mr. Nuttawit Boonyawat Age 54 years - First Executive Vice President, Office of the President and CEO (Jan 5, 2015) - Advisor to the President and CEO (Jan 5, 2015) % Shareholding^{1/} 0.0000% (1 share) Family Relationship with Directors and Executives -None-	- Master of Science, Abilene Christian University, USA - Bachelor of Arts (Economics), University of the Thai Chamber of Commerce - Certificate of training and seminar, Thai Institute of Directors Association (IOD) • Director Accreditation Program (DAP), Year 2005	Jan 5, 2015 – Present	First Executive Vice President, Office of the President and CEO	Bank of Ayudhya PCL
		Jan 5, 2015 – Present	Advisor to the President and CEO	
		Nov 1, 2013 – Jan 4, 2015	First Executive Vice President, Risk Management Group	
		Nov 1, 2010 – Oct 31, 2013	First Executive Vice President, Risk Management Group and Acting Department Manager, Collateral Valuation Department	
		<u>Other Listed Companies</u> Apr 24, 2015 – Present	Director Executive Director	Eastern Star Real Estate PCL
		Apr 28, 2014 – Present	Director Executive Director	Matching Maximize Solution PCL
		<u>Other Companies/ Organizations</u> Feb 23, 2015 – Present	Director (Authorized Signatory)	Home Sukhumvit Co., Ltd.
		Aug 2, 2013 – Present	Director (Authorized Signatory)	TV Digital HR Co., Ltd.
		Oct 6, 2010 – Present	Director (Authorized Signatory)	Grand Larn Luang Co., Ltd.
		Nov 13, 1997 – Present	Director	K.S. Fortune Co., Ltd.
15. Mr. Masashi Onodera Age 47 years - Deputy Head of JPC/MNC Banking (Apr 3, 2015) - Executive Vice President (Jan 5, 2015) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None-	- Master of Business Administration, Northwestern University, Kellogg School of Management, USA - Bachelor of Laws University of Tokyo, Japan	Apr 3, 2015 – Present	Deputy Head of JPC/MNC Banking	Bank of Ayudhya PCL
		Jan 5, 2015 – Present	Executive Vice President	
		Jul 1 – Sep 30, 2015	Acting Head of Transaction Banking Division	
		Jan 5 – Apr 2, 2015	Head of Planning Division, Corporate Planning Group	
		<u>Other Companies/ Organizations</u> Jul 2014 – Jan 4, 2015	Deputy General Manager, General Administration	The Bank of Tokyo-Mitsubishi UFJ, Ltd., Bangkok Branch
		Jul 2011 – Jun 2014	Deputy General Manager, Asian Investment Banking Division	The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Singapore)
		Jul 2009 – Jun 2011	Senior Manager, Structured Finance Division	

Name – Surname Age and Position (Appointment Date)	Education and training	Work Experience in the last 5 years		
		Period	Position	Name of Companies/ Organizations
16. Mr. Kazuhiro Sudo Age 49 years <ul style="list-style-type: none"> - Deputy Head of Commercial Banking (Apr 28, 2016) - Head of Corporate Banking Division 3, Corporate and Investment Banking Group (Apr 28, 2016) - Executive Vice President (Mar 14, 2016) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None-	- Bachelor of Arts in Economics, Keio University, Japan	Apr 28, 2016 – Present	Deputy Head of Commercial Banking	Bank of Ayudhya PCL
		Apr 28, 2016 – Present	Head of Corporate Banking Division 3, Corporate and Investment Banking Group	
		Mar 14, 2016 – Present	Executive Vice President Commercial Banking	
		<u>Other Companies/ Organizations</u>		
		May 11, 2016 – Present	Director	General Card Services Ltd.
		Apr 26, 2016 – Present	Director	Ayudhya Capital Auto Lease PCL
		Apr 18, 2016 – Present	Director (Authorized Signatory)	Krungsri Securities PCL
		Oct 2013 – Mar 2016	Chief Manager, Head of Global Subsidiary Banking Department, Global Corporate Banking Division	The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Tokyo, Japan)
		May 2012 – Oct 2013	Executive Director and Head of Planning Department, Corporate Banking Division for EMEA	
		Jul 2011 – May 2012	Senior Vice President and Head of Planning Department, European Business Division	
		Dec 2010 – Jul 2011	Vice President and Head of Planning Team European Business Division	

Name – Surname Age and Position (Appointment Date)	Education and training	Work Experience in the last 5 years		
		Period	Position	Name of Companies/ Organizations
17. Mr. Tsutomu Kamagata Age 46 years - Deputy Head of Retail and Consumer Banking (May 1, 2016) - Executive Vice President (May 1, 2016) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None-	- Bachelor of Arts in Economics, Keio University, Japan	May 1, 2016 – Present	Deputy Head of Retail and Consumer Banking	Bank of Ayudhya PCL
		May 1, 2016 – Present Mar 18 – Apr 30, 2016	Executive Vice President Executive Vice President, Retail and Commercial Banking	
		<u>Other Companies/ Organizations</u> Nov 4, 2016 – Present	Director (Authorized Signatory)	Krungsri Asset Management Co., Ltd.
		May 4 – Nov 3, 2016	Director	
		May 10, 2016 – Present	Director (Authorized Signatory)	Ngern Tid Lor Co., Ltd.
		Apr 26, 2016 – Present	Director	Ayudhya Capital Auto Lease PCL
		May 11, 2016 – Present	Director (Authorized Signatory)	Ayudhya Capital Services Co., Ltd.
		May 11, 2016 – Present	Director (Authorized Signatory)	Krungsriayudhya Card Co., Ltd.
		May 16, 2016 – Present	Director (Authorized Signatory)	Total Services Solutions PCL
		May 11, 2016 – Present	Director (Authorized Signatory)	General Card Services Ltd.
		May 2013 – Mar 2016	Chief Manager, Asian Retail Banking Strategy Office, Retail Banking Planning Division	The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Tokyo, Japan)
		May 2007 – May 2013	Manager, Senior Manager, Chief Manager Retail Affiliate Office, Retail Banking Planning Division	
18. Mr. Kenji Fukaya Age 48 years - Chief Credit Officer (Jul 1, 2015) - Executive Vice President (Oct 1, 2014) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None-	- Bachelor of Economics (Economics), Shiga University, Japan	Jul 1, 2015 – Present	Chief Credit Officer	Bank of Ayudhya PCL
		Oct 1, 2014 – Present	Executive Vice President	
		Jan 5 – Jun 30, 2015	Deputy Chief Credit Officer	
		Jan 5 – Jun 30, 2015	Acting Chief Credit Officer	
		Oct 1, 2014 – Jan 4, 2015	Deputy Chief Risk Officer	
		<u>Other Companies/ Organizations</u> Dec 2012 – Oct 2014	Deputy General Manager, International Credit Division (Singapore)	The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Singapore)
		Jul 2011 – Dec 2012	Assistant General Manager, International Credit Division (Singapore)	
		Apr 2008 – Jul 2011	Assistant General Manager, International Credit Division (Tokyo)	The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Tokyo, Japan)

Name – Surname Age and Position (Appointment Date)	Education and training	Work Experience in the last 5 years		
		Period	Position	Name of Companies/ Organizations
19. Mr. Suratun Kongton Age 50 years - Head of Corporate and Investment Banking Group (Jan 1, 2016) - Executive Vice President (May 1, 2012) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None-	- Master of Public Administration (Public Finance emphasis), University of Southern California, Los Angeles, California, USA - Bachelor of Political Science Public Administration (Public Finance), Chulalongkorn University	Jan 1, 2016 – Present	Head of Corporate and Investment Banking Group	Bank of Ayudhya PCL
		May 1, 2012 – Present	Executive Vice President	
		Jan 1 – Apr 30, 2016	Acting Head of Corporate Banking Division 2	
		Jul 1, 2015 – Apr 30, 2016	Acting Head of Corporate Banking Department 7	
		Jan 6 – Dec 31, 2015	Executive Vice President, Head of Corporate Banking Division 2	
		Jan 5 – Feb 28, 2015	Acting Head of Corporate Business Department 6	
		Jun 1, 2014 – Jan 5, 2015	Acting Head of Corporate Business Department 9	
		Jan 1, 2013 – Jan 5, 2015	Executive Vice President, Head of Corporate Business Division 3	
		May 1 – Dec 31, 2012	Executive Vice President, Head of Corporate Business Division 2	
		<u>Other Companies/ Organizations</u>		
20. Mr. Dharitree Kritsernvong Age 52 years - Head of Information Technology Group (Jan 1, 2016) - Acting Head of IT Infrastructure and Operations Technology Division (Jan 1, 2016) - Executive Vice President (Jun 16, 2011) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None-	- Master of Science in Finance, Chulalongkorn University - Bachelor of Business Administration Program in Information System, Rajamangala University of Technology	Jan 1, 2016 – Present	Head of Information Technology Group	Bank of Ayudhya PCL
		Jan 1, 2016 – Present	Acting Head of IT Infrastructure and Operations Technology Division	
		Jun 16, 2011 – Present	Executive Vice President	
		Jun 16, 2011 – Dec 31, 2015	Executive Vice President, IT Infrastructure and Operations Technology Division	
		Feb 13, 2015 – Present	Director (Authorized Signatory)	Tum Tum Pai Co., Ltd.
		Jan 1, 2011– Apr 2012	Executive Director (Head of Corporate Banking and Treasury Services)	J.P. Morgan, Thailand

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Name – Surname Age and Position (Appointment Date)	Education and training	Work Experience in the last 5 years		
		Period	Position	Name of Companies/ Organizations
23. Mr. Yuzo Nakada Age 48 years - Deputy Chief Financial Officer (Mar 16, 2015) - Head of Corporate Planning Division, Corporate Strategy and Planning Group (Jul 1, 2015) - Executive Vice President (Apr 3, 2015) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None-	- Master of Business Administration, Columbia University in the City of New York - Bachelor of Arts in Foreign Studies, Sophia University Tokyo, Japan	Jul 1, 2015 – Present	Head of Corporate Planning Division, Corporate Strategy and Planning Group	Bank of Ayudhya PCL
		Mar 16, 2015 – Present	Deputy Chief Financial Officer	
		Apr 3, 2015 – Present	Executive Vice President	
		Apr 3 – Jun 30, 2015	Head of Planning Division, Corporate Planning Group	
		Mar 9 – Apr 2, 2015	Executive Vice President - Planning Division, Corporate Planning Group	
		<u>Other Companies/ Organizations</u> Sep 2013 – Mar 2015	Chief Manager, Head of Planning, Krungsri Project Management Office, Global Planning Division	The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Tokyo, Japan)
		May 2012 – Sep 2013	Managing Director, Head of CIBA Planning, Investment Banking Division for Americas (New York)	The Bank of Tokyo-Mitsubishi UFJ, Ltd. (New York, USA)
		Feb 2011 – May 2012	Managing Director, Head of Alliance Strategy Office/ Planning Division for the Americas (New York)	
		Nov 2009 – Feb 2011	Senior Manager, North America Strategy Office/Global Planning Division (Tokyo)	The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Tokyo, Japan)
24. Mr. Hironori Okada Age 50 years - Deputy Chief Risk Officer (Jan 1, 2014) - Executive Vice President (Jan 1, 2014) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None-	- Bachelor of Laws (Public Law), University of Tokyo, Japan	Jan 1, 2014 – Present	Deputy Chief Risk Officer	Bank of Ayudhya PCL
		Jan 1, 2014 – Present	Executive Vice President	
		Jan 7 – Jun 30, 2015	Acting Head of Commercial Credit Risk Management Division	
		<u>Other Companies/ Organizations</u> May 2, 2014 – Present	Director	Krungsri Ayudhya AMC Ltd.
		Apr 2010 – Dec 31, 2013	Chief Manager, Credit Policy and Planning Division	The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Tokyo, Japan)

Name – Surname Age and Position (Appointment Date)	Education and training	Work Experience in the last 5 years		
		Period	Position	Name of Companies/ Organizations
25. Mr. Masashi Nimura Age 51 years - Deputy Head of Global Markets Group (Jan 5, 2015) - Head of Sales and Trading Division (Jan 7, 2015) - Head of Corporate Treasury Division (Jan 7, 2015) - Acting Head of Multinational Corporate and Financial Institution Sales Department (Jan 7, 2015) - Executive Vice President (Jan 5, 2015) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None-	- Bachelor of Science (Physics), Sophia University	Jan 7, 2015 – Present	Head of Sales and Trading Division	Bank of Ayudhya PCL
		Jan 7, 2015 – Present	Head of Corporate Treasury Division	
		Jan 7, 2015 – Present	Acting Head of Multinational Corporate and Financial Institution Sales Department	
		Jan 5, 2015 – Present	Deputy Head of Global Markets Group	
		Jan 5, 2015 – Present	Executive Vice President	
		<u>Other Companies/ Organizations</u>		
		Apr 2011 – Jan 4, 2015	Deputy General Manager, Global Markets Office	The Bank of Tokyo-Mitsubishi UFJ, Ltd., Bangkok Branch
		Jan 2007 – Mar 2011	Chief Manager, Corporate Marketing & Sales Department, Derivatives & Forex Marketing Division	The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Tokyo, Japan)
26. Mrs. Porawan Rungsang Age 47 years - Executive Vice President, Office of the President and CEO (Sep 1, 2013) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None-	- MBA., Sasin Graduate Institute of Business Administration of Chulalongkorn University - Bachelor of Business Administration, Chulalongkorn University	Sep 1, 2013 – Present	Executive Vice President, Office of the President and CEO	Bank of Ayudhya PCL
		<u>Other Listed Companies</u>		
		2010 – 2013	SVP/FVP Corporate Strategy Department	Kasikornbank PCL
		<u>Other Companies/ Organizations</u>		
		Sep 1, 2013 – Present	Director (Authorized Signatory)	Ayudhya Development Leasing Co., Ltd.
		Sep 1, 2013 – Present	Managing Director	
		Jan 3, 1990 – Present	Director (Authorized Signatory)	R.P.R. Group Co., Ltd.
		Sep 6, 1989 – Present	Director (Authorized Signatory)	Pattanasussamee Co., Ltd.

Name – Surname Age and Position (Appointment Date)	Education and training	Work Experience in the last 5 years		
		Period	Position	Name of Companies/ Organizations
27. Miss Suwanna Jakraworavudh Age 56 years - Executive Vice President, Office of the President and CEO (Aug 19, 2013) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None-	- MBA., Assumption University - Bachelor of Veterinary Medicine, Chulalongkorn University	Aug 19, 2013 – Present May 1, 2012 – Aug 18, 2013 Mar 1, 2011 – Apr 30, 2012 <u>Other Companies/ Organizations</u> Aug 19, 2013 – Present	Executive Vice President, Office of the President and CEO Executive Vice President, Process Improvement Project Delivery Division, Business Transformation Group Executive Vice President, Distribution Planning and Development Division, Distribution Group Executive Vice President, Head of Operations	Bank of Ayudhya PCL Ayudhya Capital Services Co., Ltd.
28. Mr. Udomkarn Udomsab Age 41 years - Executive Vice President, Office of the President and CEO (Nov 1, 2014) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None-	- MBA. (Finance), Case Western Reserve University, USA - Master of Science (Economics), University of Illinois at Urbana champaign, USA - Master of Arts (International Economics and Finance), Chulalongkorn University (International Program) - Bachelor of Science (Accounting), Thammasat University (International Program) - Certificate of Top Executive Program, Capital Market Academy, Class 22 - Certificate of training and seminar, Thai Institute of Directors Association (IOD) <ul style="list-style-type: none"> • Director Certification Program (DCP), Year 2015 • Corporate Governance for Capital Market Intermediaries (CGI), Year 2015 	Nov 1, 2014 – Present <u>Other Listed Companies</u> Dec 1, 2015 – Present Jul 2009 – Mar 2011 <u>Other Companies/ Organizations</u> Nov 1, 2014 – Present Nov 1, 2014 – Present Aug 2013 – Oct 2014 Apr 2011 – Jul 2013	Executive Vice President, Office of the President and CEO Advisor to the Board of Directors FVP, Head of Wealth Banking Department Director (Authorized Signatory) Managing Director Chief Business Development Senior Vice President, Head of Institutional Business and Investment Strategy Department	Bank of Ayudhya PCL Pylon PCL TMB Bank PCL Krungsri Securities PCL CIMB Principal Asset Management Co., Ltd. ING Asset Management Co., Ltd.

Name – Surname Age and Position (Appointment Date)	Education and training	Work Experience in the last 5 years		
		Period	Position	Name of Companies/ Organizations
29. Mrs. Kittiya Srisanit Age 55 years - Executive Vice President, Office of the President and CEO (Oct 1, 2015) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None-	- MBA., Marymount University, USA - Bachelor of Accounting, Faculty of Commerce and Accountancy, Chulalongkorn University - Certificate of training and seminar, Thai Institute of Directors Association (IOD) • Director Certification Program (DCP), Year 2012	Oct 1, 2015 – Present	Executive Vice President, Office of the President and CEO	Bank of Ayudhya PCL
		Oct 1, 2014 – Sep 30, 2015	Executive Vice President, Krungsri Auto Credit and Operations Management, Krungsri Auto Group	
		<u>Other Companies/ Organizations</u>		
		Jun 1, 2016 – Present	Managing Director	Ayudhya Capital Auto Lease PCL
		Aug 2015 – Present	Director (Authorized Signatory)	
		Oct 1, 2015 – May 31, 2016	Acting Managing Director	
		Jan 1, 2012 – Sep 30, 2014	Executive Vice President, Credit and Operations Management	
		Jan 1, 2007 – Dec 31, 2011	Senior Vice President, Operations Department	Krungsri Leasing Services Co., Ltd. Ngern Tid Lor Co., Ltd.
		Apr 2014 – Present	Director (Authorized Signatory)	
		Oct 2009 – Present	Director	
30. Miss Siriporn Sinacharoen Age 38 years - Executive Vice President, Office of the President and CEO (Jan 1, 2016) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None-	- Master of Business Administration (Finance), Columbia University, USA - Bachelor of Business Administration in Banking and Finance (1 st Class Honors), Chulalongkorn University - Certificate of training and seminar, Thai Institute of Directors Association (IOD) • Corporate Governance for Capital Market Intermediaries (CGI), Year 2016	Jan 1, 2016 – Present	Executive Vice President, Office of the President and CEO	Bank of Ayudhya PCL
		<u>Other Companies/ Organizations</u>		
		Jan 4, 2016 – Present	Director (Authorized Signatory)	Krungsri Asset Management Co., Ltd.
		Jan 1, 2016 – Present	Managing Director	Allianz Investment Management Singapore Pte. Ltd.
		May 2014 – Dec 2015	Deputy Chief Investment Officer	
		Jan 2008 – May 2014	Head of Fixed-Income Asia	

Name – Surname Age and Position (Appointment Date)	Education and training	Work Experience in the last 5 years		
		Period	Position	Name of Companies/ Organizations
32. Miss Pisara Pattanasiri (Cont')		<u>Other Companies/ Organizations</u> Apr 26, 2016 – Present May 11, 2015 – Present	Director Director	Ayudhya Capital Auto Lease PCL Siam Realty and Services Security Co., Ltd. (Formerly Siam Realty and Services Co., Ltd.)
33. Mr. Kriangsak Jongsukkiparnich Age 48 years - Executive Vice President (Mar 1, 2016) - Head of Accounting Division, Finance Group (Jan 7, 2015) - Acting Head of Operational Controllership Department, Finance Group (Jan 7, 2015) % Shareholding ^{1/} -None- Family Relationship with Directors and Executives -None-	- MBA. (Finance), Western Michigan University, USA - Bachelor of Faculty of Commerce and Accountancy (Cost Accounting), Chulalongkorn University	Mar 1, 2016 – Present Jan 7, 2015 – Present Jan 7, 2015 – Present Jan 7, 2015 – Feb 29, 2016 Jul 1, 2013 – Jan 6, 2015 Mar 2011 – Jun 30, 2013 Jul 2007 – Feb 2011	Executive Vice President Head of Accounting Division, Finance Group Acting Head of Operational Controllership Department, Finance Group Senior Vice President Senior Vice President and Manager, Operational Controllership Department, Finance Group Senior Vice President, Operational Controllership Division, Finance Group Vice President, Operational Controllership Division, Finance Group	Bank of Ayudhya PCL
34. Miss Jiraporn Popairoj Age 55 years - Senior Vice President, Head of Financial Governance Risk and Compliance Division, Finance Group (Jan 1, 2016) - Acting Head of Internal Control Department, Finance Group (Jan 1, 2016) - Acting Head of Related Party Transaction and Insourcing/Outsourcing Department, Finance Group Finance Group (Jan 1, 2016)	- Master of Science in Accounting, Thammasat University - Master of Law (Taxation Law), Assumption University - BA. in Accounting, Thammasat University - Bachelor of Law, Ramkhamhaeng University - Higher Diploma in Auditing, Thammasat University - Certified Public Accountant (CPA Thailand)	Jan 1, 2016 – Present Jan 1, 2016 – Present Jan 1, 2016 – Present Sep 16, 2010 – Dec 31, 2015	Senior Vice President, Head of Financial Governance Risk and Compliance Division, Finance Group Acting Head of Internal Control Department, Finance Group Acting Head of Related Party Transaction and Insourcing/Outsourcing Department, Finance Group Senior Vice President and Head of Financial Compliance Department, Finance Group	Bank of Ayudhya PCL

Name – Surname Age and Position (Appointment Date)	Education and training	Work Experience in the last 5 years		
		Period	Position	Name of Companies/ Organizations
34. Miss Jiraporn Popairoj (Cont') % Shareholding^{1/} 0.0000% (2,374 shares) Family Relationship with Directors and Executives -None-	<ul style="list-style-type: none"> - Certificate of training and seminar, Thai Institute of Directors Association (IOD) • Director Certification Program (DCP), Year 2006 • Corporate Governance for Capital Market Intermediaries (CGI), Year 2015 	Nov 2008 – Sep 15, 2010 <u>Other Companies/ Organizations</u> Jun 19, 2015 – Jun 22, 2016 Aug 24, 2015 – Jun 22, 2016 Jan 15 – Aug 12, 2015 Aug 4, 2014 – Jun 18, 2015 Aug 4, 2014 – Jan 14, 2015	Senior Vice President and Manager, Audit Department Director (Authorized Signatory) Audit Committee Member Acting Chief Financial Officer Director Chairman of the Audit Committee	Bank of Ayudhya PCL Krungsri Asset Management Co., Ltd.
35. Mrs. Varabhorn Achakornlak Age 53 years - Senior Vice President, Head of Procurement Department, Finance Group (Sep 16, 2010) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None-	<ul style="list-style-type: none"> - MBA. International Business, Nova University, Florida, USA - Advance International Certificate PSCM (Purchasing & Supply Chain Management), International Trade Center, UNTAD/WTO - Advance Purchasing Research (IFPMM), The International Federation of Purchasing and Materials of Management, Salzburg, Austria 	Sep 16, 2010 – Present Mar 2008 – Sep 15, 2010	Senior Vice President, Head of Procurement Department, Finance Group Senior Vice President, Procurement Section, Finance Group	Bank of Ayudhya PCL
36. Miss Pornnapa Patarasatienkul Age 44 years - Senior Vice President, Head of Financial Planning and Analysis – Commercial Department, Finance Group (Jan 5, 2015) - Acting Head of Corporate Financial Planning and Analysis Section, Finance Group (May 1, 2016) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None-	<ul style="list-style-type: none"> - Master of Science (Finance), Thammasat University - Bachelor of Banking and Finance, Assumption University 	May 1, 2016 – Present Jan 5, 2015 – Present Jun 18, 2012 – Jan 4, 2015 Mar – Jun 17, 2012 Oct 2010 – Feb 2012	Acting Head of Corporate Financial Planning and Analysis Section, Finance Group Senior Vice President, Head of Financial Planning and Analysis – Commercial Department, Finance Group Senior Vice President and Manager, Corporate Financial Planning and Analysis Department, Finance Group Senior Vice President and Manager, Financial Planning and Analysis Consolidation Department, Finance Group Vice President, Financial Planning and Analysis Consolidation Department, Finance Group	Bank of Ayudhya PCL

Name – Surname Age and Position (Appointment Date)	Education and training	Work Experience in the last 5 years		
		Period	Position	Name of Companies/ Organizations
36. Miss Pornnapa Patarasatienkul (Cont')		<u>Other Companies/ Organizations</u> Jul 2011 – Apr 28, 2015	Director	Siam Realty and Services Security Co., Ltd. (Formerly Siam Realty and Services Co., Ltd.)
37. Mrs. Akanit Mattison Age 43 years - Senior Vice President, Head of Financial Planning and Analysis – Retail and Consumer Department, Finance Group (Jan 5, 2015) % Shareholding ^{1/} -None- Family Relationship with Directors and Executives -None-	- MBA., Assumption University - Bachelor of Banking and Finance, Assumption University	Jan 5, 2015 – Present Jun 16, 2012 – Jan 4, 2015 <u>Other Companies/ Organizations</u> Apr 2006 – Jun 2012	Senior Vice President, Head of Financial Planning and Analysis – Retail and Consumer Department, Finance Group Senior Vice President and Manager, Consumer and Distribution Financial Planning and Analysis Department, Finance Group Senior Analyst, Financial Planning and Analysis Department, Finance Group	Bank of Ayudhya PCL GE Capital, UK
38. Mr. Khomson Adunwitthayakorn Age 43 years - Senior Vice President, Head of Accounting and Control Department, Finance Group (Jul 1, 2013) % Shareholding ^{1/} -None- Family Relationship with Directors and Executives -None-	- Master of Science (Finance), Chulalongkorn University - Bachelor of Accounting, Faculty of Commerce and Accountancy, Thammasat University - Certified Public Accountant (CPA Thailand)	Jul 1, 2013 – Present Mar – Jun 30, 2013 Sep 2010– Feb 2013	Senior Vice President, Head of Accounting and Control Department, Finance Group Senior Vice President and Manager, Accounting and Control Department, Finance Group Vice President, Accounting and Control Department, Finance Group	Bank of Ayudhya PCL
39. Mr. Jamorn Phianphrom Age 55 years - Senior Vice President, Head of Tax and Disbursement Department, Finance Group (Mar 1, 2014) % Shareholding ^{1/} 0.0000% (2 shares) Family Relationship with Directors and Executives -None-	- MBA. (Finance), Dhurakij Pundit University - BA., Chiangmai University - Diploma in Tax Law, Thammasat University	Mar 1, 2014 – Present Jul 1, 2013 – Feb 28, 2014 Sep 2010 – Jun 30, 2013	Senior Vice President, Head of Tax and Disbursement Department, Finance Group Vice President, Tax and Disbursement Department, Finance Group Vice President, Tax Management and Payment Verification Department, Finance Group	Bank of Ayudhya PCL

Name – Surname Age and Position (Appointment Date)	Education and training	Work Experience in the last 5 years		
		Period	Position	Name of Companies/ Organizations
40. Miss Somjai Pattanakitpairoj Age 46 years <ul style="list-style-type: none"> - Senior Vice President, Head of Financial Compliance and Control Department, Finance Group (Jan 1, 2016) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None-	<ul style="list-style-type: none"> - Master of Science in Accounting, Thammasat University - Diploma in Auditing, Thammasat University - Bachelor of Accounting, Thammasat University - Certified Public Accountant (CPA Thailand) 	Jan 1, 2016 – Present Jul 1 – Dec 31, 2015 Jul 1, 2013 – Jun 30, 2015 Sep 2010 – Jun 30, 2013	Senior Vice President, Head of Financial Compliance and Control Department, Finance Group Senior Vice President and Head of Technical Accounting Department, Finance Group Vice President and Head of Technical Accounting Department, Finance Group Vice President, Technical Accounting Department, Finance Group	Bank of Ayudhya PCL
41. Mrs. Orawan Julapol Age 49 years <ul style="list-style-type: none"> - Senior Vice President, Head of Financial Reporting Department, Finance Group (Jul 1, 2015) - Acting Head of Basel Reporting Section, Finance Group (Jan 1, 2016) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None-	<ul style="list-style-type: none"> - Master of Science in Accounting, Thammasat University - Bachelor of Accounting, Thammasat University - Bachelor of Law, Thammasat University - Certified Public Accountant (CPA Thailand) 	Jan 1, 2016 – Present Jul 1, 2015 – Present Jul 1, 2013 – Jun 30, 2015 Jun 2012 – Jun 30, 2013 <u>Other Companies/ Organizations</u> Jul 2009 – Jun 2012	Acting Head of Basel Reporting Section, Finance Group Senior Vice President, Head of Financial Reporting Department, Finance Group Vice President and Head of Financial Reporting Department, Finance Group Vice President, Data Management and Reporting Department, Finance Group Accounting Director	Bank of Ayudhya PCL Double A (1991) PCL
42. Miss Sukanda Thawilwang Age 41 years <ul style="list-style-type: none"> - Senior Vice President, Head of Financial Planning and Analysis - Global Markets Department, Finance Group (Jul 1, 2015) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None-	<ul style="list-style-type: none"> - Master of Arts in Business and Managerial Economics, (International Program), Chulalongkorn University - Bachelor of Economics (International Program), Thammasat University 	Jul 1, 2015 – Present Jan 5 – Jun 30, 2015 Sep 1, 2012 – Jan 4, 2015	Senior Vice President, Head of Financial Planning and Analysis – Global Markets Department, Finance Group Vice President and Head of Global Markets Financial Planning and Analysis Department, Finance Group Vice President, Treasury Financial Planning and Analysis Department, Finance Group	Bank of Ayudhya PCL

Name – Surname Age and Position (Appointment Date)	Education and training	Work Experience in the last 5 years		
		Period	Position	Name of Companies/ Organizations
42. Miss Sukanda Thawilwang (Cont')		<u>Other Companies/ Organizations</u> Jul 1997 – Aug 2012	Senior Manager (SVP), Business Finance Global Markets, Finance and Accounting Division	Standard Chartered Bank (Thai) PCL
43. Mr. Tetsuya Yoshimura Age 49 years - Senior Vice President, Head of Financial Liaison and Planning Department, Finance Group (Jan 1, 2016) % Shareholding ^{1/} -None- Family Relationship with Directors and Executives -None-	- Bachelor of Laws, The University of Tokyo, Japan	Jan 1, 2016 – Present Jun 26 – Dec 31, 2015 Jan 5 – Jun 25, 2015 <u>Other Companies/ Organizations</u> Jul 29, 2014 – Jan 4, 2015 Nov 9, 2012 – Jul 28, 2014 Jul – Nov 2012 Sep 2007 – Jul 2012	Senior Vice President, Head of Financial Liaison and Planning Department, Finance Group Senior Vice President, Finance Group Consultant for Accounting Assistant General Manager, Strategic Planning Department (Merger-Accounting) Chief Manager, Financial Accounting Office Senior Manager, Financial Accounting Office Chief Manager, Accounting and Compliance	Bank of Ayudhya PCL The Bank of Tokyo- Mitsubishi UFJ, Ltd., Bangkok Branch The Bank of Tokyo- Mitsubishi UFJ, Ltd. (Tokyo, Japan) The Bank of Tokyo- Mitsubishi UFJ, Ltd., Hong Kong Branch
44. Miss Wimol Sivarorosakul Age 55 years - Senior Vice President, Financial Liaison and Planning Department, Finance Group (Jan 1, 2016) % Shareholding ^{1/} -None- Family Relationship with Directors and Executives -None-	- Bachelor of Accounting, Faculty of Commerce and Accountancy, Chulalongkorn University - Thai Bankers Association Training School	Jan 1, 2016 – Present Jan 5 – Dec 31, 2015 <u>Other Companies/ Organizations</u> 2007 – Jan 4, 2015	Senior Vice President, Financial Liaison and Planning Department, Finance Group Senior Vice President and Head of Accounting Department (Bangkok Sathon Office), Finance Group Assistant General Manager, Accounting Department	Bank of Ayudhya PCL The Bank of Tokyo- Mitsubishi UFJ, Ltd., Bangkok Branch

Name – Surname Age and Position (Appointment Date)	Education and training	Work Experience in the last 5 years		
		Period	Position	Name of Companies/ Organizations
47. Miss Soamkulaya Pinkayan Age 38 years - Senior Vice President, Head of Krungsri Auto Strategic Formulation and Alignment Department (Jan 1, 2017) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None- Remark: * Last update information as of January 1, 2017	- MBA. (Finance and Accounting), University of Iowa, USA - Bachelor of Public Administration, Faculty of Political Science, Chulalongkorn University	Jan 1, 2017 – Present* May 1, 2016 – Dec 31, 2016* Mar 1, 2016 – Dec 31, 2016* Mar 1 – Apr 30, 2016 Oct 1, 2014 – Feb 29, 2016 <u>Other Companies/ Organizations</u> Jan 2011 – Sep 30, 2014	Senior Vice President, Head of Krungsri Auto Strategic Formulation and Alignment Department Senior Vice President, Head of Krungsri Auto Strategic Formulation and Alignment Department Acting Head of Krungsri Auto Finance and Accounting – OPEX/ Branch Channel Section Senior Vice President, Krungsri Auto Strategic Division Vice President, Head of Krungsri Auto Finance and Accounting - OPEX/ Branch Channel Section Vice President, Finance and Accounting – OPEX/ Branch Channel	Bank of Ayudhya PCL Ayudhya Capital Auto Lease PCL
48. Miss Siriporn Sribooncharoen Age 43 years - Vice President, Head of SME Financial Planning and Analysis Section, Finance Group (Jan 5, 2015) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None-	- MS. (Finance), Chulalongkorn University - BBA. (Finance), Assumption University	Jan 5, 2015 – Present Nov 20, 2012 – Jan 4, 2015 <u>Other Companies/ Organizations</u> Jun 2004 – Nov 2012	Vice President, Head of SME Financial Planning and Analysis Section, Finance Group Vice President, SME Financial Planning and Analysis Department, Finance Group Vice President - FP&A Expense Management, Consumer Banking	Bank of Ayudhya PCL Citibank N.A., Thailand

Name – Surname Age and Position (Appointment Date)	Education and training	Work Experience in the last 5 years		
		Period	Position	Name of Companies/ Organizations
49. Mrs. Samanporn Chantanahom Age 55 years - Vice President, Head of Financial Database Management Section, Financial Planning and Analysis – Consolidation and Reporting Department, Finance Group (Jan 1, 2016) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None-	- MPA. (Public Administration), Southern University, USA - MS. (Economics), the National Institute of Development Administration - BA. (Economics), Thammasat University	Jan 1, 2016 – Present Mar 1, 2012 – Dec 31, 2015 Mar 2007 – Feb 28, 2012	Vice President, Head of Financial Database Management Section, Financial Planning and Analysis – Consolidation and Reporting Department, Finance Group Vice President, Financial Planning and Analysis Consolidation Department, Finance Group First Assistant Vice President, Financial Planning and Analysis Consolidation Department, Finance Group	Bank of Ayudhya PCL
50. Miss Pornpip Sae Lor Age 37 years - Vice President, Head of Profitability Management Section, Financial Planning and Analysis – Consolidation and Reporting Department, Finance Group (Jan 1, 2016) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None-	- Master of Applied Finance, University of Melbourne, Australia - Bachelor of Business Administration International Program, Faculty of Commerce and Accountancy, Thammasat University	Jan 1, 2016 – Present Sep 1 – Dec 31, 2015 Jan 5 – Aug 31, 2015 Apr 18, 2013 – Jan 4, 2015 Jun 2012 – Apr 17, 2013 Mar – Jun 2012	Vice President, Head of Profitability Management Section, Financial Planning and Analysis -Consolidation and Reporting Department, Finance Group Vice President, Financial Planning and Analysis Consolidation Department, Finance Group Vice President, Retail and Consumer Financial Planning and Analysis Department, Finance Group Vice President, Consumer and Distribution Financial Planning and Analysis Department, Finance Group Vice President and Section Manager, Consumer Financial Planning and Analysis Section, Finance Group Vice President, Consumer and Distribution Financial Planning and Analysis Department, Finance Group	Bank of Ayudhya PCL

Name – Surname Age and Position (Appointment Date)	Education and training	Work Experience in the last 5 years		
		Period	Position	Name of Companies/ Organizations
50. Miss Porntip Sae Lor (Cont')		<u>Other Companies/ Organizations</u> May 2013 – Aug 31, 2015	Finance Leader	Tesco Card Services Ltd.
51. Mrs. Kamoltip Jittimaporn Age 55 years - Vice President, Head of Group Center of Excellence Finance Initiative Section, Operational Controllership Department, Finance Group (Dec 1, 2013) % Shareholding ^{1/} -None- Family Relationship with Directors and Executives -None-	- MBA. (Computer), Cleveland State University, USA - Bachelor of Business Administration (Accounting), Thammasat University	Dec 1, 2013 – Present Jul – Nov 30, 2013 Oct 2012 – Jun 2013 Sep – Oct 2012 <u>Other Companies/ Organizations</u> Aug 2011 – Aug 2012	Vice President, Head of Group Center of Excellence Finance Initiative Section, Operational Controllership Department, Finance Group Vice President and Section Manager, Finance System Management Section, Operational Controllership Department, Finance Group Vice President and Section Manager, Accounting Information System Section, Finance Group Vice President, Accounting and Control Department, Finance Group Senior Manager	Bank of Ayudhya PCL Wipro Technologies (Thailand) Co., Ltd.
52. Miss Rattaporn Pornprasit Age 41 years - Vice President, Head of Retail Banking Financial Planning and Analysis Section, Finance Group (Jan 5, 2015) % Shareholding ^{1/} -None- Family Relationship with Directors and Executives -None-	- Rector's Award for Academic Excellence Certification, Assumption University - MBA. Assumption University - BBA. (Finance), University of the Thai Chamber of Commerce	Jan 5, 2015 – Present Apr 18, 2013 – Jan 4, 2015 <u>Other Companies/ Organizations</u> Jul 2012 – Apr 2013 Jul 2010 – Jul 2012	Vice President, Head of Retail Banking Financial Planning and Analysis Section, Finance Group Vice President and Section Manager, Consumer Financial Planning and Analysis Section, Finance Group Senior Business Finance Manager Finance Manager (Alcon Division)	Bank of Ayudhya PCL Standard Chartered Bank (Thai) PCL Novartis (Thailand) Ltd.

Name – Surname Age and Position (Appointment Date)	Education and training	Work Experience in the last 5 years		
		Period	Position	Name of Companies/ Organizations
53. Miss Benjawan Surachutikarn Age 46 years - Vice President, Head of Foreign Business Accounting Department, Finance Group (Jan 1, 2016) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None-	- MBA. Cleveland State University, USA - Bachelor of Business Administration, Faculty of Commerce and Accountancy, Thammasat University - Certified Public Accountant (CPA Thailand)	Jan 1, 2016 – Present Aug 1, 2013 – Dec 31, 2015 <u>Other Companies/ Organizations</u> Oct 2006 – Jun 2013	Vice President, Head of Foreign Business Accounting Department, Finance Group Vice President and Head of Foreign Branch Financial Reporting Section, Financial Compliance Department, Finance Group Vice President, Financial Accounting Department	Bank of Ayudhya PCL Credit Agricole Corporate and Investment Bank, Bangkok Branch
54. Mrs. Anantaya Padanupong Age 39 years - Vice President, Head of Distribution and Channel Financial Planning and Analysis Section, Finance Group (Jan 5, 2015) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None-	- Master of Commerce in Accounting and Finance Macquarie University, Australia - Bachelor of Science (Accounting) Thammasat University	Jan 5, 2015 – Present Nov 16, 2013 – Jan 4, 2015 <u>Other Companies/ Organizations</u> May – Nov 2013 Nov 2004 – Apr 2013	Vice President, Head of Distribution and Channel Financial Planning and Analysis Section, Finance Group Vice President and Section Manager, Distribution Financial Planning and Analysis Department, Finance Group Vice President, Business Finance Business Finance Manager	Bank of Ayudhya PCL United Overseas Bank (Thai) PCL Standard Chartered Bank (Thai) PCL
55. Mr. Takashi Kanai Age 49 years - Vice President, Head of Foreign Financial Reporting Department, Finance Group (Jan 5, 2015) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None-	- Bachelor of Arts in Economics, Faculty of Economics, Keio University, Japan	Jan 5, 2015 – Present Jan 2, 2014 – Jan 4, 2015 <u>Other Companies/ Organizations</u> Sep 2006 – Dec 2013	Vice President, Head of Foreign Financial Reporting Department, Finance Group Vice President, Finance Group Manager Financial Accounting Office, Corporate Planning Division	Bank of Ayudhya PCL The Bank of Tokyo-Mitsubishi UFJ, Ltd. (Tokyo, Japan)

Name – Surname Age and Position (Appointment Date)	Education and training	Work Experience in the last 5 years		
		Period	Position	Name of Companies/ Organizations
56. Miss Thatsaphin Cholsuwat Age 40 years - Vice President, Head of Finance System Management Section, Operational Controllership Department, Finance Group (Feb 16, 2014) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None-	- Master of Management (Innovation in Management International program), Mahidol University - Bachelor of Science in Statistics (Business Information Technology) Faculty of Commerce and Accountancy, Chulalongkorn University	Feb 16, 2014 – Present <u>Other Companies/ Organizations</u> Aug 2010 – Feb 2014	Vice President, Head of Finance System Management Section, Operational Controllership Department, Finance Group Principle Consultant	Bank of Ayudhya PCL Oracle Corporation (Thailand) Co., Ltd.
57. Miss Sunan Pimsawang Age 45 years - Vice President, Head of BOT Reporting Section, Financial Reporting Department, Finance Group (Mar 1, 2014) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None-	- MBA. Bangkok University - Bachelor of Accounting, Rajamangala University of Technology Thanyaburi	Mar 1, 2014 – Present Jan 2012 – Feb 28, 2014 Mar – Dec 2011 Jul 2007 – Feb 2011	Vice President, Head of BOT Reporting Section, Financial Reporting Department, Finance Group First Assistant Vice President, BOT Reporting Section, Finance Group First Assistant Vice President, Investor Financial reporting Division Assistant Vice President, Investor Financial reporting Division	Bank of Ayudhya PCL
58. Mr. Montien Jangsutimon Age 35 years - Vice President, Head of Tax Compliance Section, Tax and Disbursement Department, Finance Group (Mar 1, 2014) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None-	- MBA. (Finance), Thammasat University - Bachelor of Accounting, Faculty of Commerce and Accountancy, Thammasat University - Certified Public Accountant (CPA Thailand) - Diploma in Tax Law, Thammasat University	Mar 1, 2014 – Present Mar 2011 – Feb 28, 2014 Sep 2008 – Feb 2011	Vice President, Head of Tax Compliance Section, Tax and Disbursement Department, Finance Group First Assistant Vice President, Tax and Disbursement Department, Finance Group Assistant Vice President, Tax and Disbursement Department, Finance Group	Bank of Ayudhya PCL

Name – Surname Age and Position (Appointment Date)	Education and training	Work Experience in the last 5 years		
		Period	Position	Name of Companies/ Organizations
59. Miss Porntip Undamrongkarn Age 41 years - Vice President, Foreign Financial Reporting Department, Finance Group (Jan 5, 2015) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None-	- MBA. Assumption University - Bachelor of Accounting Thammasat University	Jan 5, 2015 – Present Aug 16, 2014 - Jan 4, 2015 <u>Other Companies/ Organizations</u> Feb – Aug 15, 2014 Jan 2013 – Jan 2014 Jan 2009 – Dec 2012	Vice President, Foreign Financial Reporting Department, Finance Group Vice President, Accounting Division, Finance Group Core Banking Project – Lending Stream Lead Lending Operations Senior Manager Operations Support Senior Manager	Bank of Ayudhya PCL Standard Chartered Bank (Thai) PCL
60. Miss Darunee Laiphukham Age 42 years - Vice President, Head of Enabling and Infrastructure Support Section, Financial Planning and Analysis – Consolidation and Reporting Department, Finance Group (Jan 1, – Dec 31, 2016) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None- Remark: Resigned from being Krungsri's Executive, effective January 1, 2017	- Bachelor of Accounting, Business Administration, Rajamangala University of Technology Rattanakosin Borpitpimuk Chakkawad Campus	Jan 1,– Dec 31, 2016 Sep 1, 2014 – Dec 31, 2015 <u>Other Companies/ Organizations</u> Apr 2011 – Aug 2014 Nov 2008 – Apr 2011	Vice President, Head of Enabling and Infrastructure Support Section, Financial Planning and Analysis –Consolidation and Reporting Department, Finance Group Vice President, Financial Planning and Analysis Consolidation Department, Finance Group Financial Planning and Analysis Manager - Capital group Thailand Controller – Capital group Philippines	Bank of Ayudhya PCL General Electric International Operations Co., Inc. General Electric Philippines, Inc.
61. Miss Thitiporn Kittipiyakul Age 42 years - Vice President, Head of Accounting Closing Section, Accounting and Control Department, Finance Group (Dec 1, 2015) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None-	- MBA. (Accounting), Kasetsart University - Bachelor of Business Administration (Accounting), Ramkhamhaeng University - Certified Public Accountant (CPA Thailand)	Dec 1, 2015 – Present Jan 5 – Nov 30, 2015 <u>Other Companies/ Organizations</u> Apr 1, 2014 – Jan 4, 2015 2009 – Mar 30, 2014	Vice President, Head of Accounting Closing Section, Accounting and Control Department, Finance Group Vice President, Accounting Department (Bangkok Sathon Office), Finance Group Accounting Senior Manager Accounting Manager	Bank of Ayudhya PCL The Bank of Tokyo-Mitsubishi UFJ, Ltd., Bangkok Branch

Name – Surname Age and Position (Appointment Date)	Education and training	Work Experience in the last 5 years		
		Period	Position	Name of Companies/ Organizations
62. Mr. Vichai Kolsonvoravattanakul Age 37 years - Vice President, Head of Finance Center Point of Contact (CPC) - Bank Initiative Support Section, Operational Controllership Department, Finance Group (Mar 1, 2015) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None-	- Master of Accountancy, Chulalongkorn University - Bachelor of Business Administration (Accounting), Assumption University	Mar 1, 2015 – Present Mar 2013 – Feb 28, 2015	Vice President, Head of Finance Center Point of Contact (CPC) - Bank Initiative Support Section, Operational Controllership Department, Finance Group First Assistant Vice President and Head of Finance Center Point of Contact (CPC) - Bank Initiative Support Section, Operational Controllership Department, Finance Group	Bank of Ayudhya PCL
63. Mrs. Suchavalee Srisarakorn Age 48 years - Vice President, Finance Group (Dec 1, 2015) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None-	- Master of Accounting, Faculty of Commerce and Accountancy, Thammasat University - Bachelor of Accounting, Faculty of Commerce and Accountancy, Thammasat University - Certified Public Accountant (CPA Thailand)	Dec 1, 2015 – Present <u>Other Companies/ Organizations</u> Dec 1, 2015 – Present Oct 2005 – Nov 30, 2015	Vice President, Finance Group Senior Vice President, Head of Finance & Accounting, Finance & Accounting Department Senior Vice President, Accounting and Finance Department, Support Division	Bank of Ayudhya PCL Ayudhya Development Leasing Co., Ltd. KTB Leasing Co., Ltd.
64. Mr. Suwit Eurpiyachart Age 42 years - Vice President, Head of Financial Control Section, Financial Compliance and Control Department, Finance Group (Jul 1, 2016) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None-	- Master of Accountancy (Financial Accounting), Faculty of Commerce and Accountancy, Chulalongkorn University - Bachelor of Accounting, Faculty of Commerce and Accountancy, Chulalongkorn University - Certified Public Accountant (CPA Thailand)	Jul 1, 2016 – Present <u>Other Companies/ Organizations</u> Nov 1, 2016 – Present Jan – Jun 2016 Jan 2012 – Dec 2015	Vice President, Head of Financial Control Section, Financial Compliance and Control Department, Finance Group Acting Chief Financial Officer Vice President, Emerging Risk and Control Department, Local Regulatory and Balance Sheet Control Head Vice President, Operation & Technology Risk and Control Department, Balance Sheet Control Group, Head and Account Reconciliation Unit Head	Bank of Ayudhya PCL Krungsri Asset Management Co., Ltd. Citibank N.A., Thailand

Name – Surname Age and Position (Appointment Date)	Education and training	Work Experience in the last 5 years		
		Period	Position	Name of Companies/ Organizations
64. Mr. Suwit Eurpiyachart (Cont')		Jun 2010 – Dec 2011	Assistant Vice President, Operation & Technology Risk and Control Department, Balance Sheet Control Group, Head and Account Reconciliation Unit Head	
65. Mrs. Tatsawan Dumrisomkul Age 44 years - Vice President, Head of Krungsri Auto Accounting Section, Krungsri Auto Controllership Department (Jan 1, 2017) % Shareholding ^{1/} -None- Family Relationship with Directors and Executives -None- Remark: * Last update information as of January 1, 2017	- Bachelor of Accounting, Bangkok University	Jan 1, 2017 – Present* Oct 1, 2014 – Dec 31, 2016* <u>Other Companies/ Organizations</u> Mar 1 – Sep 30, 2014 Jan 1, 2007 – Feb 28, 2014	Vice President, Head of Krungsri Auto Accounting Section, Krungsri Auto Controllership Department Vice President, Head of Krungsri Auto Finance and Accounting – Accounting Section, Controllership Department Vice President, Finance and Accounting Division (Accounting) Assistant Vice President, Finance and Accounting Division (Accounting)	Bank of Ayudhya PCL Ayudhya Capital Auto Lease PCL
66. Miss Thanawan Santananont Age 52 years - Vice President, Head of KrungsriAuto Procurement Section (Jan 1, 2017) % Shareholding ^{1/} -None- Family Relationship with Directors and Executives -None- Remark: * Last update information as of January 1, 2017	- MBA. (English Program) Business Communication, University of the Thai Chamber of Commerce - Bachelor of Political Science (Public Administration), Thammasat University	Jan 1, 2017 – Present* Oct 1, 2014 – Dec 31, 2016* <u>Other Companies/ Organizations</u> 2014 – Sep 30, 2014 2008 – 2013	Vice President, Head of Krungsri Auto Procurement Section Vice President, Head of Krungsri Auto Finance and Accounting - Sourcing Section, Controllership Department Vice President, Finance and Accounting - Sourcing Assistant Vice President, Finance and Accounting Division – Sourcing	Bank of Ayudhya PCL Ayudhya Capital Auto Lease PCL

Name – Surname Age and Position (Appointment Date)	Education and training	Work Experience in the last 5 years		
		Period	Position	Name of Companies/ Organizations
67. Miss Chanida Kwansanerthechin Age 46 years <div>- Vice President, Head of Krungsri Auto Tax Controllership Section (Jan 1, 2017)</div> % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None- Remark: * Last update information as of January 1, 2017	<div>- Master Degree of Taxation, University of the Thai Chamber of Commerce</div> <div>- Bachelor of Finance and Accounting, University of the Thai Chamber of Commerce</div> <div>- Tax Auditor</div>	Jan 1, 2017 – Present* Oct 1, 2014 – Dec 31, 2016* <u>Other Companies/Organizations</u> Feb 2007 – Sep 30, 2014	Vice President, Head of Krungsri Auto Tax Controllership Section Vice President, Head of Krungsri Auto Finance and Accounting – Tax Controller Section Vice President, Finance and Accounting – Tax Controller Unit, Auto Business	Bank of Ayudhya PCL Ayudhya Capital Auto Lease PCL
68. Miss Chavakorn Chavalerdpanyakul Age 41 years <div>- Vice President, Head of Krungsri Auto Financial Planning and Analysis – Product Section, Krungsri Auto Financial Planning and Analysis Department (Jan 1, 2017)</div> % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None- Remark: * Last update information as of January 1, 2017	<div>- Master of Management (Finance) College of Management, Mahidol University</div> <div>- Bachelor of Administration Management (Accounting) Ramkhamhaeng University</div>	Jan 1, 2017 – Present* Mar 1, 2016 – Dec 31, 2016* Oct 1, 2014 – Feb 29, 2016 <u>Other Companies/Organizations</u> Mar 1, 2012 – Sep 30, 2014 Mar 1, 2008 – Feb 28, 2012	Vice President, Head of Krungsri Auto Financial Planning and Analysis –Product Section, Krungsri Auto Financial Planning and Analysis Department Vice President, Krungsri Auto Finance and Accounting – Financial Planning and Product Analysis Department First Assistant Vice President, Krungsri Auto Finance and Accounting - Financial Planning and Product Analysis Department Assistant Vice President Finance & Accounting - Financial Planning and Product Analysis Department Manager	Bank of Ayudhya PCL Ayudhya Capital Auto Lease PCL

- Newly Appointed Executives after December 31, 2016 in the total of 3 persons as follows:

Name – Surname Age and Position (Appointment Date)	Education and training	Work Experience in the last 5 years		
		Period	Position	Name of Companies/ Organizations
1. Mr. Wittapon Jawjit Age 46 years - Head of Human Resources Group (Feb 1, 2017) - Executive Committee Member (Feb 1, 2017) - Secretary to the Nomination and Remuneration Committee (Feb 1, 2017) % Shareholding^{1/} -None- (as at the appointment date) Family Relationship with Directors and Executives -None-	- Master of Engineering Chulalongkorn University - Bachelor of Engineering Chulalongkorn University - Certificate of 'Situational Leadership', Slingshot Group Co., Ltd., Year 2016 - Certificate of Achievement Managing a Multigenerational and Diverse Workforce, IEEE, Year 2016 - Training Course 'Managing People from a Global Perspective', Thunderbird School of Global Management, Year 2017 - Certificate of Achievement M&A Professional Certificate Part 1 – Concepts and Theories: An Introduction, New York Institute of Finance, USA, Year 2016 - Honor Code Certificate of FINANCEx: Personal Finance, Purdue University Introduction, New York Institute of Finance, USA, Year 2016 - Certificate of Achievement FC201.1x: Introduction to Banking & Financial Markets - I, Indian Institute of Management Bangalore, India, Year 2016 - Certificate of Achievement FC201.2x: Banking & Financial Markets: A Risk Management Perspective, Indian Institute of Management Bangalore, India, Year 2016 - Certificate of training and seminar, Thai Institute of Directors Association (IOD) • Director Certification Program (DCP), Year 2014	Feb 1, 2017 – Present	Head of Human Resources Group	Bank of Ayudhya PCL
		Feb 1, 2017 – Present	Executive Committee Member	
		Feb 1, 2017 – Present	Secretary to the Nomination and Remuneration Committee	
		<u>Other Listed Companies</u> 2014 – 2016	First Executive Vice President	Kiatnakin Phatra Financial Group
		2014 – 2016	Head of Human Resource Management Group	
		<u>Other Companies/ Organizations</u> 2010 – Present	Director	Human Resource Capability Development Institute, Federal of Thai Industries Kiatnakin Bank Foundation Marsh McLennan Company Group (Thailand) Mercer (Thailand) Ltd. Mercer (Philippines) Pte.
		2015 – 2016	Director	
		2011 – 2013	Chairman	
		2006 – 2013	Managing Director	
		2010 – 2013	Co-Managing Director	

Name – Surname Age and Position (Appointment Date)	Education and training	Work Experience in the last 5 years		
		Period	Position	Name of Companies/ Organizations
2. Mr. Somwang Toraktrakul Age 48 years - Executive Vice President, Office of the President and CEO (Jan 1, 2017) % Shareholding^{1/} -None- (as at the appointment date) Family Relationship with Directors and Executives -None-	- Bachelor of Business Management (Marketing), Royal Melbourne Institute of Technology, Australia	Jan 1, 2017 – Present	Executive Vice President, Office of the President and CEO	Bank of Ayudhya PCL
		May 1, – Dec 31, 2016	Executive Vice President, Head of Marketing Planning Division and Acting Head of Marketing Management Department	
		Oct 1, 2015 – Apr 30, 2016	Executive Vice President, Head of Marketing and Branding Division	
		Apr 1, 2012 – Sep 30, 2015	Executive Vice President, Marketing Planning Division	
		Jan 1, 2010 – Mar 31, 2012	Senior Vice President, Marketing Planning Division	
		<u>Other Companies/ Organizations</u>		
		Jan 1, 2017 – Present Dec 30, 2016 – Present	Managing Director Director (Authorized Signatory)	Krungsriayudhya Card Co., Ltd.
		Aug 25, 2014 – Present	Director (Authorized Signatory)	Dan Siam Co., Ltd.
		Aug 25, 2014 – Present	Director (Authorized Signatory)	Sam Siam Co., Ltd.

Remarks: ^{1/} Including spouse and child who has not yet reached adulthood.

Name – Surname Age and Position (Appointment Date)	Education and training	Work Experience in the last 5 years		
		Period	Position	Name of Companies/ Organizations
3. Miss Sujinda Ninatkiattikul Age 39 years - Vice President, Head of Krungsri Auto Business Implementation and Process Improvement Department (Jan 1, 2017) % Shareholding^{1/} -None- (as at the appointment date) Family Relationship with Directors and Executives -None- Remark: * Adjustment is made to the Thai name while English name remains unchanged	- Bachelor of Industrial Engineering, Faculty of Engineering, Chulalongkorn University	Jan 1, 2017 – Present Oct 1, 2015 – Dec 31, 2016 Jun 1, 2011 – Sep 30, 2015	Vice President, Head of Krungsri Auto Business Implementation and Process Improvement Department* Vice President, Head of Krungsri Auto Business Implementation and Process Improvement Department First Assistant Vice President, Krungsri Auto Quality and CE Strategy	Bank of Ayudhya PCL

- **Corporate Secretary**

Name – Surname Age and Position (Appointment Date)	Education and training	Work Experience in the last 5 years		
		Period	Position	Name of Companies/ Organizations
Mrs. Thidarat Sethavaravichit Age 47 years - Senior Vice President and Corporate Secretary (Jul 1, 2010) - Secretary to the Board of Directors (Nov 2007) - Secretary to the Executive Committee (Nov 2007) - Ombudsperson (Nov 2008) % Shareholding^{1/} -None- Family Relationship with Directors and Executives -None-	- EMBA, Sasin Graduate Institute of Business Administration of Chulalongkorn University - LL.M., Case Western Reserve University, Ohio, USA - Barrister at Law, Thailand - Bachelor of Laws, Chulalongkorn University - Certificate of training and seminar, Thai Institute of Directors Association (IOD) • Company Secretary Program (CSP), Year 2002 • Board Reporting Program (BRP), Year 2009 • Director Certification Program (DCP), Year 2012 • Corporate Governance for Executives (CGE), Year 2014	Jul 1, 2010 – Present Nov 2007 – Present Nov 2008 – Present	Senior Vice President and Corporate Secretary Secretary to the Board of Directors Secretary to the Executive Committee Ombudsperson	Bank of Ayudhya PCL

Remarks: ^{1/} Including spouse and child who has not yet reached adulthood.

Roles and Responsibilities of the Corporate Secretary

1. Fulfill the duties of Corporate Secretary as stipulated by law and as assigned by the Board of Directors;
2. Ensure that various activities of the Board of Directors are in compliance with relevant laws, rules and regulations;
3. Organize meetings of shareholders and Board of Directors, prepare minutes of those meetings in compliance with laws and the regulations and follow up matters arising from the meetings' resolutions;
4. Provide the Board of Directors with advice on relevant legal issues and the regulations to be aware of in performing their duties for the benefit of Krungsri;
5. Arrange for an orientation and provide information to newly appointed directors;
6. Coordinate with the secretaries to the Committees being appointed by the Board of Directors.

Remuneration of Directors and Executives

(as per definitions determined by the SEC)

Remuneration of Directors: The Bank has established clear and transparent policies related to directors' remuneration which is comparable to the level paid in the industry and the remuneration has been approved by the shareholders' meeting. Directors appointed as members of the Audit Committee, the Nomination and Remuneration Committee or the Risk and Compliance Committee receive additional compensation commensurate with the increased workload.

Remuneration of executives: Remuneration of executives is in accordance with the principles and policies set by the Board of Directors and linked to business performance of the Bank and their individual performance.

Remuneration in 2016: Remuneration paid by the Bank in 2016 to directors and executives is as per the following details:

Cash remuneration

- (1) Total directors' remuneration (retainer fee, pension and attendance fee) of the 14 directors amounts to 45,858,566.68 baht. Details of the remuneration paid to each director are as follows:

(Unit: Baht)

List of Directors	Remuneration of the Board of Directors			Remuneration of the Audit Committee	Remuneration of the Nomination and Remuneration Committee	Remuneration of the Risk and Compliance Committee	Total Remuneration
	Retainer fee	Attendance fee	Pension				
Non-Executive Directors							
1. Mr. Veraphan Teepsuwan ^{1/} - Chairman of the Board of Directors	2,340,000.00	1,044,000.00	1,458,000.00	-	-	-	4,842,000.00
2. Mr. Go Watanabe ^{2/} - Vice-Chairman - Member of the Nomination and Remuneration Committee	864,000.00	416,000.00	436,000.00	-	232,000.00	-	1,948,000.00
3. Mr. Takayoshi Futae ^{3/} - Vice-Chairman - Member of the Nomination and Remuneration Committee	1,728,000.00	832,000.00	872,000.00	-	464,000.00	-	3,896,000.00
4. Mr. Takeshi Ogasawara - Member of the Risk and Compliance Committee	2,076,000.00	996,000.00	1,044,000.00	-	-	696,000.00	4,812,000.00
5. Mr. Atsushi Murakami ^{4/}	1,182,166.67	567,166.67	594,500.00	-	-	-	2,343,833.34
6. Mr. Hirotake Taguchi ^{5/}	888,066.67	426,066.67	446,600.00	-	-	-	1,760,733.34
7. Ms. Nopporn Tirawattanagool - Member of the Nomination and Remuneration Committee - Member of the Risk and Compliance Committee	2,076,000.00	996,000.00	1,044,000.00	-	696,000.00	696,000.00	5,508,000.00

List of Directors	Remuneration of the Board of Directors			Remuneration of the Audit Committee	Remuneration of the Nomination and Remuneration Committee	Remuneration of the Risk and Compliance Committee	Total Remuneration
	Retainer fee	Attendance fee	Pension				
Independent Directors							
8. Mr. Karun Kittisataporn - Chairman of the Nomination and Remuneration Committee	2,076,000.00	996,000.00	1,044,000.00	-	732,000.00	-	4,848,000.00
9. Mr. Virat Phairatphiboon - Member of the Audit Committee - Member of the Nomination and Remuneration Committee	2,076,000.00	996,000.00	1,044,000.00	696,000.00	696,000.00	-	5,508,000.00
10. Miss Potjane Thanavarant - Chairman of the Audit Committee	2,076,000.00	996,000.00	1,044,000.00	732,000.00	-	-	4,848,000.00
11. Mr. Phong-adul Kristnaraj - Chairman of the Risk and Compliance Committee - Member of the Audit Committee	2,076,000.00	996,000.00	1,044,000.00	696,000.00	-	732,000.00	5,544,000.00
Executive Directors *							
12. Mr. Noriaki Goto	-	-	-	-	-	-	-
13. Mr. Pornsanong Tuchinda	-	-	-	-	-	-	-
14. Miss Duangdao Wongpanitkrit	-	-	-	-	-	-	-

Remark: * Executive directors are not entitled to remuneration paid to directors.

^{1/} Waived the right to receive directors' remuneration of 3 months, i.e. January/February and December 2016, and contributed the amount for various purposes such as credited to the accounts opened for loss relief, donated for the Bank's annual Kathin merit-making ceremony

^{2/} Resigned on 1 May 2016

^{3/} Appointed as Vice-Chairman on 1 May 2016

^{4/} Resigned on 26 July 2016

^{5/} Appointed as Director on 27 July 2016

(2) The Executive Committee is not paid any remuneration.

(3) The total executives' remuneration paid in 2016 in the form of salary and bonus to the executives as defined by the Capital Market Supervisory Board which is prescribed by the Bank, i.e. President and Chief Executive Officer, Segment Head and Deputy Segment Head, Group Head and Deputy Group Head, and Executive Vice President and above under the Office of the President and CEO and Finance and Accounting Group/Division totaling 38 persons, amounts to 403,381,284.68 baht.

Remark: • 2 new executives joined the Bank during the year. • 2 executives resigned from the Bank during the year.

Other remuneration

Contribution to the provident fund for executives (3) amounts to 16,089,503.22 baht The Bank does not provide any non-cash remuneration such as shares/warrants to executives.

CORPORATE SOCIAL RESPONSIBILITY



With the mission 'to be a leading regional financial institution with global reach, committed responsibly to meeting needs of customers and serving society through sustainable growth', Krungsri firmly believes that sustainable business growth can only be achieved through community and societal engagement and contribution. Equally important, we are mindful of the impact our business has on all stakeholders, and duly take responsibility for this. Our commitment to create shared value is upheld by employees across the Krungsri Group as demonstrated through our CSR-in-process and CSR-after-process practices.

As one of Thailand's leading banks, Krungsri is determined to remain a responsible financial service provider, committed to promoting sustainable socioeconomic and environmental development and well-being.

In 2016 the Group stood on these four CSR pillars:

1. Creating sustainability value
2. Giving back to community
3. Preserving environment
4. Providing financial support

These CSR practices underscore Krungsri's leadership as a financial institution operating under the principle of good corporate governance and upholding responsibility toward society and all stakeholder groups. Krungsri follows the Stock Exchange of Thailand's corporate social responsibility guidelines encompassing all economic, social, and environmental dimensions.

1. GOOD SUPERVISION IN BUSINESS OPERATIONS

The Bank fully complies with the principles of good supervision in business operations concerning the roles, rights, and equitable treatment of shareholders, information disclosure and transparency, as well as the responsibility of the Board of Directors. Moreover, determined practice guidelines cover internal control systems, internal audit, and effective risk management measures including continuous monitoring and reporting, with measures for filing complaints about employees' or other stakeholders'





unethical acts or misconduct that suggest wrongdoing. The Bank has also adopted a code of conduct called The Spirit & The Letter and CG Guidelines that is revised to be in line with international framework such as CG ASEAN Scorecard, guidelines from the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), for all executives and employees.

2. FAIR BUSINESS PRACTICES

Krungsri promotes fair competition and proper treatment of stakeholders and the supply chain, ranging from shareholders, business partners, counterparties, customers, and competitors, etc. To ensure the fair treatment of stakeholders Krungsri advocates fair competition, promoting responsibility toward society as a business partner, and respect for intellectual property rights to create shared values.

In 2016 Krungsri won Asia's ICON on Corporate Governance Award, recognizing our continuous corporate governance excellence for the third consecutive year (2014-2016) at the

12th Corporate Governance Asia Recognition Awards 2016 hosted by Corporate Governance Asia Magazine.

3. ANTI-CORRUPTION

Krungsri's anti-corruption policies include fraud risk management plans, anti-corruption practices, continuous supervision and monitoring of compliance with anti-corruption policies, whistleblowing, as well as employee training in anti-corruption practices in line with The Spirit & The Letter.

Krungsri has also developed anti-corruption policies and an anti-corruption program with guidelines for combating all forms of corruption and bribery – both direct and indirect. The policy and the program are also implemented as Krungsri regulations to be strictly applied in our business operations. Krungsri also formed a Fraud Management Committee intended to effectively manage any corruption problems within the organization.

We also encourage our people to be well informed and to observe the Bank's anti-corruption policies and

practices. All Krungsri employees are required to attend training courses every two years: Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT); The Spirit & The Letter (S&L); Gifts & Entertainment (G&E); and Good Corporate Governance. These training courses are knowledge management for practical implementation of anti-corruption.

4. RESPECTING HUMAN RIGHTS

Respect for the human rights and dignity of all stakeholders is enshrined in Krungsri's values – fair and equitable treatment regardless of ethnicity, faith, gender, or age is the foundation of our human resources development and relations within the business. Not only does the Bank observe the law and the universal principles of human rights, we treat all stakeholder groups including employees, shareholders, customers, and business partners fairly and equitably; business practices that violate human rights are prohibited. Equal service for every customer is encouraged; for example, specially designed buildings with facilities for the disabled or physically challenged are provided.

Moreover, the Bank realizes the importance of children's rights aligned with business principles as per the Children's Rights and Business Principles (CRBP) set out by UNICEF. In addition to female employees' maternity leave, a child care facility is provided on the 12th floor of the Head Office, Rama III. The Bank also provides a procedure for stakeholders who may wish to file human rights violation complaints via our Call Center 1572 and Krungsri website.

5. FAIR LABOR PRACTICES

Krungsri respects and observes fair labor practices by honoring employment rights according to the principles of human rights and fundamental rights at work, offering social protection and proper working conditions, including health protection and safety at workplace.

Practical guidelines determine fair hiring, non-discrimination and respectful working environment, proper employee welfare, safe working conditions, compliance with environmental laws and regulations, hygiene, and safety, as well as a workplace with diversity and inclusion. We encourage our people to maintain good health by arranging evening yoga and aerobic classes for interested employees.

One 2016 highlight was the major renovation of the Krungsri Fitness Center to expand the fitness training area, add new and innovative exercise equipments, and modernize the locker room facilities. In addition, fitness trainers and nutritionists are available to provide personal consultancy to achieve desired results safely. We installed a registration system for employees to track their progress and exercise records for each session. After this revamp the Fitness Center saw positive feedback, with registration in the second half of 2016 totaling 24,300, or an average of 115 employees using our service daily. In addition to good health, our employees saved money as they did not have to pay for personal fitness training elsewhere. In addition, employees' freedom to establish the Labor Union of Bank of Ayudhya reflects our respect for employee rights and freedoms on collective bargaining.

Voice of Krungsri (VOK) is an employee communication channel that conducts an annual survey on employee engagement within the organization, allowing every employee to suggest how the working environment can be improved to achieve optimum working conditions. The survey results are processed by the Human Resources Group to improve the working environment and employee welfare, and serves as a channel for our key stakeholders to voice their opinions.

Employees can make inquiries about welfare and benefits, file complaints, or inform Human Resources Group of rights and working-condition issues through the internal channel (HR Service 5577) anytime.



6. RESPONSIBILITY TOWARDS CONSUMERS

Customer Centricity is one of core values and is vital in our business operations to ensure that we offer suitable financial products and excellent services. Customer centricity has helped the Bank's business continuously meet customer demand and comply with regulations including the rules set by the Bank of Thailand, the Securities and Exchange Commission, the Stock Exchange of Thailand, the Office of the Insurance Commission, and the Office of the Consumer Protection Board.

In addition to providing customers with suitable financial products, Krungsri operates its business in a fair manner and values complete and accurate disclosure of product information to consumers, including product characteristics, risks, details, and key conditions so that consumers can make sound decisions.

Krungsri respects and observes fair labor practices by honoring employment rights according to the principles of human rights and fundamental rights at work, offering social protection and proper working conditions, including health protection and safety at workplace.



7. SOCIAL AND COMMUNITY DEVELOPMENT

Krungrsri continues to demonstrate its responsibility toward society under the concept 'Simple to Share' through its various activities and initiatives. To accentuate its leadership as a financial institution Krungrsri focuses on promoting financial literacy for individuals and communities, understanding that this can lay a solid foundation for a stable life and thus a strong, sustainable society. Krungrsri's CSR success is grounded on cooperation from all groups of employees which started with the 'Krungrsri Volunteers' initiative. The Group takes pride in its employees' remarkable contribution to the CSR activities conducted year-round. On March 14, 2016, Krungrsri held the first CSR Open House event under the theme 'Collaborating for Sustainable Society' to raise employee awareness of sustained social development. Announced at the event were the Group's CSR 4 Pillars designated for 2016:

- 1) Creating sustainability value;
 - 2) Giving back to community;
 - 3) Preserving environment; and
 - 4) Providing financial support.
- Employees were invited to sign up as Krungrsri volunteers to support all 4 pillars of Krungrsri's CSR practices.

Krungrsri volunteers would obtain the CSR Volunteer Hour – an employee key performance indicator (KPI). Krungrsri executives' core KPIs include encouraging subordinates to contribute at least eight CSR volunteer hours.

Giving Back to Community

Financial Literacy and Educational Support

- **Krungrsri Financial Literacy Project: Simple to Learn**
After the success of 'the 70th Krungrsri Anniversary 70 Schools Financial Literacy Project' in 2015, Krungrsri continued the project as 'the Krungrsri Financial Literacy Project' with the theme 'Simple to Learn' to maintain its role as a responsible financial institution. Through this project the Group's aim was to reach 70 more schools nationwide in 2016.

Thanks to the cooperation of Krungrsri employees across the Group, the 70-school target was easily attained, thus allowing an increase in the number of participating schools to 94 by year-end. This achievement exemplifies Krungrsri's excellence as a responsible financial service provider.

The project educated elementary school students to save and spend money wisely and equipped them with financial knowledge and discipline from a young age. More than 3,000 Krungrsri employees volunteered to teach financial basics to 5,258 students in 27 provinces nationwide. The project was also extended to Vientiane and Savannakhet provinces in Lao PDR, marking the first time it was offered outside Thailand.

Apart from sharing financial knowledge, Krungrsri's contribution to the participating schools also included activities intended as service to the school and recreational activities to make learning fun and effective. Overall, 7,223 employees engaged in the project.



- **Krungsri Simple Finance with Ngern Tid Lor**

As a leading financial institution with a strong competitive edge in the retail segment, Krungsri places importance on financial inclusion together with financial and debt-management knowledge to propel both society and the organization forward together.

For this reason Krungsri provided six financial training courses initiated by the Bank of Thailand to its retail customers served by Krungsri subsidiary Ngern Tid Lor to help them learn how to manage money and reduce household debt. A total of 21 sessions were organized in 2016 in Bangkok and other provinces, with Krungsri & NTL employees serving as coaches. Some 248 customers benefited from the courses. The Group plans to continue this program in the future, seeing it as CSR-in-process that genuinely promotes responsibility within the value chain.

- **Krungsri Consumer School Library Project**

Krungsri Consumer provided educational support to underprivileged children and promoted good reading habits among youth through the School Library Project. More than fifty Krungsri volunteers joined this community service on October 1, 2016, helping to paint school buildings, refurbish playground equipment, and repair and organize books in the library at the Ban Huai Yang Tone School in Pak Tho District, Ratchaburi Province.

- **13th Krungsri Auto Library**

On November 19, 2016, Krungsri Auto volunteers delivered the 13th Krungsri Auto Library to the Ban Hua Ta Ming School in Surat Thani. The service provides a chance at education for underprivileged students with limited access to textbooks, other educational resources, and sports supplies. The library also reflects Krungsri Auto's intent to instill good reading habits in Thai children and to encourage them to seek knowledge beyond the classroom.

Community Development

- **Krungsri Breast Cancer Awareness**

Breast cancer is the second most common type of cancer diagnosed among Thai women. Mindful of this, Krungsri has joined the Thanyarak Foundation under the patronage of HRH the Princess Mother to provide free breast cancer screenings to disadvantaged women residing in the Yan Nawa District where the Group's Head Office is located. Mobile mammograms have been provided since 2010 and have benefited 2,195 women through the years. In 2016 Krungsri adjusted its operation within the project by assigning Krungsri volunteers to give a lesson on breast cancer self-examination in three communities with 356 women participating, while also donating 500,000 baht to cover these breast cancer screening costs. The mammogram service was targeted at groups of low-income women, and others living in the vicinity of the Head Office.



- **Krungsri Cold Weather Relief Campaign**

Under our Simple to Share theme Krungsri has extended its support to those suffering from the cold weather: Regional branch managers and employees donated 2,700 blankets worth 306,234 baht in 14 northern and northeastern provinces for this cause.

- **Giving More...Receiving More**

Krungsri, in collaboration with the National Blood Center, Thai Red Cross Society has been organizing blood donation drives since 2007. In 2016 we organized four blood donation events at our Head Office and expanded the program to our branches in six other provinces – Ubon Ratchathani, Udon Thani, Phitsanulok, Maha Sarakham, Nakhon Sawan, and Chon Buri. Through this program the Thai Red Cross Society received 974,950 cubic centimeters of blood from 2,425 donors.

- **Krungsri Giving Back to Community**

In 2016, 64 Krungsri volunteers participated in activities promoting

financial literacy, arts, and music for underprivileged children at:

1. Sri Sangwan School for Disabled Children, June 4, 2016 and
2. The Nonthaburi School for the Deaf, on July 23, 2016.

- **Arts, Culture, and Traditions Support Krungsri Historical Heritage Preservation**

Krungsri joined up with the Department of Fine Arts to help preserve the unique culture and ancient sites in Phra Nakhon Si Ayutthaya Province, the home province of the Group. Since 2005 Krungsri has contributed almost thirty million baht to support this cultural heritage restoration. Krungsri volunteers also participated in the conservation activities of the monument sites in Ayutthaya.

Every year we invite Krungsri volunteers to take part in this historical heritage preservation by helping to conserve the Ayutthaya Historical Park temples. Along with the conservation work, unwanted plants are removed to prevent damage to the ancient buildings –

the country's valuable heritage.

These conservation activities took place five times, with 335 volunteers participating at five sites:

1. Wat Maheyong, on April 2, 2016
2. Wat Chao Ya, on May 14, 2016
3. Wat Chong Klom, on September 10, 2016
4. Wat Ratchaburana, on November 12, 2016
5. Wat Kae, on November 19, 2016

Providing Financial Support

Scholarships

As education is crucial for national development, Krungsri has been promoting and supporting education among Thai youth through various scholarship initiatives. The 2016 scholarships included:

- **71 Years, 71 Scholarships**

To celebrate the Group's 71st anniversary on April 1, 2016 in addition to an alms-giving ceremony and employee service awards, the Group granted scholarships to underprivileged children who demonstrated academic and personal merit. Awarded were



children under the care of seven organizations: the Sri Sangwan School for Disabled Children; the Foundation for the Welfare of the Crippled under the Royal Patronage of Her Royal Highness the Princess Mother; the Pakkret Home for Children with Disabilities; the Foundation for the Blind in Thailand under the Royal Patronage of HM the Queen; the Maharaj Home for Boys; the Setsatian School for the Deaf under the Royal Patronage of HRH Crown Prince Maha Vajiralongkorn; the Rajvithi Home for Girls; and the Foundation for Slum Child Care

under the Royal Patronage of HRH Princess Galyani Vadhana Krom Luang Naradhiwas Rajanagarindra. A total of 71 scholarships worth 5,000 baht each, or 355,000 baht total was granted in a ceremony attended by Krungsri's Board of Directors and senior executives.

- **National Youth Day Scholarships**
On National Youth Day Krungsri granted 107,000 baht worth of scholarships to 15 students with academic and personal merit under the care of the Mahamek Home for Boys. The Group has continued the scholarship program for 31 years,

providing underprivileged children an opportunity to receive education through the university level.

- **Krungsri Consumer Scholarships for Students in Three Southern Border Provinces**

On March 8, 2016, Krungsri Consumer presented 150 scholarships to students from the three southernmost border provinces at a ceremony held at the Southern Border Provinces Administration Centre. The scholarships worth 400,000 baht were raised through T-shirt sales to company employees.



- **Krungsri Consumer Need-based Scholarships for Thammasat University Students**

On September 6-7, 2016 Krungsri Consumer held a ceremony to grant need-based scholarships to Thammasat University students totaling 300,000 baht to support the recipients' education and promote high-quality human resources in the financial industry.

Other Community Development Activities

Apart from our continued support for multiple CSR initiatives, in 2016 Krungsri made donations worth 6,844,321 baht to help shape a stronger society, for example

- 1,300,000 baht to the Mae Fah Luang Foundation Under Royal Patronage
- 500,000 baht to the Thanyarak Foundation to fund a free mammogram service
- 251,937 baht to the Thai Bankers Association to support a project saving the lives of cattles

Fundraising

Krungsri assisted charitable organizations by giving them free space to hold fundraising activities at our Office.

Throughout 2016, various organizations have received support from Krungsri employees totaling 2.13 million baht raised through activities such as:

- A sales event organized by the SUPPORT Arts and Crafts International Centre of Thailand (Public Organization) to support a project honoring HM the Queen, raising 470,398 baht

- The Mae Fah Luang Foundation's Thank You Sale, raising 455,498 baht
- A donation event held to support youth under the care of the Yuvabadhana Foundation, raising 202,179 baht
- A donation and sales event organized by Operation Smile, raising 181,861 baht
- The Thai Red Cross Society's nonprescription medicine sales, raising 210,000 baht
- An eco-friendly goods sale organized by the Thai Red Cross Society, raising 50,230 baht
- A Mother's Day event held by the National Council on Social Welfare, raising 16,578 baht
- Baan Cheun flower sales to raise fund for the Foundation for the Welfare of the Mentally Retarded of Thailand, raising 175,434 baht.
- Dok Kaew Kanlaya flower sales to raise fund for the National Council on Social Welfare of Thailand, raising 30,000 baht

8. ENVIRONMENTAL CONSERVATION

Preserving Environment

- **Shred2Share Campaign by InfoZafe**

As a financial service provider, our use of resources such as office supplies and utilities is a significant portion of our operating expense, but we also realize the importance of conserving resources and mitigating our environmental impact. Thus we collaborated with InfoZafe under SCG Paper, Thailand's first provider of comprehensive information security service, in the Shred2Share campaign to help reduce resource consumption through paper recycling. The campaign reinforces a green culture which contributes to long-term energy conservation. Krungsri has participated in this campaign for nine consecutive years. Performance regarding paper recycling of 2016 is illustrated in the table below:

Shred2Share campaign by InfoZafe	2014	2015	2016
Paper recycled (tons)	406.89	345.79	374.73
CO ₂ emission reduction (kg.)	105,784.65	89,905.11	97,428.65
Coal reduction (kg.)	44,755.05	35,478.61	41,219.81
Water saved (m ³)	20,343.21	17,289.45	18,736.28

Remarks: Combined data from Krungsri Bank, Krungsri Auto, and Krungsri Consumer

- **The Sathorn Model**

2016 was the first year that we participated in the Toyota Mobility Foundation's Sathorn Model, a campaign based on the Sustainable Mobility Project 2.0 initiated by the World Business Council for Sustainable Development (WBCSD). Krungsri is among the organizations cooperating in the campaign to mitigate traffic congestion. The Group wants to inspire a change in how its employees commute between home and work, thus resulting in better road traffic conditions and reduced carbon dioxide emissions – the main cause of climate change.

- **Energy and Water Conservation**

Krungsri's Central Administration Division established an energy management team responsible for monitoring and assessing the organization's energy consumption. In 2016, we were able to cut energy consumption at Head Office, Rama III by 0.17 percent and water consumption by 6.53 percent.

- **Solar Roof for Alternative Energy**

To support our ongoing business expansion we enlarged our Head Office building on Rama III: The extended building accommodates the Group's IT division, home loan center, cheque payment center, recruitment center, and the Krungsri Learning Center. This part of the building also highlights an energy-saving feature comprising 26.50 kWh solar panels in collaboration with SPCG, a solar energy service provider. With the solar roof, 26.50 kWh of electricity per hour can be generated, reducing energy consumption by 8.5 percent. This conforms to both organizations' eco-friendly goals underscoring our leadership as a responsible corporate citizen and allows both organizations to create shared value. This SPCG collaboration marks another Krungsri business partnership milestone promoting eco-friendly products, thus raising awareness of electricity-saving for the future of Thai society.

- **Natural Resources Conservation**

Krungsri has organized four reforestation-natural resources conservation activities joined by 596 Krungsri volunteers:

1. The planting of 2,000 mangrove trees at Ang Sila District, Chon Buri Province on July 23, 2016, and at Bang Pakong District, Chachoengsao Province on August 27, 2016
2. The third-year check dam building project in collaboration with Siam City Cement to celebrate King Bhumibol Adulyadej's 84th birthday anniversary, held at the Huai Sai Royal Development Study Center, Cha-Am District, Phetchaburi Province, on June 4, 2016
3. The building of 30 check dams for the Doi Tung Development Project on November 25-27, 2016

Every year around year-end Krungsri employees join hands to build check dams in Thailand's northern forest: In November executives together with 305 Krungsri volunteers, Krungsri Auto dealers, and volunteers from Ngern Tid Lor constructed 30 check dams for the Doi Tung Development



Project at Ban Pa Kluai in Mae Fah Luang District, Chiang Rai Province. Since 2009 the Group has facilitated a total of 7,580,000 baht in financial support and built 599 check dams for the Doi Tung Development Project operated by the Mae Fah Luang Foundation under Royal Patronage. The initiative has benefited more than 11,000 local residents in 29 villages. The check dams also help to retain moisture and serve as forest firebreaks.

In addition, we received collaboration from our companies in Krungsri Group in various activities, details are in Sustainability Development Report 2016.

9. INNOVATION AND DISCLOSURE OF INNOVATIVE CSR PRACTICES

With 'Embracing Change' as one of our core values, Krungsri is committed to developing new technology and

innovation to ensure readiness for fast-changing conditions. The Group has also adapted to customers' changing behavior and demand by launching a digital banking service through three channels: SMS Banking; Internet Banking; and Mobile Banking. All these electronic channels are aimed at greater customer convenience, lower transaction costs, and reduced pollution thanks to paperless operations.

Moving forward, Krungsri aspires to build an innovation culture aiming to encounter changes from the side of competition as well as from the side of contribution to society. The Group is focusing on financial technology (FinTech) development to simplify financial transactions while ensuring that our services are still provided responsibly.

10. SUSTAINABILITY REPORTING

In 2016 Krungsri produced its third sustainability development report,

referencing the Global Reporting Initiative (GRI) for Financial Service Sector Disclosure under G4 covenants independent of the Krungsri Annual Report to communicate to stakeholders principles and procedures for promoting sustainable development via three major dimensions; economic sustainability, social responsibility, and environmental responsibility. This was our commitment to social responsibility and reaffirms our transparency and adherence to the principles of good corporate governance. (The report is available at <https://www.krungsri.com/bank/en/Other/CSR/sustainability-development-reports.html>)



FINANCIAL REPORTING AND FINANCIAL STATEMENTS



MANAGEMENT DISCUSSION AND ANALYSIS

Executive Summary:

In 2016, amid a moderate economic recovery and volatile operating environment, our execution under Mid-Term Business Plan progressed as planned, resulting in a robust financial performance, healthy loan growth, and regional footprint expansion with the successful acquisition of Hattha Kaksekar Limited (HKL) in Cambodia.

Krungsri Group's net profit of 21,404 million baht was remarkably achieved in 2016, representing a significant 14.9% increase from 2015.

The increase in net profit was attributed to substantially higher net interest income, driven by loan growth and the improvement in funding cost. Meanwhile, an increase in non-interest

income, supported by enhanced capabilities, also contributed to the robust earnings.

Loans reached 1,448,882 million baht, an increase of 145,428 million baht, or 11.2%, from the year earlier.

In 2016, the retail segment was the key contributor with notable growth of 15.9% underscored with a broad-based expansion in auto hire purchase, mortgage, credit cards, and personal loans as well as integrated HKL loans. Also, corporate and SME loans grew strongly by 8.0% and 6.5% respectively.

Deposits totaled 1,108,288 million baht, an increase of 61,998 million baht, or 5.9%, from December 2015, mainly resulting from an increase in savings deposit of 41,329 million baht and deposit from HKL.

Non-interest income increased 11.7% from 2015, mainly driven by an increase in net fees and service

income, namely from card-related and bancassurance businesses, and also by an increase in other non-interest income, namely from gains on trading and foreign exchange transactions, gain on investment and income from bad debt recoveries.

Throughout 2016, Krungsri continued to be vigilant on risk management practices together with ongoing efforts to resolve NPLs. The Bank sold 2,878 million baht of NPLs in 2016. Non-performing loans recorded at 2.21% in 2016.

Meanwhile, our total provision stood at 49,900 million baht, with an excess provision over the Bank of Thailand's reserve requirements of 16,056 million baht, representing 147.4% of the Bank of Thailand's reserving requirements. Concurrently, the loan loss coverage ratio was strong at 143.3%.

Corresponding to the higher net profit, earnings per share (EPS)

increased to 2.91 baht in 2016 from 2.54 baht in 2015.

As for the outlook for 2017, we expect a continued and broad-based economic growth momentum with GDP growth of 3.3%. Government investment will be key catalyst for growth, along with the expected recovery in private consumption, exports and tourism sector. Supportive operating environment, combined together with MUFG's competitive strengths, we forecast a loan growth of 6-8%, underscoring our vigilant risk management practices.

Summary of Financial Performance and Status:

Key 2016 deliverables:

- **Loan Growth:**

Robustly increased 11.2%, or 145,428 million baht, compared to December 2015.

- **Deposit Growth:**

Increased 5.9%, or 61,998 million baht, compared to December 2015.

- **Net Profit:**

Strongly recorded at 21,404 million baht, representing a 14.9% increase over 2015, driven by higher net interest income supported by robust loan growth and higher non-interest income.

- **Net Interest Margin (NIM):**

Recorded at 3.74% in 2016.

- **Non-Interest Income:**

Increased 11.7% or 3,087 million baht from 2015, mainly driven by an increase in net fees and service income, namely from card-related and bancassurance businesses, and also by an increase

in other non-interest income, namely from gains on trading and foreign exchange transactions, gain on investment, and income from bad debt recoveries.

- **Cost to Income Ratio:**

Recorded at 47.1%, same level as in 2015.

- **Non-Performing Loans (NPLs):**

Recorded at 2.21%, decreasing from 2.24% in 2015.

- **Coverage Ratio:**

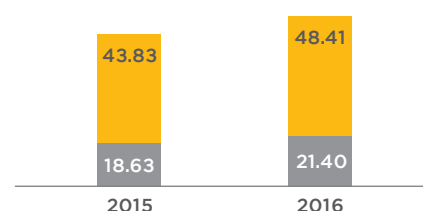
Stood at 143.3%.

- **Capital Adequacy Ratio:**

Recorded at 14.2% compared to 13.6% recorded in December 2015.

PPOP & Net Profit

(Billion baht)



■ Net Profit

■ PPOP (Pre-Provision Operating Profit)

In 2016, operating profit was 48,407 million baht, representing an increase of 4,581 million baht, or 10.5% from 2015, driven by higher net interest income as a result of higher interest income from loan growth along with a significant decline in interest expense, together with higher non-interest income.

Net profit increased to 21,404 million baht in 2016, representing a 14.9% increase over 2015, attributed to higher operating profits, offsetting an increase in operating expenses and higher provision expense.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Consolidated	2016	2015	Change YoY	
			Million baht	%
Interest Income	85,925	81,946	3,979	4.9
Interest Expense	23,948	25,596	(1,648)	(6.4)
Interest Income, Net	61,977	56,350	5,627	10.0
Fees and Service Income	24,142	22,670	1,472	6.5
Fees and Service Expense	5,967	5,440	527	9.7
Fees and Service Income, Net	18,175	17,230	945	5.5
Non-interest and Non-fees Income	11,335	9,193	2,142	23.3
Other Operating Expenses	43,080	38,947	4,133	10.6
Pre-Provision Operating Profit (PPOP)	48,407	43,826	4,581	10.5
Impairment Loss of Loan and Debt Securities	21,314	20,186	1,128	5.6
Income Tax Expense	5,409	4,788	621	13.0
Net Profit	21,684	18,852	2,832	15.0
Other Comprehensive income, net	2,303	(222)	2,525	1,137.4
Total Comprehensive income	23,987	18,630	5,357	28.8
Net Profit Attributable To				
Owners of the Bank	21,404	18,634	2,770	14.9
Non-Controlling Interest	280	218	62	28.4
Net Profit	21,684	18,852	2,832	15.0
Total Comprehensive Income Attributable To				
Owners of the Bank	23,709	18,410	5,299	28.8
Non-Controlling Interest	278	220	58	26.4
Total Comprehensive income	23,987	18,630	5,357	28.8
Earning Per Share (Baht)	2.91	2.54	0.37	14.6

FINANCIAL PERFORMANCE

Net Interest Income

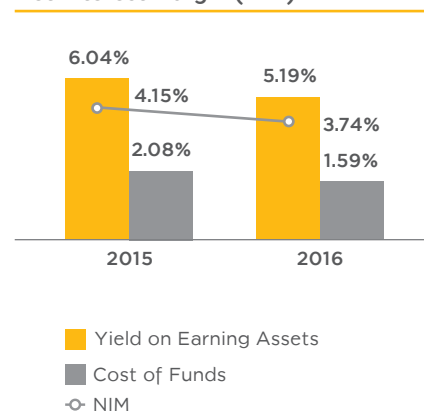
Consolidated	2016	2015	Change YoY	
			Million baht	%
INTEREST INCOME				
Interest on loans	56,483	55,279	1,204	2.2
Interest on interbank and money market items	2,833	2,806	27	1.0
Hire purchase and financial lease income	24,322	21,312	3,010	14.1
Investments and trading transactions	139	87	52	59.8
Investments in debt securities	2,148	2,462	(314)	(12.8)
Total Interest Income	85,925	81,946	3,979	4.9
INTEREST EXPENSE				
Interest on deposits	12,450	15,454	(3,004)	(19.4)
Interest on interbank and money market items	3,202	1,665	1,537	92.3
Interest on borrowings	3,052	3,494	(442)	(12.7)
Contributions to Financial Institution Development Fund and Deposit Protection Agency	5,222	4,941	281	5.7
Borrowing fee expenses	7	28	(21)	(75.0)
Other interest expenses	15	14	1	7.1
Total Interest Expenses	23,948	25,596	(1,648)	(6.4)
Interest Income, net	61,977	56,350	5,627	10.0
Net Interest Margin	3.74%	4.15%		
Yield on Earning Assets	5.19%	6.04%		
Cost of Funds	1.59%	2.08%		

For 2016, net interest income reached 61,977 million baht, an increase of 5,627 million baht or 10.0% compared to 2015 as interest income grew robustly, resulting primarily from loan growth. Interest expense declined from an improvement in funding costs, along with effective interest expense management.

NIM recorded at 3.74% in 2016 in line with the Bank's guidance of 3.7%. Krungsri's NIM moderated from

4.15% in 2015 mainly owing to higher average earning assets computed as a result of integration of BTMU Bangkok Branch into Krungsri in January 2015. Overall yield on earning assets moderated to 5.19% in 2016, from 6.04% in 2015, resulting from lending rate reduction. Nevertheless, our cost of funds also improved to 1.59% from 2.08% in 2015 in line with interest rate trend in the market and our effective cost of fund management.

Net Interest Margin (NIM)

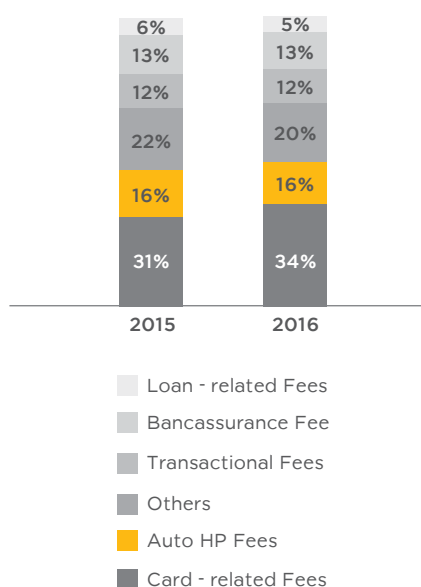


Net Fees and Service Income

Consolidated	2016	2015	Change YoY	
			Million baht	%
Acceptances, aval and guarantees	501	521	(20)	(3.8)
Other fees and service income	23,641	22,149	1,492	6.7
Fees and service income	24,142	22,670	1,472	6.5
Fees and service expense	5,967	5,440	527	9.7
Fees and Service Income, net	18,175	17,230	945	5.5

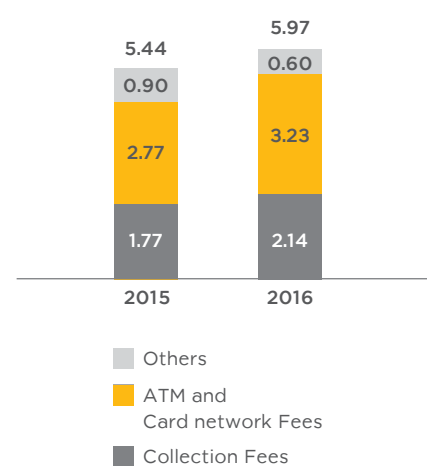
Net fees and service income in 2016 was 18,175 million baht, increasing by THB 945 million, or 5.5% compared with 2015. Fees and service income increased by 1,472 million baht or 6.5%. The increase in fees and service income was mainly driven by a significant increase of 15.6% in card-related fees, a 10.7% increase in Bancassurance fees and a 4.2% increase in auto-hire purchase fees and a 2.2% increase in wealth & fund management & securities-related fees. Meanwhile, loan-related fees declined 6.7%. Fees and service expense increased 9.7%, mainly due to an increase in expense relating to card business and collection fee expenses.

Fees & Service Income Breakdown



Fees & Service Expense

(Billion baht)



Non-interest and Non-fees Income

Consolidated	2016	2015	Change YoY	
			Million baht	%
Gains (losses) on trading and foreign exchange transactions	3,905	3,216	689	21.4
Gains (losses) on investments	598	409	189	46.2
Share of profit (loss) from investment for using equity method	348	358	(10)	(2.8)
Bad debt recoveries	4,711	3,042	1,669	54.9
Other operating income	1,773	2,168	(395)	(18.2)
Total Non-interest and Non-fees Income	11,335	9,193	2,142	23.3

Non-interest and non-fees income increased 2,142 million baht, or 23.3%, driven primarily by an increase in bad debt recoveries of 54.9% mainly owing to a recovery of one syndicated loan in 3Q/16. Excluding this extraordinary recovery, non-interest and non-fees

income would increase by 32.7%. Gains on trading and foreign exchange transactions increased by 689 million baht, or 21.4% largely resulted from the Global Markets Group's enhanced capability. While gains on investments from

Available-for-Sales (AFS) increased by 189 million baht, or 46.2%. Other operating income decreased by 395 million baht or 18.2% from a decrease in gain on sales of property for sale of 36.8% and a decrease of dividend income of 5.8%.

Other Operating Expenses

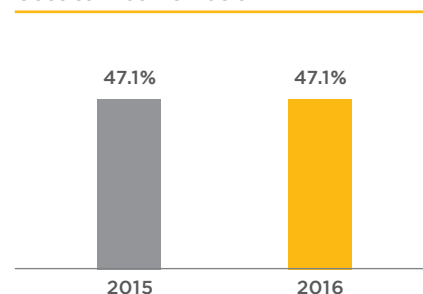
Consolidated	2016	2015	Change YoY	
			Million baht	%
Employee's expenses	21,334	18,914	2,420	12.8
Premises and equipment expenses	7,356	6,831	525	7.7
Taxes and duties	2,544	2,548	(4)	(0.2)
Directors' remuneration	49	48	1	2.1
Other expenses	11,797	10,606	1,191	11.2
Total Other Operating Expenses	43,080	38,947	4,133	10.6

Other operating expenses increased 4,133 million baht, or 10.6%, largely driven by an increase in employee's expense of 2,420 million baht, mainly due to an increase in annual merit increase, staff promotions and incentives as well as additional expenses of 135 million baht from

HKL's employee. Other expenses increased 1,191 million baht, or 11.2%, mainly from reversal impairment of NPA in 2015.

In 2016, the cost-to-income ratio recorded at 47.1%, same level as in 2015.

Cost to Income Ratio



Impairment Loss of Loans and Debt Securities

Consolidated	2016	2015	Change YoY	
			Million baht	%
Impairment loss on debt instrument (reversal)	0	(4)	4	100.0
Bad Debt and Doubtful Accounts	20,528	18,862	1,666	8.8
Loss on Debt Restructuring	786	1,328	(542)	(40.8)
Total impairment loss of loan and debt securities	21,314	20,186	1,128	5.6

As of December 31, 2016, total provision was 49,900 million baht, with an excess provision over the Bank of Thailand's reserve requirements of 16,056 million baht, representing 147.4% of the Bank of Thailand's reserve requirements. The coverage ratio was strong at 143.3%.

FINANCIAL STATUS

Statement of Financial Position

Consolidated	Dec. 31, 2016	Dec. 31, 2015	Change	
			Million baht	%
ASSETS				
Cash	36,142	33,690	2,452	7.3
Interbank and money market items, net	200,283	194,094	6,189	3.2
Investments, net	131,782	110,027	21,755	19.8
Investments in subsidiaries, associates and joint ventures, net	1,919	1,576	343	21.8
Loans to customers	1,506,222	1,353,559	152,663	11.3
Accrued interest receivable	3,865	3,572	293	8.2
Deferred revenue	(57,340)	(50,105)	(7,235)	(14.4)
Allowance for doubtful accounts	(48,274)	(43,218)	(5,056)	(11.7)
Revaluation allowance for debt restructuring	(1,188)	(1,726)	538	31.2
Properties for sale, net	4,256	5,050	(794)	(15.7)
Others	105,521	98,998	6,523	6.6
TOTAL ASSETS	1,883,188	1,705,517	177,671	10.4
LIABILITIES AND SHAREHOLDERS' EQUITY				
Deposits	1,108,288	1,046,290	61,998	5.9
Interbank and money market items, net	314,400	275,059	39,341	14.3
Debt issued and borrowings	160,326	108,121	52,205	48.3
Others	91,406	85,299	6,107	7.2
TOTAL LIABILITIES	1,674,420	1,514,769	159,651	10.5
Issued and paid-up share capital	73,558	73,558	0	0.0
Retained earning	77,680	61,938	15,742	25.4
Others	57,530	55,252	2,278	4.1
TOTAL SHAREHOLDERS' EQUITY	208,768	190,748	18,020	9.4
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	1,883,188	1,705,517	177,671	10.4
Book value per share (Baht)	28.38	25.93	2.45	9.4

As of December 31, 2016, assets stood at 1,883,188 million baht, representing an increase of 177,671 million baht, or 10.4% from December 2015, largely attributed to a higher net loan volume of 145,428 million baht, or 11.2%, and an increase in investment of 21,755 million baht, or 19.8%.

Liabilities grew 10.5%, or 159,651 million baht. The growth in liabilities was driven by an increase in deposits of 61,998 million baht, or 5.9%, mainly resulting from an increase in savings deposit and deposits from HKL. Moreover, debt issued and borrowing increased by 48.3%, or 52,205 million baht, driven in part by an increase in debenture of 33,432 million baht, the issuance of subordinated debenture in the amount of 10,000 million baht in 3Q/16,

and an increase in bills of exchange of 4,396 million baht. Moreover, interbank and money market items increased 39,341 million baht, largely driven by an increase in repurchase agreement of 27,900 million baht.

Total shareholders' equity rose to 208,768 million baht, reflecting an increase of 18,020 million baht, or 9.4%, from December 2015. The increase was mainly due to an increase in equity holders' net income of 21,404 million baht for 2016 and an increase in land and building revaluation of 2,724 million baht. This increase was partially offset by dividends paid of 5,885 million baht.

Book value per share as of December 31, 2016 increased 9.4% to 28.38 baht from 25.93 baht at the end of 2015.

Loans to customers

Loans by segment

Consolidated	Dec. 31, 2016	Dec. 31, 2015	Change	
			Million baht	%
Corporate	588,167	544,413	43,754	8.0
- Thai Corporate	426,445	374,232	52,213	14.0
- International Corporate (JPC/MNC)	161,722	170,181	(8,459)	(5.0)
SMEs	215,549	202,469	13,080	6.5
Retail	645,166	556,572	88,594	15.9
- Hire purchase	292,268	264,820	27,448	10.4
- Mortgage	196,385	160,157	36,228	22.6
- Credit cards and personal loans	141,625	131,595	10,030	7.6
- HKL personal loans	14,888	0	14,888	-
Total *	1,448,882	1,303,454	145,428	11.2

* Loans to customers net of deferred revenues

Krungsri Group delivered a robust performance in growing our loans in 2016 against the backdrop of moderate economic recovery.

Total outstanding loans stood at 1,448,882 million baht, an increase of 145,428 million baht, or 11.2%, from the year earlier. In 2016, the retail segment was the key contributor with notable growth of 15.9% underscored with a broad-based expansion in auto hire purchase, mortgage, credit cards, and personal loans as well as integrated HKL loans. Also, corporate and SME loans grew strongly by 8.0% and 6.5% respectively.

As a result of stronger growth in the retail segment, the proportion of retail lending as of end December 2016 represented 44% of our total loan portfolio, while commercial lending represented 56%.

Corporate loans grew 8.0% in 2016. International corporate loan contracted 5.0% in 2016, mirroring a sluggish global environment,

and lowered new investment from international corporates, as well as loan repayment.

The SME's portfolio increased 6.5% in 2016. The growth observed in SME was driven by medium and small-sized SMEs. In particular, an increase in small-sized SME was underpinned by the government SME's soft-loan program.

Auto hire purchase loans grew 10.4% from last year. The extraordinary growth in auto hire purchase loan amid a contraction in domestic car sales mirrored an increase in our market share coupled with Krungsri's strong business franchise.

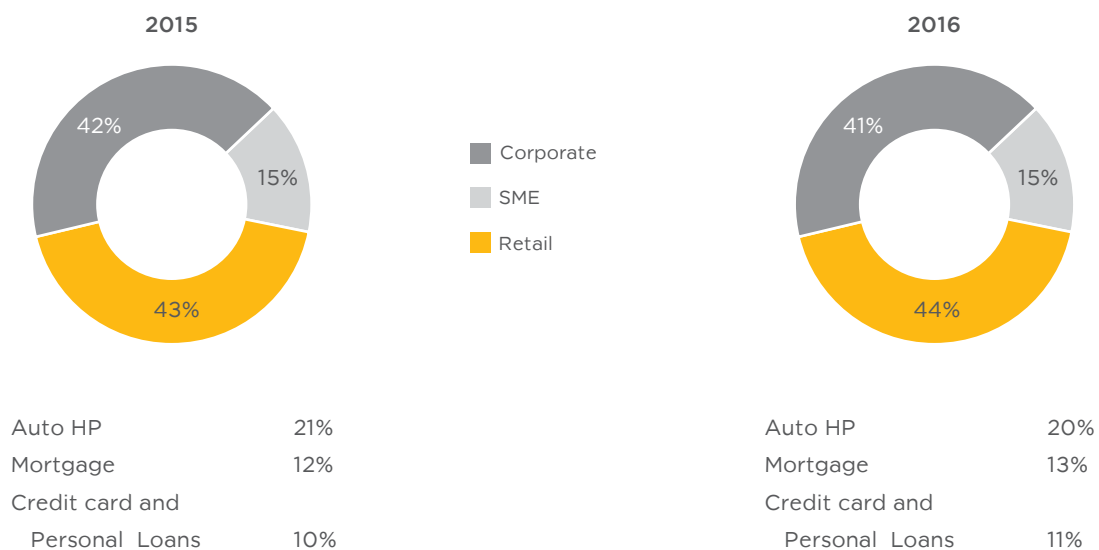
Mortgage loans grew strongly at 22.6% in 2016. This notable growth in 2016 was underpinned by an increase in demand for housing loan from government's assistance measures during the first half of the year together with strategies in partnering with leading developers and top

local developers in the key economic provinces.

Credit cards and personal loans expanded 7.6% in 2016, largely attributed to a strong growth of 8.6% recorded in 4Q/16, attributed to seasonality effect of year-end spending pattern together with the support from government's stimulus tax measures.

As for the outlook for 2017, we expect a continued and broad-based economic growth momentum with GDP growth of 3.3%. Government investment will be key catalyst for growth, along with the expected recovery in private consumption, exports and tourism sector. Supportive operating environment, combined together with MUFG's competitive strengths, we forecast a loan growth of 6-8%, underscoring our vigilant risk management practices.

Loan Composition



Loan classification and provision

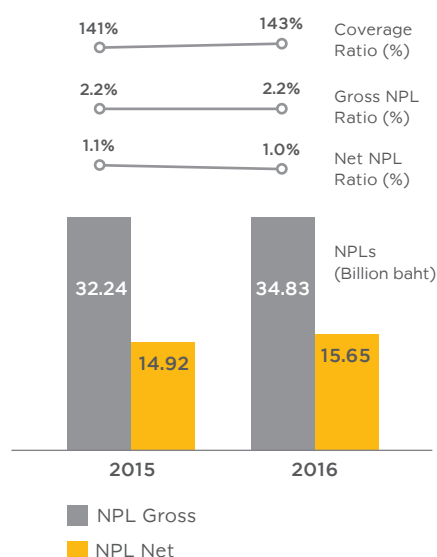
(Unit: million baht)

Consolidated	Dec. 31, 2016		Dec. 31, 2015		Change	
	Loans and Accrued Interest Receivable	Provision	Loans and Accrued Interest Receivable	Provision	Loans and Accrued Interest Receivable	Provision
Normal	1,359,936	10,426	1,226,187	9,204	133,749	1,222
Special mention	57,976	3,100	48,598	3,802	9,378	(702)
Substandard	12,564	7,254	10,824	6,255	1,740	999
Doubtful	5,876	2,388	8,412	4,271	(2,536)	(1,883)
Doubtful of loss	16,395	9,050	13,006	6,346	3,389	2,704
Total	1,452,747	32,218	1,307,027	29,878	145,720	2,340
Surplus reserve		16,056		13,340		2,716
Total	1,452,747	48,274	1,307,027	43,218	145,720	5,056

Non-performing loans

Consolidated	Dec. 31, 2016	Dec. 31, 2015	Change	
			Million baht	%
Non-Performing Loans (Net)	15,653	14,919	734	4.9
Non-Performing Loans (Gross)	34,834	32,239	2,595	8.0
Loans loss reserves (LLR)	49,900	45,313	4,587	10.1
Coverage Ratio	143.3%	140.6%	2.7%	1.9
BOT Requirement	33,844	31,973	1,871	5.9
Actual / Required LLR	147.4%	141.7%	5.7%	4.0

NPLs and Coverage Ratio



As of December 31, 2016, gross NPLs stood at 34,834 million baht, an increase of 2,595 million baht from 32,239 million baht at the end of 2015. The ratio of gross NPLs to total loans stood at 2.21% at the end of 2016, decreasing from 2.24% at the end of 2015.

In 2016, the Bank sold two tranches of NPLs in 2Q/16 and 4Q/16, reducing outstanding NPLs by 2,878 million baht.

As of December 31, 2016 our total provisions stood at 49,900 million baht, with an excess provision over Bank of Thailand requirements of 16,056 million baht. Correspondingly, the

actual provisioning ratio when compared to Bank of Thailand requirements stood at 147.4%, while the Group's coverage ratio was strong at 143.3%.

Investment in Securities

As of December 31, 2016, Krungsri Group had investments in government securities with a book value of 96,383 million baht for the primary purpose of meeting the Bank of Thailand requirements, including liquid assets and intraday holding of liquidity. In addition, private sector securities held by Krungsri Group had a total value of 35,399 million baht.

Funding Structure

Consolidated	Dec. 31, 2016	Dec. 31, 2015	Change	
			Million baht	%
Current	33,173	29,615	3,558	12.0
Savings	550,757	509,428	41,329	8.1
Time	524,358	507,247	17,111	3.4
< 6 Months	188,335	164,737	23,598	14.3
6 Months and < 1 Year	260,313	315,806	(55,493)	(17.6)
1 Year and over 1 Year	75,710	26,704	49,006	183.5
Total Deposits	1,108,288	1,046,290	61,998	5.9
B/E	41,817	37,421	4,396	11.7
Debentures	89,275	55,843	33,432	59.9
Total Funding	1,239,380	1,139,554	99,826	8.8

As of December 31, 2016, overall funding for the Bank, including deposits, bills of exchange and debentures, increased 99,826 million baht, or 8.8%, from December 2015.

Deposits totaled 1,108,288 million baht, an increase of 61,998 million baht, or 5.9%, from December 2015. The growth in deposits resulted from an increase in savings deposit of 41,329 million baht and deposit from HKL (a total of 12,819 million baht, 90% of which were time deposits), offset by a decrease in time deposits with maturity of 6 months and less than 1 year.

As a result, the proportion of current and savings deposits (CASA) as a percentage of total deposits increased to 52.7%, compared to 51.5% as of December 2015. Excluding deposits from HKL, the proportion of CASA

as a percentage of total deposits recorded at 53.2%.

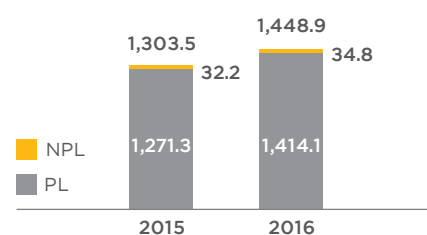
Bills of exchange (B/E) totaled 41,817 million baht, an increase of 4,396 million baht, or 11.7%, from December 2015.

Debentures stood at 89,275 million baht as of December 2016. The increase of 33,432 million baht or 59.9% from December 2015 was driven by the new issuance of debentures in the amount of 46,300 million baht, offsetting the maturity of debentures totaling 12,868 million baht.

Consequently, the loan to deposit ratio increased to 131%, and the loan to deposit plus bill of exchange and debentures ratio increased to 117%.

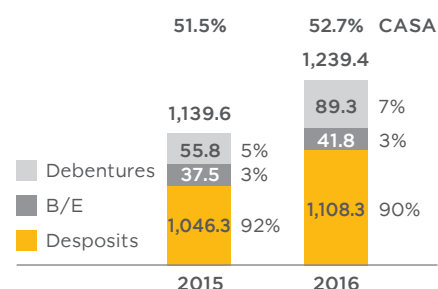
Loans

(Billion baht)



Deposits + B/E + Debentures

(Billion baht)



	2015	2016
L/D	125%	131%
L/D+B/E+Debenture	114%	117%

Contingencies

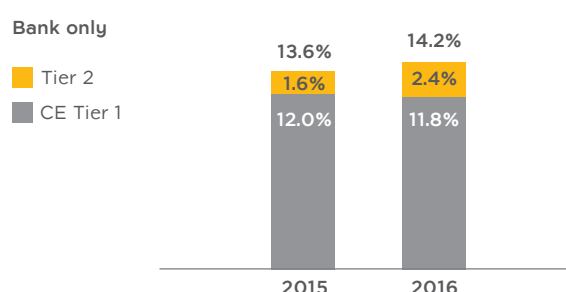
Consolidated	Dec. 31, 2016	Dec. 31, 2015	Change	
			Million baht	%
Avals to bills and Guarantees of loans	1,565	2,266	(701)	(30.9)
Liability under unmatured import bills	1,601	2,560	(959)	(37.5)
Letters of credit	8,425	4,727	3,698	78.2
Other contingencies	110,105	138,421	(28,316)	(20.5)
Total	121,696	147,974	(26,278)	(17.8)

The Krungsri Group's contingencies as of December 31, 2016 totaled 121,696 million baht, a decrease of 26,278 million baht, or 17.8%, from December 31, 2015. This decrease was driven mainly by a decrease in other contingencies of 28,316 million baht.

Statutory Capital

As of December 31, 2016, the Bank's capital was strong at 191,094 million baht, equivalent to 14.2% of risk-weighted assets, comprising common equity tier 1 capital of 11.8% and tier 2 capital of 2.4%. The current level of capital is sufficient to provide Krungsri with the flexibility to continue growing our business.

Capital Adequacy Ratio*



* CAR required by BOT at 8.5% for 2015 and at 9.125% for 2016

Billion baht	Dec. 31, 2015	Dec. 31, 2016
CE Tier 1	146.18	158.83
Tier 2	20.08	32.26
Total Capital	166.26	191.09

CREDIT RATINGS

The Bank's credit ratings assigned by 1. Moody's Investors Service, 2. Standard & Poor's, 3. Fitch Ratings and 4. TRIS Rating as of December 31, 2016 are shown in the table below.

1. Moody's Investors Service

Bank Deposits

- Long Term	Baa1
- Short Term	Prime-2

Debt

- Long Term - Senior Debt	Baa1
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Debt and Deposit Rating Outlook

Stable

Baseline Credit Assessment (BCA)

Ba1

2. Standard and Poor's**Issuer Credit Rating (ICR)**

- Long Term	BBB+
- Short Term	A-2

Foreign Currency

- Long Term - Senior Debt	BBB+
- Short Term	A-2

Stand-alone Credit Profile (SACP)

Outlook	Stable
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3. Fitch Ratings**International Ratings (Foreign Currency)**

- Long Term	A-
- Subordinated Debt	BBB+
- Short Term	F2
- Viability Rating	bbb
- Support	1
- Outlook	Negative

National Ratings

- Long Term - Debenture	AAA (tha)
- Subordinated Debt	AA+ (tha)
- Short Term	F1+ (tha)
- Outlook	Stable

4. TRIS Rating**National Ratings**

- Company Rating	AAA
- Issue Rating (subordinated)	AA+
- Outlook	Stable

2016 KEY PERFORMANCE TARGETS

Consolidated	2015	2016	2016 Targets	
Loan Growth (Net)	+290.7 bn +28.7%	+145.4 bn +11.2%	8-9% *	✓
NPLs Ratio	2.24%	2.21%	< 2.5%	✓
Deposit Mix: Savings and Current	52%	53%	> 50%	✓
Loan Mix : Retail	43%	44%	~ 40%	✓
Loan/Deposit+B/E+Debenture	114%	117%	n.d.	-
NIM	4.15%	3.74%	~ 3.7%	✓
Non-interest Income Growth (YoY) **	15.8%	11.7%	7.0%+	✓
Cost to Income Ratio	47.1%	47.1%	< 50%	✓
Provisions	153 bps	147 bps	~ 145 bps	~
Loan Loss Coverage	141%	143%	135%+	✓
CAR (Bank Only)	13.6%	14.2%	n.d.	-

* Loan growth target including consolidated loan from HKL

** Net Fee Income + Non-Interest and Non-Fee Income

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 Thai Financial Reporting Standards. The Bank has chosen appropriate accounting policies applied on consistent basis, using the best estimations where necessary and adequate disclosures have been made in the notes to the financial statements. These financial statements have been audited by independent auditors who have given their unqualified opinions. The financial statements reflect the actual financial standing and operating results of the Bank and its subsidiaries, thus being useful to all shareholders and investors.

The Board of Directors has also adopted and maintained appropriate and effective systems of risk management and internal control so that we can be reasonably assured that accounting records are accurate, complete and adequate to maintain the assets of the Bank and these controls also identify weaknesses requiring preventive measures against fraud or other significant irregularities in the operations of the Bank.

In this regard, the Board of Directors has appointed an Audit Committee, consisting of three (3) independent members, to be responsible for reviewing the quality of financial reporting and internal control mechanisms appropriately and efficiently and reviewing the Bank's performance in accordance with the laws relevant to the business of the Bank including the related party transactions to ensure that the aforementioned transactions are reasonable and 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 for the year ended December 31, 2016.



Mr. Noriaki Goto
President and Chief Executive Officer



Miss Duangdao Wongpanitkrit
Director

REPORT OF THE AUDIT COMMITTEE

The Audit Committee of the Bank of Ayudhya Public Company Limited comprises 3 independent directors, who have sufficient knowledge and experience to reliably review the financial statement. The members of the Audit Committee are:

- | | |
|------------------------------|---------------------------------|
| 1. Miss Potjanee Thanavarant | Chairman of the Audit Committee |
| 2. Mr. Virat Phairatphiboon | Audit Committee Member |
| 3. Mr. Phong-adul Kristnaraj | Audit Committee Member |

Miss Puntipa Hannoraseth, Head of Audit Group, serves as Secretary to the Audit Committee.

The Audit Committee performs its tasks as per the scope and responsibilities specified in the Audit Committee Charter as assigned by the Board of Directors. In 2016, the Audit Committee held a total of 23 meetings with management and senior executives in charge of concerned units and internal auditors. Also the Committee met with the external auditor for 2 meetings without participation of the management, and reported the results of each meeting to the Board of Directors. The details of actions taken by the Audit Committee can be summarized as follows:

- **Financial reports**

The Audit Committee reviewed the Bank's quarterly, semi-annual and annual financial statements as well as the consolidated financial statements of the Bank and its subsidiaries by holding meetings with the external auditor and executives of the Accounting Division to consider financial statements to ensure that financial reports of the Bank and its subsidiaries and any disclosed documents relating to the Bank's financial performance are accurate, adequate, reliable and reflect the true and fair view of the financial status of the Bank and comply with accounting standards and practices. The Audit Committee also held special meetings with the external auditor without participation of the management to enquire about independence in performing their duties and expressing opinions, cooperation obtained from the Bank as well as issues that may result in significant loss or fraud.

The Audit Committee has reviewed the financial statements of Bank of Ayudhya Public Company Limited and the consolidated financial statements for the year ended December 31, 2016 and is of the opinion that these financial statements are in accordance with Thai Financial Reporting Standards and with appropriate accuracy in significant essence and sufficient disclosure of information. The external auditor has expressed an opinion thereon as presented in their report to the Board of Directors and to shareholders. Also, the external auditor performed their duties and expressed their opinions independently.

- **Internal control system and internal audit**

The Audit Committee reviewed effectiveness and adequacy of internal control system by considering internal audit results, internal control adequacy assessment result, and summary of fraud investigation reports to ensure that root causes were determined, rectification actions and preventive measures were appropriately undertaken. The Bank has established the Internal Control over Financial Reporting (ICFR) process in order to ensure that internal controls and financial reporting preparation process were designed and implemented effectively. Evaluation results of effectiveness of the design and operation are regularly reported by the Audit Group. In addition, the Audit Committee reviewed and monitored the Bank's and subsidiaries' findings identified by the regulatory authorities as well as the external auditor in order to consider the adequacy, appropriateness and effectiveness of the internal control system of the Bank and its group companies.

For internal audit activities, the Audit committee considered the independence and adequacy of internal audit resources, acknowledged the quality assurance review of internal audit function reported by the internal audit of Bank of Tokyo-Mitsubishi UFJ, Limited, considered and endorsed the revision of the Charter and the Audit Policy of the Audit Group to ensure currency and appropriateness before submission to the Board of Directors. It also approved Audit Group's mid-term business plan, staff development and training plan, and audit plans as well as revised audit plan, monitored monthly auditing activities, and regularly provided recommendations to the Audit Group.

The Audit Committee consented to the annual credit review plan prior to submission to the Board of Directors, considered reports submitted by the Credit Review Department in relation to credit review results and a follow-up on corrective actions undertaken by departments concerned. In this regard, the Audit Committee also enquired about findings identified from the review and corrective actions taken to ensure that the credit granting processes of the Bank and its group companies are appropriate.

The Audit Committee is of the opinion that internal control and internal audit systems of the Bank and its group companies are sufficient, appropriate, and continuously developed. Also, the Audit committee is of the opinion that the Head of Audit Group has adequate and appropriate educational background, work experience, training to carry out her duties. An annual merit increase of the Head of Audit Group was considered.

- **Related party transactions or transactions that may create conflicts of interest**

The Audit Committee considered related party transactions or transactions that may create conflicts of interest to ensure that they are conducted on an arm's length basis and that relevant information is transparently disclosed based on the principle of prudence, integrity, transparency and the Bank's optimized benefits, before submission to the Board of Directors.

The Audit Committee is of the opinion that such transactions as reported by relevant units are rational and represent normal business undertakings.

- **Good governance**

The Audit Committee received complaint and acknowledged the result of complaint resolution from the responsible department.

The Audit Committee is of the opinion that complaint resolution management has been appropriately and transparently conducted.

- **Risk management**

The Audit Committee considered minutes of the Risk and Compliance Committee and minutes of the Risk Management Committee meetings regarding control, supervision, assessment, monitoring and management of the overall risks of the Bank.

The Audit Committee is of the opinion that the Bank's risk management is adequate, and that preventive guidelines and measures are in place to appropriately handle potential situations.

- **Compliance with regulatory requirements**

The Audit Committee oversaw and monitored the operations, business undertaking or actions taken by the Bank and its group companies to ensure compliance with requirements and laws relevant to the banking business as well as the Bank's policies and procedures by considering results of regulatory compliance supervision as per reports of the Compliance Committee and audit results reported by the Audit Group, the Bank of Thailand, and external auditor on a regular basis.

The Audit Committee is of the opinion that the Bank and its group companies have supervised and examined operations of its business units to ascertain that every business unit operates properly and is in compliance with relevant requirements and regulations.

- **External auditor**

The Audit Committee considered, selected and nominated the external auditor of the Bank and its group companies by taking into consideration the qualifications specified by the Bank of Thailand, the Office of the Securities and Exchange Commission, and the Stock Exchange of Thailand, whereby such auditor does not have any relationships with or interest in the Bank, its management, major shareholders or related parties in a manner that affect the independent operations, and does not hold positions such as director, employee, contractual staff or any positions in the Bank and its group companies. The Audit Committee also considered appropriateness of audit fee.

The Audit Committee has considered and nominated the auditors of Deloitte Touche Tohmatsu Jaiyos Audit Company Limited as the independent auditors of the Bank and its group companies for 2016, and has also considered audit fee as deemed appropriate. In this regard, the shareholders' meeting has already granted approval of auditor and the audit fee.

- **Others**

The Audit Committee Charter was reviewed and updated to be clearer and more comprehensive.

The Audit Committee performed its duties as specified in its Charter. Its performance adhered to prudence, independence, and transparency to the ultimate benefit of the Bank. It has not encountered any difficulty in obtaining information, resources or cooperation from the Bank. In addition, the Audit Committee has assessed its performance in 2016 in order to ascertain that it has been efficient and effective and has achieved its objectives as assigned by the Board of Directors.



Miss Potjane Thanavarant

Chairman of the Audit Committee

REPORT OF THE NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee (NRC) is appointed by the Board of Directors and, according to the NRC Charter, shall consist of at least 3 non-executive directors whereby the Chairman must be an independent director of the Bank.

At present, the Nomination and Remuneration Committee is composed of four Bank directors, two of which are independent directors and the other two are non-executive directors. Independent directors are Mr. Karun Kittisataporn who serves as Chairman of the NRC and Mr. Virat Phairatphiboon. The two non-executive directors are Miss Nopporn Tirawattanagool and Mr. Takayoshi Futae, Vice Chairman of the Board of Directors, who has joined the NRC since May 2016.

The Nomination and Remuneration Committee performed duties as assigned by the Board of Directors. The duties and responsibilities are as per the NRC Charter and cover areas related to policies, rules, and procedures for nomination and selection as well as determination of remuneration and other benefits for directors, members of board committees, and senior executives of the Bank as well as directors and managing directors or persons holding equivalent positions regardless of title of entitles in which the Bank holds 50% or more of shares.

In 2016, the Nomination and Remuneration Committee held a total of 19 meetings and carried out supervisory role to ensure compliance with nomination and remuneration policies and strategies according to the established framework, with performance highlights as follows:

The Nomination and Remuneration Committee carefully selected qualified candidates who do not possess prohibited characteristics as specified by relevant regulators to assume directorship of the Bank and companies in the financial group, focusing on ensuring the right proportion and number as well as diversified experiences of the board, appropriateness in various aspects, and compliance with the good corporate governance principles.

As regards senior executives of the Bank, the Nomination and Remuneration Committee selected well qualified candidates to assume newly established positions or fill vacancies, and nominated the selected candidates to the consideration of the Board of Directors before endorsement is requested from the Bank of Thailand.

As 2016 involved a shift in business focus and several organization restructuring initiatives, the Nomination and Remuneration Committee gave guidelines and advice on organization restructuring to the President and Chief Executive Officer for maximum efficiency and effectiveness of the Bank's management and proposed the matter to the Board of Directors for consideration.

Recommendations were given to ensure that that succession plan has been efficiently developed and regularly reviewed. Also, the Nomination and Remuneration Committee gave special focus to job rotation with the aim of promoting sustainable human resources management and enhancing career advancement opportunities of internal executives.

In terms of remuneration, the Nomination and Remuneration Committee considered remuneration for directors and senior executives of the Bank commensurate with their roles, responsibilities and performance, and based on the Bank's operating results, overall economic conditions and market rates. As for Bank's senior executives, performance against the set goals and KPIs was also taken into consideration, and appropriate compensation payment guidelines were determined for further submission to the Board of Directors for consideration and approval.

The Nomination and Remuneration Committee has fully recognized the importance of human resources which are the key driver of the business toward the desired direction, and has therefore been committed to constantly giving useful advice on human resources policies and management. The Nomination and Remuneration Committee has always performed its duties as set forth in the NRC Charter with prudence and transparency as well as upheld relevant laws and regulations and the good corporate governance principle for the utmost benefits of the Bank and shareholders.



Mr. Karun Kittisataporn

Chairman of the Nomination and Remuneration Committee

REPORT OF THE RISK AND COMPLIANCE COMMITTEE

The Risk and Compliance Committee (RCC) consists of 3 directors as follows:

1. Mr. Phong-adul Kristnaraj	(Independent Director)	Chairman
2. Miss Nopporn Tirawattanagool	(Non-executive Director)	Member
3. Mr. Takeshi Ogasawara	(Non-executive Director)	Member

Mr. Saengchart Wanichwatphibun, Chief Compliance Officer, was also appointed as the Risk and Compliance Committee Secretary.

As per the Bank's Board of Directors assignments and Committee Charter, the Risk and Compliance Committee assesses, opines and monitors comprehensive risk management. This Committee, moreover, reviews, audits and opines on principles of compliance measures for business of the Bank and the companies in the financial business group, including good governance, to ensure proper implementation of Policy, Procedure and working processes and to avoid undesirable consequence to the Bank and subsidiaries. In 2016, there were 12 meetings, every resolution and minutes were reported to the Board of Directors. The summaries are:

1. Policy

Assessed and opined on risk management relevant policies, compliance policies and the Bank's other policies prior to proposing to the Board of Directors to ensure that each policy is consistent with regulations, requirements and guidelines stipulated by the regulators. In 2016 the RCC had reviewed 33 policies.

2. Risk management and compliance

Reviewed, followed up and provided recommendations on implementation of strategies for overall risk management and compliance policy to ensure effectiveness of risk management and compliance policies and system.

3. Others

Reviewed Compliance Annual Report prior to proposing to the Board of Directors for approval and, subsequently, the Bank of Thailand and relevant regulators. Moreover, in 2016, the Chairman of the Risk and Compliance Committee, together with the President and Chief Executive Officer had directed a message to employees of the Bank and subsidiaries via Krungsri Life magazine, May-June 2016 edition, to fulfill their duty to comply with laws, rules and regulations.

The Committee has fully performed its duties responsibly with the intention and aim according to assigned roles and responsibilities, based on accuracy, transparency, consistency and the Good Corporate Governance for the best interest of the Bank and the companies in the financial business group. Furthermore, the Committee has also conducted a committee performance assessment in order to use the assessment result as a guideline to continue to enhance the Committee's roles and responsibilities in a more efficient manner.



Mr. Phong-adul Kristnaraj

Chairman of the Risk and Compliance Committee

REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

TO THE SHAREHOLDERS AND BOARD OF DIRECTORS
BANK OF AYUDHYA PUBLIC COMPANY LIMITED

Opinion

We have audited the consolidated financial statements of Bank of Ayudhya Public Company Limited and its subsidiaries (the "Bank and subsidiaries") and the Bank's financial statements of Bank of Ayudhya Public Company Limited (the "Bank"), which comprise the consolidated and Bank's statements of financial position as at December 31, 2016, and the related consolidated and Bank's statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated and Bank's financial statements present fairly, in all material respects, the financial position of Bank of Ayudhya Public Company Limited and its subsidiaries and of Bank of Ayudhya Public Company Limited as at December 31, 2016, and financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards ("TFRSs").

Basis for Opinion

We conducted our audit in accordance with Thai Standards on Auditing ("TSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Bank's Financial Statements section of our report. We are independent of the Bank and subsidiaries in accordance with the Federation of Accounting Professions under the Royal Patronage of His Majesty the King's Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to the audit of the consolidated and Bank's financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated and Bank's financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and Bank's financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	Audit Responses
Allowance for doubtful accounts	
<p>The allowance for doubtful accounts is considered to be a matter of most significance as it requires the application of judgment and use of subjective assumptions by management of the Bank and subsidiaries. The Bank and subsidiaries recognized both general and specific allowances of loans to customers, in accordance with the Bank of Thailand (the "BOT")'s notifications.</p> <p>The specific allowances used the specific percentage on loan classification based on collateralized approach on fair value of collateral whether its valuation is evaluated appropriately.</p> <p>The general allowances used the qualitative factors in assessment the ability to pay of debtors, including deteriorating economic and industry.</p>	<ul style="list-style-type: none">• Understood whether there were any changes in accounting policies and procedures regarding allowance for credit losses. If any, assessed the reasonableness of the changes and identified the impact of the changes.• Tested the design and operating effectiveness of the controls over loan classification, collateral value and loan credit review.• Tested the accuracy of loan classification and calculation of the specific allowance based on the specific percentage according to the BOT's notifications. For the valuation of collateral, the appraisal method and amount evaluated by independent authorized appraiser was approved by

Key Audit Matters	Audit Responses
Allowance for doubtful accounts	
Accounting policy for allowance for doubtful accounts and detail of allowance for doubtful accounts were disclosed in Notes 4.5 and 7.7 to the financial statements, respectively.	<p>the Bank's appraisal committee and complied with the BOT's regulation. The appraisal date was in a period of time determined in the BOT's notification.</p> <ul style="list-style-type: none"> Tested the adequacy of allowance and the appropriateness of management assumption on general provision and analysis the economic and industry. Tested the loan impairment methodology calculated the expected loss of the loan portfolio by segmentation based on historical data to assess the adequacy of allowance.

Other Information

Management is responsible for the other information. The other information comprises information in the annual report, which is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated and Bank's financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and Bank's financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and the management of the Bank.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Bank's Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and Bank's financial statements in accordance with TFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated and Bank's financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and Bank's financial statements, management is responsible for assessing the Bank and subsidiaries' and the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank and subsidiaries or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank and subsidiaries' financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Bank's Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and Bank's financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and Bank's financial statements.

As part of an audit in accordance with TSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and Bank's financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank and subsidiaries' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank and subsidiaries' and the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank and subsidiaries to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and the Bank's financial statements, including the disclosures, and whether the consolidated and Bank's financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Bank and subsidiaries to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and Bank's financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Permsak Wongpatcharapakorn

Certified Public Accountant (Thailand)

Registration No. 3427

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

BANGKOK

February 22, 2017

FINANCIAL STATEMENTS

FINANCIAL POSITION

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2016

BAHT: '000

ASSETS	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	As at December 31, 2016	As at December 31, 2015	As at December 31, 2016	As at December 31, 2015
CASH	36,142,429	33,689,886	35,670,918	33,595,831
INTERBANK AND MONEY MARKET ITEMS, NET (Note 7.2)	200,283,418	194,094,463	194,452,735	192,212,476
CLAIM ON SECURITY	13,838,550	-	13,838,550	-
DERIVATIVES ASSETS (Note 7.3)	29,117,399	35,657,181	29,117,399	35,657,181
INVESTMENTS, NET (Note 7.4)	131,781,831	110,026,901	131,762,520	110,010,315
INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES, NET (Note 7.5)	1,919,378	1,575,581	55,710,546	48,895,618
LOANS TO CUSTOMERS AND ACCRUED INTEREST RECEIVABLES, NET (Note 7.6)				
Loans to customers	1,506,222,326	1,353,558,616	1,371,970,480	1,238,706,187
Accrued interest receivables	3,864,375	3,572,495	2,316,251	2,359,771
Total loans to customers and accrued interest receivables	1,510,086,701	1,357,131,111	1,374,286,731	1,241,065,958
Less Deferred revenue	(57,340,352)	(50,104,606)	(36,656,980)	(27,093,462)
Less Allowance for doubtful accounts (Note 7.7)	(48,273,619)	(43,218,108)	(32,647,817)	(26,286,904)
Less Revaluation allowance for debt restructuring (Note 7.8)	(1,187,903)	(1,725,739)	(28,026)	(412,397)
Net loans and accrued interest receivables	1,403,284,827	1,262,082,658	1,304,953,908	1,187,273,195
CUSTOMERS' LIABILITY UNDER ACCEPTANCE	476,024	558,322	476,024	558,322
PROPERTIES FOR SALE, NET (Note 7.9)	4,256,248	5,049,764	2,388,268	2,857,041
PREMISES AND EQUIPMENT, NET (Note 7.10)	25,221,074	20,993,113	23,326,968	19,320,134
GOODWILL AND OTHER INTANGIBLE ASSETS, NET (Note 7.11)	16,698,596	14,477,378	3,585,090	3,831,864
DEFERRED TAX ASSETS (Note 7.12)	4,713,693	5,369,190	-	703,283
ACCOUNTS RECEIVABLE FOR INVESTMENTS	52,668	1,036,546	52,668	1,036,546
OTHER ASSETS, NET (Note 7.13)	15,402,070	20,905,527	10,631,652	16,599,421
TOTAL ASSETS	1,883,188,205	1,705,516,510	1,805,967,246	1,652,551,227

Notes to the consolidated and the Bank's financial statements form an integral part of these statements

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION (CONTINUED)
AS AT DECEMBER 31, 2016

BAHT: '000

LIABILITIES AND EQUITY	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	As at December 31, 2016	As at December 31, 2015	As at December 31, 2016	As at December 31, 2015
DEPOSITS (Note 7.14)	1,108,287,927	1,046,289,670	1,102,914,201	1,052,071,691
INTERBANK AND MONEY MARKET ITEMS, NET (Note 7.15)	314,399,699	275,059,500	317,482,684	277,245,782
LIABILITY PAYABLE ON DEMAND	4,176,569	3,210,983	4,176,258	3,210,983
LIABILITY TO DELIVER SECURITY	13,838,550	-	13,838,550	-
DERIVATIVES LIABILITIES (Note 7.3)	20,581,038	26,692,658	20,581,236	26,692,658
DEBT ISSUED AND BORROWINGS (Note 7.16)	160,325,732	108,120,551	133,918,957	88,277,551
BANK'S LIABILITY UNDER ACCEPTANCE	476,024	558,322	476,024	558,322
PROVISIONS (Note 7.17)	7,333,340	6,758,757	6,456,427	6,138,420
DEFERRED TAX LIABILITIES (Note 7.12)	456,479	32,179	293,890	-
ACCOUNTS PAYABLE FOR INVESTMENTS	65,526	1,118,197	65,526	1,118,197
OTHER LIABILITIES (Note 7.19)	44,479,313	46,927,975	27,037,238	30,658,643
TOTAL LIABILITIES	1,674,420,197	1,514,768,792	1,627,240,991	1,485,972,247
EQUITY				
SHARE CAPITAL (Note 7.20)				
Authorized share capital				
7,574,143,747 ordinary shares of				
Baht 10 each	75,741,437	75,741,437	75,741,437	75,741,437
Issued and paid-up share capital				
7,355,761,773 ordinary shares of				
Baht 10 each	73,557,618	73,557,618	73,557,618	73,557,618
PREMIUM ON ORDINARY SHARES	52,878,749	52,878,749	52,878,749	52,878,749
OTHER RESERVES	4,062,842	1,981,132	3,963,430	1,958,374
RETAINED EARNINGS				
Appropriated				
Legal reserve	4,371,800	3,584,800	4,371,800	3,584,800
Unappropriated	73,308,328	58,352,894	43,954,658	34,599,439
TOTAL BANK'S EQUITY	208,179,337	190,355,193	178,726,255	166,578,980
NON-CONTROLLING INTEREST	588,671	392,525	-	-
TOTAL EQUITY	208,768,008	190,747,718	178,726,255	166,578,980
TOTAL LIABILITIES AND EQUITY	1,883,188,205	1,705,516,510	1,805,967,246	1,652,551,227

Notes to the consolidated and the Bank's financial statements form an integral part of these statements



Mr. Noriaki Goto
President and Chief Executive Officer



Miss Duangdao Wongpanitkrit
Director

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2016

BAHT: '000

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2016	2015	2016	2015
INTEREST INCOME (Note 7.28)	85,924,554	81,946,689	59,792,189	57,426,564
INTEREST EXPENSES (Note 7.29)	23,947,857	25,596,345	23,007,155	24,637,285
INTEREST INCOME, NET	61,976,697	56,350,344	36,785,034	32,789,279
FEES AND SERVICE INCOME	24,141,661	22,670,208	12,468,812	11,260,771
FEES AND SERVICE EXPENSES	5,967,022	5,440,602	3,609,910	2,814,706
FEES AND SERVICE INCOME, NET (Note 7.30)	18,174,639	17,229,606	8,858,902	8,446,065
GAINS ON TRADING AND FOREIGN EXCHANGE TRANSACTIONS, NET (Note 7.31)	3,904,876	3,215,541	3,820,764	3,230,853
GAINS ON INVESTMENTS, NET (Note 7.32)	598,512	409,042	598,512	409,042
SHARE OF PROFIT FROM INVESTMENT FOR USING EQUITY METHOD	347,617	358,241	-	-
DIVIDEND INCOME	161,010	170,908	6,536,572	5,476,532
BAD DEBTS RECOVERIES	4,710,949	3,042,248	1,174,901	118,930
GAINS ON SALE PROPERTIES FOR SALE	629,237	995,968	338,238	456,864
OTHER OPERATING INCOME	983,262	1,001,184	992,495	970,127
TOTAL OPERATING INCOME	91,486,799	82,773,082	59,105,418	51,897,692
OTHER OPERATING EXPENSES				
Employee's expenses	21,333,840	18,914,085	15,269,448	13,619,533
Directors' remuneration	49,003	48,242	45,859	45,332
Premises and equipment expenses	7,355,727	6,830,942	5,723,570	5,308,066
Taxes and duties	2,544,174	2,548,037	1,758,098	1,830,085
Others	11,797,235	10,605,817	6,626,447	5,555,001
Total other operating expenses	43,079,979	38,947,123	29,423,422	26,358,017
IMPAIRMENT LOSS OF LOANS AND DEBT SECURITIES (Note 7.33)	21,314,536	20,185,840	11,674,922	9,192,820
PROFIT FROM OPERATING BEFORE INCOME TAX EXPENSES	27,092,284	23,640,119	18,007,074	16,346,855
INCOME TAX EXPENSES (Note 7.34)	5,408,596	4,787,816	2,275,627	2,206,800
NET PROFIT	21,683,688	18,852,303	15,731,447	14,140,055

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2016

BAHT: '000

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2016	2015	2016	2015
OTHER COMPREHENSIVE INCOME				
Items that will be reclassified subsequently to profit or loss:				
Gain (loss) on remeasuring available-for-sales investments	(241,898)	6,251	(241,898)	6,251
Gain arising from translating the financial statements of a foreign operation	120,297	3,896	-	-
Income tax relating to components of other comprehensive income (Note 7.35)	24,307	(1,250)	48,380	(1,250)
Items that will not be reclassified subsequently to profit or loss:				
Changes in assets revaluation surplus	3,047,249	-	3,047,249	-
Actuarial gain (loss) on defined benefit plans	(41,964)	(289,131)	70,196	(262,342)
Share of other comprehensive income of joint venture	(3,815)	(108)	-	-
Income tax relating to components of other comprehensive income (Note 7.35)	(601,028)	57,840	(623,489)	52,468
Total other comprehensive income, net	2,303,148	(222,502)	2,300,438	(204,873)
TOTAL COMPREHENSIVE INCOME	23,986,836	18,629,801	18,031,885	13,935,182
NET PROFIT ATTRIBUTABLE				
Owners of the Bank	21,404,034	18,634,185	15,731,447	14,140,055
Non-controlling interest	279,654	218,118	-	-
	21,683,688	18,852,303	15,731,447	14,140,055
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE				
Owners of the Bank	23,708,754	18,410,036	18,031,885	13,935,182
Non-controlling interest	278,082	219,765	-	-
	23,986,836	18,629,801	18,031,885	13,935,182
EARNINGS PER SHARE OF OWNERS OF THE BANK				
BASIC EARNINGS PER SHARE BAHT	2.91	2.54	2.14	1.93
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES SHARES	7,355,761,773	7,341,716,644	7,355,761,773	7,341,716,644

Notes to the consolidated and the Bank's financial statements form an integral part of these statements



Mr. Noriaki Goto
President and Chief Executive Officer



Miss Duangdao Wongpanitkrit
Director

STATEMENTS OF CHANGES IN EQUITY

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2016

BAHT: '000

	CONSOLIDATED FINANCIAL STATEMENTS										
	Owners of the Bank									Non-	
	Issued and Paid-up Share Capital	Premium on Share Capital	Other reserves				Retained Earnings		Total Bank's Equity	Controlling Interest	Total
			Asset Appraisal Surplus	Revaluation Surplus on Investments	Foreign Currency Translation	Deficit from Business Combination under Common Control	Appropriated Legal Reserve	Unappropriated			
Balance as of January 1, 2015	60,741,437	13,802,216	6,390,131	947,098	441	-	2,877,700	46,395,843	131,154,866	459,514	131,614,380
Issue of ordinary shares related to business combination	12,816,181	39,076,533	-	-	-	(5,217,755)	-	-	46,674,959	-	46,674,959
Change in revaluation surplus	-	-	(146,511)	-	-	-	-	146,511	-	-	-
Dividend payment (Note 7.20.3)	-	-	-	-	-	-	-	(5,884,610)	(5,884,610)	(286,775)	(6,171,385)
Increase in legal reserve	-	-	-	-	-	-	707,100	(707,100)	-	-	-
Total comprehensive income	-	-	-	5,001	2,727	-	-	18,402,308	18,410,036	219,765	18,629,801
Change in shareholding in subsidiary company	-	-	-	-	-	-	-	(58)	(58)	21	(37)
Balance as of December 31, 2015	73,557,618	52,878,749	6,243,620	952,099	3,168	(5,217,755)	3,584,800	58,352,894	190,355,193	392,525	190,747,718
Balance as of January 1, 2016	73,557,618	52,878,749	6,243,620	952,099	3,168	(5,217,755)	3,584,800	58,352,894	190,355,193	392,525	190,747,718
Change in revaluation surplus	-	-	(258,815)	-	-	-	-	258,815	-	-	-
Dividend payment (Note 7.20.3)	-	-	-	-	-	-	-	(5,884,610)	(5,884,610)	(81,936)	(5,966,546)
Increase in legal reserve	-	-	-	-	-	-	787,000	(787,000)	-	-	-
Total comprehensive income	-	-	2,437,799	(193,518)	96,244	-	-	21,368,229	23,708,754	278,082	23,986,836
Balance as of December 31, 2016	73,557,618	52,878,749	8,422,604	758,581	99,412	(5,217,755)	4,371,800	73,308,328	208,179,337	588,671	208,768,008

Notes to the consolidated and the Bank's financial statements form an integral part of these statements

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN EQUITY (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2016

BAHT: '000

THE BANK'S FINANCIAL STATEMENTS								
	Issued and Paid-up Share Capital	Premium on Share Capital	Other reserves			Retained Earnings		Total
			Asset Appraisal Surplus	Revaluation Surplus on Investments	Deficit from Business Combination under Common Control	Appropriated Legal Reserve	Unappropriated	
Balance as of January 1, 2015	60,741,437	13,802,216	6,363,657	947,098	-	2,877,700	27,121,341	111,853,449
Issue of ordinary shares related to business combination	12,816,181	39,076,533	-	-	(5,217,755)	-	-	46,674,959
Change in revaluation surplus	-	-	(139,627)	-	-	-	139,627	-
Dividend payment (Note 7.20.3)	-	-	-	-	-	-	(5,884,610)	(5,884,610)
Increase in legal reserve	-	-	-	-	-	707,100	(707,100)	-
Total comprehensive income	-	-	-	5,001	-	-	13,930,181	13,935,182
Balance as of December 31, 2015	73,557,618	52,878,749	6,224,030	952,099	(5,217,755)	3,584,800	34,599,439	166,578,980
Balance as of January 1, 2016	73,557,618	52,878,749	6,224,030	952,099	(5,217,755)	3,584,800	34,599,439	166,578,980
Change in revaluation surplus	-	-	(239,225)	-	-	-	239,225	-
Dividend payment (Note 7.20.3)	-	-	-	-	-	-	(5,884,610)	(5,884,610)
Increase in legal reserve	-	-	-	-	-	787,000	(787,000)	-
Total comprehensive income	-	-	2,437,799	(193,518)	-	-	15,787,604	18,031,885
Balance as of December 31, 2016	73,557,618	52,878,749	8,422,604	758,581	(5,217,755)	4,371,800	43,954,658	178,726,255

Notes to the consolidated and the Bank's financial statements form an integral part of these statements



Mr. Noriaki Goto
President and Chief Executive Officer



Miss Duangdao Wongpanitkrit
Director

STATEMENTS OF CASH FLOWS

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2016

BAHT: '000

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2016	2015	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES				
Income from operating before income tax expenses	27,092,284	23,640,119	18,007,074	16,346,855
Adjustments to reconcile income to cash received (paid) from operating activities:				
Depreciation and amortization	3,657,044	3,351,530	2,716,220	2,136,804
Deferred interest expenses	1,818	2,461	1,636	2,461
Impairment loss of loans and debt securities	21,314,536	20,185,840	11,674,922	9,192,820
Gains on translation in foreign currencies	566,751	8,269,182	566,751	8,269,182
Share of profit from investment for using equity method	(347,617)	(358,241)	-	-
Gains on investments	(598,512)	(409,042)	(598,512)	(409,042)
Increase (decrease) in discount on investments	(251,178)	267,555	(251,178)	267,555
Gains on sales of properties for sale	(629,237)	(995,968)	(338,238)	(456,864)
(Gains) losses on sales of premises and equipment	2,047	(42,491)	8,065	7,948
Loss on impairment of properties for sale (reversal)	433,237	(301,248)	191,313	(375,071)
Loss on impairment of premises and equipment (reversal)	(90,223)	2,477	(89,025)	-
Loss on impairment of other assets (reversal)	(133,577)	(107,848)	124,512	147,897
Increase in other reserves	574,583	945,319	345,371	582,273
Interest income, net	(61,976,697)	(56,350,344)	(36,785,034)	(32,789,279)
Income tax refunded	-	69,906	-	-
Interest received	92,038,652	86,588,989	49,109,412	69,190,303
Interest paid	(23,118,153)	(25,494,321)	(22,586,368)	(24,432,604)
Dividend income	(161,010)	(170,908)	(6,536,572)	(5,476,532)
Dividend received	156,718	172,288	155,962	171,060
Increase in other accrued expenses	498,712	1,144,441	302,048	557,887
Income tax paid	(5,258,575)	(5,047,861)	(2,407,322)	(2,468,516)
Income from operations before changes in operating assets and liabilities	53,771,603	55,361,835	13,611,037	40,465,137
(Increase) decrease in operating assets				
Interbank and money market items	(1,755,863)	5,706,011	(3,887,328)	5,522,228
Derivatives assets	6,547,471	(10,199,157)	6,547,471	(10,199,157)
Current investments - securities for trading	565,225	5,417,357	565,225	5,713,379
Loans to customers	(161,448,578)	(82,689,635)	(123,326,675)	(103,115,323)
Properties for sale	5,720,513	9,165,437	4,872,623	3,372,843
Other assets	8,183,653	(7,635,071)	5,626,455	(8,069,357)
Increase (decrease) in operating liabilities				
Deposits	51,803,007	59,292,461	51,635,711	58,882,806
Interbank and money market items	39,471,597	(7,856,059)	41,318,022	(7,314,467)
Liability payable on demand	1,037,924	694,150	1,037,660	694,150

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2016

BAHT: '000

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2016	2015	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES (CONTINUED)				
Derivatives liabilities	(6,097,209)	8,718,898	(6,097,216)	8,718,898
Other liabilities	(3,957,188)	10,773,928	(3,452,533)	13,223,107
Net cash from operating activities	(6,157,845)	46,750,155	(11,549,548)	7,894,244
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sales of investments in securities	134,758,647	76,302,565	134,758,647	76,298,954
Cash paid for purchases of investments in securities	(156,540,725)	(48,465,058)	(156,538,000)	(48,465,058)
Cash paid for investment in subsidiaries	(4,961,638)	-	(6,814,928)	(2,100,000)
Cash received for repatriation capital from investment in subsidiaries	-	-	-	1,435,550
Dividend received from subsidiaries	-	-	6,376,318	5,306,041
Proceeds from sales of premises and equipment	82,909	229,028	3,735	14,383
Cash paid for purchases of premises and equipment	(3,748,891)	(2,973,558)	(2,975,154)	(2,428,504)
Cash paid for purchases of other assets	(946,119)	(1,228,882)	(912,541)	(1,072,221)
Net cash from investing activities	(31,355,817)	23,864,095	(26,101,923)	28,989,145
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from debts issued and borrowings	337,942,874	251,940,430	329,458,198	240,325,830
Cash paid for repayment of debts issued and borrowings	(290,443,999)	(315,315,979)	(283,816,792)	(269,006,568)
Proceeds from business combination	-	71,767	-	71,767
Cash paid for repayment of liabilities under finance lease agreements	(20,097)	(26,141)	(20,097)	(26,141)
Dividend payment	(5,966,546)	(6,171,385)	(5,884,610)	(5,884,610)
Net cash from financing activities	41,512,232	(69,501,308)	39,736,699	(34,519,722)
Total	3,998,570	1,112,942	2,085,228	2,363,667
Gains arising from translating the financial statements of a foreign operation	120,297	2,727	-	-
Effect of exchange rate change on cash	(10,141)	154,402	(10,141)	154,402
Net increase in cash and cash equivalents	4,108,726	1,270,071	2,075,087	2,518,069
Cash and cash equivalents as at January 1,	35,468,254	34,198,183	33,595,831	31,077,762
Cash and cash equivalents as at December 31,	39,576,980	35,468,254	35,670,918	33,595,831

Notes to the consolidated and the Bank's financial statements form an integral part of these statements



Mr. Noriaki Goto
President and Chief Executive Officer



Miss Duangdao Wongpanitkrit
Director

NOTES TO THE CONSOLIDATED AND THE BANK'S FINANCIAL STATEMENTS

BANK OF AYUDHYA PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED AND THE BANK'S FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

1. GENERAL INFORMATION

Bank of Ayudhya Public Company Limited ("the Bank") is a public company registered in the Kingdom of Thailand with its head office located at 1222 Rama III Road, Bang Phongphang Subdistrict, Yannawa District, Bangkok.

The Bank's main business is commercial banking and the Bank conducts its business through a network of branches throughout Thailand and other countries. The immediate and ultimate parent company of the Bank are the Bank of Tokyo-Mitsubishi UFJ, Ltd. and Mitsubishi UFJ Financial Group, Inc., respectively, both companies are registered in Japan. The Ministry of Commerce granted approval for the Bank and its subsidiaries to operate businesses under Foreign Business Act B.E. 2542 on September 26, 2014. As at December 31, 2016 and 2015, the Bank has 17 subsidiaries and 16 subsidiaries, respectively as follows:

- 1.1 Ayudhya Development Leasing Company Limited, was incorporated in Thailand on July 25, 1991 and is located at 1222, 16th Floor, Bank of Ayudhya, Rama III Road, Bang Phongphang Subdistrict, Yannawa District, Bangkok. The subsidiary's main business includes leasing and hire-purchase.
- 1.2 Ayudhya Capital Auto Lease Public Company Limited, was incorporated in Thailand on November 27, 1995 and is located at 87/2, 26th, 30th and 48th Floor, CRC Tower, All Seasons Place, Wireless Road, Lumpini Subdistrict, Patumwan District, Bangkok. The subsidiary's main business is auto hire-purchase, leasing service and refinancing to individual and corporate customers.
- 1.3 Ngern Tid Lor Company Limited (formerly CFG Services Company Limited), was incorporated in Thailand on October 24, 2006, and is located at 89/170, 4th, 5th, 9th and 10th Floor, Juthamard Building, Viphavadi Rangsit Road, Talad Bangkhen Subdistrict, Laksi District, Bangkok. The subsidiary's main business is hire-purchase loan and secured personal loan for vehicles and motorcycles.
- 1.4 Ayudhya Card Services Company Limited, was incorporated in Thailand on December 4, 1997 and is located at 1222, 5th A Floor, Building C, Bank of Ayudhya, Rama III Road, Bang Phongphang Subdistrict, Yannawa District, Bangkok. The subsidiary's main business is credit cards and personal loans. Currently, the subsidiary is in process of liquidation.
- 1.5 Ayudhya Capital Services Company Limited, was incorporated in Thailand on November 9, 1994 and is located at 87/1, 1st-6th and 8th-11th Floor, Capital Tower, All Seasons Place, Wireless Road, Lumpini Subdistrict, Pathumwan District, Bangkok. The subsidiary's main business is credit cards and personal loans.
- 1.6 General Card Services Limited, was incorporated in Thailand on January 24, 1995 and is located at 87/1, 1st-6th and 8th Floor, Capital Tower, All Seasons Place, Wireless Road, Lumpini Subdistrict, Pathumwan District, Bangkok. The subsidiary's main business is credit cards and personal loans.
- 1.7 Krungsriayudhya Card Company Limited, was incorporated in Thailand on August 29, 1996 and is located at 87/1, 1st-6th and 8th-11th Floor, Capital Tower, All Seasons Place, Wireless Road, Lumpini Subdistrict, Pathumwan District, Bangkok. The subsidiary's main business is credit cards and personal loans.
- 1.8 Siam Realty and Services Security Company Limited (formerly Siam Realty and Services Company Limited), was incorporated in Thailand on June 20, 1988, and is located at 1222 Rama III Road, Bang Phongphang Subdistrict, Yannawa District, Bangkok. The subsidiary's main business is car rental services and personnel services.

- 1.9 Total Services Solutions Public Company Limited, was incorporated as a public company limited in Thailand on May 19, 1997 and is located at 2/3 Moo 14, Bangna Towers B, Bang Na-Trat Km 6.5 Road, Bang Kaeo Subdistrict, Bang Phli District, Samutprakan. The subsidiary's main business is collection services.
- 1.10 Krungsri Asset Management Company Limited, was incorporated in Thailand on December 19, 1996 and is located at 898, 1st-2nd zone A, 12th and 18th Floor zone B, Ploenchit Tower Building, Ploenchit Road, Lumpini Subdistrict, Patumwan District, Bangkok. The subsidiary's main business is mutual funds and private fund management.
- 1.11 Krungsri Ayudhya AMC Limited, was incorporated in Thailand on August 18, 2000 and is located at 1222 Rama III Road, Bang Phongphang Subdistrict, Yannawa District, Bangkok. The subsidiary's main business is to develop, manage and sell assets transferred from financial institutions.
- 1.12 Krungsri Securities Public Company Limited, was incorporated in Thailand on April 16, 2004 and is located at 898, 3rd Floor, Ploenchit Tower, Ploenchit Road, Lumpini Subdistrict, Pathumwan District, Bangkok. The subsidiary's main business is a securities businesses.
- 1.13 Krungsri Factoring Company Limited, was incorporated in Thailand on February 1, 2007 and is located at 1222, 19th Floor, Bank of Ayudhya, Rama III Road, Bang Phongphang Subdistrict, Yannawa District, Bangkok. The subsidiary's main business is factoring.
- 1.14 Krungsri Life Assurance Broker Company Limited, which is 99.99% owned by Ayudhya Capital Services Company Limited, the Bank's subsidiary, was incorporated in Thailand on March 2, 2007 and located at 87/1, Capital Tower, All Seasons Place, Wireless Road, Lumpini Subdistrict, Pathumwan District, Bangkok. The subsidiary's main business is as a life insurance broker.
- 1.15 Krungsri General Insurance Broker Company Limited, which is 99.99% owned by Ayudhya Capital Services Company Limited, the Bank's subsidiary, was incorporated in Thailand on March 2, 2007 and is located at 87/1, Capital Tower, All Seasons Place, Wireless Road, Lumpini Subdistrict, Pathumwan District, Bangkok. The subsidiary's main business is as a general insurance broker.
- 1.16 Krungsri Leasing Services Company Limited, which is owned by Ayudhya Capital Services Company Limited of 35% and Ayudhya Capital Auto Lease Public Company Limited of 35%, the Bank's subsidiaries, was incorporated in Lao People's Democratic Republic (Lao PDR) on February 18, 2014 and is located at 355, Unit 12, Kamphengmeung Road, Phonethan Village, Sayseththa District, Vientiane Capital, Lao PDR. The subsidiary's main business is hire-purchase, leasing and sales finance.
- 1.17 Hattha Kaksekar Limited, was incorporated in Cambodia in November 1996 and is located at 606, Street 271, Village 06, Sangkat Phsar Daeum Thkov, Khan Chamka Morn, Phnom Penh, the Kingdom of Cambodia. The subsidiary's main business is providing loans, deposit and other financial services.

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

- 2.1 The consolidated and the Bank's financial statements have been prepared in accordance with Thai Financial Reporting Standards issued by Federation of Accounting Professions (FAP), the regulation of the Thai Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), where the form of financial statements is based on Thai Accounting Standard No. 1 (Revised 2015) "Presentation of Financial Statements", including the Procedures, Policies and Presentation in accordance with the Bank of Thailand ("BOT") Notification Sor.Nor.Sor. 21/2558 regarding the Preparation and Announcement of Financial Statements of Commercial Banks and Holding Companies of Financial Industry dated December 4, 2015.

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

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

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

Thai Financial Reporting Standards announced but not effective in 2016

The Federation of Accounting Professions has issued the Notification regarding Thai Financial Reporting Standards, which are effective for the accounting period beginning on or after January 1, 2017 onwards. Thai Financial Reporting Standards which are related to the Bank and its subsidiaries are as follows:

Thai Accounting Standards (TAS)

TAS 1 (Revised 2016)	Presentation of Financial Statements
TAS 7 (Revised 2016)	Statement of Cash Flows
TAS 8 (Revised 2016)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (Revised 2016)	Events After the Reporting Period
TAS 12 (Revised 2016)	Income Taxes
TAS 16 (Revised 2016)	Property, Plant and Equipment
TAS 17 (Revised 2016)	Leases
TAS 18 (Revised 2016)	Revenue
TAS 19 (Revised 2016)	Employee Benefits
TAS 20 (Revised 2016)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (Revised 2016)	The Effects of Changes in Foreign Exchange Rate
TAS 23 (Revised 2016)	Borrowing Cost
TAS 24 (Revised 2016)	Related Party Disclosures
TAS 26 (Revised 2016)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (Revised 2016)	Separate Financial Statements
TAS 28 (Revised 2016)	Investments in Associates and Joint Ventures
TAS 29 (Revised 2016)	Financial Reporting in Hyperinflationary Economics
TAS 33 (Revised 2016)	Earnings per Share
TAS 34 (Revised 2016)	Interim Financial Reporting
TAS 36 (Revised 2016)	Impairment of Assets
TAS 37 (Revised 2016)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (Revised 2016)	Intangible Assets
TAS 40 (Revised 2016)	Investment Property
TAS 104 (Revised 2016)	Accounting for Troubled Debt Restructuring
TAS 105 (Revised 2016)	Accounting for Investments in Debt and Equity Securities
TAS 107 (Revised 2016)	Financial Instruments Disclosure and Presentation

Thai Financial Reporting Standards (TFRS)

TFRS 2 (Revised 2016)	Share-based Payment
TFRS 3 (Revised 2016)	Business Combinations
TFRS 5 (Revised 2016)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8 (Revised 2016)	Operating Segments
TFRS 10 (Revised 2016)	Consolidated Financial Statements

Thai Financial Reporting Standards (TFRS) (Continued)

TFRS 11 (Revised 2016)	Joint Arrangements
TFRS 12 (Revised 2016)	Disclosure of Interests in Other Entities
TFRS 13 (Revised 2016)	Fair Value Measurement

Thai Standards Interpretations (TSI)

TSI 15 (Revised 2016)	Operating Leases - Incentives
TSI 27 (Revised 2016)	Evaluating the Substance of Transactions in the Legal Form of a Lease
TSI 31 (Revised 2016)	Revenue - Barter Transactions Involving Advertising Services
TSI 32 (Revised 2016)	Intangible Assets - Web Site Costs

Thai Financial Reporting Standard Interpretations (TFRI)

TFRI 1 (Revised 2015)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRI 4 (Revised 2015)	Determining whether an Arrangement contains a Lease
TFRI 5 (Revised 2015)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRI 10 (Revised 2016)	Interim Financial Reporting and Impairment
TFRI 13 (Revised 2016)	Customer Loyalty Programmes
TFRI 14 (Revised 2016)	TAS 19 (Revised 2016) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TFRI 17 (Revised 2016)	Distributions of Non-cash Assets to Owners
TFRI 18 (Revised 2016)	Transfers of Assets from Customers
TFRI 21 (Revised 2016)	Levies

Guideline on Accounting

Guideline on Accounting regarding Derecognition of Financial Assets and Liabilities

The management of the Bank and subsidiaries anticipate that the above Thai Financial Reporting Standards will be adopted in the Bank and subsidiaries' financial statements when they become effective. The adoption of those standards will have no material impact on the financial statements of the Bank and its subsidiaries in the period of initial application.

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

	Business Type	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Bank (%) As at December 31,	
			2016	2015
Subsidiaries				
Ayudhya Development Leasing Company Limited	Hire-purchase and Leasing	Thailand	99.99	99.99
Ayudhya Capital Auto Lease Public Company Limited	Hire-purchase and auto leasing	Thailand	100.00	100.00
Ngern Tid Lor Company Limited (formerly CFG Services Company Limited)	Hire-purchase and motorcycle loans	Thailand	100.00	100.00
Ayudhya Card Services Company Limited ⁽¹⁾	Credit cards and personal loans	Thailand	100.00	100.00
Ayudhya Capital Services Company Limited	Credit cards and personal loans	Thailand	100.00	100.00

	Business Type	Place of incorporation and operation	Proportion of ownership interest and voting power held by the Bank (%) As at December 31,	
			2016	2015
Subsidiaries (Continued)				
General Card Services Limited	Credit cards and personal loans	Thailand	100.00	100.00
Krungsriayudhya Card Company Limited	Credit cards and personal loans	Thailand	100.00	100.00
Siam Realty and Services Security Company Limited (formerly Siam Realty and Services Company Limited)	Car rental services and personnel services	Thailand	100.00	100.00
Total Service Solutions Public Company Limited	Collection services	Thailand	100.00	100.00
Krungsri Asset Management Company Limited	Fund management	Thailand	76.59	76.59
Krungsri Ayudhya AMC Limited	Asset management	Thailand	100.00	100.00
Krungsri Securities Public Company Limited	Securities	Thailand	98.71	98.71
Krungsri Factoring Company Limited	Factoring	Thailand	100.00	100.00
Krungsri Life Assurance Broker Limited ⁽²⁾	Life assurance broker	Thailand	100.00	100.00
Krungsri General Insurance Broker Limited ⁽²⁾	General insurance broker	Thailand	100.00	100.00
Krungsri Leasing Services Company Limited ⁽³⁾	Hire-purchase, leasing and sales finance	Lao PDR	70.00	70.00
Hattha Kaksekar Limited	Micro finance	Cambodia	100.00	-

⁽¹⁾ Subsidiary is in the process of liquidation.

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

⁽³⁾ Indirectly holding via Ayudhya Capital Services Company Limited of 35% and Ayudhya Capital Auto Lease Public Company Limited of 35%.

All material intercompany transactions and balances have been eliminated.

3. ADOPTION OF NEW AND REVISED THAI FINANCIAL REPORTING STANDARDS

Since January 1, 2016, the Bank and its subsidiaries have adopted the new and revised Thai Financial Reporting Standards (TFRSs) issued by the Federation of Accounting Professions, which are effective for the financial statements for the accounting periods beginning on or after January 1, 2016. Thai Financial Reporting Standards which are related to the Bank and its subsidiaries are as follows:

Thai Accounting Standards (TAS)

TAS 1 (Revised 2015)	Presentation of Financial Statements
TAS 7 (Revised 2015)	Statement of Cash Flows
TAS 8 (Revised 2015)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (Revised 2015)	Events After the Reporting Period
TAS 12 (Revised 2015)	Income Taxes
TAS 16 (Revised 2015)	Property, Plant and Equipment
TAS 17 (Revised 2015)	Leases
TAS 18 (Revised 2015)	Revenue
TAS 19 (Revised 2015)	Employee Benefits
TAS 21 (Revised 2015)	The Effects of Changes in Foreign Exchange Rate

Thai Accounting Standards (TAS) (Continued)

TAS 24 (Revised 2015)	Related Party Disclosures
TAS 27 (Revised 2015)	Separate Financial Statements
TAS 28 (Revised 2015)	Investments in Associates and Joint Ventures
TAS 33 (Revised 2015)	Earnings per Share
TAS 34 (Revised 2015)	Interim Financial Reporting
TAS 36 (Revised 2015)	Impairment of Assets
TAS 37 (Revised 2015)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (Revised 2015)	Intangible Assets

Thai Financial Reporting Standards (TFRS)

TFRS 3 (Revised 2015)	Business Combinations
TFRS 5 (Revised 2015)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8 (Revised 2015)	Operating Segments
TFRS 10 (Revised 2015)	Consolidated Financial Statements
TFRS 11 (Revised 2015)	Joint Arrangements
TFRS 12 (Revised 2015)	Disclosure of Interests in Other Entities
TFRS 13 (Revised 2015)	Fair Value Measurement

Thai Standards Interpretations (TSI)

TSI 15 (Revised 2015)	Operating Leases - Incentives
TSI 27 (Revised 2015)	Evaluating the Substance of Transactions in the Legal Form of a Lease
TSI 31 (Revised 2015)	Revenue - Barter Transactions Involving Advertising Services
TSI 32 (Revised 2015)	Intangible Assets - Web Site Costs

Thai Financial Reporting Standard Interpretations (TFRI)

TFRI 1 (Revised 2015)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRI 4 (Revised 2015)	Determining whether an Arrangement contains a Lease
TFRI 5 (Revised 2015)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRI 10 (Revised 2015)	Interim Financial Reporting and Impairment
TFRI 13 (Revised 2015)	Customer Loyalty Programmes
TFRI 14 (Revised 2015)	TAS 19 (Revised 2014) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TFRI 17 (Revised 2015)	Distributions of Non-cash Assets to Owners
TFRI 18 (Revised 2015)	Transfers of Assets from Customers
TFRI 21 (Revised 2015)	Levies

The above TFRSs have no material impact to the Bank and its subsidiaries' financial statements.

4. SIGNIFICANT ACCOUNTING POLICIES**4.1 Cash and cash equivalents**

In the Bank's statement of cash flows, cash and cash equivalents consist of cash on hand and cash on collection of the Bank, in accordance with the BOT's Notification Sor.Nor.Sor. 21/2558 regarding the Preparation and Announcement of Financial Statements of Commercial Banks and Holding Companies of Financial Industry dated December 4, 2015.

In the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents of the Bank and cash on hand, deposits at banks, except for fixed deposits whose terms are greater than 3 months and deposits at banks used as collaterals, and investments of subsidiaries with maturities of 3 months or less.

4.2 Derivatives

The Bank and its subsidiaries have recognized derivatives transactions as follows:

4.2.1 Derivatives for trading are recorded at fair value and profit or loss from the price appraisal are recognized as income or expense in the statements of profit or loss and other comprehensive income.

4.2.2 Derivatives for hedging are recorded and profit or loss from the price appraisal are recognized as income or expense based on the accrual basis in line with the underlying transactions.

4.3 Investments

The Bank and its subsidiaries' investments which consist of debt securities and equity securities are classified as trading securities, available-for-sale securities, held-to-maturity securities or general investments.

In addition, the Bank complies with the BOT's Notification Sor.Nor.Sor. 21/2558 regarding the Preparation and Announcement of Financial Statements of Commercial Banks and Holding Companies of Financial Industry dated December 4, 2015, requiring commercial banks to present the investments as investments, net and investments in subsidiaries, associates companies and joint ventures, net.

Investments are initially recognized on the trade date.

Trading securities represent securities acquired with the intention to hold short-term to benefit from the anticipated changes in market value. Trading securities are carried at fair value. Realized gains or losses from the sales of trading securities and unrealized gains or losses on the changes in fair value are recognized as gains (losses) on trading and foreign exchange transactions in the statements of profit or loss and other comprehensive income. Interest earned and dividends received from trading securities are recognized using the accrual basis of accounting as interest income and dividend income, respectively.

Debt securities which the Bank and subsidiaries have the intention and ability to hold until maturity are classified as held-to-maturity and carried at the amortized cost, net of valuation allowances for impairment, if any. Valuation allowances are established to recognize an unrealized loss in the statements of profit or loss and other comprehensive income when impairment is determined by management.

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 carried at fair value. The unrealized gains or losses related to available-for-sale securities are reported as other comprehensive income in equity until realized upon the sale, disposition or a permanent decline in value occurs on such securities. Gain or loss on disposal or loss on impairment is recognized in the statements of profit or loss and other comprehensive income.

Non-marketable equity securities and marketable equity securities acquired from troubled debt restructuring are classified as general investments and carried at cost, net of valuation allowances for impairment, if any. Valuation allowances are established to recognize an unrealized loss in the statements of profit or loss and other comprehensive income when impairment is determined by management.

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 and joint ventures are accounted for by the equity method. In the Bank's financial statements, investments in subsidiaries and associated companies are accounted for by the cost method.

When an investment is assessed as being impaired, the amount of impairment is recognized as expense in the statements of profit or loss and other comprehensive income.

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 profit or loss and other comprehensive income.

Cost of securities sold during the year is computed by using the weighted average method. Realized gains or losses from sales of debt and equity securities are included in the statements of profit or loss and other comprehensive income.

4.4 Loans to customers

Overdrafts are stated at the drawn amounts including interest.

Hire-purchase receivable and finance lease receivable are carried at contract amount plus initial direct cost.

Other loans are stated at the principal amounts.

Unearned discount from notes are presented in deferred revenue.

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

Initial direct cost is recognized by the effective interest rate method.

4.5 Allowance for doubtful accounts

Allowance for doubtful accounts is determined through methods in accordance with the BOT's regulations. The Bank and its subsidiaries categorize their loan portfolio into six categories and determine allowance for doubtful accounts subject to different levels of provisioning. Allowance for doubtful accounts for loans classified as normal and special mention are calculated based on the minimum percentage in accordance with the BOT's guidelines by using the value of collateral for calculation of reserve. For loans classified as substandard, doubtful and doubtful of loss, the allowance rate is 100 percent of the difference between the outstanding loan value and present value of expected cash flow from proceeds from disposal of the collateralized assets which excludes collateral in the form of machinery. With the exception of a subsidiary that carries out a leasing business, the reserve calculation is determined by including the value of machinery as collateral. In addition, the Bank and its subsidiaries estimate an additional allowance for doubtful debts over the minimum percentage as specified in the BOT's guidelines.

Allowance for doubtful accounts for hire-purchase receivables of the Bank and its subsidiaries are calculated by using the collective approach which classifies a group of loans having similar credit risk characteristics based on the historical loss experience of each loan category.

Loans to customers are written-off in the year that they are determined to be irrecoverable. Bad debts written-off during the year are recorded as a deduction from the allowance for doubtful accounts. Bad debt and doubtful accounts are shown as expenses in the statements of profit or loss and other comprehensive income. Bad debt recovery is recorded as income in the statements of profit or loss and other comprehensive income when received.

4.6 Troubled debt restructuring

Losses on troubled debt restructurings resulting from the reduction of principal and accrued interest and other form such as modifications of terms, asset transfers, equity securities transfers, and etc. are recognized as expenses in the statements of profit or loss and other comprehensive income.

For troubled debt restructurings with a modification of terms, the Bank has applied the BOT's criteria requiring the Bank to choose between the collateral method to estimate a loss amount and the net present value method which represents expected future cash flows by applying the discounted market interest rate on the restructuring date. Losses from such debt restructurings are recognized in the statements of profit or loss and other comprehensive income.

The Bank has recalculated the fair value of restructured debts in every month based on the discounted market interest rate as of the processing date and based on the discounted market interest rate as of the financial statements date that shown every quarter, except for commercial loan, the recalculation based on the discounted interest rate at contractual rate. The Bank adjusts the valuation on debt restructured for any change on monthly basis, in accordance with the BOT's criteria. The valuation adjustment on restructured debt shall not cause the book value of restructured debt to exceed the investment value on restructured debt.

Restructured debt with assets or equity securities transferred for debt repayment either in whole or in part are recorded at the fair value, net of estimated selling expenses, not to exceed the investment value on such debt and the right-to-claim interest income.

For investments in receivables incurred prior to January 1, 2013, that are subsequently restructured, the Bank has calculated the fair value of restructured debt as of the restructuring date and recognized the difference between book value and fair value in the statements of profit or loss and other comprehensive income for the year and classified investments in receivables as loans in accordance with the BOT's criteria.

4.7 Properties for sale

Properties for sale consist of immovable and movable properties which are recorded at the lower of net investment in the loan plus accrued interest (including previously unrecognized contractual interest) or the fair value of the property as of the date of foreclosure.

The Bank and its subsidiaries provided the allowance for impairment of properties for sale as disclosed in Note 6.3. Losses on impairment of properties for sale are shown as an expense in the statements of profit or loss and other comprehensive income.

Gains or losses on the disposal of such properties are realized upon disposition of the underlying asset and are included in other operating income in the statements of profit or loss and other comprehensive income.

4.8 Property, premises and equipment

Land is stated at the appraised value. Premises are stated at the appraised value less accumulated depreciation. Equipment is stated at cost less accumulated depreciation.

Revaluation of assets

Land and premises have been revalued by independent appraisers based on the market value for land and depreciated replacement cost for premises. For the portion of land and premises which have been revalued, the increments above the previous appraisal are recorded in land revaluation surplus and premises revaluation surplus accounts. In case of a revaluation decrease, the decline in value is deducted from such revaluation

surplus to the extent that the new value is above original cost and recognized in the statements of profit or loss and other comprehensive income for the decrease in value below original cost.

The Bank's suite units in condominiums used as offices have been revalued by independent appraisers in accordance with the BOT's guidelines using depreciated replacement cost. The Bank has recorded the increment per appraisal of premises as revaluation surplus. Any revaluation decrease in excess of the original cost is recorded by deducting from the revaluation surplus.

During the Bank's usage of the revalued assets, the revaluation surplus will be gradually transferred directly to retained earnings equal to the difference between the depreciation calculated from book value of the revalued assets and the depreciation calculated from the original cost of such assets. All balances of the outstanding revaluation surplus will be transferred to retained earnings when the Bank writes off such assets from the financial statements.

Leased assets

Leases under which the Bank and its subsidiaries assume substantially all the risk and rewards of ownership are classified as finance leases. Equipment acquired by way of finance leases is capitalized at the lower of its fair value or the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the statements of profit or loss and other comprehensive income.

Depreciation

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

Premises and building improvement	10 - 50 years
Equipment, furniture, fixtures, office equipment and vehicle	2 - 10 years

Gains or losses on the disposal of property, premises and equipment are recognized in other operating income or other expenses in the statements of profit or loss and other comprehensive income.

4.9 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 3 - 10 years.

Amortization of other intangible assets received from business combinations such as information of customer relationships, dealer relationships and the distribution network, are calculated by the projected cash flow over the expected future economic benefit period between 8 - 20 years.

Amortization incurred is recognized as other operating expense in the statements of profit or loss and other comprehensive income.

4.10 Recognition of income

Interest income from loans to customers and other income are recognized on an accrual basis, except interest income on hire-purchase contract is recognized by the effective interest rate method.

Interest income from investment in debt securities and investment in loans are recognized by the effective interest rate method.

The Bank and its subsidiaries are required by the BOT to stop accruing interest income for debtors when more than three months past due and reverse this accrued interest income from interest income. Thereafter, interest income from these debtors shall be recognized on a cash basis.

The asset management subsidiary recognizes interest income from investment in receivable and loans by using the market interest rate plus a risk premium that represents the discounted rate in calculating present value of future cash flows expected to be collected from receivables, except for certain receivables being doubtful of collection where the subsidiary recognizes interest income from such investments in receivable and loans on a cash basis.

The hire-purchase business recognize income for finance leases and hire-purchase contracts by the effective interest rate method.

4.11 Recognition of expenses

The Bank and its subsidiaries recognize expenses, including interest expenses on an accrual basis.

4.12 Employee benefits

The Bank and its subsidiaries have 4 types of employee benefits as follows:

4.12.1 Provident funds

The Bank and its subsidiaries established a provident fund under the Provident Fund Act B.E. 2530. The fund is managed by a financial institution which is an authorized fund manager.

Member is required to make contribution at the rate of not less than 3% of salary.

The Bank and its subsidiaries will contribute as follows:

Service periods	Contribution rate (%)
Less than 5 years	5 - 10
5 years but less than 10 years	6 - 12
10 years but less than 20 years	8 - 12
Over 20 years	10 - 12.5

The contributions to the provident fund made by the Bank and its subsidiaries are recorded as employees' expenses in the statements of profit or loss and other comprehensive income.

4.12.2 Post-employment benefit obligations

- Pension plan

The employees who were permanently employed prior to January 1, 1998 and have completed at least 10 continuous service years are eligible to receive a pension payment when they leave the Bank. On January 1, 1998, the Bank established the provident fund for its employees to replace the pension plan. After the establishment of the provident fund, the amount due to a departing employee shall first be

disbursed from the provident fund. If the estimated contributions made by the Bank and interest thereon are less than the pension receivable under the pension plan, the Bank will pay such difference by disbursing from the pension fund.

- Legal severance payment plan
All employees will receive severance payment upon retirement in accordance with the Labor Protection Act.
- Special retirement allowance
The employee will receive "Special Retirement Allowance" additional to legal severance payment plan upon resignation in accordance with the Bank's policy.

The obligations of these plans are considered as unfunded defined benefit obligations and are separately measured by an actuary using the projected unit credit method to determine the present value of cash flows of employee benefit to be paid in the future. Under this method, the obligation is based on an actuarial calculation including the employee's expected salary, business turnover rate, salary increase rate, mortality rate, discount rate, years of services and other factors.

The expenses for the defined benefit plan are recognized as employee's expenses in the statement of profit or loss and other comprehensive income.

Actuarial gains (losses) are recognized in other comprehensive income.

4.12.3 Benefit from carry forward leave

The benefit from cumulative carry forward leave is recognized as a liability in the statement of financial position and employee's expenses in the statement of profit or loss and other comprehensive income when the employees render the service.

4.12.4 Other benefit

The employee of a subsidiary will receive "other benefit" upon resignation or retirement in accordance with the subsidiary's policy.

The cumulative of other benefit is recognized as a provision in the statement of financial position.

The expense is categorized as defined contribution plan and recorded as employee's expenses in the statements of profit or loss and other comprehensive income.

4.13 Contributions to the Financial Institution and Development Fund and the Deposit Protection Agency

Contributions to the Financial Institutions Development Fund and the Deposit Protection Agency are recognized on an accrual basis as expenses in the statements of profit or loss and other comprehensive income.

4.14 Customer Loyalty Programmes

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

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

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

4.15 Taxation

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

4.15.1 Current tax

The current tax is the amount of income tax payable in respect of taxable profit for the year. Taxable profit differs from profit as reported in the statements of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. Current tax is calculated using tax rates that have been enacted or substantively enacted on the reporting 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 its subsidiaries intend to settle on a net basis or to realize the asset and settle the liability simultaneously and when they relate to income taxes levied by the same taxation authority.

4.15.2 Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit (tax base). The Bank and its subsidiaries deferred tax liabilities for all taxable temporary differences and recognize deferred tax assets for temporary differences to the extent that it is probable that taxable profits will be available against which those temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at the reporting date. Deferred tax asset shall be reduced to the extent that utilized taxable profits are decreased. Any such reduction shall be reversed to the extent that it becomes probable that the Bank and its subsidiaries have sufficient taxable profit to allow total or part of the asset to be recovered. The Bank and its subsidiaries do not recognize deferred tax assets and liabilities for goodwill.

The Bank and its subsidiaries measure deferred tax assets and liabilities at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted on the end of the reporting period.

Deferred tax assets and liabilities must offset when the Bank and its subsidiaries have 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.

The Bank and its subsidiaries present income tax expenses or income related to profit or loss in the statements of profit or loss and other comprehensive income. For current income taxes and deferred taxes related to items recognized directly in other comprehensive income in equity in the same or different period, they will be recognized directly in other comprehensive income.

4.16 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.

4.17 Foreign currency transactions

4.17.1 Translation of foreign currency transactions

Transactions denominated in foreign currency are translated into the functional currency as follows:

On transaction date, the foreign currency transactions are translated using the exchange rate at the date of transaction.

At the end of each reporting period, the balance of monetary assets and liabilities are translated using the exchange rate on the reporting date and the balance of non-monetary assets and liabilities measured at historical cost are translated using the exchange rate at the transaction date.

Foreign exchange gains or losses from translation are recognized as income or expenses in gains (losses) on trading and foreign exchange transactions, net in the statements of profit or loss and other comprehensive income.

4.17.2 Translation of financial statements of foreign operations

In preparation of the consolidated and the Bank's financial statements, the Bank translates the financial statements of foreign operations which its functional currency is other than Thai Baht currency as follows:

The assets and liabilities of foreign operation are translated to Thai Baht at the foreign exchange rate at the reporting date.

The revenue and expenses of foreign operations are translated to Thai Baht at the foreign exchange rate at the dates of the transactions.

Foreign exchange differences arising from translation of the financial statements of foreign operation are recognized in other comprehensive income and its cumulative amount is presented as foreign currency translation reserve in other reserves under shareholders equity.

4.18 Business combination

Business combination which is not under common control

The Bank recognizes the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree separately from goodwill at fair value.

Goodwill in a business combination represents the excess of the cost of acquisition over the Bank's interest in the fair value of the identifiable net assets acquired as at the date of acquisition.

Negative goodwill arising on business acquisition represents the excess of the acquirer's interest in the fair value of the identifiable net asset acquired over the cost of acquisition.

Other costs directly attributable to the business combination are recorded as acquisition costs. Since January 1, 2011, other costs have been recognized as expenses in the statements of profit or loss and other comprehensive income.

Goodwill in a business combination is recognized as an asset recorded as of the acquisition date. Negative goodwill is recognized as income in the statements of profit or loss and other comprehensive income.

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

Business combination under common control

The Bank recognizes the business combination under common control similar to pooling of interests in accordance with the accounting guidance "Business Combination Under Common Control". The assets and liabilities of the acquiree are recognized using the net book value at the date of business combination. The difference between the cost of business combination and the interest of the Bank in the acquiree's net book value is recognized as premium (deficit) from business combination under common control presented under the Bank's equity in the statement of financial position.

5. RISK MANAGEMENT

5.1 Information of risk of the Bank

Through financial instruments both on-statement of financial position and off-statement of financial position, the Bank conducts its normal course of business to meet the financing needs of its customers, as well as for its investment purposes and to reduce exposure due to the fluctuations in foreign exchange rates and interest rates. The off-statement of financial position's financial instruments include commitments to extend credit, standby letters of credit, financial guarantees, interest rate swap and forward foreign exchange contracts. These 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 these instruments reflect the extent of the Bank's involvement in particular classes of financial instruments.

The introduction of new derivative products require an approval from the Board of Directors. Operating processes, including the breach of prescribed limits, and risk control are governed under the Derivatives Product Program and BOT's notification regarding guidelines on risk management for derivatives transactions.

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in a financial loss to the Bank. The Bank reviews the policy on a regular basis and the Bank has adopted the policy in dealing with counterparties and obtaining sufficient collateral or other security where appropriate, as a mean of mitigating the risk of financial losses from defaults.

In the case of recognized financial assets, the carrying amount of the assets recorded in the statement of financial position, net of allowance for doubtful accounts (see Note 7.7), represents the Bank's maximum exposure to credit risk.

The Bank considers that there is no significant concentration of credit risk due to a large number of customers and counterparties in different industries.

Credit risk also arises from the possibility that the counterparty to off-statement of financial position's financial instruments will not adhere to the terms of the contract with the Bank when settlement becomes due.

The Bank's exposure to credit loss in the event of non-performance by the other party to the off-statement of financial position's 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 the on-statement of financial position's financial instruments. For interest rate swap and forward foreign exchange contracts, the contract or notional amounts do not represent exposure to credit loss. The Bank controls the credit risk of its financial instruments through prudent credit approvals, limits, and strict monitoring procedures.

Interest rate risk

Interest rate risk refers to the risk arising from changes in interest rates that have an adverse effect on the net interest earnings, change in fair value of financial instruments and the shareholders' equity. Interest rate risk arises from the structure and characteristics of the Bank's assets, liabilities and contingencies, and from mismatch in repricing rates of its assets, liabilities and contingencies.

Interest rate risk management is carried out by the Risk Management Committee (RMC) and the Asset and Liability Management Committee (ALCO), which have been empowered by the Board of Directors with the authority to manage interest rate risk. ALCO is responsible for determining interest rate risk management, together with monitoring and controlling interest rate risk to ensure that it is at an acceptable risk appetite and in line with the interest rate risk management policy as approved by the Board of Directors. Bank will review such policy on a regular basis to commensurate with operating environments and changes in business.

The Bank employs various tools and method for its interest rate risk management. Net interest income simulation is conducted to assess the impact on banking book position and Value-at-Risk tool is employed for the trading book position to predict the Bank's potential maximum loss.

Foreign exchange rate risk

Foreign exchange risk refers to the loss affecting income and/or shareholders' equity from exchange rate fluctuations that affected foreign currency transactions and foreign currency assets and liabilities.

The Bank has a policy to cap its net foreign currency position. Most foreign currency transactions are mainly from services provided to the Bank's customers. In addition, the Bank enters into forward foreign exchange contracts as part of its risk management strategy of the foreign exchange risk arising from the Bank underlying assets and liabilities and hedges that risk from customers' transactions. The utilization of forward foreign exchange contracts for these purposes is governed by policies and guidelines approved by the Bank's Board of Directors and controlling procedures set by the relevant departments and Committees.

The Bank's Board of Directors is in charge of setting the limits for each specific currency and aggregate net FX position under an acceptable risk level and regularly reviews to be in line with business strategy and change in market circumstance, meanwhile the RMC ensures that the limits remain within the specified amount. The Bank monitors the risk level under the specified limits using the Value-at-Risk Method as the tool to manage the exchange rate risk and prepares a report on regular basis for the Bank's top management in the relevant departments.

Equity price risk

Price risk refers to the loss affecting income and/or shareholders' equity from a movement in equity price.

The Bank assesses the potential of securities issuer companies and has a policy to buy/sell equity securities mainly for medium-term and long-term purposed. In managing equity position risk which is held, according to initial intention, as long-term, the Bank monitors and reports the equity price risk and ensure that the level of capital fund is appropriate and sufficient to absorb losses arising from the positions.

The Bank's Board of Directors sets the total limit at an acceptable risk level and reviews it annually. The Bank monitors the level of risk under the specified risk limits using the Value-at-Risk Method to manage the equity price risk and prepares a report on regular basis for the Bank's management in relevant departments.

Liquidity risk

Liquidity risk means risk resulting from the Bank's failure to pay its debts and obligations when due because of its inability to convert assets into cash, or its failure to procure enough fund, or, if it can, that the fund comes with an exceptionally high cost that may affect incomes and capital fund now and in the future.

The Bank has established the liquidity risk management policy and the liquidity management guideline. In addition, liquidity contingency plan and guideline are formulated and conducted a plan testing to ensure readiness to deal with crisis situations. All of these are aimed at ensuring the efficiency of the Bank's liquidity risk management.

The Bank maintains an liquidity buffer at a level commensurate with the economic situation. The Bank seeks to ensure that there is adequate cash for its business and its subsidiaries' business operations. In addition, the maintenance of liquid assets is to comply with the BOT's requirements. Liquidity management utilizes qualitative and quantitative methods to ensure of appropriate risk diversification. Liquidity risk management of Bank is under the supervision of the ALCO. ALCO also monitors and manages liquidity risk to ensure that it is at an acceptable risk appetite and in line with the liquidity risk management policy as approved by the Board of Directors. The Bank reviews such policy on a regular basis to commensurate with business strategy and market circumstance that may be changed.

BOT has required commercial banks to prepare and submit the liquidity risk reports in accordance with the Basel III guidelines, namely, Report on Liquidity Coverage Ratio (LCR) and Report on Net Stable Funding Ratio (NSFR) so that the BOT can use the information for analyzing the impact and developing an appropriate guideline for Thailand going forward. In May 2015, BOT has announced guidelines on liquid assets to the expected net cash outflows over 30 days under acute stressed scenarios of at least 60% by January 2016. Therefore, the requirement will rise by 10% each year to reach 100% on January 2020 onwards. Bank has assessed impacts of compliance and calculated and reported the daily LCR ratios to relevant committee in order to ensure that compliance will not have any impact on the liquidity risk management of the Bank and Consolidation.

5.2 Assets and liabilities classified by maturity of interest repricing

The Bank and its subsidiaries' financial assets and liabilities classified by maturity of interest repricing as at December 31, 2016 and 2015 are summarized as follows :

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS							
	2016						
	Not over 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, net	153,200	4,003	-	-	-	43,080	200,283
Investments, net	15,580	46,439	60,865	3,079	-	5,819	131,782
Loans to customers	805,348	193,361	333,106	16,821	34,834	65,412	1,448,882
Financial liabilities							
Deposits	809,104	250,324	15,663	24	-	33,173	1,108,288
Interbank and money market Items, net	302,959	3,096	2,098	2,389	-	3,858	314,400
Debt issued and borrowings	46,432	23,029	65,425	25,376	-	64	160,326

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS							
	2015						
	Not over 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, net	155,882	7,067	200	-	-	30,945	194,094
Investments, net	30,497	11,741	59,817	3,551	-	4,421	110,027
Loans to customers	698,200	193,963	296,548	21,273	32,239	61,231	1,303,454
Financial liabilities							
Deposits	782,118	229,983	4,552	22	-	29,615	1,046,290
Interbank and money market Items, net	135,516	129,655	4,788	868	-	4,233	275,060
Debt issued and borrowings	37,421	13,368	42,488	14,844	-	-	108,121

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS							
	2016						Total
	Not over 3 Months	Greater than 3 - 12 Months	Greater than 1 - 5 Years	Greater than 5 Years	Non- Performing Loans	Non- Interest Bearing	
Financial assets							
Interbank and money market items, net	149,815	3,904	-	-	-	40,734	194,453
Investments, net	15,580	46,439	60,865	3,079	-	5,800	131,763
Loans to customers	814,080	160,589	313,458	16,879	26,992	3,316	1,335,314
Financial liabilities							
Deposits	808,279	244,939	15,381	22	-	34,293	1,102,914
Interbank and money market items, net	306,594	3,070	1,559	2,389	-	3,871	317,483
Debt issued and borrowings	45,490	13,585	50,000	24,844	-	-	133,919

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS							
	2015						Total
	Not over 3 Months	Greater than 3 - 12 Months	Greater than 1 - 5 Years	Greater than 5 Years	Non- Performing Loans	Non- Interest Bearing	
Financial assets							
Interbank and money market items, net	154,813	7,067	200	-	-	30,132	192,212
Investments, net	30,497	11,741	59,817	3,551	-	4,404	110,010
Loans to customers	714,296	184,656	268,048	20,737	21,627	2,249	1,211,613
Financial liabilities							
Deposits	786,894	229,988	4,552	22	-	30,616	1,052,072
Interbank and money market items, net	137,690	129,654	4,789	868	-	4,245	277,246
Debt issued and borrowings	37,421	7,500	28,513	14,844	-	-	88,278

5.3 Interest bearing financial instruments

The following table presents the Bank's average outstanding balances and interest amounts of interest bearing financial instruments for the years ended December 31, 2016 and 2015.

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS						
	2016			2015		
	Average Balance	Interest Amount	Average Rate (%)	Average Balance	Interest Amount	Average Rate (%)
Interest bearing financial assets						
Interbank and money market items	168,883	2,833	1.7	142,623	2,806	2.0
Investments	106,835	2,287	2.1	102,893	2,549	2.5
Loans to customers	1,356,201	80,804	6.0	1,224,140	76,592	6.3
Total	1,631,919	85,924		1,469,656	81,947	
Interest bearing financial liabilities						
Deposits	1,037,262	17,319	1.7	967,567	20,113	2.1
Interbank and money market items	297,708	3,202	1.1	234,057	1,665	0.7
Debt issued and borrowings	121,551	3,427	2.8	115,946	3,818	3.3
Total	1,456,521	23,948		1,317,570	25,596	

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS						
	2016			2015		
	Average Balance	Interest Amount	Average Rate (%)	Average Balance	Interest Amount	Average Rate (%)
Interest bearing financial assets						
Interbank and money market items	167,303	2,822	1.7	140,913	2,784	2.0
Investments	106,517	2,287	2.1	102,533	2,546	2.5
Loans to customers	1,257,582	54,683	4.3	1,125,477	52,097	4.6
Total	1,531,402	59,792		1,368,923	57,427	
Interest bearing financial liabilities						
Deposits	1,038,803	17,070	1.6	972,578	20,126	2.1
Interbank and money market items	300,362	3,216	1.1	236,130	1,690	0.7
Debt issued and borrowings	99,594	2,721	2.7	87,465	2,821	3.2
Total	1,438,759	23,007		1,296,173	24,637	

5.4 Maturities of financial assets and liabilities

The following table presents the Bank and its subsidiaries' maturities of financial assets and liabilities as at December 31, 2016 and 2015.

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS								
	2016							
	Call	Not over 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, net	60,296	123,079	14,034	1,252	1,429	-	193	200,283
Investments, net	-	8,139	29,907	84,897	3,201	-	5,638	131,782
Loans to customers	63,613	242,882	290,699	533,367	283,487	34,834	-	1,448,882
Financial liabilities								
Deposits	583,930	256,256	252,389	15,689	24	-	-	1,108,288
Interbank and money market items, net	13,281	293,572	3,177	1,981	2,389	-	-	314,400
Debt issued and borrowings	-	46,500	23,338	65,450	24,998	-	40	160,326

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS								
	2015							
	Call	Not over 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, net	52,475	92,208	32,417	16,729	-	-	265	194,094
Investments, net	-	24,815	11,849	65,993	3,760	-	3,610	110,027
Loans to customers	40,896	246,764	271,708	473,129	238,718	32,239	-	1,303,454
Financial liabilities								
Deposits	539,043	274,392	228,255	4,578	22	-	-	1,046,290
Interbank and money market items, net	8,618	260,443	347	4,784	868	-	-	275,060
Debt issued and borrowings	-	37,421	13,368	42,488	14,844	-	-	108,121

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS								
2016								
	Call	Not over 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, net	56,176	122,553	13,934	1,252	345	-	193	194,453
Investments, net	-	8,139	29,907	84,898	3,199	-	5,620	131,763
Loans to customers	62,813	230,932	228,909	503,225	282,443	26,992	-	1,335,314
Financial liabilities								
Deposits	587,687	254,884	244,913	15,408	22	-	-	1,102,914
Interbank and money market items, net	17,074	293,399	3,070	1,551	2,389	-	-	317,483
Debt issued and borrowings	-	45,490	13,585	50,000	24,844	-	-	133,919

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS								
2015								
	Call	Not over 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, net	51,204	91,597	32,417	16,729	-	-	265	192,212
Investments, net	-	24,815	11,849	65,993	3,759	-	3,594	110,010
Loans to customers	69,885	205,951	240,454	437,040	236,656	21,627	-	1,211,613
Financial liabilities								
Deposits	543,118	274,392	229,962	4,578	22	-	-	1,052,072
Interbank and money market items, net	10,803	260,444	348	4,783	868	-	-	277,246
Debt issued and borrowings	-	37,421	7,500	28,513	14,844	-	-	88,278

5.5 Estimated fair value of financial instruments

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

Fair value measurement of financial instruments are determined according to the following hierarchy:

- Level 1 - Quoted price (unadjusted) in active market for identical assets or liabilities that the Bank and its subsidiaries can access at the measurement date
- Level 2 - Quoted price in active market for similar assets or liabilities, the quoted price for identical or similar assets in inactive market and other valuation technique where significant inputs used to measure the fair value are observable
- Level 3 - Using techniques where significant inputs used to measure the fair value are unobservable

A summary of carrying amount of financial instruments as at December 31, 2016 and 2015 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS					
	2016			2015		
	Measured at fair value	Not measured at fair value	Total carrying amount	Measured at fair value	Not measured at fair value	Total carrying amount
Financial assets:						
Cash	-	36,142	36,142	-	33,690	33,690
Interbank and money market items, net	-	200,283	200,283	-	194,094	194,094
Derivatives assets	23,380	5,737	29,117	28,910	6,747	35,657
Investments, net	114,922	16,860	131,782	108,831	1,196	110,027
Loans to customers and accrued interest receivables, net	-	1,403,285	1,403,285	-	1,262,083	1,262,083
Total	138,302	1,662,307	1,800,609	137,741	1,497,810	1,635,551
Financial liabilities:						
Deposits	-	1,108,288	1,108,288	-	1,046,290	1,046,290
Interbank and money market items, net	-	314,400	314,400	-	275,060	275,060
Liability payable on demand	-	4,177	4,177	-	3,211	3,211
Derivatives liabilities	19,758	823	20,581	25,794	899	26,693
Debt issued and borrowings	-	160,326	160,326	-	108,121	108,121
Total	19,758	1,588,014	1,607,772	25,794	1,433,581	1,459,375

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS					
	2016			2015		
	Measured at fair value	Not measured at fair value	Total carrying amount	Measured at fair value	Not measured at fair value	Total carrying amount
Financial assets:						
Cash	-	35,671	35,671	-	33,596	33,596
Interbank and money market items, net	-	194,453	194,453	-	192,212	192,212
Derivatives assets	23,380	5,737	29,117	28,910	6,747	35,657
Investments, net	114,922	16,841	131,763	108,831	1,179	110,010
Loans to customers and accrued interest receivables, net	-	1,304,954	1,304,954	-	1,187,273	1,187,273
Total	138,302	1,557,656	1,695,958	137,741	1,421,007	1,558,748
Financial liabilities:						
Deposits	-	1,102,914	1,102,914	-	1,052,072	1,052,072
Interbank and money market items, net	-	317,483	317,483	-	277,246	277,246
Liability payable on demand	-	4,176	4,176	-	3,211	3,211
Derivatives liabilities	19,758	823	20,581	25,794	899	26,693
Debt issued and borrowings	-	133,919	133,919	-	88,277	88,277
Total	19,758	1,559,315	1,579,073	25,794	1,421,705	1,447,499

Financial instruments measured at fair value

Classification of financial instruments measured at fair value by the level of fair value hierarchy as at December 31, 2016 and 2015 are summarized as follows:

Unit: Million Baht

	CONSOLIDATED AND THE BANK'S FINANCIAL STATEMENTS							
	2016				2015			
	Fair value			Carrying amount	Fair value			Carrying amount
	Level 1	Level 2	Total fair value		Level 1	Level 2	Total fair value	
Derivatives assets								
- trading book	-	23,380	23,380	23,380	-	28,910	28,910	28,910
Trading investments	-	425	425	425	-	1,075	1,075	1,075
Available-for-sale investment	3,420	111,077	114,497	114,497	1,519	106,237	107,756	107,756
Derivative liabilities								
- trading book	-	19,758	19,758	19,758	-	25,794	25,794	25,794

There are no transfers of financial assets and liabilities measured at fair value between level 1 and level 2 for the year ended December 31, 2016 and 2015.

Valuation technique for financial instrument measured at fair value are as follows:

Derivative - trading book

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

Investments

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

Equity securities traded in the Stock Exchange of Thailand ("SET"), the fair value is determined by using the last bid price of SET.

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

Financial instruments not measured at fair value

Fair value of financial instruments which are not measured at fair value and their fair value hierarchy level classification is summarized as follows:

CONSOLIDATED FINANCIAL STATEMENTS

	2016					2015			
	Fair value				Carrying amount	Fair value			Carrying amount
	Level 2	Level 3	Their carrying amounts are considered as a reasonable approximate of fair value	Total fair value		Level 2	Their carrying amounts are considered as a reasonable approximate of fair value	Total fair value	
Financial assets:									
Cash	-	-	36,142	36,142	36,142	-	33,690	33,690	33,690
Interbank and money market items, net	-	-	200,283	200,283	200,283	-	194,094	194,094	194,094
Derivatives assets - banking book	5,444	-	-	5,444	5,737	6,288	-	6,288	6,747
Held to maturity and general investments	-	16,050	860	16,910	16,860	-	1,196	1,196	1,196
Loans to customers and accrued interest receivables, net	-	-	1,403,285	1,403,285	1,403,285	-	1,262,083	1,262,083	1,262,083
Total	5,444	16,050	1,640,570	1,662,064	1,662,307	6,288	1,491,063	1,497,351	1,497,810
Financial liabilities:									
Deposits	1,108,734	-	-	1,108,734	1,108,288	1,046,795	-	1,046,795	1,046,290
Interbank and money market items, net	-	-	314,400	314,400	314,400	-	275,060	275,060	275,060
Liability payable on demand	-	-	4,177	4,177	4,177	-	3,211	3,211	3,211
Derivatives liabilities - banking book	871	-	-	871	823	1,024	-	1,024	899
Debt issued and borrowings	113,880	4,355	41,327	159,562	160,326	72,001	37,434	109,435	108,121
Total	1,223,485	4,355	359,904	1,587,744	1,588,014	1,119,820	315,705	1,435,525	1,433,581

THE BANK'S FINANCIAL STATEMENTS									
	2016					2015			
	Fair value				Carrying amount	Fair value			Carrying amount
	Level 2	Level 3	Their carrying amounts are considered as a reasonable approximate of fair value	Total fair value		Level 2	Their carrying amounts are considered as a reasonable approximate of fair value	Total fair value	
Financial assets:									
Cash	-	-	35,671	35,671	35,671	-	33,596	33,596	33,596
Interbank and money market items, net	-	-	194,453	194,453	194,453	-	192,212	192,212	192,212
Derivatives assets - banking book	5,444	-	-	5,444	5,737	6,288	-	6,288	6,747
Held to maturity and general investments	-	16,050	841	16,891	16,841	-	1,179	1,179	1,179
Loans to customers and accrued interest receivables, net	-	-	1,304,954	1,304,954	1,304,954	-	1,187,273	1,187,273	1,187,273
Total	5,444	16,050	1,535,919	1,557,413	1,557,656	6,288	1,414,260	1,420,548	1,421,007
Financial liabilities:									
Deposits	1,103,331	-	-	1,103,331	1,102,914	1,052,577	-	1,052,577	1,052,072
Interbank and money market items, net	-	-	317,483	317,483	317,483	-	277,246	277,246	277,246
Liability payable on demand	-	-	4,176	4,176	4,176	-	3,211	3,211	3,211
Derivatives liabilities - banking book	871	-	-	871	823	1,024	-	1,024	899
Debt issued and borrowings	91,967	-	41,575	133,542	133,919	51,893	37,434	89,327	88,277
Total	1,196,169	-	363,234	1,559,403	1,559,315	1,105,494	317,891	1,423,385	1,421,705

Valuation technique for financial instruments not measured at fair value are as follows:

Cash and interbank and money market items (assets)

The carrying amounts of cash and interbank and money market items (assets) presented in the statement of financial position are the approximated fair value.

Held to maturity and general investments

The carrying amount of held to maturity and general investments presented in the statement of financial position is the approximated fair value, except for investment in asset-backed security which fair value calculated based on discounted cash flows.

Loans to customers and accrued interest receivables, net

Loans to customers and accrued interest receivables include variable interest rate loans, fixed rate loans with relatively short maturities and non-performing loans. Most loans carry a floating interest rate. The fair value is approximated by the outstanding balance of loans to customers and accrued interest receivables less allowance for doubtful accounts.

Deposits

The fair value of deposits is calculated based on discounted cash flows.

Interbank and money market items (liabilities)

The carrying amount of interbank and money market items (liabilities) presented in the statement of financial position is the approximated fair value.

Liabilities payable on demand

The carrying amount of liabilities payable on demand presented in the statement of financial position is the approximated fair value.

Debt issued and borrowings

The carrying amount of debt issued and borrowings presented in the statement of financial position is the approximated fair value, except for subordinated and long-term senior securities which fair values are based on the actual market prices and subordinated and other borrowing of foreign subsidiary which fair value calculated based on discounted cash flows.

Derivative - banking book

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

5.6 Capital funds

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

The Financial Business Group and the Bank maintain their capital funds in accordance with the criteria, methodologies and conditions prescribed by the Bank of Thailand which is in line with the Basel III. As at December 31, 2016 and 2015, the capital funds and capital adequacy ratios of the Consolidated Supervision and the Bank are as follows:

Unit : Million Baht

	Basel III Consolidated Supervision	
	2016	2015
Common Equity Tier 1 capital		
Issued and paid-up share capital	73,558	73,558
Premium on share capital	52,879	52,879
Statutory reserve	4,372	3,585
Unappropriated retained earning	62,305	48,663
Other comprehensive income	8,959	6,514
Owner changes - other	(5,218)	(5,218)
Less Deduction items from Common Equity Tier 1	(20,220)	(17,672)
Total Common Equity Tier 1 capital	176,635	162,309
Additional Tier 1	1,387	1,346
Total Tier 1 capital	178,022	163,655
Tier 2 capital	41,080	28,911
Total capital fund	219,102	192,566

Capital adequacy ratio (%)

	BOT regulatory Minimum requirement*		Basel III Consolidated Supervision	
	2016	2015	2016	2015
Total Common Equity Tier 1 capital / Total risk weighted assets	5.125	4.5	12.14	12.22
Total Tier 1 capital / Total risk weighted assets	6.625	6.0	12.24	12.33
Total capital / Total risk weighted assets	9.125	8.5	15.06	14.50
Capital after deducting capital add-on arising from Single Lending Limit (Million Baht)			219,102	192,566
Capital ratio after deducting capital add-on arising from Single Lending Limit			15.06	14.50

* Since January 1, 2016, the BOT required the Commercial Banks to gradually increase and maintain the Conservation Buffer at a fixed rate of 0.625 percent per annum until it reaches 2.5 percent by January 1, 2019.

Unit : Million Baht

	Basel III The Bank	
	2016	2015
Comm on Equity Tier 1 capital		
Issued and paid-up share capital	73,558	73,558
Premium on share capital	52,879	52,879
Statutory reserve	4,372	3,585
Unappropriated retained earning	36,052	24,376
Other comprehensive income	8,988	6,581
Owner changes - other	(5,218)	(5,218)
Less Deduction items from Common Equity Tier 1	(11,803)	(9,578)
Total Common Equity Tier 1 capital	158,828	146,183
Additional Tier 1	-	-
Total Tier 1 capital	158,828	146,183
Tier 2 capital	32,266	20,081
Total capital fund	191,094	166,264

Capital adequacy ratio (%)

	BOT regulatory Minimum requirement*		Basel III The Bank	
	2016	2015	2016	2015
Total Common Equity Tier 1 capital / Total risk weighted assets	5.125	4.5	11.77	11.98
Total Tier 1 capital / Total risk weighted assets	6.625	6.0	11.77	11.98
Total capital / Total risk weighted assets	9.125	8.5	14.16	13.63
Capital after deducting capital add-on arising from Single Lending Limit (Million Baht)			191,094	166,264
Capital ratio after deducting capital add-on arising from Single Lending Limit			14.16	13.63

* Since January 1, 2016, the BOT required the Commercial Banks to gradually increase and maintain the Conservation Buffer at a fixed rate of 0.625 percent per annum until it reaches 2.5 percent by January 1, 2019.

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

Location of disclosure	www.krungsri.com
Date of disclosure	October 20, 2016
Information as at	June 30, 2016

The disclosure for the year ended December 31, 2016 will be provided on or before April 30, 2017 on the above Bank's website as indicated in the BOT's notification.

6. ESTIMATES AND ASSUMPTIONS

Preparation of financial statements in conformity with Thai Financial Reporting Standards principles requires management to make estimates and assumptions under certain circumstances. Such estimates and assumption affect reported amounts of revenues, expenses, assets and liabilities and require the disclosure of contingent assets and liabilities at the date of the financial statements that are differed estimates. The significant areas requiring management to make judgments and estimates that affect reported amounts and disclosures are as follows:

6.1 Fair value

For a business acquisition, the Bank's management estimates the fair value of assets, liabilities and other contingent liabilities of the acquiree's identifiable assets and liabilities at the acquisition date. In addition, any adjustments of the initial provision are finalized within 12 months after the acquisition date.

6.2 Allowance for doubtful accounts

The Bank and its subsidiaries estimate the minimum allowance for doubtful accounts in accordance with the BOT's guidelines. In addition, the Bank and its subsidiaries estimate an additional allowance which the management has considered based on the uncollectible loss from past experience, current economic conditions, and the ability to repay loans and accrued interest receivable. The Bank and its subsidiaries consider the value of collateral when deemed the primary source of repayment comes from the sales of the collateral.

A significant factor in the determination of the allowance for doubtful accounts is the value of collateral. Collateral pledged typically consists of land, buildings, and buildings under construction. Value of such collateral is based on independently and/or internally performed appraisals.

6.3 Allowance for properties for sale

The Bank and its subsidiaries estimate the allowance for impairment of properties for sale when there is a decline in net realizable value. In consideration of net realizable value, the Bank and its subsidiaries consider the appraised value together with other factors which can affect the realizable value such as related selling expenses, holding costs and discounted future expenses.

6.4 Goodwill

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

6.5 Impairment of assets

The carrying amounts of the Bank and its subsidiaries' assets are reviewed at each financial statement date to determine whether there are any indications of impairment. If any such indication exists, the assets' recoverable amounts are estimated by discounting expected cash flows.

6.6 Provisions

Provisions are recognized as liabilities in the statement of financial position when it is probable that an obligation has been incurred as a result of a past event, and result in the certain likelihood of an outflow of economic benefits to settle the obligation and the amount of such obligation can be reasonably estimated.

6.7 Provision for contingent liabilities

The Bank provides a provision for contingent liabilities with high credit risk such as loan guarantees, avals or non cancellable contingent liabilities at the same provision rate as that provided for the same debtor on the statement of financial position.

6.8 Significant judgement on classification of joint arrangement

Tesco Card Services Limited is a separate limited liability company that Ayudhya Capital Services Company Limited (a subsidiary of the Bank) holds 50% of interests under the joint arrangement agreement which requires unanimous consent from the parties to the agreement for the relevant activities. Furthermore, there is no contractual arrangement or any other facts and circumstances indicate that Ayudhya Capital Services Company Limited and the party to the joint arrangement have rights to the assets and obligations for the liabilities of the joint arrangement. For Tesco Life Assurance Broker Limited and Tesco General Insurance Broker Limited, they are also separate limited liability companies that Tesco Card Services Limited wholly holds 100% of interest. Accordingly, Tesco Card Services Limited, Tesco Life Assurance Broker Limited and Tesco General Insurance Broker Limited are classified as a joint venture of the Bank and its subsidiaries.

7. ADDITIONAL INFORMATION

7.1 Additional information of cash flows

7.1.1 Non-cash transactions of premises and equipment for the years ended December 31, 2016 and 2015 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Premises and equipment payable at the beginning of the years	737	555	579	455
Balance of Subsidiary as at Purchase Date	1	-	-	-
Purchases of premises and equipment	3,294	3,156	2,633	2,552
<u>Less</u> Cash payment	(3,749)	(2,974)	(2,975)	(2,428)
Premises and equipment payable at the end of the years	283	737	237	579

7.1.2 Non-cash transactions of computer software for the years ended December 31, 2016 and 2015 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Computer software payable at the beginning of the years	300	300	286	283
Purchases of computer software	886	1,229	675	1,075
<u>Less</u> Cash payment	(1,107)	(1,229)	(913)	(1,072)
Computer software payable at the end of the years	79	300	48	286

7.1.3 Other non-cash transaction for the years ended December 31, 2016 and 2015 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Increase (decrease) in revaluation surplus on investments	(242)	6	(242)	6
Accumulated depreciation of premises appraisal deducted from premises revaluation surplus	(324)	(178)	(299)	(173)
Increase in changes assets revaluation surplus	3,047	-	3,047	-
Properties for sale debt repayment	7,742	7,466	4,251	2,537
Properties and premises transferred to be properties foreclosed	34	19	-	19

7.1.4 In accordance with a resolution passed by the Bank's Annual General Meeting of Shareholders No. 104 held on April 28, 2016, it approved the Bank to acquire all registered and issued shares (100%) of Hattha Kaksekar Limited ("HKL"), operated the microfinance business in Cambodia from the existing shareholders.

On September 12, 2016, the Ministry of Commerce of Cambodia approved the transaction and the legal transfer of HKL has been completely transferred to the Bank. The acquisition date is on September 12, 2016.

Fair value of assets and liabilities of subsidiary and book value of each item are as follows:

Consolidated financial statements

Unit: Million Baht

	Book Value	Fair Value
Assets		
Cash	361	361
Receivable and loans	14,246	15,117
Intangible assets	-	161
Others	4,806	4,752
	19,413	20,391
Liabilities		
Deposit and borrowings	15,591	15,604
Others	1,725	1,941
	17,316	17,545
Net assets	2,097	2,846
Goodwill		2,477
Cash payment to acquire shares		5,323
Less Cash of the subsidiary		(361)
Net cash payment		4,962

The initial accounting for the acquisition of HKL has only been provisionally determined as at September 12, 2016. At the date of finalization of these financial statements, the fair value and other calculations has not been finalized and goodwill noted above has therefore only been provisionally determined based on the best estimate of the likely values.

The Bank and its subsidiary are in the process of adjusting the fair value and other calculations which is still in 1 year period from the acquisition date.

For the period from September 12, 2016 (the acquisition date) to December 31, 2016, HKL contributed the revenue of Baht 930 million and profit before tax of Baht 165 million, respectively.

- 7.1.5 On January 5, 2015, the Bank has completed the business transfer of The Bank of Tokyo-Mitsubishi UFJ, Ltd. - Bangkok Branch ("BTMU's Bangkok Branch"), then allotted 1,281,618,026 newly issued ordinary shares as a private placement to The Bank of Tokyo-Mitsubishi UFJ, Ltd. ("BTMU") with the par value of Baht 10 per share and the offering price of Baht 40.49 per share as consideration and/or exchange for the transfer of business of BTMU's Bangkok Branch in accordance with the approval by the Board of Directors Meeting No.12/2014 held on December 17, 2014 under the resolution of the Extraordinary General Meeting of Shareholders No. 1/2013 held on October 31, 2013 to approve the private placement of not more than 1,500,000,000 newly issued ordinary shares with the par value of Baht 10 per share.

Book value of assets and liabilities of BTMU's Bangkok Branch of each item are as follows:

Unit: Million Baht

Assets	
Cash	72
Interbank and money market items - net	115,012
Derivative assets	20,903
Investments - net	80,341
Loans to customers and accrued interest receivables - net	231,419
Others	1,064
	448,811
Liabilities	
Deposits	146,865
Interbank and money market items - net	216,837
Derivative liabilities	16,373
Debt issued and borrowings	19,691
Others	2,370
	402,136
Net assets	46,675
Deficit from business combination under common control	5,218
Purchase price	51,893

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

7.2 Interbank and money market items, net (Asset)

Interbank and money market items, net (Asset) as at December 31, 2016 and 2015 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS					
	2016			2015		
	At Call	Time	Total	At Call	Time	Total
Domestic items						
Bank of Thailand and Financial Institution Development Fund	13,199	62,770	75,969	6,355	59,498	65,853
Commercial banks	1,262	18,765	20,027	1,355	1,485	2,840
Specialized financial institutions	-	13,733	13,733	-	48,288	48,288
Other financial institutions	203	33,458	33,661	202	27,633	27,835
Total	14,664	128,726	143,390	7,912	136,904	144,816
Add Accrued interest receivables	-	34	34	-	112	112
Less Allowance for doubtful accounts	-	(439)	(439)	-	(369)	(369)
Total domestic items	14,664	128,321	142,985	7,912	136,647	144,559
Foreign items						
US Dollar	23,559	11,045	34,604	27,262	4,602	31,864
Yen	16,224	-	16,224	13,697	56	13,753
Euro	489	-	489	514	-	514
Other currencies	5,359	615	5,974	3,090	313	3,403
Total	45,631	11,660	57,291	44,563	4,971	49,534
Add Accrued interest receivables	1	6	7	-	1	1
Total foreign items	45,632	11,666	57,298	44,563	4,972	49,535
Total domestic and foreign items	60,296	139,987	200,283	52,475	141,619	194,094

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS						
	2016			2015		
	At Call	Time	Total	At Call	Time	Total
Domestic items						
Bank of Thailand and Financial Institution Development Fund	13,199	62,770	75,969	6,355	59,498	65,853
Commercial banks	252	18,635	18,887	204	874	1,078
Specialized financial institutions	-	13,733	13,733	-	48,288	48,288
Other financial institutions	203	33,456	33,659	202	27,633	27,835
Total	13,654	128,594	142,248	6,761	136,293	143,054
<u>Add</u> Accrued interest receivables	-	34	34	-	112	112
<u>Less</u> Allowance for doubtful accounts	-	(439)	(439)	-	(369)	(369)
Total domestic items	13,654	128,189	141,843	6,761	136,036	142,797
Foreign items						
US Dollar	21,110	9,960	31,070	27,156	4,602	31,758
Yen	16,224	-	16,224	13,697	56	13,753
Euro	489	-	489	514	-	514
Other currencies	4,699	122	4,821	3,076	313	3,389
Total	42,522	10,082	52,604	44,443	4,971	49,414
<u>Add</u> Accrued interest receivables	-	6	6	-	1	1
Total foreign items	42,522	10,088	52,610	44,443	4,972	49,415
Total domestic and foreign items	56,176	138,277	194,453	51,204	141,008	192,212

7.3 Derivatives

7.3.1 Fair value and the notional amount classified by type of risk as at December 31, 2016 and 2015 are as follows:

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS						
Risk type	2016			2015		
	Fair value / Readjustment based on			Fair value / Readjustment based on		
	an accrual basis Assets	an accrual basis Liabilities	Notional Amount	an accrual basis Assets	an accrual basis Liabilities	Notional Amount
Exchange rate	24,039	15,030	1,086,297	30,591	19,550	803,854
Interest rate	5,078	5,551	871,189	5,066	7,143	1,010,296
Total	29,117	20,581	1,957,486	35,657	26,693	1,814,150

Unit: Million Baht

Risk type	THE BANK'S FINANCIAL STATEMENTS					
	2016			2015		
	Fair value /			Fair value /		
	Readjustment based on			Readjustment based on		
	an accrual basis		Notional	an accrual basis		Notional
	Assets	Liabilities	Amount	Assets	Liabilities	Amount
Exchange rate	24,039	15,030	1,086,229	30,591	19,550	803,854
Interest rate	5,078	5,551	871,189	5,066	7,143	1,010,296
Total	29,117	20,581	1,957,418	35,657	26,693	1,814,150

7.3.2 Proportion of derivatives transactions classified by type of counterparty on the basis of notional amount as at December 31, 2016 and 2015 are as follows:

Counterparty	CONSOLIDATED		THE BANK'S	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2016	2015	2016	2015
	Proportion (%)	Proportion (%)	Proportion (%)	Proportion (%)
Financial institution	57.62	58.93	57.62	58.93
Related company	19.14	27.08	19.15	27.08
Third party	23.24	13.99	23.23	13.99
Total	100.00	100.00	100.00	100.00

7.4 Investments, net

Investments, net as at December 31, 2016 and 2015 consisted of the following:

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS								
	2016				2015			
	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	425	-	-	425	1,074	1	-	1,075
	425	-	-	425	1,074	1	-	1,075
Add Revaluation allowance	-			-	1			-
Total	425			425	1,075			1,075
Securities Available-for-Sale								
Government and state enterprise securities	95,728	296	(66)	95,958	90,425	705	(1)	91,129
Private sector's debt securities	13,358	399	(25)	13,732	13,468	535	-	14,003
Domestic marketable equity securities	4,747	532	(188)	5,091	3,021	467	(516)	2,972
	113,833	1,227	(279)	114,781	106,914	1,707	(517)	108,104
Add Revaluation allowance	948			-	1,190			-
Less Allowance for impairment	(284)			(284)	(348)			(348)
Total	114,497			114,497	107,756			107,756
Securities Held-to-Maturity								
Private sector's debt securities	16,050				50			
Investment in accounts receivable	714				1,020			
	16,764				1,070			
Less Allowance for impairment	(64)				(64)			
Total	16,700				1,006			
Securities for General Investments								
Domestic non-marketable equity securities	322				377			
Foreign non-marketable equity securities	30				31			
	352				408			
Less Allowance for impairment	(192)				(218)			
Total	160				190			
Total Investments, net	131,782				110,027			

THE BANK'S FINANCIAL STATEMENTS

	2016				2015			
	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	425	-	-	425	1,074	1	-	1,075
	425	-	-	425	1,074	1	-	1,075
Add Revaluation allowance	-			-	1			-
Total	425			425	1,075			1,075
Securities Available-for-Sale								
Government and state enterprise securities	95,728	296	(66)	95,958	90,425	705	(1)	91,129
Private sector's debt securities	13,079	399	(25)	13,453	13,125	535	-	13,660
Domestic marketable equity securities	4,747	532	(188)	5,091	3,021	467	(516)	2,972
	113,554	1,227	(279)	114,502	106,571	1,707	(517)	107,761
Add Revaluation allowance	948			-	1,190			-
Less Allowance for impairment	(5)			(5)	(5)			(5)
Total	114,497			114,497	107,756			107,756
Securities Held-to-Maturity								
Private sector's debt securities	16,050				50			
Investment in accounts receivable	714				1,020			
	16,764				1,070			
Less Allowance for impairment	(64)				(64)			
Total	16,700				1,006			
Securities for General Investments								
Domestic non-marketable equity securities	287				344			
Foreign non-marketable equity securities	30				31			
	317				375			
Less Allowance for impairment	(176)				(202)			
Total	141				173			
Total Investments, net	131,763				110,010			

For the years ended December 31, 2016 and 2015, revaluation surplus (deficit) on investments presented in the equity consists of the following:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Beginning balance	1,190	1,184	1,190	1,184
Increase (decrease) during the years	(242)	6	(242)	6
Ending balance	948	1,190	948	1,190

As at December 31, 2016 and 2015, the Bank and its subsidiaries had investments in general investments in the consolidated and the Bank's financial statements of 3 companies and 1 company, respectively, subject to being delisted from the SET, with cost of Baht 12 million and market price of Baht 0.

7.5 Investments in subsidiaries, associates and joint ventures, net

Investments in subsidiaries, associates and joint ventures net as at December 31, 2016 and 2015 consisted of the following:

Unit: Million Baht

Company Name			CONSOLIDATED FINANCIAL STATEMENTS					
			Business Type	Securities Investment Type	2016			
					Registered Share Capital	Proportion of Ownership Interest and Voting Power Held by the Bank (%)	Investment (Cost)	Investment (Equity Method)
Joint ventures								
Tesco Card Services Limited ⁽¹⁾	Credit cards and personal loans	Common Stock	2,080	50.00	1,040	1,715	-	
Tesco Life Assurance Broker Limited ⁽²⁾	Life assurance Broker	Common Stock	12	50.00	-	57	-	
Tesco General Insurance Broker Limited ⁽²⁾	General insurance broker	Common Stock	107	50.00	-	147	-	
Investments in joint ventures, net					1,040	1,919	-	

CONSOLIDATED FINANCIAL STATEMENTS							
Company Name	Business Type	Securities Investment Type	2015				
			Registered Share Capital	Proportion of Ownership Interest and Voting Power Held by the Bank (%)	Investment (Cost)	Investment (Equity Method)	Dividend
Joint ventures							
Tesco Card Services Limited ⁽¹⁾	Credit cards and personal loans	Common Stock	2,080	50.00	1,040	1,404	-
Tesco Life Assurance Broker Limited ⁽²⁾	Life assurance Broker	Common Stock	12	50.00	-	55	-
Tesco General Insurance Broker Limited ⁽²⁾	General insurance broker	Common Stock	107	50.00	-	117	-
Associate							
Metro Designee Company Limited ⁽³⁾	Special Purpose vehicle	Common Stock	-	22.00	-	-	-
Investments in associate and joint ventures, net					1,040	1,576	-

⁽¹⁾ Indirect holding via Ayudhya Capital Services Company Limited

⁽²⁾ Indirect holding via Tesco Card Services Limited

⁽³⁾ The company completed liquidation and registered with the Ministry of Commerce on December 29, 2016.

Company Name				THE BANK'S FINANCIAL STATEMENTS			
				2016			
				Registered Share Capital	Proportion of Ownership Interest and Voting Power Held by the Bank (%)	Investment (Cost)	Dividend
Business Type				Securities Investment Type			
Subsidiaries							
Ayudhya Development Leasing Company Limited	Leasing and hire- purchase	Common stock	1,235	99.99	3,929	-	
Ayudhya Capital Auto Lease Public Company Limited	Hire-purchase and auto leasing	Common stock	25,545	100.00	19,880	4,708	
Ngern Tid Lor Company Limited (Formerly CFG Services Company Limited)	Hire-purchase and motorcycle loans	Common stock Preferred stock	3,290	100.00	3,126 1	1,000 -	
Ayudhya Card Services Company Limited ⁽¹⁾	Credit cards and personal loans	Common stock	180	100.00	-	-	
Ayudhya Capital Services Company Limited	Credit cards and personal loans	Common stock	5,925	100.00	11,941	-	
General Card Services Limited	Credit cards and personal loans	Common stock	2,458	100.00	2,581	400	
Krungsriayudhya Card Company Limited	Credit cards and personal loans	Common stock	5,906	100.00	6,275	-	
Siam Realty and Services Security Company Limited (formerly Siam Realty and Services Company Limited)	Car rental services and personnel services	Common stock	100	100.00	100	-	
Total Services Solutions Public Company Limited	Collection services	Common stock	401	100.00	1,614	-	
Krungsri Asset Management Company Limited	Fund management	Common stock	350	76.59	205	268	
Krungsri Ayudhya AMC Limited	Asset management	Common stock	2,700	100.00	4,565	-	
Krungsri Securities Public Company Limited	Securities	Common stock	600	98.71	731	-	
Krungsri Factoring Company Limited	Factoring	Common stock	300	100.00	300	-	
Hattha Kaksekar Limited	Micro finance	Common stock	237	100.00	5,415	-	
Investments in subsidiaries					60,663	6,376	
Less Allowance for impairment					(4,952)	-	
Investments in subsidiaries net					55,711	6,376	

⁽¹⁾ Subsidiary is in the process of liquidation.

THE BANK'S FINANCIAL STATEMENTS						
2015						
Company Name	Business Type	Securities Investment Type	Registered Share Capital	Proportion of Ownership Interest and Voting Power Held by the Bank (%)	Investment (Cost)	Dividend
Subsidiaries						
Ayudhya Development Leasing Company Limited	Leasing and hire- purchase	Common stock	3,705	99.99	3,929	-
Ayudhya Capital Auto Lease Public Company Limited	Hire-purchase and auto leasing	Common stock	25,545	100.00	19,880	4,068
Ngern Tid Lor Company Limited (Formerly CFG Services Company Limited)	Hire-purchase and motorcycle loans	Common stock Preferred stock	2,290	100.00	2,126 1	300 -
Ayudhya Card Services Company Limited ⁽¹⁾	Credit cards and personal loans	Common stock	180	100.00	-	-
Ayudhya Capital Services Company Limited	Credit cards and personal loans	Common stock	5,925	100.00	11,941	-
General Card Services Limited	Credit cards and personal loans	Common stock	2,058	100.00	2,181	-
Krungsriayudhya Card Company Limited	Credit cards and personal loans	Common stock	5,906	100.00	6,275	-
Siam Realty and Services Security Company Limited (formerly Siam Realty and Services Company Limited)	Car rental services and personnel services	Common stock	100	100.00	100	-
Total Services Solutions Public Company Limited	Collection services	Common stock	401	100.00	1,614	-
Krungsri Asset Management Company Limited	Fund management	Common stock	350	76.59	205	938
Krungsri Ayudhya AMC Limited	Asset management	Common stock	2,700	100.00	4,565	-
Krungsri Securities Public Company Limited	Securities	Common stock	600	98.71	731	-
Krungsri Factoring Company Limited	Factoring	Common stock	300	100.00	300	-
Associated Company						
Metro Designee Company Limited ⁽²⁾	Special purpose vehicle	Common stock	-	22.00	-	-
Investments in subsidiaries and associated company					53,848	5,306
<u>Less</u> Allowance for impairment					(4,952)	-
Investments in subsidiaries and associated company, net					48,896	5,306

⁽¹⁾ Subsidiary is in the process of liquidation.

⁽²⁾ The company completed liquidation and registered with the Ministry of Commerce on December 29, 2016.

DISCLOSURE OF THE STATEMENTS OF CASH FLOWS OF ASSET MANAGEMENT COMPANY

KRUNGSRI AYUDHYA AMC LIMITED
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2016

Unit: Million Baht

	2016	2015
Cash flows from operating activities		
Income before income tax	175	208
Adjustments to reconcile income to cash provided (paid) from operating activities		
Bad debt and doubtful accounts	11	4
Loss on impairment of properties for sale	55	1
Depreciation and amortization	1	1
Gain on sales of properties for sale	(92)	(114)
Employment benefits expenses	5	4
Interest income, net	(103)	(98)
Interest received	103	98
Income tax paid	(28)	(82)
Income from operations before changes in operating assets and liabilities	127	22
(Increase) decrease in operating assets		
Investment in receivables	35	29
Loans to customers	11	8
Properties for sale	335	368
Other assets	(4)	38
Decrease in operating liabilities		
Other liabilities	(5)	(22)
Net cash from operating activities	499	443
Cash flows from investing activities		
Cash paid for purchases of equipment	-	(1)
Net cash from investing activities	-	(1)
Cash flows from financing activities		
Cash paid for repatriation capital	-	(1,435)
Net cash from financing activities	-	(1,435)
Net increase (decrease) in cash and cash equivalents	499	(993)
Cash and cash equivalents as at January 1,	458	1,451
Cash and cash equivalents as at December 31,	957	458

7.6 Loans to customers and accrued interest receivables, net

Loans to customers and accrued interest receivables, net as at December 31, 2016 and 2015 are as follows:

(1) Classified by products

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Overdrafts	55,297	54,637	55,243	54,532
Loan against contract	737,450	649,911	782,688	744,533
Trade bill	296,147	269,242	297,178	270,382
Hire-purchase receivable	344,044	309,212	232,016	164,227
Lease contract receivable	14,413	13,825	3,452	2,578
Credit card receivable	56,542	53,310	-	-
Others	2,329	3,422	1,394	2,454
Total	1,506,222	1,353,559	1,371,971	1,238,706
<u>Less</u> Deferred revenue	(57,340)	(50,105)	(36,657)	(27,093)
Loans to customers after deferred revenue, net	1,448,882	1,303,454	1,335,314	1,211,613
<u>Add</u> Accrued interest receivables	3,865	3,573	2,316	2,359
Loans to customers and accrued interest receivable after deferred revenue, net	1,452,747	1,307,027	1,337,630	1,213,972
<u>Less</u> Allowance for doubtful accounts				
1) BOT requirement :				
- Individual approach	(24,525)	(22,966)	(20,006)	(17,621)
- Collective approach	(7,693)	(6,912)	(5,220)	(3,428)
2) Surplus reserve	(16,056)	(13,340)	(7,422)	(5,238)
<u>Less</u> Revaluation allowance for debt restructuring	(1,188)	(1,726)	(28)	(412)
Total loans to customers, net	1,403,285	1,262,083	1,304,954	1,187,273

(2) Classified by currency and residence of debtors

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS					
	2016			2015		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Baht	1,350,834	11,571	1,362,405	1,228,060	10,948	1,239,008
US Dollar	60,759	21,891	82,650	53,126	6,236	59,362
Other currencies	1,575	2,252	3,827	1,915	3,169	5,084
Total	1,413,168	35,714	1,448,882	1,283,101	20,353	1,303,454

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS					
	2016			2015		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Baht	1,253,181	10,846	1,264,027	1,136,251	10,948	1,147,199
US Dollar	60,759	6,079	66,838	53,126	6,232	59,358
Other currencies	1,575	2,874	4,449	1,915	3,141	5,056
Total	1,315,515	19,799	1,335,314	1,191,292	20,321	1,211,613

(3) Classified by business type and classification

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS					
	2016					
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total
Agriculture and mining	17,101	658	93	103	777	18,732
Manufacturing and trading	377,983	15,831	4,187	1,411	6,250	405,662
Real estate and construction	83,854	2,834	1,321	172	1,587	89,768
Public utilities and services	146,896	13,020	275	530	1,700	162,421
Housing loans	191,176	2,045	1,197	1,419	2,266	198,103
Others	539,300	23,350	5,491	2,241	3,814	574,196
Total	1,356,310	57,738	12,564	5,876	16,394	1,448,882

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS					
	2015					
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total
Agriculture and mining	13,747	1,104	86	109	764	15,810
Manufacturing and trading	336,142	14,798	2,675	2,714	3,442	359,771
Real estate and construction	74,491	2,923	915	691	880	79,900
Public utilities and services	140,557	4,879	481	524	1,836	148,277
Housing loans	154,115	1,881	1,102	1,269	1,790	160,157
Others	503,753	22,825	5,565	3,105	4,291	539,539
Total	1,222,805	48,410	10,824	8,412	13,003	1,303,454

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS						
	2016					
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total
Agriculture and mining	13,074	645	84	94	158	14,055
Manufacturing and trading	374,203	15,590	4,178	1,383	5,579	400,933
Real estate and construction	83,072	2,835	1,226	171	1,581	88,885
Public utilities and services	146,864	13,019	275	530	1,317	162,005
Housing loans	188,055	2,040	1,195	1,416	2,241	194,947
Others	457,110	11,815	2,095	1,539	1,930	474,489
Total	1,262,378	45,944	9,053	5,133	12,806	1,335,314

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS						
	2015					
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Total
Agriculture and mining	13,682	1,104	86	109	118	15,099
Manufacturing and trading	336,006	14,550	2,625	2,681	2,702	358,564
Real estate and construction	74,419	2,839	915	669	872	79,714
Public utilities and services	140,523	4,879	481	524	1,439	147,846
Housing loans	154,115	1,881	1,102	1,270	1,748	160,116
Others	436,808	9,180	1,969	1,649	668	450,274
Total	1,155,553	34,433	7,178	6,902	7,547	1,211,613

(4) Classified by type of classification

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS				
	2016			
	Loans to Customers and Accrued Interest Receivables	Outstanding Balance Use for Calculation Allowance	% Use for Calculation Allowance ⁽³⁾	Allowance for Doubtful Accounts ⁽⁴⁾
1. Minimum allowance per BOT guideline				
Normal	1,359,936	907,176	1	10,426
Special mention	57,976	45,028	2, 14	3,100
Substandard	12,564	8,493	50, 100	7,254
Doubtful	5,876	2,964	46, 100	2,388
Doubtful of loss	16,395	7,385	100	9,050
Total	1,452,747	971,046		32,218 ⁽¹⁾
2. Surplus Reserve				16,056 ⁽²⁾
Total				48,274

CONSOLIDATED FINANCIAL STATEMENTS				
2015				
	Loans to Customers and Accrued Interest Receivables	Outstanding Balance Use for Calculation Allowance	% Use for Calculation Allowance ⁽³⁾	Allowance for Doubtful Accounts ⁽⁴⁾
1. Minimum allowance per BOT guideline				
Normal	1,226,187	845,656	1	9,204
Special mention	48,598	36,427	2, 13	3,802
Substandard	10,824	7,229	52, 100	6,255
Doubtful	8,412	4,692	49, 100	4,271
Doubtful of loss	13,006	5,459	100	6,346
Total	1,307,027	899,463		29,878 ⁽¹⁾
2. Surplus Reserve				13,340 ⁽²⁾
Total				43,218

⁽¹⁾ Including allowance for doubtful accounts on a collective approach for hire-purchase loans as at December 31, 2016 and 2015, of Baht 7,693 million and Baht 6,912 million, respectively.

⁽²⁾ Including allowance for doubtful accounts of loans granted to subsidiaries as at December 31, 2016 and 2015, at the rate of 1% of Baht 118,284 million and Baht 145,769 million equal to Baht 1,183 million and Baht 1,458 million, respectively, which are not eliminated but treated as surplus reserve in the consolidated financial statements.

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

⁽⁴⁾ Excluding revaluation allowance for debt restructuring as at December 31, 2016 and 2015, of Baht 1,188 million and Baht 1,726 million, respectively, and excluding allowance for doubtful accounts for interbank and money market items as at December 31, 2016 and 2015, of Baht 439 million and Baht 369 million, respectively.

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS				
	2016			
	Loans to Customers and Accrued Interest Receivables	Outstanding Balance Use for Calculation Allowance	% Use for Calculation Allowance ⁽³⁾	Allowance for Doubtful Accounts ⁽⁴⁾
1. Minimum allowance per BOT guideline				
Normal	1,264,559	819,366	1	9,378
Special mention	46,079	34,415	2, 12	2,157
Substandard	9,053	5,164	41, 100	4,819
Doubtful	5,133	2,280	41, 100	2,035
Doubtful of loss	12,806	5,356	100	6,837
Total	1,337,630	866,581		25,226 ⁽¹⁾
2. Surplus Reserve				7,422 ⁽²⁾
Total				32,648

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS				
	2015			
	Loans to Customers and Accrued Interest Receivables	Outstanding Balance Use for Calculation Allowance	% Use for Calculation Allowance ⁽³⁾	Allowance for Doubtful Accounts ⁽⁴⁾
1. Minimum allowance per BOT guideline				
Normal	1,157,819	781,259	1	8,462
Special mention	34,526	23,706	2, 13	2,537
Substandard	7,178	3,686	45, 100	3,750
Doubtful	6,902	3,445	45, 100	3,574
Doubtful of loss	7,547	1,860	100	2,726
Total	1,213,972	813,956		21,049 ⁽¹⁾
2. Surplus Reserve				5,238 ⁽²⁾
Total				26,287

⁽¹⁾ Including allowance for doubtful accounts on a collective approach for hire-purchase loans as at December 31, 2016 and 2015 of Baht 5,220 million and Baht 3,428 million, respectively.

⁽²⁾ Including allowance for doubtful accounts of loan granted to subsidiaries as at December 31, 2016 and 2015, at the rate of 1% of Baht 118,284 million and Baht 145,769 million, equal to Baht 1,183 million and Baht 1,458 million, respectively.

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

⁽⁴⁾ Excluding revaluation allowance for debt restructuring as at December 31, 2016 and 2015, of Baht 28 million and Baht 412 million, respectively and excluding allowance for doubtful accounts for interbank and money market items as at December 31, 2016 and 2015, of Baht 439 million and Baht 369 million, respectively.

For the years ended December 31, 2016 and 2015, the Bank entered into agreements to sell non-performing loans (NPLs) to the third parties as follows:

Unit: Million Baht

	CONSOLIDATED AND THE BANK'S FINANCIAL STATEMENTS	
	2016	2015
Book value	2,878	2,874
Net book value	2,095	1,932
Sale price	2,095	1,932

As at December 31, 2016 and 2015, the Bank and Krungsri Ayudhya AMC Limited ("AMC") had non-performing loans which included interbank and money market items as follows:

Unit: Million Baht

	2016		
	The Bank	AMC	The Bank and AMC
Non-performing loans	26,992	541	27,533
Percentage of total loans	1.84	100.00	1.88
Non-performing loans, net	13,300	359	13,659
Percentage of total loans, net	0.92	100.00	0.94

Unit: Million Baht

	2015		
	The Bank	AMC	The Bank and AMC
Non-performing loans	21,627	624	22,251
Percentage of total loans	1.60	100.00	1.64
Non-performing loans, net	11,578	433	12,011
Percentage of total loans, net	0.86	100.00	0.89

As at December 31, 2016 and 2015, the Bank and its subsidiaries' non-performing loans are Baht 34,834 million and Baht 32,239 million, respectively.

(5) Troubled debt restructuring

For the years ended December 31, 2016 and 2015, the Bank and its subsidiaries had restructured the following debts:

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS								
Form of Restructuring	2016				2015			
	Number of Debtors	Amount of Debt Before Restructuring	Type of Assets Acquired	Fair Value	Number of Debtors	Amount of Debt Before Restructuring	Type of Assets Acquired	Fair Value
Modification of terms	22,478	7,500	-	-	23,271	3,809	-	-
Reduction of principal and interest	6,497	331	-	-	6,587	701	-	-
Various forms of restructuring	817	5,402	-	-	459	1,966	-	-
Total	29,792	13,233	-	-	30,317	6,476	-	-

Unit : Million Baht

THE BANK'S FINANCIAL STATEMENTS								
Form of Restructuring	2016				2015			
	Number of Debtors	Amount of Debt Before Restructuring	Type of Assets Acquired	Fair Value	Number of Debtors	Amount of Debt Before Restructuring	Type of Assets Acquired	Fair Value
Modification of terms	1,012	5,146	-	-	549	1,503	-	-
Reduction of principal and interest	-	-	-	-	98	388	-	-
Various forms of restructuring	817	5,402	-	-	459	1,966	-	-
Total	1,829	10,548	-	-	1,106	3,857	-	-

For the years ended December 31, 2016 and 2015, the Bank and its subsidiaries calculated the net realizable value for the trouble debt restructured by the modification of terms using the present value of future cash flows under the restructured loan agreement, discounted by the market rate, together with the fair value of collateral as follows:

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS								
Method	2016				2015			
	Average	Number	Amount of Debt		Average	Number	Amount of Debt	
	Aging (Year)	of Debtors	Before Restructuring	After Restructuring	Aging (Year)	of Debtors	Before Restructuring	After Restructuring
Present value of future cash flows	4.63	21,920	3,152	3,170	4.65	22,673	2,525	2,640
Fair value of collateral	9.19	558	4,348	4,348	8.39	598	1,284	1,284

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS								
Method	2016				2015			
	Average	Number	Amount of Debt		Average	Number	Amount of Debt	
	Aging (Year)	of Debtors	Before Restructuring	After Restructuring	Aging (Year)	of Debtors	Before Restructuring	After Restructuring
Present value of future cash flows	5.08	531	809	804	6.51	8	223	223
Fair value of collateral	10.66	481	4,337	4,337	9.27	541	1,280	1,280

For the years ended December 31, 2016 and 2015, the Bank and its subsidiaries recognized losses on debt restructured and interest received from debt restructured in the statements of profit or loss and other comprehensive income as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Losses on debt restructured (reversal)	786	1,328	(376)	(145)
Interest received from debt restructured	807	874	520	602

As at December 31, 2016 and 2015, the Bank and its subsidiaries recorded balances of total debt restructured and debt restructured during the years ended December 31, 2016 and 2015, in the statements of financial position as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Balances of total debt restructured	19,541	15,943	14,803	11,018
Balances of debt restructured during the years	11,976	5,440	9,880	2,865

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

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS			
	2016			
	Within 1 Year	Amount due per agreements Greater than 1-5 Years	Greater than 5 Years	Total
Minimum lease payments	94,225	204,456	59,776	358,457
<u>Less</u> Unearned interest income				(57,293)
Present value of the minimum lease payments				301,164
<u>Less</u> Allowance for doubtful accounts				(11,874)
Total lease receivables, net				289,290

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS			
	2015			
	Within 1 Year	Amount due per agreements Greater than 1-5 Years	Greater than 5 Years	Total
Minimum lease payments	91,666	185,408	45,963	323,037
<u>Less</u> Unearned interest income				(50,047)
Present value of the minimum lease payments				272,990
<u>Less</u> Allowance for doubtful accounts				(12,655)
Total lease receivables, net				260,335

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS				
	2016			
	Amount due per agreements			Total
	Within 1 Year	Greater than 1-5 Years	Greater than 5 Years	
Minimum lease payments	42,952	139,794	52,722	235,468
<u>Less</u> Unearned interest income				(36,619)
Present value of the minimum lease payments				198,849
<u>Less</u> Allowance for doubtful accounts				(5,220)
Total lease receivables, net				193,629

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS				
	2015			
	Amount due per agreements			Total
	Within 1 Year	Greater than 1-5 Years	Greater than 5 Years	
Minimum lease payments	27,526	99,571	39,708	166,805
<u>Less</u> Unearned interest income				(27,041)
Present value of the minimum lease payments				139,764
<u>Less</u> Allowance for doubtful accounts				(3,427)
Total lease receivables, net				136,337

7.7 Allowance for doubtful accounts

Allowance for doubtful accounts as at December 31, 2016 and 2015 are as follows:

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS							
	2016						
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Surplus Reserve	Total
Beginning balance	9,204	3,802	6,255	4,271	6,346	13,340	43,218
Items arising from business combination	143	-	26	12	6	18	205
Doubtful accounts (reversal)	1,256	(281)	6,356	1,125	9,277	2,727	20,460
Bad debts written off	(177)	(421)	(5,383)	(2,996)	(5,809)	(28)	(14,814)
Bad debts written off from sales of NPLs	-	-	-	(24)	(770)	-	(794)
Other	-	-	-	-	-	(1)	(1)
Ending balance	10,426	3,100	7,254	2,388	9,050	16,056	48,274

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS							
2015							
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Surplus Reserve	Total
Beginning balance	6,665	3,239	4,969	3,341	6,441	13,504	38,159
Items arising from business combination	1,991	155	-	377	-	-	2,523
Doubtful accounts (reversal)	596	803	6,687	2,677	8,266	(174)	18,855
Bad debts written off	(48)	(395)	(5,401)	(2,023)	(7,508)	-	(15,375)
Bad debts written off from sales of NPLs	-	-	-	(101)	(853)	-	(954)
Other	-	-	-	-	-	10	10
Ending balance	9,204	3,802	6,255	4,271	6,346	13,340	43,218

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS							
2016							
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Surplus Reserve	Total
Beginning balance	8,462	2,537	3,750	3,574	2,726	5,238	26,287
Doubtful accounts	1,092	41	1,499	1,482	5,683	2,185	11,982
Bad debts written off	(176)	(421)	(430)	(2,997)	(802)	-	(4,826)
Bad debts written off from sales of NPLs	-	-	-	(24)	(770)	-	(794)
Other	-	-	-	-	-	(1)	(1)
Ending balance	9,378	2,157	4,819	2,035	6,837	7,422	32,648

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS							
2015							
	Normal	Special Mention	Substandard	Doubtful	Doubtful of Loss	Surplus Reserve	Total
Beginning balance	5,956	1,635	2,532	2,307	1,803	5,564	19,797
Items arising from business combination	1,991	155	-	377	-	-	2,523
Doubtful accounts (reversal)	563	1,142	1,870	3,014	3,073	(330)	9,332
Bad debts written off	(48)	(395)	(652)	(2,023)	(1,297)	-	(4,415)
Bad debts written off from sales of NPLs	-	-	-	(101)	(853)	-	(954)
Other	-	-	-	-	-	4	4
Ending balance	8,462	2,537	3,750	3,574	2,726	5,238	26,287

As at December 31, 2016 and 2015, the Bank and its subsidiaries estimated the minimum total allowance under the BOT Guidelines as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Allowance for doubtful accounts*	33,844	31,974	25,692	21,830

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

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

Unit: Million Baht

	2016	2015
Consolidated financial statements	49,900	45,313
The Bank and Krungsri Ayudhya AMC Limited	33,433	27,401
The Bank's financial statements	33,114	27,069

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

As at December 31, 2016 and 2015, the Bank and its subsidiaries had loans to customers and accrued interest receivables to companies which have certain problems in financial position and result of operations as defined in the Guideline of SET dated July 8, 1998 regarding the Quality of Assets and Transactions with Related Parties and the allowance for doubtful accounts for such loans as follows:

Unit: Million Baht

	CONSOLIDATED AND THE BANK'S FINANCIAL STATEMENTS			
	2016			
	Number	Outstanding Balance	Collateral	Allowance for Doubtful Accounts
Companies subject to be delisted by SET	2	2,220	623	1,595
Total	2	2,220	623	1,595

Unit: Million Baht

CONSOLIDATED AND THE BANK'S FINANCIAL STATEMENTS 2015				
	Number	Outstanding Balance	Collateral	Allowance for Doubtful Accounts
Companies subject to be delisted by SET	2	2,225	845	1,291
Total	2	2,225	845	1,291

7.8 Revaluation allowance for debt restructuring

Revaluation allowance for debt restructuring as at December 31, 2016 and 2015 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Beginning balance	1,726	1,617	412	563
Increase (decrease) during the years	786	1,328	(376)	(145)
Amount written off	(1,324)	(1,219)	(8)	(6)
Ending balance	1,188	1,726	28	412

7.9 Properties for sale, net

Properties for sale, net as at December 31, 2016 and 2015 are as follows:

Unit: Million Baht

Type of Properties For Sale	CONSOLIDATED FINANCIAL STATEMENTS			
	Balance as at January 1, 2016	Acquisition	Disposition	Balance as at December 31, 2016
1. Assets acquired from debt repayment				
1.1 Immovable	5,468	32	(750)	4,750
1.2 Movable	744	7,710	(7,691)	763
Total	6,212	7,742	(8,441)	5,513
2. Others	131	34	(76)	89
Total properties for sale	6,343	7,776	(8,517)	5,602
Less Provision for impairment	(1,293)	(1,608)	1,555	(1,346)
Total properties for sale	5,050	6,168	(6,962)	4,256

Unit: Million Baht

Type of Properties For Sale	CONSOLIDATED FINANCIAL STATEMENTS			
	Balance as at January 1, 2015	Acquisition	Disposition	Balance as at December 31, 2015
1. Assets acquired from debt repayment				
1.1 Immovable	6,471	44	(1,047)	5,468
1.2 Movable	850	7,423	(7,529)	744
Total	7,321	7,467	(8,576)	6,212
2. Others	116	15	-	131
Total properties for sale	7,437	7,482	(8,576)	6,343
Less Provision for impairment	(1,981)	(2,122)	2,810	(1,293)
Total properties for sale	5,456	5,360	(5,766)	5,050

Unit: Million Baht

Type of Properties For Sale	THE BANK'S FINANCIAL STATEMENTS			
	Balance as at January 1, 2016	Acquisition	Disposition	Balance as at December 31, 2016
1. Assets acquired from debt repayment				
1.1 Immovable	3,192	30	(462)	2,760
1.2 Movable	275	4,221	(4,159)	337
Total	3,467	4,251	(4,621)	3,097
2. Others	131	-	(41)	90
Total properties for sale	3,598	4,251	(4,662)	3,187
Less Provision for impairment	(741)	(179)	121	(799)
Total properties for sale	2,857	4,072	(4,541)	2,388

Unit: Million Baht

Type of Properties For Sale	THE BANK'S FINANCIAL STATEMENTS			
	Balance as at January 1, 2015	Acquisition	Disposition	Balance as at December 31, 2015
1. Assets acquired from debt repayment				
1.1 Immovable	3,908	39	(755)	3,192
1.2 Movable	109	2,498	(2,332)	275
Total	4,017	2,537	(3,087)	3,467
2. Others	116	15	-	131
Total properties for sale	4,133	2,552	(3,087)	3,598
Less Provision for impairment	(1,290)	(116)	665	(741)
Total properties for sale	2,843	2,436	(2,422)	2,857

Immovable assets for sale classified by external and internal appraisers as at December 31, 2016 and 2015 consist of the following:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Immovable assets-Foreclosed assets				
Appraised by external appraisers	1,498	1,693	1,444	1,553
Appraised by internal appraisers	3,252	3,775	1,316	1,639
Total	4,750	5,468	2,760	3,192

7.10 Premises and equipment, net

Premises and equipment, net as at December 31, 2016 and 2015 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS					
	Balance as at January 1, 2016	Balance of Subsidiary as at Purchase Date	Increase	Decrease	Other	Balance as at December 31, 2016
Land						
Cost	4,286	-	21	-	-	4,307
Appraisal increase (Year 2016)	5,174	-	1,928	-	-	7,102
Appraisal decrease (Year 2016)	(78)	-	-	41	-	(37)
Premises						
Cost	7,104	-	278	(38)	-	7,344
Appraisal increase (Year 2016)	7,708	-	4,039	(98)	-	11,649
Appraisal decrease (Year 2016)	(134)	-	-	48	-	(86)
Equipment	14,235	366	2,090	(1,077)	245	15,859
Leasehold improvement	3,096	49	506	(70)	1	3,582
Total	41,391	415	8,862	(1,194)	246	49,720
<u>Less</u> Accumulated depreciation						
Premises						
- Cost	(3,736)	-	(300)	23	-	(4,013)
- Appraisal increase (Year 2016)	(5,077)	-	(3,218)	74	-	(8,221)
Equipment	(10,108)	(220)	(1,354)	1,018	(241)	(10,905)
Leasehold improvement	(1,747)	(29)	(348)	51	(1)	(2,074)
Total	(20,668)	(249)	(5,220)	1,166	(242)	(25,213)
Construction in progress	270	1	592	(149)	-	714
Premises and equipment, net	20,993					25,221

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS			
	Balance as at January 1, 2015	Increase	Decrease	Balance as at December 31, 2015
Land				
Cost	3,633	673	(20)	4,286
Appraisal increase (Year 2013)	5,179	-	(5)	5,174
Appraisal decrease (Year 2013)	(79)	-	1	(78)
Premises				
Cost	6,808	327	(31)	7,104
Appraisal increase (Year 2013)	7,748	-	(40)	7,708
Appraisal decrease (Year 2013)	(134)	-	-	(134)
Equipment	13,302	1,632	(699)	14,235
Leasehold improvement	2,467	755	(126)	3,096
Total	38,924	3,387	(920)	41,39
<u>Less</u> Accumulated depreciation				
Premises				
- Cost	(3,482)	(265)	11	(3,736)
- Appraisal increase (Year 2013)	(4,938)	(172)	33	(5,077)
Equipment	(9,434)	(1,285)	611	(10,108)
Leasehold improvement	(1,525)	(278)	56	(1,747)
Total	(19,379)	(2,000)	711	(20,668)
Construction in progress	407	558	(695)	270
Premises and equipment, net	19,952			20,993

Unit: Million Baht

	2016	2015
Depreciation for the years	2,301	2,000

As at December 31, 2016 and 2015, the Bank and its subsidiaries had premises and equipment which were fully depreciated but still in use, with the original costs amounting to Baht 8,625 million and Baht 8,184 million, respectively.

As at December 31, 2016 and 2015, the Bank and its subsidiaries had equipments which are under finance leases, with the original costs amounting to Baht 463 million and Baht 458 million, respectively.

Land and premises of the Bank was revalued in 2016 by the independent professional qualified appraisers. The basis of valuation for land and premises are market value and depreciated replacement cost. The fair value of land and premises are determined as level 3 hierarchy.

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS					
	Balance as at January 1, 2016	Increase	Decrease	Other	Balance as at December 31, 2016
Land					
Cost	4,286	21	-	-	4,307
Appraisal increase (Year 2016)	5,174	1,928	-	-	7,102
Appraisal decrease (Year 2016)	(78)	-	41	-	(37)
Premises					
Cost	7,066	278	-	-	7,344
Appraisal increase (Year 2016)	7,610	4,039	-	-	11,649
Appraisal decrease (Year 2016)	(134)	-	48	-	(86)
Equipment	10,926	1,612	(857)	233	11,914
Leasehold improvement	1,920	337	(27)	-	2,230
Total	36,770	8,215	(795)	233	44,423
<u>Less</u> Accumulated depreciation					
Premises					
- Cost	(3,713)	(300)	-	-	(4,013)
- Appraisal increase (Year 2016)	(5,004)	(3,218)	-	-	(8,222)
Equipment	(8,225)	(992)	855	(233)	(8,595)
Leasehold improvement	(774)	(204)	17	-	(961)
Total	(17,716)	(4,714)	872	(233)	(21,791)
Construction in progress	266	575	(146)	-	695
Premises and equipment, net	19,320				23,327

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS			
	Balance as at January 1, 2015	Increase	Decrease	Balance as at December 31, 2015
Land				
Cost	3,632	673	(19)	4,286
Appraisal increase (Year 2013)	5,175	-	(1)	5,174
Appraisal decrease (Year 2013)	(79)	-	1	(78)
Premises				
Cost	6,750	327	(11)	7,066
Appraisal increase (Year 2013)	7,612	-	(2)	7,610
Appraisal decrease (Year 2013)	(134)	-	-	(134)
Equipment	10,178	1,165	(417)	10,926
Leasehold improvement	1,356	592	(28)	1,920
Total	34,490	2,757	(477)	36,770
<u>Less Accumulated depreciation</u>				
Premises				
- Cost	(3,452)	(264)	3	(3,713)
- Appraisal increase (Year 2013)	(4,833)	(172)	1	(5,004)
Equipment	(7,724)	(916)	415	(8,225)
Leasehold improvement	(654)	(137)	17	(774)
Total	(16,663)	(1,489)	436	(17,716)
Construction in progress	392	396	(522)	266
Premises and equipment, net	18,219			19,320

Unit: Million Baht

	2016	2015
Depreciation for the year	1,795	1,489

As at December 31, 2016 and 2015, the Bank had premises and equipment which were fully depreciated but still in use, with the original costs amounting to Baht 6,340 million and Baht 6,293 million, respectively.

As at December 31, 2016 and 2015, the Bank had equipments which are under finance leases, with the original costs amounting to Baht 444 million and Baht 445 million, respectively.

7.11 Goodwill and other intangible assets, net

Goodwill and other intangible assets, net as at December 31, 2016 and 2015 are as follows:

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS						
	Balance as at January 1, 2016	Balance of Subsidiary as at Purchase Date	Increase	Decrease	Other	Balance as at December 31, 2016
Cost						
Goodwill	9,947	2,477	-	-	46	12,470
Software	7,396	95	887	(34)	3	8,347
Other intangible assets	5,596	161	1	-	5	5,763
Total	22,939	2,733	888	(34)	54	26,580
Accumulated amortization						
Software	(4,171)	(70)	(1,042)	33	(2)	(5,252)
Other intangible assets	(4,271)	-	(338)	-	-	(4,609)
Total	(8,442)	(70)	(1,380)	33	(2)	(9,861)
Allowance for impairment	(20)	-	-	-	-	(20)
Goodwill and other intangible assets, net	14,477					16,699

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS				
	Balance as at January 1, 2015	Increase	Decrease	Balance as at December 31, 2015
Cost				
Goodwill	9,947	-	-	9,947
Software	6,146	1,252	(2)	7,396
Other intangible assets	5,616	5	(25)	5,596
Total	21,709	1,257	(27)	22,939
Accumulated amortization				
Software	(3,437)	(735)	1	(4,171)
Other intangible assets	(3,668)	(618)	15	(4,271)
Total	(7,105)	(1,353)	16	(8,442)
Allowance for impairment	(20)	-	-	(20)
Goodwill and other intangible assets, net	14,584			14,477

Unit: Million Baht

	2016	2015
Amortization for the years	1,380	1,353

As at December 31, 2016 and 2015, the Bank and its subsidiaries had intangible assets which were fully amortized but still in use, with the original costs amounting to Baht 2,299 million and Baht 1,772 million, respectively.

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS			
	Balance as at January 1, 2016	Increase	Decrease	Balance as at December 31, 2016
Cost				
Goodwill	1,054	-	-	1,054
Software	6,254	675	-	6,929
Other intangible assets	57	-	-	57
Total	7,365	675	-	8,040
Accumulated amortization				
Software	(3,497)	(912)	-	(4,409)
Other intangible assets	(36)	(10)	-	(46)
Total	(3,533)	(922)	-	(4,455)
Goodwill and other intangible assets, net	3,832			3,585

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS			
	Balance as at January 1, 2015	Increase	Decrease	Balance as at December 31, 2015
Cost				
Goodwill	1,054	-	-	1,054
Software	5,165	1,089	-	6,254
Other intangible assets	77	5	(25)	57
Total	6,296	1,094	(25)	7,365
Accumulated amortization				
Software	(2,864)	(633)	-	(3,497)
Other intangible assets	(38)	(15)	17	(36)
Total	(2,902)	(648)	17	(3,533)
Goodwill and other intangible assets, net	3,394			3,832

Unit: Million Baht

	2016	2015
Amortization for the years	922	648

As at December 31, 2016 and 2015, the Bank had intangible assets which were fully amortized but still in use, with the original costs amounting to Baht 1,855 million and Baht 1,349 million, respectively.

7.12 Deferred tax

Deferred tax assets and deferred tax liabilities as at December 31, 2016 and 2015 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Deferred tax assets	4,714	5,369	-	703
Deferred tax liabilities	(457)	(32)	294	-
Net	4,257	5,337	294	703

Movements of deferred tax assets and deferred tax liabilities during the years are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS					
	Balance at January 1, 2016	Balance of Subsidiary as at Purchase Date	Items as recognized into Profit or Loss	Items as recognized into Other Comprehensive Income	Items as recognized into Other reserves of Owners of the Bank	Balance at December 31, 2016
Deferred tax assets						
Impairment of assets	350	-	(7)	-	-	343
Loans and accrued interest receivables, net	5,743	34	(185)	-	-	5,592
Provisions	1,390	-	116	9	-	1,515
Others	773	44	(305)	(49)	-	463
Total	8,256	78	(381)	(40)	-	7,913
Deferred tax liabilities						
Asset appraisal surplus	1,634	-	(65)	609	-	2,178
Investments	174	-	-	(98)	-	76
Others	1,111	223	42	26	-	1,402
Total	2,919	223	(23)	537	-	3,656
Deferred tax assets - net	5,337	(145)	(358)	(577)	-	4,257

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS					
	Balance at January 1, 2015	Items as recognized into Profit or Loss	Items as recognized into Other Comprehensive Income	Items as recognized into Other reserves of owners of the Bank	Balance at December 31, 2015
Deferred tax assets					
Impairment of assets	470	(120)	-	-	350
Loans and accrued interest receivables, net	5,562	181	-	-	5,743
Provisions	1,111	221	58	-	1,390
Others	760	(71)	42	42	773
Total	7,903	211	100	42	8,256
Deferred tax liabilities					
Asset appraisal surplus	1,599	35	-	-	1,634
Investments	193	(61)	42	-	174
Others	1,138	(27)	-	-	1,111
Total	2,930	(53)	42	-	2,919
Deferred tax assets - net	4,973	264	58	42	5,337

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS					
	Balance at January 1, 2016	Items as recognized into Profit or Loss	Items as recognized into Other Comprehensive Income	Items as recognized into Other reserves of owners of the Bank	Balance at December 31, 2016
Deferred tax assets					
Impairment of assets	206	27	-	-	233
Loans and accrued interest receivables, net	1,401	(424)	-	-	977
Provisions	1,194	97	(14)	-	1,277
Others	244	(1)	(50)	-	193
Total	3,045	(301)	(64)	-	2,680
Deferred tax liabilities					
Asset appraisal surplus	1,556	(60)	609	-	2,105
Investments	296	-	(98)	-	198
Others	490	181	-	-	671
Total	2,342	121	511	-	2,974
Deferred tax assets (liabilities) - net	703	(422)	(575)	-	(294)

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS					
	Balance at January 1, 2015	Items as recognized into Profit or Loss	Items as recognized into Other Comprehensive Income	Items as recognized into Other reserves of owners of the Bank	Balance at December 31, 2015
Deferred tax assets					
Impairment of assets	334	(128)	-	-	206
Loans and accrued interest receivables, net	1,169	232	-	-	1,401
Provisions	949	192	53	-	1,194
Others	204	(42)	40	42	244
Total	2,656	254	93	42	3,045
Deferred tax liabilities					
Asset appraisal surplus	1,591	(35)	-	-	1,556
Investments	193	61	42	-	296
Others	373	117	-	-	490
Total	2,157	143	42	-	2,342
Deferred tax assets - net	499	111	51	42	703

7.13 Other assets, net

Other assets, net as at December 31, 2016 and 2015 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Accrued income	1,733	1,926	314	338
Prepayment	1,809	1,615	1,306	1,404
Other receivables	9,391	11,207	6,737	8,395
Margin call to counterparty	1,019	5,167	1,019	5,167
Others	1,450	991	1,256	1,295
Total	15,402	20,906	10,632	16,599

7.14 Deposits

Deposits as at December 31, 2016 and 2015 are as follows:

(1) Classified by product

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Current deposit	33,173	29,615	34,293	30,616
Savings deposit	550,757	509,428	553,394	512,502
Time deposit				
- Less than 6 months	188,335	164,737	188,774	166,438
- 6 months and less than 1 year	260,313	315,806	251,016	315,810
- 1 year and over	75,710	26,704	75,437	26,706
Total	1,108,288	1,046,290	1,102,914	1,052,072

(2) Classified by currency and residence of depositors

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS					
	2016			2015		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Baht	1,038,089	1,945	1,040,034	1,006,061	1,625	1,007,686
US Dollar	41,889	11,978	53,867	31,020	1,311	32,331
Other currencies	8,524	5,863	14,387	5,408	865	6,273
Total	1,088,502	19,786	1,108,288	1,042,489	3,801	1,046,290

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS					
	2016			2015		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Baht	1,045,442	1,591	1,047,033	1,011,837	1,625	1,013,462
US Dollar	41,889	1,349	43,238	31,021	1,313	32,334
Other currencies	8,524	4,119	12,643	5,408	868	6,276
Total	1,095,855	7,059	1,102,914	1,048,266	3,806	1,052,072

7.15 Interbank and money market items, net (Liability)

Interbank and money market items, net (liability) as at December 31, 2016 and 2015 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS					
	2016			2015		
	At Call	Time	Total	At Call	Time	Total
Domestic items						
Bank of Thailand and Financial Institution Development Fund	-	3,506	3,506	-	4,670	4,670
Commercial banks	614	56,140	56,754	797	28,100	28,897
Specialized financial institutions	8	8,986	8,994	12	4,687	4,699
Other financial institutions	6,807	660	7,467	6,352	429	6,781
Total domestic items	7,429	69,292	76,721	7,161	37,886	45,047
Foreign items						
US Dollar	4,817	231,825	236,642	50	225,560	225,610
Yen	-	-	-	-	2,996	2,996
Euro	21	-	21	57	-	57
Other currencies	1,014	2	1,016	1,350	-	1,350
Total foreign items	5,852	231,827	237,679	1,457	228,556	230,013
Total domestic and foreign items	13,281	301,119	314,400	8,618	266,442	275,060

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS					
	2016			2015		
	At Call	Time	Total	At Call	Time	Total
Domestic items						
Bank of Thailand and Financial Institution Development Fund	-	3,506	3,506	-	4,670	4,670
Commercial banks	614	56,140	56,754	797	28,100	28,897
Specialized financial institutions	8	8,986	8,994	12	4,687	4,699
Other financial institutions	10,600	661	11,261	8,537	430	8,967
Total domestic items	11,222	69,293	80,515	9,346	37,887	47,233
Foreign items						
US Dollar	4,817	231,116	235,933	50	225,560	225,610
Yen	-	-	-	-	2,996	2,996
Euro	21	-	21	57	-	57
Other currencies	1,014	-	1,014	1,350	-	1,350
Total foreign items	5,852	231,116	236,968	1,457	228,556	230,013
Total domestic and foreign items	17,074	300,409	317,483	10,803	266,443	277,246

Additional information on interbank and money market items, net (liability) is as follows:

As at December 31, 2016 and 2015, the outstanding balances of borrowing from the Bank of Thailand is Baht 3,506 million and Baht 4,670 million, respectively bearing an interest rate at 0.01% per annum. The borrowing is restricted to a soft loan program for flood relief in year 2011 provided to small and medium enterprises (SME) and individuals at a rate not over 3% per annum. The soft loan program duration is 5 years and will end on December 31, 2018.

7.16 Debt issued and borrowings

Debt issued and borrowings as at December 31, 2016 and 2015 are as follows:

Unit: Million Baht

				CONSOLIDATED FINANCIAL STATEMENTS					
				2016			2015		
	Currency	Interest rate (%)	Maturity	Domestic	Foreign	Total	Domestic	Foreign	Total
Subordinated debentures	THB, USD	0.00 - 10.85	2022-2027	24,844	907	25,751	14,844	-	14,844
Senior securities	THB	1.75 - 4.50	2017-2020	89,275	-	89,275	55,843	-	55,843
Bill of exchange	THB	0.50 - 1.75	2017	41,817	-	41,817	37,420	-	37,420
Other borrowings	THB, USD, KHR	0.00 - 11.80	2017-2023	7	3,476	3,483	13	-	13
				155,943	4,383	160,326	108,120	-	108,120

Unit: Million Baht

				THE BANK'S FINANCIAL STATEMENTS					
				2016			2015		
	Currency	Interest rate (%)	Maturity	Domestic	Foreign	Total	Domestic	Foreign	Total
Subordinated debentures	THB	3.50 - 4.70	2022-2027	24,844	-	24,844	14,844	-	14,844
Senior securities	THB	1.86 - 3.34	2017-2019	67,500	-	67,500	36,000	-	36,000
Bill of exchange	THB	0.50 - 1.37	2017	41,568	-	41,568	37,421	-	37,421
Other borrowings	THB	0.50	2017	7	-	7	13	-	13
				133,919	-	133,919	88,278	-	88,278

Additional information on debts issued and borrowings is as follows:

1. On November 7, 2012, the Bank issued subordinated debentures No. 1/2012 in the amount of Baht 14,844 million for a 10-year tenor at the fixed interest rate of 4.7% per annum, payable quarterly in February, May, August and November of each year. The Bank has the right to redeem subordinated debentures on the fifth anniversary of the issued date or on any interest payment date after the fifth anniversary subject to the approval of the BOT.
2. On August 11, 2016, the Bank issued subordinated debentures (Subordinated Instrument to be qualified as Tier 2 Capital) No. 1/2016 in amount of Baht 10,000 million for a 10-year and 6 month tenor at the fixed interest rate of 3.5% per annum, payable quarterly in February, May, August and November of each year. The Bank has the right to redeem debentures on any interest payment date after the fifth anniversary subject to the approval of the BOT.

7.17 Provisions

Provisions for the years ended December 31, 2016 and 2015 are as follows:

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS					
	Balance at January 1, 2015	Increase (Decrease)	Balance at December 31, 2015	Increase (Decrease)	Balance at December 31, 2016
Provision for post-employment benefits obligation	3,710	1,041	4,751	490	5,241
Others	1,741	267	2,008	84	2,092
Total	5,451	1,308	6,759	574	7,333

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS					
	Balance at January 1, 2015	Increase (Decrease)	Balance at December 31, 2015	Increase (Decrease)	Balance at December 31, 2016
Provision for post-employment benefits obligation	3,210	947	4,157	323	4,480
Others	1,721	260	1,981	(5)	1,976
Total	4,931	1,207	6,138	318	6,456

Post-employment benefits obligation

The Bank and its subsidiaries operate post-employment benefits plans under the Thai Labor Protection Act, which are considered as unfunded defined benefit plans. These plans are recognized as provision in the statement of financial position.

Movements in the present value of the defined benefits obligation for the years ended December 31, 2016 and 2015 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Opening defined benefits obligation	4,751	3,710	4,157	3,210
Current service cost	398	354	327	290
Interest cost	156	149	137	131
Actuarial (gains) losses				
- Experience	59	(99)	23	(93)
- Demographic assumptions	(83)	2	(149)	2
- Financial assumptions	66	386	56	353
Benefit paid	(108)	(94)	(81)	(85)
Transfer employee from subsidiaries	2	(1)	10	5
Items arising from business combination	-	344	-	344
Closing defined benefit obligation	5,241	4,751	4,480	4,157

Actuarial (gains) losses are recognized in other comprehensive income for the years ended December 31, 2016 and 2015 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Included in retained earnings:				
As at 1 January	653	364	531	269
Recognized during the years	42	289	(70)	262
As at 31 December	695	653	461	531

Amounts recognized in the statements of profit or loss and other comprehensive income in respect of the defined benefit plans for the years ended December 31, 2016 and 2015 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Current service cost	398	354	327	290
Interest on obligation	156	149	137	131
	554	503	464	421

The principal actuarial assumptions used to calculate the obligation under the defined benefit plans as at December 31, 2016 and 2015 are as follows:

	CONSOLIDATED AND THE BANK'S FINANCIAL STATEMENTS	
	2016	2015
Financial assumptions		
Discount rate	3.2%	3.3%
Salary increase rate	6.0%	6.0%
Retirement age	55 and 60 years	55 and 60 years

Significant Actuarial Assumptions - Impact on increase (decrease) in Defined Benefit Obligation as at December 31, 2016 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS	THE BANK'S FINANCIAL STATEMENTS
Discount rate - 1% increase	(530)	(433)
Discount rate - 1% decrease	617	500
Salary increase rate - 1% increase	935	822
Salary increase rate - 1% decrease	(830)	(734)

7.18 Finance lease liabilities

Finance lease liabilities as at December 31, 2016 and 2015 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS					
	2016			2015		
	Principal	Interest	Payment	Principal	Interest	Payment
Within one year	24	1	25	21	2	23
One year to five years	21	-	21	35	1	36
Total	45	1	46	56	3	59

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS					
	2016			2015		
	Principal	Interest	Payment	Principal	Interest	Payment
Within one year	19	1	20	18	2	20
One year to five years	11	-	11	32	1	33
Total	30	1	31	50	3	53

7.19 Other liabilities

Other liabilities as at December 31, 2016 and 2015 are as follows:

Unit : Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Accrued expenses	12,585	11,257	8,720	7,978
Tax payable	3,298	3,418	1,161	1,703
Deposit	4,514	4,849	1,059	828
Unearned income from customer loyalty program	2,814	2,633	106	88
Other payables	2,395	2,456	1,663	1,765
Margin call from counterparty	9,040	12,727	9,040	12,727
Others	9,833	9,588	5,288	5,570
Total	44,479	46,928	27,037	30,659

7.20 Share capital

7.20.1 Legal reserve

Pursuant to the Public Limited Companies Act, the Bank must allocate to a reserve fund from the annual net profit, not less than five percent of the annual net profit deducted by the total accumulated loss brought forward (if any), until the reserve fund reaches an amount not less than ten percent of the registered capital. The reserve fund is not available for dividend distribution.

7.20.2 Dividend payment

The Annual General Meeting of Shareholders No. 103 held on April 23, 2015, approved the dividend payment for the six-month period ended December 31, 2014 to the shareholders of 7,355,761,773 ordinary shares at Baht 0.40 per share totaling Baht 2,942 million with payment date on May 22, 2015.

The Board of Directors' Meeting No. 8/2015 held on August 26, 2015, approved the interim dividend payment for the six-month period ended June 30, 2015 to the shareholders of 7,355,761,773 ordinary shares at Baht 0.40 per share totaling Baht 2,942 million with payment date on September 24, 2015.

The Annual General Meeting of Shareholders No. 104 held on April 28, 2016, approved the dividend payment for the six-month period ended December 31, 2015 to the shareholders of 7,355,761,773 ordinary shares at Baht 0.40 per share totaling Baht 2,942 million with payment date on May 26, 2016.

The Board of Directors' Meeting No. 8/2016 held on August 24, 2016, approved the interim dividend payment for the six-month period ended June 30, 2016 to the shareholders of 7,355,761,773 ordinary shares at Baht 0.40 per share totaling Baht 2,942 million with payment date on September 22, 2016.

7.21 Assets with obligations and restrictions

As at December 31, 2016 and 2015, government and state enterprise securities with book value of Baht 38,737 million and Baht 24,296 million, respectively, are used as collateral for other commitments with government departments and state enterprises.

7.22 Contingencies

Contingencies as at December 31, 2016 and 2015 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Avals to bills	1,475	2,158	1,475	2,158
Guarantees of loans	90	108	90	108
Liability under unmatured import bills	1,601	2,560	1,601	2,560
Letters of credit	8,425	4,727	8,425	4,727
Other contingencies				
- Unused overdraft limit	17,903	48,231	17,903	48,321
- Unused credit line	31,968	35,467	31,962	35,467
- Other guarantees	60,038	54,622	60,038	54,622
- Others	196	101	196	101
Total	121,696	147,974	121,690	148,064

The Bank and its subsidiaries have entered into a long-term information technology service agreement, which will be expired in 2019 with a local company. As at December 31, 2016 and 2015, the Bank and its subsidiaries have a commitment to pay in the amounts of Baht 1,885 million and Baht 2,677 million, respectively.

As at December 31, 2016 and 2015, the Bank has commitments to pay regarding the information technology services the amounts of Baht 1,496 million and Baht 1,420 million, respectively.

As at December 31, 2016 and 2015, the Bank has commitment payment amount of Baht 1,479 million and Baht 1,601 million as a result of entering to the construction agreement of the office building, respectively.

7.23 Related party transactions

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

According to the Bank of Thailand's Notification Sor.Nor.Sor. 19/2555 regarding the "Guideline on Consolidated Supervision (No.2)" dated December 17, 2012, and Sor.Nor.Sor. 6/2553 regarding the "Guideline on Consolidated Supervision" dated June 18, 2010, the Bank is required to disclose the Inter-Group Transactions in the Financial Business Group Policy and the Risk Management for Inter-Group Transactions in the Financial Business Group Policy as follows:

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

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

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

Related party transactions are as follows:

7.23.1 Assets, liabilities and contingencies with certain officers from the levels of Bank's Directors, Executive Vice Presidents and higher, and Vice Presidents/equivalent positions and higher in the Finance and Accounting Functions and the companies in which they and/or the Bank directors and/or their related parties and/or the Bank owned and the companies in which the directors and/or shareholders of the Bank have significant voting right either directly and indirectly, as at December 31, 2016 and 2015 are as follows:

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS												
	2016											
	Interbank and money market items (Assets)	Loans	Accrued Interest Receivables	Derivative (Assets)	Other assets	Deposits	Interbank and money market items (Liabilities)	Borrowings	Derivative (Liabilities)	Other Liabilities	Derivative (Notional amount)	Contingencies
Parent company												
The Bank of Tokyo-												
Mitsubishi UFJ Ltd.	18,243	-	-	3,533	790	-	231,673	-	3,432	507	436,115	7,409
Total	18,243	-	-	3,533	790	-	231,673	-	3,432	507	436,115	7,409
Joint ventures												
Tesco Card												
Services Limited	-	8,502	24	-	89	288	-	-	-	4	-	-
Tesco Life Assurance												
Broker Limited	-	-	-	-	-	126	-	-	-	-	-	-
Tesco General Insurance												
Broker Limited	-	-	-	-	1	554	-	-	-	-	-	-
<u>Less</u> Allowance for												
doubtful accounts	-	(85)	-	-	-	-	-	-	-	-	-	-
Total	-	8,417	24	-	90	968	-	-	-	4	-	-
Related companies												
having joint major												
shareholders or directors	12	18,141	38	200	-	9,585	263	1,094	356	10	28,597	2,170
<u>Less</u> Allowance for												
doubtful accounts	-	(77)	-	-	-	-	-	-	-	-	-	-
Total	12	18,064	38	200	-	9,585	263	1,094	356	10	28,597	2,170
Individual and related												
parties	-	469	-	-	-	1,178	-	-	-	396	-	-
<u>Less</u> Allowance for												
doubtful accounts	-	(1)	-	-	-	-	-	-	-	-	-	-
Total	-	468	-	-	-	1,178	-	-	-	396	-	-
Total	18,255	26,949	62	3,733	880	11,731	231,936	1,094	3,788	917	464,712	9,579

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS												
2015												
	Interbank and money market items (Assets)	Loans	Accrued Interest Receivables	Derivative (Assets)	Other assets	Deposits	Interbank and money market items (Liabilities)	Borrowings	Derivative (Liabilities)	Other Liabilities	Derivative (Notional amount)	Contingencies
Parent company												
The Bank of Tokyo- Mitsubishi UFJ Ltd.	15,927	-	-	2,747	4,239	-	229,036	-	6,579	311	544,233	6,192
<u>Less</u> Allowance for doubtful accounts	(1)	-	-	-	-	-	-	-	-	-	-	-
Total	15,926	-	-	2,747	4,239	-	229,036	-	6,579	311	544,233	6,192
Joint ventures												
Tesco Card Services Limited	-	8,873	27	-	321	391	-	-	-	4	-	-
Tesco Life Assurance Broker Limited	-	-	-	-	8	134	-	-	-	-	-	-
Tesco General Insurance Broker Limited	-	-	-	-	22	499	-	-	-	-	-	-
<u>Less</u> Allowance for doubtful accounts	-	(89)	-	-	-	-	-	-	-	-	-	-
Total	-	8,784	27	-	351	1,024	-	-	-	4	-	-
Related companies having joint major shareholders or directors												
<u>Less</u> Allowance for doubtful accounts	-	(85)	-	-	-	-	-	-	-	-	-	-
Total	13	8,629	28	207	-	8,711	210	858	208	14	11,220	3,167
Individual and related parties												
<u>Less</u> Allowance for doubtful accounts	-	(1)	-	-	-	-	-	-	-	-	-	-
Total	-	310	-	-	-	779	-	-	-	477	-	-
Total	15,939	17,723	55	2,954	4,590	10,514	229,246	858	6,787	806	555,453	9,359

THE BANK'S FINANCIAL STATEMENTS												
	2016											
	Interbank and money market items (Assets)	Loans	Accrued Interest Receivables	Derivative (Assets)	Other assets	Deposits	Interbank and money market items (Liabilities)	Borrowings	Derivative (Liabilities)	Other Liabilities	Derivative (Notional amount)	Contingencies
Parent company												
The Bank of Tokyo-												
Mitsubishi UFJ Ltd.	18,243	-	-	3,533	790	-	231,673	-	3,432	507	436,115	7,409
Total	18,243	-	-	3,533	790	-	231,673	-	3,432	507	436,115	7,409
Subsidiaries												
Ayudhya Development												
Leasing Company Limited	-	5,484	1	-	3	2	-	-	-	1	-	45
Ayudhya Capital Auto												
Lease Public Company	-	35,857	113	-	118	411	-	-	-	145	-	-
Ngern Tid Lor Company												
Limited (formerly												
CFG Services Company												
Limited)	-	5,055	2	-	11	105	-	-	-	-	-	1
Ayudhya Capital Services												
Company Limited	-	26,255	79	-	67	996	-	-	-	13	-	3
General Card Services												
Limited	-	12,506	25	-	53	315	-	-	-	-	-	-
Krungsriayudhya Card												
Company Limited	-	30,821	47	-	456	864	-	-	-	7	-	1
Siam Realty and Services												
Security Company												
Limited (formerly Siam												
Realty and Services												
Company Limited)	-	555	-	-	1	41	-	-	-	51	-	-
Total Services Solutions												
Public Company Limited	-	-	-	-	2	1,211	-	-	-	11	-	-
Krungsri Asset												
Management Company												
Limited	-	-	-	-	68	-	2,376	-	-	6	-	-
Krungsri Ayudhya												
AMC Limited	-	-	-	-	5	957	-	-	-	65	-	38
Krungsri Securities Public												
Company Limited	-	-	-	-	3	3	1,417	-	-	7	136	-
Krungsri Factoring												
Company Limited	-	-	-	-	1	196	-	-	-	1	-	-
Krungsri Life Assurance												
Broker Company Limited	-	-	-	-	-	889	-	-	-	1	-	-
Krungsri General Insurance												
Broker Company Limited	-	-	-	-	-	1,363	-	-	-	1	-	-

THE BANK'S FINANCIAL STATEMENTS (CONTINUED)												
	2016											
	Interbank and money market items (Assets)	Loans	Accrued Interest Receivables	Derivative (Assets)	Other assets	Deposits	Interbank and money market items (Liabilities)	Borrowings	Derivative (Liabilities)	Other Liabilities	Derivative (Notional amount)	Contingencies
Krungsri Leasing Services Company Limited	-	1,751	1	-	1	92	-	-	-	-	-	-
Hattha Kaksekar Limited	-	-	-	-	1	-	-	-	-	-	-	-
Total	-	118,284	268	-	790	7,445	3,793	-	-	309	136	88
<u>Less</u> Allowance for doubtful accounts	-	(1,183)	-	-	-	-	-	-	-	-	-	-
Total	-	117,101	268	-	790	7,445	3,793	-	-	309	136	88
Joint ventures												
Tesco Card Services Limited	-	8,502	24	-	31	288	-	-	-	-	-	-
Tesco Life Assurance Broker Limited	-	-	-	-	-	126	-	-	-	-	-	-
Tesco General Insurance Broker Limited	-	-	-	-	1	554	-	-	-	-	-	-
<u>Less</u> Allowance for doubtful accounts	-	(85)	-	-	-	-	-	-	-	-	-	-
Total	-	8,417	24	-	32	968	-	-	-	-	-	-
Related companies having joint major shareholders or directors												
	12	18,141	38	200	-	9,585	263	1,094	356	10	28,597	2,170
<u>Less</u> Allowance for doubtful accounts	-	(77)	-	-	-	-	-	-	-	-	-	-
Total	12	18,064	38	200	-	9,585	263	1,094	356	10	28,597	2,170
Individual and related parties												
	-	405	-	-	-	1,178	-	-	-	271	-	-
Total	18,255	143,987	330	3,733	1,612	19,176	235,729	1,094	3,788	1,097	464,848	9,667

THE BANK'S FINANCIAL STATEMENTS												
2015												
	Interbank and money market items (Assets)	Loans	Accrued Interest Receivables	Derivative (Assets)	Other assets	Deposits	Interbank and money market items (Liabilities)	Borrowings	Derivative (Liabilities)	Other Liabilities	Derivative (Notional amount)	Contingencies
Parent company												
The Bank of Tokyo-												
Mitsubishi UFJ Ltd.	15,927	-	-	2,747	4,239	-	229,036	-	6,579	311	544,233	6,192
Less Allowance for doubtful accounts	(1)	-	-	-	-	-	-	-	-	-	-	-
Total	15,926	-	-	2,747	4,239	-	229,036	-	6,579	311	544,233	6,192
Subsidiaries												
Ayudhya Development												
Leasing Company Limited	-	3,207	1	-	1	4	-	-	-	-	-	1
Ayudhya Capital Auto												
Lease Public Company	-	67,175	173	-	153	358	-	-	-	206	-	-
Ngern Tid Lor Company												
Limited (formerly CFG												
Services Company Limited)	-	5,886	3	-	9	91	-	-	-	-	-	2
Ayudhya Capital Services												
Company Limited	-	25,855	95	-	91	909	-	-	-	23	-	3
General Card Services												
Limited	-	12,494	32	-	53	325	-	-	-	-	-	-
Krungsriayudhya Card												
Company Limited	-	30,267	41	-	401	682	-	-	-	7	-	1
Siam Realty and Services												
Security Company Limited												
(formerly Siam Realty and												
Services Company Limited)	-	540	-	-	-	56	-	-	-	48	-	-
Total Services Solutions Public												
Company Limited	-	-	-	-	1	1,085	-	-	-	17	-	-
Krungsri Asset Management												
Company Limited	-	-	-	-	63	-	1,096	-	-	-	-	722
Krungsri Ayudhya												
AMC Limited	-	-	-	-	-	458	-	-	-	69	-	37
Krungsri Securities Public												
Company Limited	-	-	-	-	6	2	1,090	-	-	2	-	-
Krungsri Factoring												
Company Limited	-	-	-	-	-	191	-	-	-	-	-	-
Krungsri Life Assurance												
Broker Company Limited	-	-	-	-	-	629	-	-	-	-	-	-
Krungsri General Insurance												
Broker Company Limited	-	-	-	-	-	986	-	-	-	-	-	-

Unit: Million Baht

THE BANK'S FINANCIAL STATEMENTS (CONTINUED)												
2015												
	Interbank and money market items (Assets)	Loans	Accrued Interest Receivables	Derivative (Assets)	Other assets	Deposits	Interbank and money market items (Liabilities)	Borrowings	Derivative (Liabilities)	Other Liabilities	Derivative (Notional amount)	Contingencies
Krungsri Leasing Services												
Company Limited	-	341	-	-	-	5	-	-	-	-	-	-
Total	-	145,765	345	-	778	5,781	2,186	-	-	372	-	766
<u>Less</u> Allowance for doubtful accounts	-	(1,458)	-	-	-	-	-	-	-	-	-	-
Total	-	144,307	345	-	778	5,781	2,186	-	-	372	-	766
Joint ventures												
Tesco Card Services												
Limited	-	8,873	27	-	29	391	-	-	-	-	-	-
Tesco Life Assurance												
Broker Limited	-	-	-	-	-	134	-	-	-	-	-	-
Tesco General Insurance												
Broker Limited	-	-	-	-	-	499	-	-	-	-	-	-
<u>Less</u> Allowance for doubtful accounts	-	(89)	-	-	-	-	-	-	-	-	-	-
Total	-	8,784	27	-	29	1,024	-	-	-	-	-	-
Related companies having joint major shareholders or directors	13	8,714	28	207	-	8,711	210	858	208	14	11,220	3,167
<u>Less</u> Allowance for doubtful accounts	-	(85)	-	-	-	-	-	-	-	-	-	-
Total	13	8,629	28	207	-	8,711	210	858	208	14	11,220	3,167
Individual and related parties	-	251	-	-	-	779	-	-	-	349	-	-
Total	15,939	161,971	400	2,954	5,046	16,295	231,432	858	6,787	1,046	555,453	10,125

As at December 31, 2016 and 2015, the Bank charges interest rates to related parties at 0.60% - 23.00% p.a. and 1.00% - 21.78% p.a., respectively.

As at December 31, 2016 and 2015, the allowance for doubtful accounts of loans granted to subsidiaries of Baht 1,183 million and Baht 1,458 million, respectively, are not eliminated but treated as surplus reserve in the consolidated financial statements.

7.23.2 The Bank has investments in subsidiaries, associates and joint ventures as disclosed in Note 7.5 and has investments in related companies as follows:

Unit: Million Baht

CONSOLIDATED AND THE BANK'S FINANCIAL STATEMENTS							
				2016		2015	
	Business Type	Registered Share Capital	Ownership (%)	Investment Cost	Dividend Amount	Investment Cost	Dividend Amount
Related company							
Sri Ayudhya Capital Public Company Limited	Investment holding company	250	8.50	326	43	326	53
<u>Less</u> Allowance for impairment				(5)	-	(5)	-
Investment in related company, net				321	43	321	53

7.23.3 Income and expenses between the Bank and its subsidiaries, associates, joint ventures and related companies for the years ended December 31, 2016 and 2015 are as follows:

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS								
	2016				2015			
	Income		Expenses		Income		Expenses	
	Interest income	Non-interest income	Interest expenses	Non-interest expenses	Interest income	Non-interest income	Interest expenses	Non-interest expenses
Parent company								
The Bank of Tokyo-Mitsubishi UFJ Ltd.	5	3,620	2,124	1,278	9	(1,418)	986	428
Total	5	3,620	2,124	1,278	9	(1,418)	986	428
Joint ventures								
Tesco Card Services Limited	231	466	-	6	287	483	-	5
Tesco Life Assurance Broker Company Limited	-	6	2	-	-	6	2	-
Tesco General Insurance Broker Limited	-	21	4	-	-	22	3	-
Total	231	493	6	6	287	511	5	5
Related companies having joint major shareholders or directors								
	367	47	67	171	268	26	73	211
Total	367	47	67	171	268	26	73	211
Individual and related parties								
	12	3	11	-	10	1	13	-
Total	615	4,163	2,208	1,455	574	(880)	1,077	644

THE BANK'S FINANCIAL STATEMENTS								
	2016				2015			
	Income Interest income	Non- interest income	Expenses Interest expenses	Non- interest expenses	Income Interest income	Non- interest income	Expenses Interest expenses	Non- interest expenses
Parent company								
The Bank of Tokyo-Mitsubishi UFJ Ltd.	5	3,620	2,124	1,278	9	(1,418)	986	428
Total	5	3,620	2,124	1,278	9	(1,418)	986	428
Subsidiaries								
Ayudhya Development Leasing Company Limited	115	(29)	-	-	192	8	-	-
Ayudhya Capital Auto Lease Public Company Limited	2,017	622	2	442	3,184	669	2	318
Ngern Tid Lor Company Limited (formerly CFG Services Company Limited)	218	50	-	1	271	40	-	-
Ayudhya Capital Services Company Limited	718	250	-	40	829	258	-	31
General Card Services Limited	292	37	-	6	337	33	-	5
Krungsriayudhya Card Company Limited	644	171	1	157	752	174	1	131
Siam Realty and Services Security Company Limited (formerly Siam Realty and Services Company Limited)	13	2	-	517	14	16	-	502
Total Services Solutions Public Company Limited	-	2	16	78	-	2	9	99
Krungsri Asset Management Company Limited	-	620	20	10	-	532	9	3
Krungsri Ayudhya AMC Limited	-	10	1	-	-	12	1	-
Krungsri Securities Public Company Limited	-	21	15	14	-	18	17	8
Krungsri Factoring Company Limited	-	6	-	-	-	9	-	-
Krungsri Life Assurance Broker Limited	-	1	10	-	-	1	6	-
Krungsri General Insurance Broker Limited	-	2	12	-	-	2	7	-
Krungsri Leasing Services Company Limited	56	13	-	-	13	-	-	-
Total	4,073	1,778	77	1,265	5,592	1,774	52	1,097

THE BANK'S FINANCIAL STATEMENTS								
	2016				2015			
	Income Interest income	Non- interest income	Expenses Interest expenses	Non- interest expenses	Income Interest income	Non- interest income	Expenses Interest expenses	Non- interest expenses
Joint ventures								
Tesco Card Services Limited	231	25	-	4	287	25	-	3
Tesco Life Assurance Broker Company Limited	-	-	2	-	-	-	2	-
Tesco General Insurance Broker Limited	-	10	4	-	-	9	3	-
Total	231	35	6	4	287	34	5	3
Related companies having joint major shareholders or directors	367	47	67	171	268	26	73	211
Total	367	47	67	171	268	26	73	211
Individual and related parties	12	3	11	-	10	1	13	-
Total	4,688	5,483	2,285	2,718	6,166	417	1,129	1,739

- 7.23.4 For the years ended December 31, 2016 and 2015, related party transactions among subsidiaries included collection services and other services of Baht 977 million and Baht 915 million, respectively, and office and vehicle rental and facilities service of Baht 64 million and Baht 62 million, respectively.
- 7.23.5 For the years ended December 31, 2016 and 2015, subsidiaries had related party transactions from the licenses relevant to technology and software for Baht 53 million and Baht 45 million, respectively.
- 7.23.6 For the years ended December 31, 2016 and 2015, related party transactions among subsidiaries from other services were Baht 1,509 million and Baht 1,483 million, respectively.
- 7.23.7 The Extraordinary General Meeting of Shareholders No. 1/2013, held on October 31, 2013, approved the integration of the Bank and the Bank of Tokyo-Mitsubishi UFJ, Ltd., Bangkok Branch (BTMU's Bangkok Branch) by acquisition of the business of BTMU's Bangkok Branch and the entering into a Conditional Branch Purchase Agreement between the Bank as transferee and the Bank of Tokyo-Mitsubishi UFJ, Ltd. (BTMU) as transferor and other related agreements which are asset acquisition and connected transactions.

From the date of the business transfer of BTMU's Bangkok Branch under the Conditional Branch Purchase Agreement, BTMU shall provide various services to the Bank as agreed between the Bank and BTMU prior to the transfer. Such services shall include existing services provided by BTMU to BTMU's Bangkok Branch and other services as necessary and appropriate to ensure continued service of BTMU's Bangkok Branch's customers after the transfer of the assets. The Bank and BTMU will also enter into a Master Service Agreement to provide various services to the Bank which will include but not be limited to (a) General Services Agreement (b) Trademark License Agreement (c) Software License Agreement (d) Other ancillary agreements as may be agreed between the parties under the Master Service Agreement.

From the date of the business transfer of BTMU's Bangkok Branch under the Conditional Branch Purchase Agreement until (1) the lapse of 10 years from the date of the transfer or (2) the date BTMU holds shares in the Bank less than 50 percent of all issued shares (whichever occurs later). The Bank may request for BTMU to provide funding assistance to the Bank and BTMU shall use its best efforts to provide such funding assistance after confirming that: (a) the price and condition for the Funding assistance is on an Arm's Length Basis and is beneficial to both parties; (b) such funding assistance is aligned with the Bank's Asset and Liability Policy and Funding Policy; (c) such funding assistance complies with the legal requirements (including tax concerning transfer pricing). If BTMU agrees to provide funding assistance as requested by the Bank, the parties shall further agree on the type, amount, tenor and interest rate of such assistance.

On January 5, 2015, the Bank has entered into the borrowing agreement with BTMU under (1) Uncommitted Revolving Facility or (2) Interbank and Money Market Facility. Total facility amount is JPY 900,000 million or USD equivalent which equals to Baht 292,500 million using the exchange rate of Baht 32.50:JPY 100.

7.24 Management compensation

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

The Bank and its subsidiaries did not sell, give or lease any properties to directors, executive officers, or their related parties, or did not purchased or leased any assets from those persons, except, in 2015, the subsidiary had sold cars to managements in the amount of Baht 5 million with the book value of Baht 4 million.

For the years ended December 31, 2016 and 2015, compensations paid to key management personnel under TAS 24 (Revised 2015) "Related Party Disclosures" are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Short-term employee benefits	1,658	1,483	1,099	1,079
Post-employment benefits	53	48	37	33
Total	1,711	1,531	1,136	1,112

7.25 Long-term leases

The Bank and its subsidiaries have entered into land and/or buildings and equipment lease agreements for branch offices and operation. The Bank and its subsidiaries are committed to pay future rental and service as at December 31, 2016 and 2015 which are summarized as follows:

Unit: Million Baht

TYPE OF LEASE	PERIOD	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
		2016	2015	2016	2015
Land and/or premises and equipment	Within 1 year	1,422	1,112	1,054	912
	Greater than 1-5 years	1,203	990	936	766
	Greater than 5 years	239	40	30	29
		2,864	2,142	2,020	1,707

7.26 Operating segments

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

The business segments are described below:

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

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

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

During the years ended December 31, 2016 and 2015, no revenue from transactions with a single external customer or counter party amounted to 10% or more of the Bank's total revenue.

Operating segment by businesses for the years ended December 31, 2016 and 2015 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS			
	2016			
	Retail	Commercial	Others	Total
Interest income, net	38,629	23,334	14	61,977
Other operating income	22,753	8,075	(1,318)	29,510
Total operating income	61,382	31,409	(1,304)	91,487
Operating expenses	32,367	9,586	1,127	43,080
Impairment loss of loans and debt securities	16,315	2,816	2,184	21,315
Profit (loss) before tax	12,700	19,007	(4,615)	27,092
Taxation	2,578	3,775	(945)	5,408
Net Profit (loss)	10,122	15,232	(3,670)	21,684
Total assets	723,458	1,343,525	(183,795)	1,883,188

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS			
	2015			
	Retail	Commercial	Others	Total
Interest income, net	33,302	23,051	(3)	56,350
Other operating income	20,638	7,252	(1,467)	26,423
Total operating income	53,940	30,303	(1,470)	82,773
Operating expenses	30,343	9,152	(548)	38,947
Impairment loss of loans and debt securities	17,135	3,269	(218)	20,186
Profit (loss) before tax	6,462	17,882	(704)	23,640
Taxation	1,326	3,544	(82)	4,788
Net Profit (loss)	5,136	14,338	(622)	18,852
Total assets	612,931	1,294,104	(201,518)	1,705,517

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

(1) Position classified by type of business

Position classified by domestic and foreign business as at December 31, 2016 and 2015 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS			
	2016			
	Domestic	Foreign	Elimination	Total
Total assets	1,859,911	29,055	(5,778)	1,883,188
Interbank and money market items, net (Assets)	192,861	7,422	-	200,283
Investments, net*	133,700	1	-	133,701
Loans to customers and accrued interest receivable, net	1,384,619	18,666	-	1,403,285
Deposits	1,093,458	14,830	-	1,108,288
Interbank and money market items, net (Liabilities)	311,917	2,483	-	314,400
Debt issued and borrowings	155,968	4,358	-	160,326

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS			
	2015			
	Domestic	Foreign	Elimination	Total
Total assets	1,702,383	16,083	(12,949)	1,705,517
Interbank and money market items, net (Assets)	188,961	5,133	-	194,094
Investments, net*	111,544	58	-	111,602
Loans to customers and accrued interest receivable, net	1,258,107	3,976	-	1,262,083
Deposits	1,044,326	1,964	-	1,046,290
Interbank and money market items, net (Liabilities)	274,213	847	-	275,060
Debt issued and borrowings	108,121	-	-	108,121

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS			
	2016			
	Domestic	Foreign	Elimination	Total
Total assets	1,803,616	6,287	(3,936)	1,805,967
Interbank and money market items, net (Assets)	191,464	2,989	-	194,453
Investments, net*	187,473	-	-	187,473
Loans to customers and accrued interest receivable, net	1,303,858	1,096	-	1,304,954
Deposits	1,100,903	2,011	-	1,102,914
Interbank and money market items, net (Liabilities)	317,462	21	-	317,483
Debt issued and borrowings	133,919	-	-	133,919

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS			
	2015			
	Domestic	Foreign	Elimination	Total
Total assets	1,649,833	15,332	(12,614)	1,652,551
Interbank and money market items, net (Assets)	187,101	5,111	-	192,212
Investments, net*	158,848	58	-	158,906
Loans to customers and accrued interest receivable, net	1,183,653	3,620	-	1,187,273
Deposits	1,050,108	1,964	-	1,052,072
Interbank and money market items, net (Liabilities)	276,739	507	-	277,246
Debt issued and borrowings	88,278	-	-	88,278

* Includes investments in subsidiaries, associates and joint ventures, net

(2) Results of operations classified by business

Results of operations classified by domestic and foreign business for the years ended December 31, 2016 and 2015 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS			
	2016			
	Domestic	Foreign	Elimination	Total
Interest income	84,852	1,133	(60)	85,925
Interest expenses	23,510	498	(60)	23,948
Net interest income	61,342	635	-	61,977
Fees and service income, net	18,115	60	-	18,175
Other operating income	19,147	68	(7,880)	11,335
Other operating expenses	71,725	550	(7,880)	64,395
Profit from operating before tax	26,879	213	-	27,092

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS			
	2015			
	Domestic	Foreign	Elimination	Total
Interest income	81,750	209	(13)	81,946
Interest expenses	25,588	21	(13)	25,596
Net interest income	56,162	188	-	56,350
Fees and service income, net	17,193	37	-	17,230
Other operating income	16,124	(6)	(6,925)	9,193
Other operating expenses	65,870	188	(6,925)	59,133
Profit from operating before tax	23,609	31	-	23,640

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS			
	2016			
	Domestic	Foreign	Elimination	Total
Interest income	59,692	100	-	59,792
Interest expenses	22,998	9	-	23,007
Net interest income	36,694	91	-	36,785
Fees and service income, net	8,833	26	-	8,859
Other operating income	21,278	62	(7,879)	13,461
Other operating expenses	48,858	119	(7,879)	41,098
Profit from operating before tax	17,947	60	-	18,007

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS			
	2015			
	Domestic	Foreign	Eliminatio	Total
Interest income	57,244	182	-	57,426
Interest expenses	24,629	8	-	24,637
Net interest income	32,615	174	-	32,789
Fees and service income, net	8,416	30	-	8,446
Other operating income	17,593	(6)	(6,925)	10,662
Other operating expenses	42,360	115	(6,925)	35,550
Profit from operating before tax	16,264	83	-	16,347

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

7.28 Interest income

Interest income for the years ended December 31, 2016 and 2015 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Interbank and money market items	2,833	2,806	2,822	2,784
Investment and trading transactions	139	87	139	87
Investment in debt securities	2,148	2,462	2,148	2,459
Loans to customers	56,483	55,279	43,845	45,698
Hire purchase and finance lease	24,322	21,313	10,838	6,399
Total interest income	85,925	81,947	59,792	57,427

7.29 Interest expenses

Interest expenses for the years ended December 31, 2016 and 2015 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Deposits	12,450	15,454	12,213	15,479
Interbank and money market items	3,202	1,665	3,215	1,690
Contributions to Financial Institution				
Development Fund and Deposit Protection Agency	5,222	4,941	5,222	4,941
Debt issued and borrowing				
- Subordinated debenture	866	1,125	837	1,125
- Other	2,186	2,369	1,505	1,383
Borrowing fee expense	7	28	11	17
Other	15	14	4	2
Total interest expenses	23,948	25,596	23,007	24,637

7.30 Fees and service income, net

Fees and service income, net for the years ended December 31, 2016 and 2015 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Fees and service income				
- Acceptances, aval and guarantees	501	521	502	522
- Other	23,641	22,149	11,967	10,739
Total fees and service income	24,142	22,670	12,469	11,261
Fees and service expenses	5,967	5,440	3,610	2,815
Total fees and service income, net	18,175	17,230	8,859	8,446

7.31 Gains on trading and foreign exchange transactions, net

Gains on trading and foreign exchange transactions, net for the years ended December 31, 2016 and 2015 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Gains (losses) on trading and foreign exchange transactions				
- Foreign currency and derivative of currency	3,652	4,064	3,571	4,084
- Derivative of interest rates	250	(846)	250	(846)
- Debt securities	(2)	7	(2)	7
- Equity securities	4	(10)	2	(14)
- Other	1	1	-	-
Total	3,905	3,216	3,821	3,231

7.32 Gains on investments, net

Gains on investments, net for the years ended December 31, 2016 and 2015 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Gains on sales of investments				
- Available-for-sale	545	407	545	407
- General investments	54	2	54	2
Total	599	409	599	409

7.33 Impairment loss of loans and debt securities

Impairment loss of loans and debt securities (reversal) for the years ended December 31, 2016 and 2015 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Interbank and money market items	69	6	69	6
Securities available-for-sale	-	(3)	-	-
Loans to customers	20,460	18,855	11,982	9,332
Loss on troubled debt restructuring	786	1,328	(376)	(145)
Total	21,315	20,186	11,675	9,193

7.34 Income tax expenses

Income tax expenses for the years ended December 31, 2016 and 2015 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS		THE BANK'S FINANCIAL STATEMENTS	
	2016	2015	2016	2015
Current tax for the years	5,051	5,052	1,854	2,318
Deferred tax	358	(264)	422	(111)
Total income tax expenses	5,409	4,788	2,276	2,207

Reconciliation of effective tax rate

	CONSOLIDATED FINANCIAL STATEMENTS				THE BANK'S FINANCIAL STATEMENTS			
	2016		2015		2016		2015	
	(in million Baht)	Rate (%)	(in million Baht)	Rate (%)	(in million Baht)	Rate (%)	(in million Baht)	Rate (%)
Profit before tax	27,092		23,640		18,007		16,347	
Income tax at the domestic tax rate	5,418	20.00	4,728	20.00	3,60	20.00	3,269	20.00
Add Tax effect of income and expense that are not exempt for tax purposes	1,462	5.40	1,346	5.69	105	0.58	39	0.24
Less Tax effect of income and expense that are exempt for tax purposes	(1,471)	(5.43)	(1,286)	(5.44)	(1,430)	(7.94)	(1,101)	(6.74)
Income tax expenses as per statements of profit or loss and other comprehensive income	5,409	19.97	4,788	20.25	2,276	12.64	2,207	13.50

According to the Royal Decree No. 577 B.E. 2557 issued under the Revenue Code regarding the corporate income tax rate reduction effective on November 11, 2014, the corporate income tax rates were reduced from 30% to 20% of net profit for accounting periods beginning on or after January 1, 2015 but not later than December 31, 2015.

In addition, according to the Act to amend the Revenue Code (No. 42) B.E.2559, with an effective from March 5, 2016, the corporate income tax rate shall be reduced from 30% to 20% for the accounting periods beginning on or after January 1, 2016, onwards.

Therefore, the Bank and its subsidiaries used a tax rate of 20% for the corporate income tax and deferred tax calculation for the years ended December 31, 2016 and 2015.

7.35 Income tax relating to components of other comprehensive income

Income tax relating to components of other comprehensive income for the years ended December 31, 2016 and 2015 are as follows:

Unit: Million Baht

	CONSOLIDATED FINANCIAL STATEMENTS					
	2016			2015		
	Amount before tax	Tax income (expenses)	Net amount After tax	Amount before tax	Tax income (expenses)	Net amount After tax
Item that will be reclassified subsequently to profit or loss						
Gains (losses) on remeasuring available-for-sale investment	(242)	48	(194)	6	(1)	5
Gains arising from translating the financial statements of a foreign operation	120	(24)	96	4	-	4
Item that will not be reclassified subsequently to profit or loss						
Changes in assets revaluation surplus	3,047	(609)	2,438	-	-	-
Actuarial gains (losses) on defined benefit plans	(42)	8	(34)	(289)	57	(232)
Share of other comprehensive income of joint venture	(4)	1	(3)	-	-	-
Other comprehensive income	2,879	(576)	2,303	(279)	56	(223)

Unit: Million Baht

	THE BANK'S FINANCIAL STATEMENTS					
	2016			2015		
	Amount before tax	Tax income (expenses)	Net amount After tax	Amount before tax	Tax income (expenses)	Net amount After tax
Item that will be reclassified subsequently to profit or loss						
Gains (losses) on remeasuring available-for-sale investment	(242)	48	(194)	6	(1)	5
Item that will not be reclassified subsequently to profit or loss						
Changes in assets revaluation surplus	3,047	(609)	2,438	-	-	-
Actuarial gains (losses) on defined benefit plans	70	(14)	56	(262)	52	(210)
Other comprehensive income	2,875	(575)	2,300	(256)	51	(205)

7.36 Approval of financial statements

These financial statements have been approved for issue by the Board of Directors on February 22, 2017.

AUDITOR'S FEE

Audit fees*

The Bank and its affiliates paid audit fees as the following:

- To the Bank and its affiliates' auditors of 26,237,250 baht.
- To auditing firms, individuals or businesses whom the Bank and its affiliates' auditors employed, HKD 398,000 and USD 90,300.

Non-audit fees

The Bank and its affiliates 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 affiliates' auditors

- In the past year, sum of 671,200 baht, and in the future, an additional sum of 688,000 baht will be paid for services previously agreed upon but not yet fully provided.

Auditing firms, individuals, or businesses whom the Bank and its affiliates' auditors employed

- In the past fiscal year, sum of 166,385 baht, and in the future, an additional sum of HKD 44,500 and USD 2,700 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, Bangkok 10120
Telephone:	0-2296-2000
Facsimile:	0-2683-1304
Krungsri call center:	1572
Website:	www.krungsri.com

Investors can study more about Krungsri from Annual Registration Statement (Form 56-1), disclosed in www.sec.or.th or company website www.krungsri.com.

Nature of Business

The Bank engages in business as defined by the Commercial Banking Act, the Securities Act, the Securities and Exchange Commission's regulations, the Stock Exchange of Thailand, and related notices. The Bank's services are classified into three core categories:

- 1. Deposit services** - The Bank accepts deposits from ordinary persons and business organizations, which are divided into four types:
 - Current accounts
 - Savings accounts
 - Time deposits
 - Foreign currency deposits
- 2. Loan services** - The Bank provides different loan services as follows:
 - Overdrafts (O/D)
 - Loans, including promissory notes and term loans to business customers
 - Housing loans and personal loans to retail customers
 - Foreign currency loans
 - 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 services through e-channels
 - Domestic money transfer services
 - International money transfer services
 - Electronic banking services to facilitate international trade via Krungsri Trade Link
 - Automatic account debit and credit (auto payments), life insurance and non-life insurance brokerage services
 - Investment banking services
 - Securities business services
 - Cash management services
 - Transaction banking services
 - Foreign currency purchase/sale in advance and financial tools for risk management, exchange rates and interest rates
 - Trade finance services
 - Government bonds, treasury bills and state enterprise bonds

SHAREHOLDING STRUCTURE

As of the latest closing date on September 9, 2016

The list of the shareholders holding the ordinary shares over 0.5% of the total shares (7,355,761,773 issued and paid-up ordinary shares at a par value of 10 baht per share) is as follows:

Item	Shareholder Name	Number of Shares	% of Total Shares
1.	The Bank of Tokyo-Mitsubishi UFJ, Ltd. BAY Account	5,655,332,146	76.88
2.	Stronghold Assets Company Limited	166,536,980	2.26
3.	The Great Luck Equity Company Limited	166,478,940	2.26
4.	GL Asset Company Limited	166,414,640	2.26
5.	BBTV Satelvision Company Limited	166,151,114	2.26
6.	BBTV Asset Management Company Limited	163,112,900	2.22
7.	Bangkok Broadcasting & T.V. Company Limited	160,789,220	2.19
8.	Mahakij Holdings Company Limited	158,726,810	2.16
9.	Tun Rung Rueng Company Limited	157,889,440	2.15
10.	Super Assets Company Limited	51,421,714	0.70
11.	C.K.R Company Limited	48,528,834	0.66
	Other Shareholders	294,379,035	4.00
TOTAL		7,355,761,773	100.00

Remarks: During the year, the investors can access the up-to-date information at www.krungsri.com under the heading - Investor Relations > General Information > Shareholder Structure

THE BANK'S SECURITIES

Number of Registered and Paid-up Capital as of December 31, 2016

Registered capital: 75,741,437,470.00 baht
 Number of shares: 7,574,143,747 Par value: 10.00 baht

Paid-up capital: 73,557,617,730.00 baht
 Number of shares: 7,355,761,773 Par value: 10.00 baht

Debt Instruments or Convertible Securities

(Unit: Million baht)

Type of Debentures	Interest Rates (p.a.)	Maturity Date	Conditions	Unredeemed amount and value as of December 31, 2016
Long-Term Bonds (Non-Collaterals)				
1. Subordinated Debenture No. 1/2012 (BAY22NA) Amount: 14,843.60 Issue date: November 7, 2012 Debenture rating (Fitch): A+ Agent: KTB	4.70%	November 7, 2022 (10 years)	-	14,843.60
2. Subordinated Instrument No. 1/2016 (BAY272A) Amount: 10,000.00 Issue date: August 11, 2016 Debenture Rating (Fitch): AA+ Agent: None	3.50%	February 11, 2027 (10.5 years)	-	10,000.00
3. Debenture No. 1/2015 Series1 (BAY172A) Amount: 4,000.00 Issue date: February 27, 2015 Debenture rating (Fitch): AAA Agent: None	2.61%	February 27, 2017 (2 years)	-	4,000.00
4. Debenture No. 1/2014 Series 2 (BAY174A) Amount: 5,500.00 Issue date: April 4, 2014 Debenture rating (Fitch): AAA Agent: None	3.34%	April 4, 2017 (3 years)	-	5,500.00
5. Debenture No. 2/2015 Series 1 (BAY179A) Amount: 8,000.00 Issue date: September 30, 2015 Debenture Rating (Fitch): AAA Agent: None	2.00%	September 30, 2017 (2 years)	-	8,000.00
6. Debenture No. 1/2015 Series 2 (BAY182A) Amount: 4,000.00 Issue date: February 27, 2015 Debenture rating (Fitch): AAA Agent: None	2.89%	February 27, 2018 (3 years)	-	4,000.00
7. Debenture No. 2/2015 Series 2 (BAY189A) Amount: 7,000.00 Issue date: September 30, 2015 Debenture rating (Fitch): AAA Agent: None	2.25%	September 30, 2018 (3 years)	-	7,000.00

(Unit: Million baht)

Type of Debentures	Interest Rates (p.a.)	Maturity Date	Conditions	Unredeemed amount and value as of December 31, 2016
8. Debenture No. 1/2016 (BAY193A) Amount: 12,000.00 Issue date: February 29, 2016 Debenture rating (Fitch): AAA Agent: None	1.86%	March 1, 2019 (3 years)	-	12,000.00
9. Debenture No. 2/2016 Series 1 (BAY186A) Amount: 5,000.00 Issue date: June 24, 2016 Debenture rating (Fitch): AAA Agent: None	1.89%	June 24, 2018 (2 years)	-	5,000.00
10. Debenture No. 2/2016 Series 2 (BAY196A) Amount: 7,000.00 Issue date: June 24, 2016 Debenture rating (Fitch): AAA Agent: None	1.96%	June 24, 2019 (3 years)	-	7,000.00
11. Debenture No. 3/2016 Series 1 (BAY180A) Amount: 9,000.00 Issue date: October 27, 2016 Debenture rating (Fitch): AAA Agent: None	1.94%	October 27, 2018 (2 years)	-	9,000.00
12. Debenture No. 3/2016 Series 2 (BAY190A) Amount: 6,000.00 Issue date: October 27, 2016 Debenture rating (Fitch): AAA Agent: None	2.09%	October 27, 2019 (3 years)	-	6,000.00
Other Debt Instruments (Non-Collaterals) (Issued in 2016)				
1. Bill of Exchange, Major Investment Amount: 513,384.44 Issue date: January 4–December 30, 2016 Debenture rating (Fitch): AAA Agent: None	0.50%-1.44%	Depending on the date of purchase (not over 270 days)	-	41,560.00

Remarks: - Thailand Securities Depository Co., Ltd. is the Registrar for the Bank's ordinary share.
- Securities Services Operations Department is the Registrar for the Bank's Debenture.
- Treasury and Capital Market Operations Department is the Registrar for the Bank's Bill of Exchange.

Debentures redeemed during 2016

(Unit: Million baht)

Type of Debentures	Amount	Issue Date	Maturity Date
Long-Term Bonds (Non-Collaterals)			
1. Debenture No. 1/2014 Series 1 (BAY164A)	6,500.00	April 4, 2014	April 4, 2016
2. Debenture No. 1/2013 Series 2 (BAY166A)	1,000.00	June 28, 2013	June 28, 2016
Other Debt Instruments (Non-Collaterals) (Issued in 2016)			
1. Bill of Exchange, Major Investment	471,824.44	January 4 – December 27, 2016	Depending on the date of purchase (2–270 days)

The Bank's obligations on share issuance in the future
-None-

DIVIDEND PAYOUT POLICY

1. Our Dividend Payout Policy

The Bank's Board of Directors at the meeting no. 1/2017 held on January 25, 2017 has resolved to change the Bank's dividend payment policy to 'The Bank will determine dividend payment by taking into consideration capital adequacy as the first priority and other factors including the actual operating results, returns to shareholders and regulatory requirements (with additional conditions)'. The said dividend payment policy shall take effect from the next dividend payment onwards. The latest dividend payment prior to the aforesaid change is payment of interim dividend year 2016.

The dividend payment shall be in compliance with Article 41 of the Bank's Articles of Association, that states 'Dividends shall not be paid from other sources than profits. The company shall allocate as reserves a portion of its net annual profit not less than the proportion specified by the Laws. The profits remaining thereafter may be allocated as reserves of various kinds, as the Board of Directors may deem proper, and after approval by the shareholders' at the AGM.

The Bank may from time to time pay shareholders interim dividends if the Board of Directors considers it appropriate given the Bank's consolidated profitability levels. The payment of interim dividends shall be reported to the shareholders at the next general meeting of shareholders.

Dividends shall be paid within the period prescribed by the Law, beginning from the date that the dividend resolution is passed by the general meeting of the shareholders or by the Board of Directors. A written notice shall also be sent to shareholders and dividend payment announcements shall be published in a newspaper.'

The Bank's dividend payments are subject to regulatory requirements and the Bank of Thailand notification no. SorNorSor. 20/2558 Re: Guidelines on Accounting of Financial institutions section 8 of dividend Policy dated December 4, 2015 which stipulate that financial institutions should not pay dividends from unrealized gains, no real cash inflow, and profit from non-true sales transactions.

2. Our Subsidiaries' Dividend Payout Policy

All dividend payments by the Bank's subsidiaries must be approved by a resolution of the shareholders at a general shareholder meeting and must be in compliance with relevant rules and regulations.

The subsidiaries may from time to time pay shareholders interim dividends if their Board of Directors considers it appropriate given profitability levels.

In each case, the company must allocate not less than one-twentieth of its net profits as reserves until the total amount allocated is equal to or more than one-tenth of the company's registered capital.

REFERRAL PARTIES

Name, office, telephone and facsimile of referral parties:

Registrar

- Ordinary shares : Thailand Securities Depository Co., Ltd.
93 The Stock Exchange of Thailand Building,
Rachadapisek Road, Din Daeng, Bangkok 10400
Tel: 0-2009-9999, Fax: 0-2009-9991
- Subordinated Debenture No. 1/2012 : Bank of Ayudhya PCL
- Subordinated Instrument No. 1/2016 : 1222 Rama III Road, Bang Phongphang,
Yan Nawa, Bangkok 10120
- Long-Term Debenture No. 1/2014 (1 tranche) Tel: 0-2296-2833, 0-2296-4772 and 0-2296-5696
- Long-Term Debenture No. 1/2015 (2 tranches) Fax: 0-2683-1389
- Long-Term Debenture No. 2/2015 (2 tranches)
- Long-Term Debenture No. 1/2016 (1 tranche)
- Long-Term Debenture No. 2/2016 (2 tranches)

Debenture Holder Representative

- Subordinated Debenture No. 1/2012 : KTB Bank PCL
977/3 SM Tower, Floor 3, Phaholyothin Road,
Samsennai, Phaya Thai, Bangkok 10400
Tel: 0-2298-0821 ext. 120, 121, Fax: 0-2298-0835
- Subordinated Instrument No. 1/2016 : None
- Long-Term Debenture No. 1/2014 (1 tranche) : None
- Long-Term Debenture No. 1/2015 (2 tranches) : None
- Long-Term Debenture No. 2/2015 (2 tranches) : None
- Long-Term Debenture No. 1/2016 (1 tranche) : None
- Long-Term Debenture No. 2/2016 (2 tranches) : None

Auditors

- : Mr. Permsak Wongphatcharapakorn Certified Public Accountant Registered No. 3427
- Mr. Niti Jungnitnirundr Certified Public Accountant Registered No. 3809
- Mr. Chavala Tienprasertkit Certified Public Accountant Registered No. 4301

Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd.
183 Rajanakarn Building, Floor 25,
South Sathon Road, Yan Nawa,
Sathon, Bangkok 10120
Tel: 0-2676-5700, Fax: 0-2676-5757

Legal Advisors

- : Mr. Kanok Indrambarya
- Mr. Chotechuong Thapvongse
- Pol. Gen. Ajiravid Subarnbhesaj
- Bank of Ayudhya PCL
- 1222 Rama III Road, Bang Phongphang, Yan Nawa, Bangkok 10120
- Tel: 0-2296-3872 and 0-2296-3882, Fax: 0-2683-1436

GROUP OF COMPANIES

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Krungsri AMC

Krungsri Ayudhya AMC Ltd.

Bank of Ayudhya PCL Head Office, Floor 11
1222 Rama III Road, Bang Phongphang,
Yan Nawa, Bangkok 10120
Telephone: 0-2296-4100
Facsimile: 0-2683-1400

Krungsri Factoring

Krungsri Factoring Co., Ltd.

Bank of Ayudhya PCL Head Office, Floor 19
1222 Rama III Road, Bang Phongphang,
Yan Nawa, Bangkok 10120
Telephone: 0-2208-2849
Facsimile: 0-2208-2858

Krungsri Leasing

Ayudhya Development Leasing Co., Ltd.

Bank of Ayudhya PCL Head Office, Floor 16
1222 Rama III Road, Bang Phongphang,
Yan Nawa, Bangkok 10120
Telephone: 0-2208-2300
Facsimile: 0-2683-1571-2

Krungsri Auto

Ayudhya Capital Auto Lease PCL

87/2 CRC Tower, Floor 26, 30, 48, All Seasons Place,
Wireless Road, Lumpini, Pathumwan, Bangkok 10330
Telephone: 0-2627-6010
Facsimile: 0-2627-8211

Krungsri Microfinance

Ngern Tid Lor Co., Ltd.

Juthamard Building, Floor 4, 5, 9, 10
89/170 Moo 3, Vibhavadi Rangsit Road,
Talad Bangkhen, Laksi, Bangkok 10210
Telephone: 0-2792-1888
Facsimile: 0-2792-1949

Hattha Kaksekar Limited

606, Street 271, Village 06, Sangkat Phsar Daeum Thkov,
Khan Chamka Morn, Phnom Penh, the Kingdom of
Cambodia

Krungsri Consumer

Ayudhya Capital Services Co., Ltd.

87/1 Capital Tower, All Seasons Place,
Floor 1-6, 8-11, Wireless Road, Lumpini,
Pathumwan, Bangkok 10330
Telephone: 0-2627-8000

Krungsri Leasing Services Co., Ltd.

355, Nui 12 Khampheang Meung Road,
Phonethan Village, Saysettha District,
Vientiane Capital, Lao PDR.

General Card Services Limited

87/1 Capital Tower, All Seasons Place, Floor 1-6, 8,
Wireless Road, Lumpini, Pathumwan, Bangkok 10330
Telephone: 0-2627-8111
Facsimile: 0-2627-8381

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

Krungsri Life Assurance Broker Limited

87/1 Capital Tower, All Seasons Place,
Wireless Road, Lumpini, Pathumwan, Bangkok 10330
Telephone: 0-2627-8028
Facsimile: 0-2627-4117

Krungsri General Insurance Broker Limited

87/1 Capital Tower, All Seasons Place,
Wireless Road, Lumpini, Pathumwan, Bangkok 10330
Telephone: 0-2627-8029
Facsimile: 0-2627-4117

Tesco Card Services Limited

87/1 Capital Tower, All Seasons Place, Floor 1-6,
Wireless Road, Lumpini, Pathumwan, Bangkok 10330
Telephone : 1712
Facsimile : 0-2627-8615

Tesco Life Assurance Broker Limited

87/1 Capital Tower, All Seasons Place, Floor 10,
Wireless Road, Lumpini, Pathumwan, Bangkok 10330
Telephone: 1712
Facsimile: 0-2627-8611

Tesco General Insurance Broker Limited

87/1 Capital Tower, All Seasons Place, Floor 10,
Wireless Road, Lumpini, Pathumwan, Bangkok 10330
Telephone: 1712
Facsimile: 0-2627-8611

Krungsri Securities**Krungsri Securities PCL**

898 Ploenchit Tower, Floor 3,
Ploenchit Road, Pathumwan, Bangkok 10330
Telephone: 0-2659-7000
Facsimile: 0-2646-1100

Krungsri Asset Management**Krungsri Asset Management Co., Ltd.**

898 Ploenchit Tower Floor 1-2 Zone A,
and Floor 12, 18 Zone B, Ploenchit Road,
Pathumwan, Bangkok 10330
Telephone: 0-2657-5757
Facsimile: 0-2657-5777

Krungsri Services**Siam Realty and Services Security Co., Ltd.**

1222 Bank of Ayudhya PCL Head Office (Tower C Floor 5A)
Rama III Road, Bang Phongphang,
Yan Nawa, Bangkok 10120
Telephone: 0-2296-3435, 0-2296-2364
Facsimile: 0-2296-2369

Total Services Solutions PCL

2/3 Moo 14, Bangna Tower B,
Bangna-Trad Road, K.M.6.5, Bang Kaeo
Bangplee, Samutprakarn 10540
Telephone: 0-2714-5199
Facsimile: 0-2777-0009

COMPANIES UNDER DISSOLUTION AND LIQUIDATION

Ayudhya Card Services Co., Ltd.

1222 Bank of Ayudhya PCL Head Office (Tower C, Floor 5A)
Rama III Road, Bang Phongphang,
Yan Nawa, Bangkok 10120
Telephone: 0-2296-3435, 0-2296-2364
Facsimile: 0-2296-2369

COMPANIES THAT THE BANK HOLD SHARES OF 10% BUT LESS THAN 20% OF ITS PAID-UP CAPITAL

P.P. Parawood Co., Ltd.

111/1 Moo 1, Tambonbanchang, Phanatnikom,
Chonburi 20140
Telephone: (038) 461-858, (038) 464-263

Asian Trade and Leasing Co., Ltd.

888 Moo 9, Soi Roongcharoen,
Lieb Klong Suvarnabhumi Road, Bangpla, Bangplee,
Samutprakarn 10540
Telephone: 0-2130-0668
Facsimile: 0-2130-0689

COMPANIES WITH SHARES ACQUIRED THROUGH DEBT RESTRUCTURING

Lenso Phonecard Co., Ltd.

292 Srinakarin Road, Huamark, Bangkok, Bangkok 10240
Telephone: 0-2351-8116
Facsimile: 0-2351-8009

UMC Metals Limited

32/40 Sino-Thai Tower, Floor 16,
Sukhumvit 21 Road (Asok)
North Klongteoy, Wattana, Bangkok 10110
Telephone: 0-2259-2942-5
Facsimile: 0-2259-2946

DISTRIBUTION NETWORK

BANK OF AYUDHYA PUBLIC COMPANY LIMITED

As of December 31, 2016

HEAD OFFICE

1222 Rama III Road, Bang Phongphang, Yan Nawa, Bangkok 10120

Telephone:

0-2296-2000

Krungsri Call Center:

1572

Facsimile

0-2683-1304

Website:

www.krungsri.com

BRANCH AND FINANCIAL SERVICES CENTERS

Number of branches in Thailand

695

Greater Bangkok and vicinity

298

Upcountry

397

Number of overseas branches outside Thailand

3

Foreign Currency Exchange Booths

95

Exclusive Banking Zones

29

No.	Branch	Telephone
1	RAMA III OFFICE	02-2962000
2	PLOENCHIT BRANCH OFFICE TONSON TOWER	02-2082170, 02-2082111, 02-2082172, 02-2082196, 02-2082197
3	RAJWONGSE BRANCH	02-2245510, 02-2245624-6
4	PHAHURAD BRANCH	02-2211604, 02-2217740
5	PRATUNAM BRANCH	02-2513277, 02-2538963, 02-2515388
6	VORACHAK BRANCH	02-2217678, 02-2217422, 02-2219738
7	BANGRAK BRANCH OFFICE	02-2377177, 02-2377158
8	BANGKRABUE BRANCH	02-2433256, 02-2433262
9	PAKKLONG-TALAD BRANCH	02-2230530, 02-2229637
10	WONGWIEN 22 KARAKADA BRANCH	02-2227585, 02-2230760
11	BANGLAMPPOO BRANCH	02-2828253-4
12	KLONGTEOI BRANCH	02-2498012-4
13	SAPAN-KWAI BRANCH	02-2722993-4
14	EKAMAI BRANCH	02-7140082-5
15	WONGWIEN-YAI BRANCH	02-4370173-4, 02-4378029
16	BANGKHAE BRANCH	02-4542947-50
17	CHOL BURI BRANCH	038-792318-20, 038-282087, 038-282463
18	SUPHAN BURI BRANCH	035-523961-3
19	NAKORN RAJSIMA BRANCH	044-251340-2, 044-242388, 044-242099
20	BANPHAI BRANCH	043-272108, 043-272680, 043-272162, 043-272655
21	UDORNDHANI BRANCH	042-246511, 042-221497, 042-244737

No.	Branch	Telephone
22	UBOLRAJHDHANI BRANCH	045-244885, 045-254065
23	CHAIYAPHOOM BRANCH	044-821339-41
24	LAMPANG BRANCH	054-323269-72, 054-227077
25	CHIANGMAI BRANCH	053-252441, 053-251130-1, 053-277261
26	PETCHABOON BRANCH	056-722572-3, 056-711110
27	CHANTABURI BRANCH	039-346386, 039-311023, 039-311562
28	HADYAI BRANCH	074-239065-6, 074-243051
29	TUNGSONG BRANCH	075-412684-5, 075-411475, 075-411575
30	TRANG BRANCH	075-218338, 075-218038
31	PATTANI BRANCH	073-332772-3
32	NARADHIWAAS BRANCH	073-511202-3
33	PAKCHONG BRANCH	044-313908-9
34	PETCHBURI NEW EXT. RD. BRANCH	02-3080041-5
35	BANGKAPI BRANCH	02-3771724, 02-3775352, 02-3771212
36	SAO-CHINGCHA BRANCH	02-2225206, 02-2248805
37	PHRA-PRADAENG BRANCH	02-4630115, 02-4631012, 02-4634208
38	DAO-KHANONG BRANCH	02-4760036, 02-4765369
39	SUAN-PHLU BRANCH	02-2873011-3
40	KHON-KAEN BRANCH	043-220856-7, 043-221293
41	PRANBURI BRANCH	032-622345, 032-622038, 032-621997
42	NONG-PHAI BRANCH	056-781411-5
43	RATCHATHEVI BRANCH	02-6536720-1, 02-2511251, 02-2516992, 02-2523033

No.	Branch	Telephone
44	FUTURE MART RAMA III BRANCH	02-2920673-4, 02-2891141
45	SAMYAEK BRANCH OFFICE	02-2211520-9
46	BANG-KHEN BRANCH	02-5613017-8, 02-5791619
47	TRAD BRANCH	039-521151-3
48	HIN-KONG BRANCH	036-379013-4, 036-390572-3
49	PHRABUDHABATH BRANCH	036-268022-4
50	KLONGSARN BRANCH	02-4371377, 02-4372646, 02-4371351
51	DIN-DAENG BRANCH	02-6428838-40
52	KLONG PRAPA BRANCH	02-2700829, 02-2713171
53	CHAKRAPHAT PHONG BRANCH	02-2801757-8
54	MUAKLEK BRANCH	036-341076-7, 036-341048-9
55	WANG NOI BRANCH	035-271882-3
56	TIWANON (KHAERAI) BRANCH	02-5883671, 02-9514292-3
57	SONGPHINONG BRANCH	035-531491-2, 035-531015, 035-531097
58	AYUDHYA BRANCH	035-245718-20, 035-241783
59	PHITSANULOK BRANCH	055-302599, 055-302600-3
60	CHACHOENGSAO BRANCH	038-514272-3, 038-511220
61	FUTURE PARK RANGSIT BRANCH	02-9580245-9
62	SAMRONG BRANCH	02-3843623-4
63	THANON NANG LINCHI BRANCH	02-6783016-8, 02-2868842, 02-2865892
64	TAPHAN-HIN BRANCH	056-622313-4, 056-622680
65	PHUNPHIN BRANCH	077-311523, 077-311967, 077-311423, 077-311127
66	DONMUANG (NEW BRIDGE) BRANCH	02-9725644-7
67	UTTARADIT BRANCH	055-411357, 055-411457
68	OCEAN CHUMPHON BRANCH	077-511491, 077-511493, 077-503043
69	SRI CHIENGMAI BRANCH	042-451336-8
70	SIYAEK WISUTKASAT BRANCH	02-2824688-9
71	SIYAEK SAPAN KRUNGDHON BRANCH	02-4240125, 02-4245023
72	YALA BRANCH	073-211688-9
73	HUA-HIN BRANCH	032-511120, 032-511665
74	THA MUANG BRANCH	034-612412-3, 034-611139
75	PRAISANEEKLANG BRANCH	02-2334372-3
76	U THONG BRANCH	035-551081, 035-551933, 035-551944
77	DET-UDOM BRANCH	045-361001-2
78	BAN PONG BRANCH	032-201949-50, 032-221869, 032-211416, 032-211872
79	PHIBUN MANGSAHAN BRANCH	045-441400-1, 045-441160, 045-441180
80	CHAINAT BRANCH	056-412696-9
81	PHON THONG BRANCH	043-571035-7
82	KRATHUMBAEN BRANCH	034-472580-1, 034-471476-7
83	BANG PAKONG BRANCH	038-531250-1, 038-532026-7
84	SI RACHA BRANCH	038-311375, 038-311857, 038-311852, 038-325606, 038-321201, 038-312901, 038-312900, 038-321201

No.	Branch	Telephone
85	BAN BUNG BRANCH	038-444019-20, 038-443623
86	CHUM PHAE BRANCH	043-311309-10, 043-311076
87	PHAN BRANCH	053-721251-2
88	SAM PHRAN BRANCH	034-322795-9
89	LUK KAE BRANCH	034-566423-4, 034-566140, 034-566072
90	TAKHLI BRANCH	056-261249, 056-261530
91	RAJAVAT BRANCH	02-2413978, 02-2414143
92	SUAN MALI BRANCH	02-2235413, 02-2237305
93	THA RUA BRANCH	035-341969-70, 035-341119
94	SONGKHLA BRANCH	074-321077-9
95	CHARU MUANG BRANCH	02-2142352-3
96	TAK BRANCH	055-513511-3
97	SAMUT PRAKAN BRANCH	02-3871814-5
98	MAHA SARAKHAM BRANCH	043-722227-8, 043-711130
99	ROI ET BRANCH	043-511615-6, 043-511910, 043-519757
100	SING BURI BRANCH	036-520697-8, 036-510000, 036-520697-9, 036-511356, 036-511778, 036-511766
101	KALASIN BRANCH	043-811556-7
102	UNION MALL LAT PHRAO BRANCH	02-5113149, 02-511698
103	TALAT PHLU BRANCH	02-4669766, 02-4669672
104	NAKHON NAYOK BRANCH	037-312644-5
105	SIYAEK ASOK BRANCH	02-2618119-21
106	CHIANG RAI BRANCH	053-744641-3
107	LOP BURI BRANCH	036-411599-600, 036-420658-9
108	THA DIN DAENG BRANCH	02-4372509, 02-4373359
109	SAMRAY BRANCH	02-4386811-2, 02-4372590, 02-4374725
110	TAO PUN BRANCH	02-5854217, 02-5856799
111	BANGKOK NOI BRANCH	02-4240599-600
112	SUKHUMWIT 35 BRANCH	02-2590020-3
113	YAOWARAT BRANCH	02-2231555, 02-2235336-7
114	PHRAE BRANCH	054-511595-6
115	RATCHABURI BRANCH	032-325650, 032-337991-2, 032-325651-2
116	SIYAEK SUAPA BRANCH	02-2235334-5, 02-2235310
117	SAMUT SAKHON BRANCH	034-411986-7
118	NAKHON SAWAN BRANCH	056-228017-8
119	SIAM SQUARE BRANCH	02-2551116-7
120	PHETCHABURI BRANCH	032-425888, 032-425999, 032-428612
121	SURAWONG BRANCH	02-6314050-9
122	SURAT THANI BRANCH	077-283116-9, 077-273007-8
123	BANG SU BRANCH	02-5870635-6
124	SAM YOD BRANCH	02-2230785-7, 02-2239637-8
125	BURI RAM BRANCH	044-614128-30
126	URUPHONG BRANCH	02-2157000-1
127	SAPHANLUANG BRANCH	02-2154593-4, 02-6117929, 02-2161340, 02-2161341
128	SURIN BRANCH	044-515061-2
129	THANON CHAN BRANCH	02-2874384-8
130	PHANAT NIKHOM BRANCH	038-461378-9, 038-788011-3, 038-462378-9

No.	Branch	Telephone
131	SIKHIU BRANCH	044-412465-6
132	KLAENG BRANCH	038-674427-8
133	PAK KRET BRANCH	02-9607961-2, 02-5837073, 02-5837726, 02-5838593
134	NAM PHONG BRANCH	043-431341-2
135	PHUKET BRANCH	076-211110, 076-211592, 076-221512, 076-211811
136	PRATU CHANG PHUAK BRANCH	053-211700-1, 053-217576-8
137	NAKHON SI THAMMARAT BRANCH	075-342789, 075-346125
138	THA PHRA BRANCH	02-4570067, 02-4570534
139	HUAMARK BRANCH	02-3146746-7, 02-3145841, 02-3181136
140	THANON MITTRAPHAP (NAKHON RATCHASIMA) BRANCH	044-256866, 044-256900
141	CHAKKRAWAT BRANCH	02-2221677, 02-2221848
142	SANAM POA BRANCH	02-6150198-9
143	NONTHABURI BRANCH	02-9672000-1
144	NAKHON PATHOM BRANCH	034-251155-7
145	SARABURI BRANCH	036-222277-9
146	RAYONG BRANCH	038-6115340, 038-612648, 038-612846
147	RATCHADAPHISEK (HUAI KHWANG) BRANCH	02-2754906-10
148	KANCHANABURI BRANCH	034-515058-9, 034-512396-7
149	SAPHAN PHRACHAO TAKSIN BRANCH	02-4370230, 02-4387726
150	SUTTHISAN BRANCH	02-2700164-5
151	SAPHAN PRA PINKLAO BRANCH	02-4330085-8
152	SI SAKET BRANCH	045-612293-4
153	ARUN-AMARIN BRANCH	02-4126186-8
154	THANON PHET KASEMHAT YAI BRANCH	074-230557-8
155	PHUTTHAISONG BRANCH	044-689114-5
156	BANG PLA MA BRANCH	035-587623-4, 035-587088, 035-587358
157	RANONG BRANCH	077-811777, 077-821205, 077-821622, 077-821206, 077-812841, 077-812941
158	PHU WIANG BRANCH	043-291290-2
159	NON SUNG BRANCH	044-379111-3
160	WIANG SA BRANCH	077-361958-60
161	SAMUT SONGKHRAM BRANCH	034-713039-40, 034-715496-8
162	YASOTHON BRANCH	045-711844-5, 045-712956
163	SUKHOTHAI BRANCH	055-612671-2
164	THANON PHATTHANAKAN BRANCH	02-3183289, 02-3147700
165	LAT PHRAO 102 BRANCH	02-5394508-11
166	KAMPHAENG PHET BRANCH	055-713013-4
167	SAKON NAKHON BRANCH	042-713001-2, 042-713790-2
168	NAN BRANCH	054-772584-6
169	THANON MALIWAN BRANCH	043-333941-3, 043-243821
170	PATTAYA BRANCH	038-426907-8, 038-424440, 038-373420-1, 038-424151
171	NA KLANG BRANCH	042-359023-4

No.	Branch	Telephone
172	PHANOM PHRAI BRANCH	043-591141-2
173	SIYAEK KHAO RAI YA BRANCH	039-335398-9
174	BANG SAI BRANCH	035-741111-5
175	RAT BURANA BRANCH	02-4641445-6, 02-4635772-4
176	WANON-NIWAT BRANCH	042-791165-6
177	HUAI KRA BOK BRANCH	032-291091-3, 032-291184-185, 032-291237
178	BANG-O BRANCH	02-4240948, 02-4352257, 02-4357328, 02-4357329
179	BAN TAK BRANCH	055-591249-50
180	SUKHUMVIT 101/1 (PIYAROM PLACE) BRANCH	02-7305549-51
181	KHAO YOI BRANCH	032-562057-8, 032-439811-3, 032-561682-3
182	KHAI BANG RACHAN BRANCH	036-597050-2, 036-535427-8
183	SRINAKARIND-ON NUT BRANCH	02-3211584, 02-3218838
184	CHAENG WATTHANA 14 BRANCH	02-5746174-6
185	THANON PHRRAM THI 4 (KLONGTEOI) BRANCH	02-2609506-10
186	BO PHLOI BRANCH	034-581055-6, 034-581051, 034-581096
187	BAN RONG PO BRANCH	038-241031-4
188	THUNG YAI BRANCH	075-489004-5
189	BIG C WONGSAWANG BRANCH	02-9139708-13
190	PRACHIN BURI BRANCH	037-213217-8
191	NONG KHAI BRANCH	042-420743-4
192	MUANG SAMSIP BRANCH	045-489004-5
193	SUKHUMWIT 23 BRANCH	02-2611914-7
194	PHATTHALUNG BRANCH	074-612998-9
195	RATCHADAPHISEK (THAPHRA-TAKSIN) BRANCH	02-4779692-4
196	KO SAMUI BRANCH	077-420176-8, 077-420179
197	KANCHANADIT BRANCH	077-379028-30
198	PATONG BRANCH	076-340809-10
199	THANON CHAYANGKUN UBONRATCHATHANI BRANCH	045-244594-5
200	THA RUA PHRA THAEN BRANCH	034-562005-6, 034-562013, 034-562119, 034-561454, 034-561682
201	KAMPHAENG SAEN BRANCH	034-351705-6
202	SIYAEK WANG HIN BRANCH	02-5705584-5
203	NONGBUA UDONTHANI BRANCH	042-243434, 042- 243436
204	THAP PUT BRANCH	076-442228-30, 076-599290-91
205	BANGBON BRANCH	02-4168366, 02-4168367
206	PHAYAO BRANCH	054-481863-4
207	THANON CHANG KHLAN CHIANG MAI BRANCH	053-270431-4, 053-273069, 053-275397
208	NONG PRATHIP CHIANG MAI BRANCH	053-240240-4
209	LOM SAK BRANCH	056-702009-11
210	BANG MUN NAK BRANCH	056-631844-7
211	BIG C SRINAKARIN BRANCH	02-3834763-7
212	THANON SI PHUWANAT HAT YAI BRANCH	074-221003-5

No.	Branch	Telephone
213	UTHAI THANI BRANCH	056-512561-4
214	MAP TA PHUT BRANCH	038-608991-4
215	PATHUM THANI BRANCH	02-5813908-10
216	SATTAHIP BRANCH	038-437780-3, 038-438522
217	PURE PLACE RAMKHAMHANG 110 BRANCH	02-3734740-2
218	WONG WIEN SA KAE0 LOP BURI BRANCH	036-422601-2
219	THANON SAWANWITHI NAKHON SAWAN BRANCH	056-227866-7, 056-227493-4
220	SUNGAI KOLOK BRANCH	073-615741-3
221	MIN BURI BRANCH	02-5179897-9
222	LAT BUA LUANG BRANCH	035-379350-2
223	THANON TIWANON (KHLONG BANG TALAT) BRANCH	02-5806611, 02-5806622
224	KRABI BRANCH	075-664002-5
225	PRACHUAP KHIRI KHAN BRANCH	032-611980-1, 032-601521
226	THA YANG BRANCH	032-771067-9
227	THANON SUKHUMWIT CHOLBURI BRANCH	038-274520-1, 038-272653-5, 038-289097
228	MAE HONG SON BRANCH	053-612334-5
229	PHANGNGA BRANCH	076-411989, 076-412444, 076-412333, 076-412003, 076-412399, 076-412499
230	BANG MOT BRANCH	02-4284389-90
231	LOEI BRANCH	042-812619-20
232	ROJANA INDUSTRIAL PARK BRANCH	035-330515, 035-330525
233	THANON RAT BURANA (BANG PAKOK) BRANCH	02-4284534-5, 02-4284537
234	THANON CHAROEN NAKHON SOI 4 BRANCH	02-4389424, 02-4379978-9
235	FORTUNE TOWN BRANCH	02-2483380-3
236	AO UDOM BRANCH	038-352466-9, 038-351970, 038-352904-6, 038-352791
237	SOI THONG LO BRANCH	02-3922838-9
238	LUMPINI BRANCH	02-2856696-9
239	PHOTHARAM BRANCH	032-354317-8, 032-233291-4
240	NAVANAKORN BRANCH	02-5292076-8
241	SAM LIAM DIN DAENG BRANCH	02-6424020-1
242	KACHET BRANCH	038-648295-6
243	NONG DON BRANCH	036-397225-8
244	THANON RAMKHAMHAENG 19 BRANCH	02-7189302-3
245	BANG BUA THONG BRANCH	02-5713530-4
246	LAT KRABANG BRANCH	02-3268815-8
247	THANON SUKHAPHIBAN 1 BRANCH	02-3755801-2, 02-7346967
248	BANG YAI BRANCH	02-5940608-9, 02-5940605
249	SATUN BRANCH	074-722500-2
250	ON NUJ 23 BRANCH	02-3322737, 02-3322837
251	PHICHIT BRANCH	056-612510-4
252	CHA-AM BRANCH	032-472047-51
253	NAKHON PHANOM BRANCH	042-513082-5
254	THANON RAM INDRA KM.8 BRANCH	02-5095880-3
255	PHANOM SARAKHAM BRANCH	038-551840-3
256	THANON SURASAKI SIRACHA BRANCH	038-324272-6

No.	Branch	Telephone
257	THANON ROT FAI RATCHABURI BRANCH	032-322388-92
258	PRACHA NIWET 1 BRANCH	02-9543880-2
259	SA KAE0 BRANCH	037-241810-3
260	MAKHAMTIA BRANCH	077-288750-3
261	TALAT SI MUM MUANG BRANCH	02-5368154-6
262	THANON RATCHADAPHISEK (OLYMPIA THAI TOWER)	02-5138731-5
263	PLOENCHIT TOWER BRANCH	02-2630667-9
264	NAKHON CHAIS1 BRANCH	034-333640-4
265	HANG DONG BRANCH	053-44 1986-7
266	SEACON BANGKAE BRANCH	02-4548701-5
267	CENTRAL PLAZA LAMPANG BRANCH	054-811690-4
268	THANON RANGSIT-NAKHON NAYOK (KHLONG 2) BRANCH	02-9660916-8
269	ANG THONG BRANCH	035-625150-1, 035-611048, 035-611984
270	MUKDAHAN BRANCH	042-613035-6
271	THANON SUKHAPHIBAN 2 BRANCH	02-3741935-8
272	THANON POON PHOL PHUKET BRANCH	076-221885-6, 076-221009
273	SENA BRANCH	035-202009, 035-202279
274	THANON BANG NA-TRAT (CENTRAL CITY) BRANCH	02-3610625-6, 02-3610562-4
275	THANON PHET KASEM 55 BRANCH	02-4546969, 02-4549966
276	THANON THIAM RUAM MIT BRANCH	02-2744008-10
277	MAE SOT BRANCH	055-533781-3
278	HA YAEK PHOKHUN MENGRAI BRANCH	053-711793, 053-711292
279	THANON CHOM THONG BRANCH	02-4685740, 02-4688096
280	TESCO LOTUS CHARAN SANITWONG 15 BRANCH	02-4114264, 02-4114268, 02-4111396-8
281	THANON SRINAKARIND- KRUNG THEP KRITHA BRANCH	02-3751249, 02-3753917, 02-3755503
282	NONGKHAEM BRANCH	02-4442958-9
283	CHUMPHON BRANCH	077-505032, 077-505034, 077-505069
284	PARADISE PARK BRANCH	02-7460194-9
285	THANON NGAM WONG WAN BRANCH	02-5916676, 02-9518403-4
286	THANON SRINAKARIND- SUKHUMWIT BRANCH	02-3891443, 02-3891465, 02-7030334-5
287	LANG SUAN BRANCH	077-582513-5
288	SAPHAN PRA NANGKLAO BRANCH	02-5270241-5
289	THANON HAIKOE ROI ET BRANCH	043-511830, 043-513307, 043-515002
290	LAMPHUN BRANCH	053-510246-50
291	MAYA CHIANG MAI BRANCH	053-219804-6
292	THANON SUKHUMWIT 71 BRANCH	02-3901936, 02-3812171
293	LAM NARAI BRANCH	036-461994-5

No.	Branch	Telephone
294	THANON RAM INDRA KM.2 BRANCH	02-9716678-82
295	SAPHAN CHOM KLAO PHETCHABURI BRANCH	032-413185-7, 032-413195-6, 032-402844
296	THANON WAT KINGKAE0 BRANCH	02-3169495-6, 02-7501718-9
297	THANON SATHU PRADIT BRANCH	02-2951104-5
298	THANON CHAENG WATTHANA (SOFTWARE PARK) BRANCH	02-9623104-8
299	THANON PRACHA UTHIT BRANCH	02-4271041, 02-4271415
300	MAE SAI BRANCH	053-640769-74
301	THANON SONG PRAPHA BRANCH	02-5664291-3
302	THANON BANG NA TRAT (INTERLINK TOWER) BRANCH	02-7514036-40
303	THANON PATTAYA TAI BRANCH	038-425524-5, 038-411993, 038-411992
304	OM NOI BRANCH	02-4310131-6
305	THANON SUEKSA CHAROEN PHETCHABOON BRANCH	056-722247-8
306	THA PHRA KHON KAEN BRANCH	043-261661-5
307	THANON RAMA II BRANCH	02-4514094-8
308	BANG PA-IN BRANCH	035-221071-4
309	PHRAN NOK BRANCH	02-4114543, 02-4182515, 02-4125615-6
310	THANON BANG KHUN THIAN BRANCH	02-4163481-2
311	NARESUAN UNIVERSITY BRANCH	055-261125-6
312	PROMENADA RESORT MALL CHIANG MAI BRANCH	053-142746-50
313	THANON VIBHAVADIRANGSIT (SUNTOWERS) BRANCH	02-6176486-90
314	KAENG KHOI BRANCH	036-245320-3
315	NONG KHAIE BRANCH	036-326400-3
316	SUKHUMWIT 103 (UDOM SUK) BRANCH	02-3838793-7
317	PHRA PRATHON BRANCH	034-242826-7
318	BANG SAPHAN BRANCH	032-548404-7, 032-691891-2
319	RAMA IX-SRINAKARIND BRANCH	02-3001642, 02-3001645
320	KABIN BURI BRANCH	037-203015-9
321	THANON THEP KRASATTRI PHUKET BRANCH	076-236337-8, 076-222892, 076-222183
322	THANON MITTRAPHAP-YAER PAKTHONGCHAI BRANCH	044-277324-5
323	SAN KAMPHAENS BRANCH	053-392592-6
324	THANON SUKHUMWIT 63 BRANCH	02-7114600-6
325	BANG PU BRANCH	02-3243581-5
326	WARIN CHAMRAP BRANCH	045-269470-4
327	NONG BUA LAM PHU BRANCH	042-312536-40
328	THANON KANCHANAWANIT SONGKHLA BRANCH	074-325806-10
329	MAE RIM BRANCH	053-299916-9
330	THANON SUKHUMWIT TRAD BRANCH	039-520993, 039-520997

No.	Branch	Telephone
331	THANON PHRAEKSA SAMUTPRAKAN BRANCH	02-3870081-2
332	HUA THALE NAKHON RATCHASIMA BRANCH	044-266042-6
333	AMNAT CHAROEN BRANCH	045-511731-4
334	RACHA TEWA BRANCH	02-3124795-7, 02-3124898-9
335	KASETSART UNIVERSITY BRANCH	02-5610643, 02-5613490-1, 02-5610638
336	PHON SAWAN BRANCH	042-595119, 042-595091
337	PRATUNAM PHRA-IN BRANCH	035-219851-4
338	BANG BO BRANCH	02-7085393, 02-7085419
339	DON PHUT BRANCH	036-385112-4
340	THANON RAM INDRA- VACHARAPHOL BRANCH	02-5094993, 02-5095095
341	THANON CHAROEN NAKHON SOI 35 BRANCH	02-4391104, 02-4396448, 02-4390615, 25
342	SI BANPHOT BRANCH	074-689164-6
343	THANON BOROMARAJAJONANI (TALING CHAN) BRANCH	02-4336910, 02-4333417
344	THANON THEPHARAK BRANCH	02-3850975-9
345	THANON SUKSAWAT 53 BRANCH	02-4632510, 02-4632920, 02-4632560
346	THANON PHATTHANAKAN KHUKHWANG BRANCH	075-317841-5
347	THANON MITTRAPHAP KHONKAEN BRANCH	043-325411-5
348	THANON CHOTANA CHIANGMAI BRANCH	053-409420-4
349	BIG C SUPHANBURI BRANCH	035-494956-9, 035-494960
350	THANON BOROMARAJAJONANI (PINKLAO) BRANCH	02-4331468, 02-4334985, 02-4333273, 02-4348962
351	THANON PHAHONYOTHIN 26 (ELEPHANT TOWER) BRANCH	02-9374984-90
352	THANON SATHON NUA (A.I.-CENTER) BRANCH	02-6377276-85
353	THANON AKATOSAROT PHITSANULOK BRANCH	055-225173-7
354	CHOKCHAI 4 BRANCH	02-5301696, 02-5303790
355	THANON PRACHARAT SAI 1 BRANCH	02-5852610, 02-5868897
356	NANG RONG BRANCH	044-624318-22
357	ON NUJ 69 BRANCH	02-7260475-8
358	THANON RATCHADAPHISEK (CENTRAL RAMA III) BRANCH	02-6736309-14
359	BETONG BRANCH	073-245861-4
360	THANON PHAHON YOTHIN SARABURI BRANCH	036-318401-4
361	FANG BRANCH	053-382813-7
362	NOENTENG CHOLBURI BRANCH	038-261101-3
363	THANON KANCHANAWANIT HAT YAI BRANCH	074-298724-6
364	SIYAEK SANAMBIN CHIANGMAI BRANCH	053-280525-7
365	ONG KHARAK BRANCH	037-322268-9
366	THANON RAT BANCHOP SAMUT SAKHON BRANCH	034-428126-7

No.	Branch	Telephone
367	THANON PHOSI UDONTANI BRANCH	042-249736-7
368	THANON LAMLUKKA (KHLONG 2) BRANCH	02-5233933-5
369	ASSUMPTION UNIVERSITY (THANON BANGNA-TRAD KM.26) BRANCH	02-7070350-4
370	NAKHON RATCHASIMA RAJABHAT UNIVERSITY BRANCH	044-248405-6
371	SUAN DUSIT RAJABHAT UNIVERSITY BRANCH	02-2418325-7
372	SAKON NAKNON RAJABHAT UNIVERSITY BRANCH	042-970101-3
373	CHIANGRAI RAJABHAT UNIVERSITY BRANCH	053-776038, 053-776066
374	CHAWENG BEACH BRANCH	077-413736-8, 077-413709
375	CENTRAL LAT PHRAO BRANCH	02-5411176-7
376	ASSUMPTION UNIVERSITY (HUA MARK) BRANCH	02-3004452-4
377	BURI RAM RAJABHAT UNIVERSITY BRANCH	044-601519, 044-614159
378	MAE NAM BRANCH	077-427787-9, 077-230821
379	AO NANG KRABI BRANCH	075-695429-31
380	IRPC RAYONG BRANCH	038-623939-41
381	STAR IT CENTER RAYONG BRANCH	038-623842-4
382	CENTRAL RAMA II BRANCH	02-8721478-80
383	KHAO LAK PHANG-NGA BRANCH	076-485425-7
384	KHONKAEN UNIVERSITY BRANCH	043-202260-1, 043-342388
385	LAMPANG RAJABHAT UNIVERSITY BRANCH	054-317950-2
386	CHULALONGKORN 42 BRANCH	02-2191624-6
387	UBON RATCHATHANI RAJABHAT UNIVERSITY BRANCH	045-255416, 045-255537
388	NIKHOM PHATTHANA RAYONG BRANCH	038-637585-6, 038-897504
389	EASTERN SEABOARD INDUSTRIAL ESTATE BRANCH	038-656256-7, 038-954704
390	BIG C UDON THANI BRANCH	042-212733-4, 042-204920
391	LAMAI BEACH BRANCH	077-419017-8, 077-230821
392	TESCO LOTUS AMATA NAKORN CHONBURI BRANCH	038-457462-5
393	HA YAEK CHALONG PHUKET BRANCH	076-384034-6
394	THE MALL BANG KAPI BRANCH	02-3746177-8, 02-3746294
395	THE MALL BANG KHAIE BRANCH	02-4553930-1, 02-4553921
396	QUEEN SIRIKIT NATIONAL CONVENTION CENTER BRANCH	02-2295592-4
397	304 INDUSTRIAL PARK PRACHIN BURI BRANCH	037-274300-1, 037-20 8314
398	RAJAMANGALA UNIVERSITY OF TECHNOLOGY THANYABURI BRANCH	02-5774504-5, 02-9274744

No.	Branch	Telephone
399	IMPACT MUANG THONG THANI BRANCH	02-5045162-4, 02-5034694
400	KAMALA BEACH PHUKET BRANCH	076-278113-4, 076-385473
401	THANON SAI ASIA NAKHONSAWAN BRANCH	056-228188-90
402	HI-TECH INDUSTRIAL ESTATE BRANCH	035-314337-9
403	SOCIAL SECURITY OFFICE BRANCH	02-5269610-2
404	WELLGROW INDUSTRAIL ESTATE BRANCH	038-517820-1, 038-842253
405	BLUPOINT HUA HIN RESORT MALL BRANCH	032-523233-7
406	THE MALL NGAM WONG WAN BRANCH	02-5500630-1
407	TESCO LOTUS PATTAYA (NORTH) BRANCH	038-423399, 038-423044, 038-370641
408	CENTRAL FESTIVAL PHUKET BRANCH	076-367005-7
409	THANON RATCHAWITHI NAKHON PATHOM BRANCH	034-275020-1, 034-280282
410	FASHION ISLAND BRANCH	02-9475140-1, 02-9475483-6
411	THANON BANG KHUN THIAN-CHAI THALE BRANCH	02-8946537-9
412	PHI PHI ISLAND BRANCH	075-601010-2
413	KASEMRAD PRACHACHUEN HOSPITAL BRANCH	02-5874240-1
414	SOI NOEN PLUB WAN PATTAYA BRANCH	038-406272, 038-732085, 038-406273
415	TESCO LOTUS PHUKET BRANCH	076-524235-8
416	J-AVENUE THONG LO BRANCH	02-1853113-4
417	CHOENG THALE PHUKET BRANCH	076-325062, 076-325139
418	THANON CHALOEM PHRA KIAT PHUKET BRANCH	076-376001-2, 076-376005
419	BEACH ROAD (CHAWENG) BRANCH	077-413464-8, 077-413463
420	TALAT THANOMMIT VACHARAPHOL BRANCH	02-3470292-5
421	TESCO LOTUS MAHACHAI 2 BRANCH	034-866334-8
422	SI YAEK PAK RUAM BRANCH	038-337245-6
423	KO CHANG BRANCH	039-551431-2
424	EMPIRE TOWER BRANCH	02-6701648-50
425	GRAND CANAL BRANCH	02-575 2163-4
426	KASEMRAD RATTANATIBETH HOSPITAL BRANCH	02-5940937-9
427	TALAT WONGSAKORN BRANCH	02-5635341-2, 02-5635350, 02-5635343-4
428	THANON CHOMSIN HUA HIN BRANCH	032-515370-1, 032-513084-5, 032-515406
429	ROBINSON BANGRAK BRANCH	02-2355812-4,
430	LAEM CHABANG BRANCH	038-493542-3, 038-493556
431	TALAT MIN BURI BRANCH	02-5171022-3, 02-5171025, 02-5172278-9

No.	Branch	Telephone
432	THAI SUMMIT TOWER BRANCH	02-2513114-6
433	CENTRAL PINKLAO BRANCH	02-4334830-1, 02-4334833, 02-4334923
434	THANON KHEHA ROMKLAO BRANCH	02-5571033-5
435	TESCO LOTUS PHATTHANAKAN BRANCH	02-3221278-80, 02-3222416, 02-3212537
436	TESCO LOTUS BANGYAI BRANCH	02-4592190, 02-4592195-8
437	THANON NA NAI PATONG BRANCH	076-345161, 076-345163-4
438	CHOENG MON BEACH BRANCH	077-448223, 077-417139, 077-417419
439	TALAAD THAI BRANCH	02-5291121, 02-5291960, 02-5292508
440	TESCO LOTUS BOWIN BRANCH	038-117120-3
441	ZUELLIG HOUSE BRANCH	02-2335134-6
442	THANON SUKHUMWIT PATTAYA BRANCH	038-424376, 038-424722-3
443	KHLONG KHRU SAMUT SAKHON BRANCH	034-426917, 034-426897, 034-426895
444	THANON MUEANGMAI BANGPHLI 2 BRANCH	02-3151112-4
445	KING MONGKUT S INSTITUTE OF TECHNOLOGY LADKRABANG BRANCH	02-3264715-7
446	KABINBURI INDUSTRIAL ZONE BRANCH	037-455334, 037-455502-3
447	CENTRAL WORLD BRANCH	02-2517055-9
448	Q. HOUSE CONVENT BRANCH	02-2345475-7
449	NAVA NAKORN INDUSTRIAL PROMOTION ZONE BRANCH	02-5291295, 02-5293266, 02-5293974
450	NORTHERN REGION INDUSTRIAL ESTATE (LAMPHUN) BRANCH	053-582112-4
451	SAHA GROUP INDUSTRIAL PARK SIRACHA BRANCH	038-482325, 038-482334, 038-482366, 038-482078-9
452	HOME PRO RATCHAPHRUEK BRANCH	02-4233645-8
453	HOME PRO BANG NA BRANCH	02-3251167-9
454	EASTERN SEABOARD INDUSTRIAL ESTATE 2 BRANCH	038-656446-7
455	TOPS RAMA III BRANCH	02-2130796-7, 02-2130713
456	BIG C CHAENG WATTHANA 2 BRANCH	02-5841411, 02-5841432, 02-5841664
457	CENTURY PLAZA BRANCH	02-2459517-9
458	CENTRAL RATTANATHIBET BRANCH	02-5254546-7
459	CENTRAL AIRPORT CHIANG MAI BRANCH	053-281660-2
460	SIAM PARAGON BRANCH	02-1294560-5
461	BIG C KANLAPAPHRUEK BRANCH	02-4170630-4
462	PTT THANON RATCHAPHRUEK BRANCH	02-4322223-5
463	KO PHA-NGAN BRANCH	077-377276, 077-377627, 077-377651
464	BOPHUT BRANCH	077-427540-2, 077-427542

No.	Branch	Telephone
465	BANG PHUN BRANCH	02-5818545-7, 02-5818564-6
466	PTT THANON PHUTTHAMONTHON SAI 4 BRANCH	02-4292051, 02-4292104, 02-4292130
467	Q.HOUSE LUMPINI BTRANCH	02-3438791-3
468	PTT THANON CHALONG KRUNG BRANCH	02-3605213-5
469	BANGKOK PATTAYA HOSPITAL BRANCH	038-422514, 038-422526, 038-422534
470	PINTHONG INDUSTRIAL ESTATE BRANCH	038- 348184-6
471	RAJAMANGALA UNIVERSITY OF TECHNOLOGY KRUNGTHEP BRANCH	02-2860324, 02-2860341
472	TESCO LOTUS RANGSIT KLONG 7 BRANCH	02-5774636-8, 02-5775833-4
473	THANON PATAK (KARON) BRANCH	076-398249-51
474	SOI BOONSAMPAN PATTAYA BRANCH	038-406683-5, 038-406684
475	SOI BUAKHAO PATTAYA BRANCH	038-415873-5
476	SOI NAKLUEA 16 PATTAYA BRANCH	038-416617-9
477	DON HUALO (AMATA NAKHON CHON BURI) BRANCH	038-453049-51
478	KO PHO CHON BURI BRANCH	038-209787-9
479	PTT THANON EKKACHAI BRANCH	034- 418190-2, 034-867708-10
480	PTT THANON SURANARAI NAKHON RATCHASIMA BRANCH	044 257061-3
481	THANON CHALOEM PHRA KIAT (PATTAYA SAI 3) BRANCH	038-424376, 038-424722-3, 038-410972
482	TESCO LOTUS WARIN CHAMRAP BRANCH	045-323770-3
483	THANON BANKOK KHON KAEN BRANCH	043-270455-7
484	SILPAKORN UNIVERSITY (SANAM CHANDRA PALACE CAMPUS) BRANCH	034- 271133, 034-271484, 034-271598
485	THANON PHRAYASATCHA CHON BURI BRANCH	038-272319-20, 038-272400, 038-287744
486	BAN SAI YUAN (RAWAI) BRANCH	076-388804-6, 076-388004
487	PTT THANON TIWANON BRANCH	02-5845501-3
488	HOMEPRO KHON KAEN BRANCH	043-271624-6
489	HOMEPRO UDON THANI BRANCH	042-246000, 042-246733-4
490	HUA HIN MARKET VILLAGE BRANCH	032-526463-7
491	PAI BRANCH	053-699062, 053-699097
492	ESPLANADE RATCHADA BRANCH	02-6609120-22
493	PETCHKASEM AVENUE BRANCH	02-8092961-2, 02-8092403
494	J.J. MALL BRANCH	02-2659544-6

No.	Branch	Telephone
495	PHATTHANANIKHOM SOI 12 (LOPBURI) BRANCH	036-436066, 0369-436114, 036-436574-5
496	ALL SEASONS PLACE BRANCH	02-2501240-1, 02-2501244, 02-6853032-3
497	HUACHIEW CHALERMPRAKIET UNIVERSITY BRANCH	02-3126625, 02-3126719, 02-3126765
498	IMPERIAL WORLD SAMRONG BRANCH	02-3806214-6
499	ROBINSON SRIRACHA BRANCH	038-322067, 038-322086, 038-322107
500	TALAT SAVE ONE NAKHON RATCHASIMA BRANCH	044-222131, 044-222141, 044-222158
501	THANON PHUTTHANONTHON SAI 5 BRANCH	02-4207715, 02-4207720, 02-4207723
502	JUNGCEYLON PHUKET BRANCH	076-366029-30, 076-366141
503	THE AVENUE CHAENGWATTHANA BRANCH	02-5738106, 02-5738107, 02-5738108
504	THE AVENEUE PATTAYA BRANCH	038-052003-5
505	THANON PHRABARAMI PHUKET BRANCH	076-322179-80, 076-3222183
506	THANON THEPHARAK KM.22.5 (YES BANGPHLI) BRANCH	02-3152984-6
507	PA KHLOK PHUKET BRANCH	076-379851-3, 076-379850
508	THANON CHAO FA (EAST) PHUKET BRANCH	076-525071-2
509	THANON WIRAT HONGYOK PHUKET BRANCH	076-523200-2
510	TESCO LOTUS SALAYA BRANCH	02-4822100-1
511	PTT THANON SERI THAI BRANCH	02-3798910, 02-3798914, 02-3798916
512	SOI KHAO TA LO PATTAYA BRANCH	038-333255-7
513	PTT RATCHAPHRUEK - RATTANATHIBET BRANCH	02-1919864-6
514	CENTRAL FESTIVAL EAST VILLE BRANCH	02-5536188-92
515	LAEMTHONG BANGSAEN BRANCH	038-385353-7
516	CENTRAL FESTIVAL SAMUI BRANCH	077-410497-500, 077-410501
517	BIG C AYUTTHAYA BRANCH	035-747152-4
518	THANON ASSUMPTION SRIRACHA BRANCH	038-338461-4, 038-338446
519	THE GOVERNMENT COMPLEX COMMEMORATING (BUILDING B) BRANCH	02-1439636-8
520	CENRAL CHAENG WATTHANA BRANCH	02-1938081-3
521	CENTRAL FESTIVAL PATTAYA BEACH BRANCH	038-043250-3
522	HARBOR MALL LAEM CHABANG BRANCH	038-493673-5
523	CENTRAL CHON BURI BRANCH	038-053601-3
524	NICHADA THANI BRANCH	02-5822669, 02-5823015-6

No.	Branch	Telephone
525	SUNEE TOWER UBONRATCHATHANI BRANCH	045-316804-5, 045-316015
526	TERMINAL 21 KORAT BRANCH	044-498561-5
527	SAHATHAI GARDENT PLAZA SURATTHANI BRANCH	077-910133-5
528	BAN CHANG BRANCH	038-603349-50
529	LAT PHRAO 101 BRANCH	02-3755553, 02-3755196, 02-3755317
530	PTT THANON KANCHANAPHISEK 2 BRANCH	02-4479050-1
531	SOI MANGKORN SAMUT PRAKAN BRANCH	02-3343334-6
532	CENTRAL PLAZA KHONKAEN BRANCH	043-288100-2
533	ENERGY COMPLEX BRANCH	02-5370130-1
534	JOMTIEN BEACH (KONGDONGTAN) BRANCH	038-059572-4
535	ODEAN FASHION MALL HATYAI BRANCH	074-223861-3
536	SAHATHAI PLAZA THUNGSONG BRANCH	075-411666, 075-411900
537	THANON BANGNA-TRAT BANGNA TOWER BRANCH	02-3120370-2
538	BIG C RAMA IV BRANCH	02-2593704-8
539	THE MALL NAKORN RATCHASIMA BRANCH	044-393457-9
540	THANON EAKKACHAI PHOJAE BRANCH	034-451636-8
541	TESCO LOTUS KAMTHIENG CHIENG MAI BRANCH	053-222873-5
542	BO BAE BRANCH	02-2820524-5, 02-2820538
543	TESCO LOTUS ARANYAPRATHET BRANCH	037-541718-20
544	ROBINSON TRANG BRANCH	075-820301-3
545	CHAMCHURI SQUARE BRANCH	02-1605240-2
546	THANON ROJANA (AYUDHYA) BRANCH	035-323597-9
547	TESCO LOTUS CHUMPHON BRANCH	077-659917-8, 077-659927
548	SEACON SQUARE BRANCH	02-1385711-3
549	CENTRAL PLAZA CHIANGRAI BRANCH	053-179712-4
550	BIG C HATYAI BRANCH	074-214570-2
551	SILOM BRANCH	02-2353950-2
552	PA PAYOM PHATTHALUNG BRANCH	074-841144-6
553	THANON MAHARAT KRABI BRANCH	075-624580-2
554	TESCO LOTUS HATYAI-NAI BRANCH	074-255098, 074-255754-5
555	TESCO LOTUS THALANG PHUKET BRANCH	076-311522-4
556	SUKHUMVIT 15 BRANCH	02-2551763-5
557	CENTRAL PLAZA PHITSANULOK BRANCH	055-338490-2

No.	Branch	Telephone
558	CENTRAL PLAZA GRAND RAMA 9 BRANCH	02-1602912-4
559	BIC G CHANTABURI BRANCH	039-436467-9
560	WANG WISET TRANG BRANCH	096-296189-91
561	THE CRYSTAL BRANCH	02-5150980-2
562	TESCO LOTUS KHLONG THOM KRABI BRANCH	075-699530-2
563	BUENG KAN BRANCH	042-491692, 042-491961, 042-491965
564	KANTHARALAK BRANCH	045-661282, 045-661812, 045-662594
565	TALAT-RANGSIT BRANCH	02-5672453-5
566	EXCHANGE TOWER BRANCH	02-2611686-8
567	TESCO LOTUS LAMTHAP KRABI BRANCH	075-702184-6
568	SATHORN SQUARE BRANCH	02-1632811-3
569	ROBINSON SUPHANBURI BRANCH	035-454366-8
570	BIG C NAKHONPATHOM BRANCH	034-272086-9
571	THAKHONYANG MAHASARAKHAM BRANCH	043-970304-6
572	CENTRAL PLAZA UDONTHANI BRANCH	042-921433-5
573	THAI LIFE INSURANCE BUILDING (RATCHADAPISEK ROAD) BRANCH	02-2460091-3
574	TESCO LOTUS KLONG NGAE BRANCH	074-241325-7
575	BIG C CHACHOENGSAO BRANCH	038-512364, 038-512365, 038-512406
576	THONGLOR (VASU BUILDING) BRANCH	02-7138453, 02-7147941, 02-7149908, 02-7138617
577	MEGA BANGNA BRANCH	02-1051530-2
578	PATPONG BRANCH	02-2336681-3
579	TESCO LOTUS CHAIYA BRANCH	077-431502-3, 077-431753
580	PURE PLACE RATCHAPHRUEK BRANCH	02-1948476-8
581	ZEER RANGSIT BRANCH	02-9927271-3
582	AYUTTHAYA PARK SHOPPING COMPLEX BRANCH	035-801221-4
583	ASAWANN SHOPPING COMPLEX NONG KHAI BRANCH	042-414131, 042-414137, 042-414142
584	CENTRAL STATION TOWER BRANCH	02-2366037-40
585	BIG C BANG PHLI BRANCH	02-3122252-3, 02-3122433-4
586	CENTRAL PLAZA SURATTHANI BRANCH	077-489802, 077-489803, 077-489804, 077-489805
587	TALAT NAKLUEA SOI 11 BRANCH	038-413723-4, 038-413741-3
588	BIG C NAKHONSAWAN 2 BRANCH	056-370746-50
589	PHANTHAINORASING BRANCH	034-872052-6
590	THANON KASIKORN THUNGSANG KHON KAEN BRANCH	043-242641-43, 043-242820-21
591	ROBINSON KANCHANABURI BRANCH	034-603410-14

No.	Branch	Telephone
592	TESCO LOTUS BANG PU BRANCH	02-3239254-8
593	CENTRAL PLAZA UBON RATCHATHANI BRANCH	045-422451-5
594	SERMTHAI COMPLEX MAHASARAKHAM BRANCH	043-970626-8, 043-970512, 043-970516
595	CENTRAL PLAZA BANG NA BRANCH	02-3995307-11
596	ROBINSON SAKON NAKHON BRANCH	042-971744-8
597	TESCO LOTUS CHIANG KHONG BRANCH	053-791185-6, 053-791203-5
598	SUEN HENG PLAZA SISAKET BRANCH	045-644171-5
599	TESCO LOTUS WIANG SA BRANCH	077-310745-8
600	TESCO LOTUS BUAYAI BRANCH	044-913733-8
601	CENTRAL FESTIVAL CHIANGMAI BRANCH	053-288755-9
602	ROBINSON SARABURI BRANCH	036-351480-4
603	CENTRAL FESTIVAL HAT YAI BRANCH	074-339913-7
604	ROBINSON SURIN BRANCH	044-042766-70
605	TESCO LOTUS NAKHON SI THAMMARAT BRANCH	075-357214-7
606	TESCO LOTUS ROJANA BRANCH	035-330479-83
607	MAHBOONKRONG CENTER BRANCH	02-6114546, 02-6114549, 02-6114663, 02-6114678
608	CENTRAL PLAZA SALAYA BRANCH	02-4296506-10
609	THANON NUANCHAN BRANCH	02-3638976-9
610	ROBINSON CHACHOENGSAO BRANCH	038-564260-4
611	ROBINSON ROI ET BRANCH	043-540779-83
612	AUTO BUSINESS BANGKAE BRANCH	02-8038000
613	AUTO BUSINESS BANGNA BRANCH	02-7773555
614	AUTO BUSINESS BIG C BANGNA BRANCH	02-7440515, 02-7440305
615	AUTO BUSINESS BANGYAI BRANCH	02-7624223
616	AUTO BUSINESS RAMINDRA BRANCH	02-9180198
617	AUTO BUSINESS NONTABURI BRANCH	02-7624224
618	AUTO BUSINESS LAKSI BRANCH	02-7624225
619	AUTO BUSINESS YAOWARAT BRANCH	02-2322999
620	AUTO BUSINESS NAKHON RATCHASIMA BRANCH	044-708555
621	AUTO BUSINESS UBON RATCHATHANI BRANCH	045-208777
622	AUTO BUSINESS SISAKET BRANCH	045-633444
623	AUTO BUSINESS HATYAI BRANCH	074-491555
624	AUTO BUSINESS SURAT THANI BRANCH	077-243555

No.	Branch	Telephone
625	AUTO BUSINESS NAKHON SI THAMMARAT BRANCH	075-365555
626	AUTO BUSINESS TRANG BRANCH	075-265555
627	AUTO BUSINESS PHUKET BRANCH	076-298555
628	AUTO BUSINESS CHONBURI BRANCH	038-295555
629	AUTO BUSINESS RAYONG BRANCH	038-953555
630	AUTO BUSINESS CHIANG MAI BRANCH	053-307555
631	AUTO BUSINESS NAKHON SAWAN BRANCH	056-321555
632	AUTO BUSINESS PHITSANULOK BRANCH	055-229555
633	AUTO BUSINESS CHIANG RAI BRANCH	053-700555
634	AUTO BUSINESS ROJET BRANCH	043-521555
635	AUTO BUSINESS UDON THANI BRANCH	042-308555
636	AUTO BUSINESS SAKON NAKHORN BRANCH	042-744300
637	AUTO BUSINESS NAKHON PATHOM BRANCH	034-362555
638	AUTO BUSINESS AYUTTHAYA BRANCH	035-714555
639	AUTO BUSINESS PRANBURI BRANCH	032-542520
640	iPLACE LIFEESCAPE GARDEN - LAEM CHABANG BRANCH	038-190119, 038-190120-4
641	ROBINSON PRACHINBURI BRANCH	037-454745-9
642	ROBINSON MUKDAHAN BRANCH	042-672419-23
643	AUTO BUSINESS SURIN BRANCH	044-539515
644	AUTO BUSINESS KRABI BRANCH	075-810250
645	AUTO BUSINESS SARABURI BRANCH	036-328555
646	AUTO BUSINESS PRACHIN BURI BRANCH	037-200734
647	AUTO BUSINESS LAMPANG BRANCH	054-377555
648	AUTO BUSINESS KAMPHAENG PHET BRANCH	055-720555
649	AUTO BUSINESS KHON KAEN BRANCH	043-367555
650	AUTO BUSINESS PHETCHABUN BRANCH	056-744199
651	AUTO BUSINESS CHUMPHON BRANCH	077-576555
652	BANGKOK SATHORN BRANCH	02-2663057-8, 02-2663071-3
653	EMQUARTIER BRANCH	02-0036540-4
654	CENTRAL PLAZA RAYONG BRANCH	038-942812-6
655	NONG PLING NAKHON SAWAN BRANCH	056-255748-52
656	BIG C PATTAYA KLANG BRANCH	038-411619-20, 038-411627, 038-411629, 038-411631
657	BIG C KALASIN BRANCH	043-810206-10
658	ROBINSON BURIRAM BRANCH	044-600737-41

No.	Branch	Telephone
659	CENTRAL PLAZA RAM INDRA BRANCH	02-5226388-92
660	INDRA-PRATUNAM BRANCH	02-2528900-4
661	CENTRAL PLAZA WESTGATE BRANCH	02-1942795-9
662	TESCO LOTUS SURATTHANI BRANCH	077-603055-60
663	KO TAO BRANCH	077-457136-40
664	MUEANG PHON BRANCH	043-415114-8
665	THE MALL THA PRA BRANCH	02-4777204-8
666	AEON SIRACHA SHOPPING CENTER BRANCH	038-312232-3, 038-312277-9
667	FUTURE PARK RANGSIT 2	02-5676091-5
668	BIG C SUKHAPHIBAN 3 BRANCH	02-9163504-8
669	ROBINSON SI SAMAN BRANCH	02-5015778-82
670	PHANG KHON BRANCH	042-771628, 927, 042-772038, 051, 061
671	THE PROMENADE BRANCH	02-1304201, 02-1304231, 02-1304257, 02-1304275-6
672	ROBINSON MAE SOT BRANCH	055-530420-4
673	BIG C LOP BURI BRANCH	036-784403, 036-784406, 036-784422-4
674	KUMPHAWAPI BRANCH	042-334828-30, 042-344775-776
675	BIG C NAKHONSAWAN (V-SQUARE) BRANCH	056-233036-40
676	TESCO LOTUS PAKCHONG BRANCH	044-929411-2, 044-929471-3
677	BIG C KRANUAN BRANCH	043-25160-4
678	BIG C UBON RATCHATHANI BRANCH	045-314352-6
679	AMATA NAKORN INDUSTRIAL ESTATE CHON BURI BRANCH	038-213238-42
680	BIG C LAMPHUN BRANCH	053-581856, 053-581865, 053-581900, 053-581902-3
681	TESCO LOTUS RAMA III BRANCH	02-2943384-7, 02-2943391
682	THANON PRACHA UTHIT (BIG C PRACHA UTHIT) BRANCH	02-4638371-5
683	CENTRAL PLAZA NAKHON SI THAMMARAT BRANCH	075-392813-7
684	TESCO LOTUS SRINAKARIN BRANCH	02-1380507, 02-1380510-3
685	ROBINSON CHANTABURI BRANCH	039-460271-5
686	TESCO LOTUS NAVANAKORN BRANCH	02-5203356-9, 02-5203362
687	BIG C SUKSAWAT BRANCH	02-4639060-4
688	TALAT RONG KLUEA BRANCH	037-247270-4
689	PHRA PATHOM CHEDI BRANCH	034-270125-9
690	ROBINSON RATCHABURI BRANCH	032-322543-7
691	TESCO LOTUS LAT PHRAO BRANCH	02-0334991-5
692	CENTRAL PLAZA MARINA BRANCH	038-197316-20
693	MAE JO BRANCH	053-354530, 053-354532-5
694	DAN NOK-SADAO BRANCH	074-557251-5
695	TESCO LOTUS PRACHACHUEN BRANCH	02-5868722-5

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